

CITY OF SPRINGFIELD, MA

SUBSTANTIAL AMENDMENT #6

CDBG CARES ACT SUPPLEMENTAL FUNDS - ACTION PLAN 2019-2020

Jurisdiction(s): Springfield, MA	Contact Person: Cathy Buono Office of Community Development Address: 1600 East Columbus Ave Springfield, MA 01103 Telephone: (413) 787-6082 Email: cbuono@springfieldcityhall.com
Jurisdiction Web Address: www.springfield-ma.gov/planning/index.php?id=community-development	

The coronavirus pandemic and the associated public health orders have economically pummeled Springfield’s small businesses, causing steep drops in gross revenue which in turn has negatively impacted many low to moderate income jobs, with many such positions being either eliminated or furloughed particularly in the retail, restaurant and beauty sectors. The associated economic pain has disproportionately fallen on small businesses that are minority or women owned with gross revenues under \$500,000. These businesses are the core of our Main Street and neighborhood commercial centers and currently only one in three are fully operational.

The City of Springfield is attempting to respond swiftly and decisively by investing directly in our most vulnerable small businesses and doing everything possible we can to keep them operational under the existing public health orders, or ensure that they remain sustainable to ultimately reopen when these orders are lifted. However, it is recognized that our resources are insufficient to address the level of need that currently exists.

This Substantial Amendment #6 reallocates funding from the CDBG CARES ACT SUPPLEMENTAL FUNDS - ACTION PLAN 2019-2020 Substantial Amendment #4 to assist commercial businesses which serve areas of the city that qualify as low and moderate income areas (570.208(a)(1)).

Change #1: Reallocate funding:

The City will reallocate the supplemental CDBG-CV funds as follows:

	Supplemental Amount	Adjustment	Revised Supplemental Budget
Administration	\$460,358.00	(200,000.00)	\$260,358.00
Public Service	\$1,291,435.00	(500,000.00)	\$791,435.00
Economic Development	<u>\$550,000.00</u>	<u>700,000.00</u>	<u>\$1,250,000.00</u>
Total	\$2,301,793.00	\$0.00	\$2,301,793.00

Activity 4: Economic Development

- Commercial Business Support Program
- Funding: \$700,000.00

Commercial Business Support Program

The City of Springfield is allocating \$700,000.00 of CDBG-CV funding for Direct Financial Assistance to commercial businesses that serve low to moderate income neighborhoods. The program will take into account both the financial needs of the business and the public benefit that the business provides to the surrounding neighborhood. Such public benefit could include but not be limited to tax revenue, direct or indirect creation of jobs, neighborhood economic stabilization, opportunity zone or the Neighborhood Revitalization Strategy Areas (NRSA) economic investment. Businesses will be required to provide evidence of expenditures as backup documentation and no funding will be released without a documented receipt, encumbrance or contract.

Eligible Applicants: Commercial businesses that have been located in the City of Springfield for more than two years and serve neighborhoods that qualify as low to moderate income. Priority will be given to businesses that are;

1. Women and or minority owned
2. Under \$500,000 in gross revenue
3. Located in the (NRSA) or Opportunity Zone
4. Able to evidence significant neighborhood public benefit

Criteria Selection: Funding assistance will be individually reviewed on a rolling basis based on the criteria stated above.

Geographic Area: Any defined area of the City of Springfield that qualifies as a low and moderate income area.

Eligibility: 24 C.F.R. § 570.208(a)(1)

National Objective: Low/ Mod Objective

Outcome: Retention of ten (10) or more businesses which serve areas qualifying as a low and moderate income area

State Date: August 18, 2020 **End Date:** June 30, 2021

The supplemental award allows reimbursement of costs of eligible activities incurred regardless of the date to prevent, prepare for, or respond to coronavirus.

The CARES Act provides that the City must follow our existing requirements for development of this substantial amendment to our action plan that describes the amount of funding in the supplemental allocation and the planned use of funds. However, that the 30-day minimum for the required public comment period is waived for this substantial amendment; instead, the City must provide no less than five (5) days for public comment on the substantial amendment.

Citizen Participation: The amendment was published as follows:

- Publication on the City’s website.
- Publication on the City’s social media platforms, including Facebook and Twitter.
- A comment period for the required five days from August 12, 2020 – August 17, 2020.
- A virtual Facebook live hearing was held on Friday, August 14, 2020 at 1:00pm and virtual comments submitted by the public throughout the duration of the hearing. Spanish-speaking staff were present and available for translation at the hearing. Presenters informed participants that accommodations for disabilities would be provided upon request.
- Submission of comments were allowed as follows:
 - Electronically on the City’s CDBG website at www.springfield-ma.gov/planning/index.php?id=community-development
 - Written comments mailed to the Office of Community Development, 1600 East Columbus Avenue, Springfield, MA 01103
 - Via email to cbuono@springfieldcityhall.com
 - By telephone contacting 311, the City of Springfield’s main source of government information and non-emergency services or the Office of Community Development at (413) 787-6082.
- Virtual comments in response to the posted amendment through the City’s social media platforms, including Facebook and Twitter.

The Facebook live hearing was held on August 14, 2020: 1,091 people were reached with 489 views, and 0 shares. The City did not received any comments.