



City of Bethlehem Memorandum

TO: J. William Reynolds, Chairman, Finance Committee
FROM: Mark W. Sivak, Director of Budget & Finance *mws*
DATE: April 13, 2020
SUBJECT: Finance Committee – CDBG Adjustments

The following are adjustments requested to the CDBG Fund based on additional CARES Act funding. A memo explaining the adjustments is attached for review. The adjustments will amend the total CDBG Fund budget from \$4,640,895 to \$5,437,757.

REVENUE

<u>Account #</u>	<u>Account Title</u>	<u>From</u>	<u>To</u>	<u>Change</u>
009A-36601	CARES COVID-19 CDBG-CV	\$ -0-	\$796,862	\$796,862

APPROPRIATION

<u>Account #</u>	<u>Account Title</u>	<u>From</u>	<u>To</u>	<u>Change</u>
009A-94003	CARES COVID-19 CDBG-CV	\$ -0-	\$796,862	\$796,862



ASSISTANT SECRETARY FOR
COMMUNITY PLANNING AND DEVELOPMENT

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

April 2, 2020

The Honorable Robert Donchez
Mayor of Bethlehem
10 E Church Street
Bethlehem, PA 18018-6028

Dear Mayor Donchez:

I am pleased to inform you of a special allocation to your jurisdiction of Community Development Block Grant funds to be used to prevent, prepare for, and respond to the coronavirus (COVID-19). This allocation was authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, which was signed by President Trump on March 27, 2020, to respond to the growing effects of this historic public health crisis.

The CARES Act made available \$5 billion in Community Development Block Grant Coronavirus (CDBG-CV) funds. Of this amount, the Department is immediately allocating \$2 billion based on the fiscal year 2020 CDBG formula. The remaining \$3 billion shall be allocated based on needs using best available data, in the following tranches: \$1 billion shall be allocated to States and insular areas within 45 days of enactment of the CARES Act, and \$2 billion shall be distributed to states and local governments at the discretion of the Secretary. Up to \$10 million will be set aside for technical assistance. Given the immediate needs faced by our communities, the Department has announced the first allocation of funds. Your jurisdiction's allocation is \$796,862.

The CARES Act adds additional flexibility for both the CDBG-CV grant and, in some cases, for the annual FY2020 CDBG grants in these unprecedented times. The public comment period is reduced to not less than 5 days, grantees may use virtual public hearings when necessary for public health reasons, the public services cap is suspended during the emergency, and States and local governments may reimburse costs of eligible activities incurred for pandemic response regardless of the date.

In addition, the CARES Act authorizes the Secretary to grant waivers and alternative requirements of statutes and regulations the Secretary administers in connection with the use of CDBG-CV funds and fiscal year 2019 and 2020 CDBG funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). Waivers and alternative requirements can be granted when necessary to expedite and facilitate the use of funds to prevent, prepare for, and respond to coronavirus.

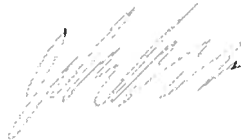
The Department is developing a notice that will further describes the CARES Act's provisions, a Quick Guide to the CARES Act flexibilities and other provisions, and other resources to enable swift implementation of CDBG-CV grants. As these become available, they will be

posted on HUD's website and distributed to grantees. The Department will also support grantees with technical assistance.

As you develop your plan for the use of these grant funds, we encourage you to consider approaches that prioritize the unique needs of low- and moderate-income persons and the development of partnerships between all levels of government and the private for-profit and non-profit sectors. You should coordinate with state and local health authorities before undertaking any activity to support state or local pandemic response. CDBG-CV grants will be subject to oversight, reporting, and requirements that each grantee have adequate procedures to prevent the duplication of benefits. HUD will provide guidance and technical assistance on DOB and regarding prevention of fraud, waste, and abuse and documenting the impact of this program for beneficiaries.

The Office of Community Planning and Development (CPD) is looking forward to working with you to successfully meet the urgent and complex challenges faced by our communities. If you or any member of your staff has questions, please contact your local CPD Field Office Director or CPDQuestionsAnswered@hud.gov.

Sincerely,

A handwritten signature in dark ink, appearing to read 'John Gibbs', is positioned above the typed name.

John Gibbs
Acting Assistant Secretary
for Community Planning and Development
U.S. Department of Housing and Urban Development

CITY OF BETHLEHEM

Department of Community and Economic Development

Interoffice Memo

SUBJECT: City of Bethlehem CARES CDBG Allocation-COVID-19

TO: Mark Sivak, Director of Budget & Finance

FROM: Tiffany Wismer-DCED Business Manager

DATE: April, 8 2020

Bethlehem received a CDBG allocation from the US Department of Housing and Urban Development to be used to prevent, prepare for, and respond to the coronavirus outbreak. This allocation was authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES). The grant is in the amount of \$796,862.00.

Projected revenue and expenses associated with this grant were not included in the 2020 Budget. It is our recommendation that the following budget adjustments be considered for approval.

Revenue

009A-36601 (CD Block Grant-CV)

\$796,862-Bethlehem CARES

Expense

New Account (CDBG)

\$796,862-CARES-COVID-19

Please place this request on the next available Finance Committee agenda. Let me know if you need any additional information to process this request.

CC: Mayor Donchez
A. Karner
M. Dorner

ORDINANCE NO. 2020-

AN ORDINANCE OF THE CITY OF BETHLEHEM,
COUNTIES OF LEHIGH AND NORTHAMPTON,
COMMONWEALTH OF PENNSYLVANIA, AMENDING
THE 2020 COMMUNITY DEVELOPMENT BLOCK GRANT
BUDGET

THE COUNCIL OF THE CITY OF BETHLEHEM HEREBY ORDAINS:

SECTION 1. That total appropriations in the 2020 Community Development Block Grant Budget be increased from Four Million, Six Hundred Forty Thousand, Eight Hundred Ninety-Five (\$4,640,895) Dollars to Five Million, Four Hundred Thirty-Seven Thousand, Seven Hundred Fifty-Seven (\$5,437,757) Dollars.

SECTION 2. That the following allocations be changed:

<u>Account #</u>	<u>Account Title</u>	<u>From</u>	<u>To</u>
009A-94003	CARES COVID-19 CDBG-CV	\$-0-	\$796,862

SECTION 3. That the following sources of revenue be changed:

<u>Account #</u>	<u>Account Title</u>	<u>From</u>	<u>To</u>
009A-36601	CARES COVID-19 CDBG-CV	\$-0-	\$796,862

SECTION 4. All Ordinances and parts of Ordinances inconsistent herewith be, and the same are hereby repealed.

Sponsored by: /s/ _____

/s/ _____

PASSED finally in Council on this day of , 2020.

/s/ _____
President of Council

ATTEST:

/s/ _____
City Clerk

This Ordinance approved this this day of , 2020.

/s/ _____
Mayor