

CITY OF NAPERVILLE
Steve Chirico, Mayor

CITY CLERK'S OFFICE

2019 ANNUAL
ACTION PLAN
(YEAR 5)
CDBG-CV
SUBSTANTIAL
AMENDMENT



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Executive Summary

AP-05 Executive Summary - 91.200(c), 91.220(b)

1. Introduction

The City of Naperville is a Community Development Block Grant (CDBG) entitlement community as defined by Title I of the Housing and Community Development Act of 1974. Naperville receives an annual block grant that can be used to address critical and unmet community needs, including housing rehabilitation, public facilities, infrastructure, economic development and public services.

On March 27, 2020, President Trump signed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Public Law 116-136. The CARES Act allocated \$5 billion in supplemental Community Development Block Grant (CDBG) funds to prevent, prepare for, and respond to the coronavirus (COVID-19) pandemic. Of the \$5 billion, the U.S. Department of Housing and Urban Development (HUD) allocated \$2 billion directly to entitlement communities. These supplemental funds are referred to as CDBG-CV funds.

The City of Naperville's CDBG-CV allocation is **\$315,985**. In addition to the CDBG-CV funds, Naperville has **\$81,000** in Program Year (PY) 2019 entitlement funds available for reprogramming from two projects that requested cancellation. This gives the City a total of **\$396,985** to use to alleviate the effects of the public health crisis.

2. Summarize the objectives and outcomes identified in the Plan

The Substantial Amendment aims primarily to address the needs of low- and moderate-income Naperville residents and to mitigate the negative effects of the COVID-19 public health crisis on the community. The City's primary goal is to support basic needs – housing and food security, with an emphasis on vulnerable citizens – seniors, people with disabilities, and people who may have lost employment or income due to the pandemic. Funds will be used to support a variety of public services, enabled by the elimination of the 15 percent public service funding cap. Programs to be funded are summarized below:

- **Public Services:** Program assistance to individuals, households and businesses
 \$ 50,000 ***Shelter:*** Up to 3 months of rent/mortgage/utility assistance to households
 \$ 50,000 ***Shelter:*** Motel/hotel expenses for domestic violence and homeless persons
 \$ 60,000 ***Food:*** Meal preparation and delivery to seniors and people with disabilities
 \$ 75,000 ***Other Public Services:*** Employment, mental health, childcare, etc.
- **Economic Development:** Assistance to small businesses
 \$100,000 ***Small Business Assistance:*** Assistance to enable job creation/retention
- **Public Facilities:** Assistance to nonprofits for capital improvements and costs associated with preventing, preparing for and responding the impacts of COVID-19
 \$ 60,000 ***Housing/Services:*** Assistance to group homes/CILA's, transitional housing, etc.
- **Planning/Administration:** Additional Costs for planning/program administration
 \$ 1,985 ***CDBG-CV Program Administration:*** Increased program administration costs

3. Evaluation of past performance

Naperville has a large nonprofit social service community with experience in providing public services to Naperville residents. Several agencies have extensive experience as CDBG grantees or grantees receiving local funding from the City of Naperville. Collectively these agencies provide services to hundreds of Naperville residents each year.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

To prepare the Amendment, staff consulted with a over 30 nonprofit agencies and government departments to gain an understanding of community needs in response to COVID-19. Organizations consulted included nonprofit agencies that previously received Naperville CDBG and Social Services Grants (SSG); local economic development organizations, City commissions and task forces, City departments, other entitlement communities, HUD and City Council.

The Citizen Participation Process is conducted according to public participation policies and procedures detailed in the City's Citizen Participation Plan. The Plan was amended to allow for virtual public hearings and expedited procedures allowed by HUD to speed the delivery of CDBG-CV funds. A public comment period for the PY 2019 CDBG-CV Substantial Amendment will begin on July 16, 2020 and will conclude on July 21, 2020 with a public hearing at the July 21st City Council meeting..

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

TBD.

6. Summary of comments or views not accepted and the reasons for not accepting them

TBD.

7. Summary

Since requests for funding always outstrip available resources, the City strives to allocate funds to the highest priority projects that make the most cost-efficient use of these limited funds. We note the concern for affordable housing and for housing for senior and disabled residents. The City will use the proposed Housing Needs Analysis/Affordable Housing Plan to provide direction for future efforts to encourage the preservation and development of affordable housing options.

