

State of Tennessee

2019-20 Annual Action Plan

Substantial Amendment: CDBG-CV Funding

Summary

In December 2019, a new coronavirus known as SARS-CoV-2 was first detected in Wuhan, Hubei Province, People's Republic of China, causing outbreaks of the coronavirus disease COVID-19 that spread globally. The first case was reported in the United States in January 2020. In March 2020, the World Health Organization declared the coronavirus outbreak a pandemic, and President Trump declared the outbreak a national emergency. The majority of states also declared states of emergency with most shutting down large gathering places and limiting the movement of their residents. Although President Biden has now ended the emergency declaration for the COVID-19 pandemic, states continue to use special funding allocated during this period to respond to the pandemic's long-term impacts. Details about proposed activities for this funding are included throughout this amendment document.

Community Development Block Grant (CDBG) Program, administered by the Tennessee Department of Economic and Community Development (ECD), total COVID-19 allocation: \$53,248,623*

- CDBG-CV1 - \$16,813,334
- CDBG-CV2 - \$18,108,488
- CDBG-CV3 - \$18,326,801

*Note: CDBG-CV1, CDBG-CV2, and CDBG-CV3 funds were previously awarded and allocated to goals in prior amendments.

After reviewing current programs and allocations, TNECD proposes redistributing \$15,587,000 of previous CDBG-CV funding to different goals to meet the needs that emerged throughout the COVID-19 pandemic. \$5,587,000 of CDBG-CV funding originally was allocated to the goal of business support. However, there was little interest in the Business Assistance program. \$10,000,000 of CDBG-CV funding originally was allocated to the goal of increasing broadband internet access. Since the initial approval of the action plan, however, the State of Tennessee has allocated \$500 million in American Rescue Plan (ARP) funding to this effort, eliminating interest in the Broadband Expansion and Internet Access for PHAs program. As a result, this amendment will shift \$15,587,000 of funding away from the goals of business support and broadband access to a new goal of improving park facilities and open space, as well as allocating some additional funding to the existing goals of addressing food insecurity and childcare assistance. Requests for improvements to park facilities and open spaces grew substantially under the CDBG formula program throughout the pandemic, and this amendment allocates \$9,500,000 (of the \$15,587,000 of CDBG-CV funding) to this goal. The Child Care Assistance and the Addressing Food Insecurity programs also have received much interest, and this amendment allocates \$3,000,000 and \$3,087,000 respectively (of the \$15,587,000 of CDBG-CV funding) to these goals in addition to the funding previously allocated. Please see section AP-20 and AP-25 for more details.

CDBG continues to receive guidance on an ongoing basis to efficiently and effectively implement funding. Waivers, if applicable, may be posted to the HUD exchange (<https://www.hudexchange.info/>) or included in applicable Federal Register notices, or interested parties may contact the Tennessee Department of Economic and Community Development (ECD) for current updates or research@thda.org for information on how the Tennessee Consolidated Planning programs are utilizing waivers.