AP-12 Participation - 91.401, 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

A public comment period on the draft PY 2019 CDBG-CV Substantial Amendment will begin Thursday, July 16 and will end Tuesday, July 21, 2020 with a public hearing at the July 21st City Council meeting. A notice announcing the public comment period and public hearing for the Substantial Amendment will be published in the Naperville Sun on Wednesday, July 16, 2020. The notice included the date, time and location of the public hearing, dates of the public comment period, public review locations and information on how to submit comments. The Substantial Amendment was available at the Naperville Municipal Center, at three Naperville public library locations and on the City's website beginning Thursday, July 16, 2020. releases to local media outlets.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Comment Period	Non-targeted/broad community	Substantial Amendment Public Comment Period - The public comment period will take place from July 16, 2020 to July 21, 2020. The AAP was posted on the City's website and hard copies were available at the City Clerk's Office and Naperville public libraries.	TBD	TBD	
2	Public Hearing	Non-targeted/broad community	Substantial Amendment Public Hearing - The public hearing will take place on July 21, 2020 at the regularly scheduled City Council meeting.	No public comments were received.	No comments were not accepted.	

Table 1 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources - 91.420(b), 91.220(c)(1,2)

Introduction

On April 2, 2020, the City of Naperville received official notification from the U.S. Department of Housing and Urban Development that it would receive a special allocation of CDBG funds in the amount of \$315,985. These funds were authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) to prevent, prepare for and respond to the COVID-19 pandemic. In addition, the City will reprogram \$81,000 in regular CDBG entitlement funds originally awarded to projects that will be cancelled at the request of the subrecipients.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Public Services/Economic Development/Public Facilities/Planning and Administration	81,000	0	0	81,000	0	Reprogrammed PY 2019 funds
CDBG-CV	Public-federal	Public Services/Economic Development/Public Facilities/Planning and Administration	315,985	0	0	315,985	0	CDBG-CV funds Total CDBG-CV funding is \$396,985

Table 2 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

CDBG-CV funding may be leveraged with other private, state and local funds, so long as the combinations of funding do not result in a duplication of benefits.

Discussion

N/A.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Public Services	2019	2022	Non-Homeless Special Needs/Homeless	City of Naperville	Non-Homeless Special Needs/Homeless	CDBG: \$235,000	Support for organizations providing emergency financial assistance, temporary housing for homeless persons and victims of domestic violence, food assistance, and other public services. Estimated number receiving assistance: 1,500 persons
2	Economic Development	2019	2022	Non-Housing Community Development	City of Naperville	Non-Housing Community Development	CDBG: \$100,000	Economic development activities to assist businesses to create and retain jobs. Estimated number receiving assistance: 20 businesses
3	Public Facilities	2019	2022	Public Facilities	City of Naperville	Special Needs Housing/Homeless Housing/Non-housing Special Needs	CDBG: \$60,000	Public facility improvements for facilities providing housing and/or services to persons with special needs and homeless persons. Estimated number receiving assistance: 40 households

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Planning and Administration	2019	2022	Planning and Administration	City of Naperville	Planning and Administration	CDBG: \$1,985	Administer CDBG-CV program.

Table 3 – Goals Summary

AP-35 Projects - 91.420, 91.220(d)

Introduction

The City of Naperville's CDBG-CV projects are described below:

#	Project Name
1	CDBG-CV Public Services
2	CDBG-CV Economic Development
3	CDBG-CV Public Facilities
4	CDBG-CV Planning and Administration

Table 4 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The allocation priorities respond to quantifiable increases in need due to the effects of the COVID-19 pandemic. Funds will be used primarily to benefit low- and moderate-income individuals, households and organizations providing housing and services to homeless persons and persons with special needs. Funds will also be used to support businesses that have been negatively impacted by shutdowns and sanitation and social distancing requirements. Funding will assist them to hire and retain employees. Projects to be funded will include the following:

Public Services:

- **Rent, Mortgage and Utility Assistance: \$50,000.** Funds may be used to provide up to 3 months of assistance to a prevent homelessness by paying rent, mortgage and utility arrears for persons that have become unemployed/underemployed due to COVID-19.
- **Hotel/Motel and Other Temporary Housing Expenses: \$50,000.** Will primarily assist organizations serving homeless persons and victims of domestic violence who are unable to provide shelter-based housing do to COVID-19.
- **Food Assistance: \$60,000.** Assistance to organizations to provide Meals-On-Wheels, food preparation and delivery/pick-up programs for seniors, persons with disabilities and persons with health conditions
- **Other Public Services: \$75,000.** Assistance to organizations providing other services facing increased demand due to COVID-19: job counseling/training, mental health/substance abuse counseling, childcare, etc.

Economic Development:

- **Small Business Assistance: \$100,000.** Assistance to small businesses by providing short-term assistance with capital expenses to avoid loss of jobs.

Public Facilities:

- **Housing and Services for Persons with Special Needs: \$60,000.** Support to organizations providing housing or services in group homes/CILA's, transitional housing or handicapped centers. Funds can be used to improve living conditions and reduce operating costs through capital improvements.

Planning and Administration:

- **Administrative Costs: \$1,985.** Subsidize additional administrative costs due to increased funding.

AP-38 Project Summary

Project Summary Information

1	Project Name	Public Services: Rent, Mortgage and Utility Assistance
	Target Area	City of Naperville
	Goals Supported	Homelessness Prevention
	Needs Addressed	Non-Homeless Households
	Funding	CDBG: \$50,000
	Description	Up to 3 months of assistance to a prevent homelessness by paying rent, mortgage and utility arrears for persons that have become unemployed/underemployed due to COVID-19.
	Target Date	9/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 100 people or 35 households.
	Location Description	TBD
	Planned Activities	Provide rent, mortgage and/or utility assistance.
2	Project Name	Public Services: Hotel/Motel and Other Temporary Housing Expenses
	Target Area	City of Naperville
	Goals Supported	Homeless Housing and Supportive Services
	Needs Addressed	Homeless Individuals and Families
	Funding	CDBG: \$50,000
	Description	Will primarily assist organizations serving homeless persons and victims of domestic violence who are unable to provide shelter-based housing do to COVID-19.
	Target Date	9/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 10 individuals or households.

	Location Description	TBD
	Planned Activities	Provide hotel/motel expenses.
3	Project Name	Food Assistance
	Target Area	City of Naperville
	Goals Supported	Non-Housing Special Needs
	Needs Addressed	Non-Housing Special Needs
	Funding	CDBG: \$60,000
	Description	Assistance to organizations to provide Meals-On-Wheels, food preparation and delivery/pick-up programs for seniors, persons with disabilities and persons with health conditions
	Target Date	9/30/22
	Estimate the number and type of families that will benefit from the proposed activities	1,000 people.
	Location Description	TBD
	Planned Activities	Prepare and deliver meals.
4	Project Name	Public Services: Other
	Target Area	City of Naperville
	Goals Supported	Low- and Moderate-Income Persons
	Needs Addressed	Non-Housing Community Development
	Funding	CDBG: \$75,000
	Description	Assistance to organizations providing other services facing increased demand due to COVID-19: job counseling/training, mental health/substance abuse counseling, childcare, etc.
	Target Date	9/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	100 individuals.
	Location Description	TBD

	Planned Activities	Provide supportive services to residents.
5	Project Name	Small Business Assistance
	Target Area	City of Naperville
	Goals Supported	Economic Development
	Needs Addressed	Economic Development
	Funding	CDBG: \$100,000
	Description	Assistance to small businesses by providing short-term assistance with capital expenses to avoid loss of jobs.
	Target Date	9/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 20 businesses.
	Location Description	TBD
	Planned Activities	Provide short-term assistance with capital expenses to avoid loss of jobs.
6	Project Name	Public Facilities: Housing and Services for Persons with Special Needs
	Target Area	City of Naperville
	Goals Supported	Special Needs Housing and Supportive Services
	Needs Addressed	Housing
	Funding	CDBG: \$60,000
	Description	Support to organizations providing housing or services in group homes/CILA's, transitional housing or handicapped centers. Funds can be used to improve living conditions and reduce operating costs through capital improvements.
	Target Date	9/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 35 households.
	Location Description	TBD

	Planned Activities	improve living conditions and reduce operating costs through capital improvements
7	Project Name	Planning and Administration
	Target Area	City of Naperville
	Goals Supported	N/A
	Needs Addressed	Planning and Administration
	Funding	CDBG: \$1,985
	Description	A total of \$60,000 in CDBG funds will be used to provide Homelessness Prevention/Emergency Assistance Program for individuals and families at high risk of homelessness. Provides emergency financial assistance to cover rent, mortgage, and utility payments. Agency work with clients to connect them to other resources.
	Target Date	9/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	Naperville Municipal Center, 400 S. Eagle Street, Naperville, IL 60540
	Planned Activities	Subsidize additional administrative costs due to increased funding.

AP-50 Geographic Distribution - 91.420, 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

At this time, all CDBG-CV and reprogrammed funds are expected to be available city-wide to residents, businesses and agencies that meet income-eligibility requirements or have an urgent need. The City may consider expenditures in low- and moderate-income concentration areas if a particular need is found in a given area.

Geographic Distribution

Target Area	Percentage of Funds
City of Naperville	100

Table 5 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

N/A.

Discussion

N/A.

Program Specific Requirements

AP-90 Program Specific Requirements - 91.420, 91.220(I)(1,2,4)

Introduction

This section reports on Naperville's expected Program Income for Program Year 2019, the amount of funds that will be used for urgent needs and on the percentage of CDBG funds that will be used to benefit low- and moderate-income residents.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	30.0%
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	70.0%

Discussion

A maximum of 30.0% of the City's CDBG-CV funds will be spent on Urgent Need activities that may not be targeted towards low- and moderate-income or may not require income verification. A minimum of 70.0% of funds will be expended to assist low- and moderate-income residents. These percentages will be determined based on aggregate expenditures for program years 2017, 2018 and 2019, per the City's CDBG Certification submitted in PY 2017.