



THE PRINCE GEORGE'S COUNTY GOVERNMENT

Office of Audits and Investigations

April 7, 2021

MEMORANDUM

TO: Robert J. Williams, Jr.
Council Administrator

William M. Hunt
Deputy Council Administrator

THRU: Josh Hamlin 
Senior Legislative Budget and Policy Analyst

FROM: Warren E. Burris, Sr. 
Senior Legislative Budget and Policy Analyst

RE: Policy Analysis and Fiscal Impact Note
CR-024-2021 FY 2020 Annual Action Plan Amendment

CR-024-2021 (*proposed by:* Council Chair Hawkins by Request of the County Executive)

Assigned to Committee of the Whole (COW)

A RESOLUTION CONCERNING THE FISCAL YEAR ("FY") 2020 ANNUAL ACTION PLAN FOR HOUSING AND COMMUNITY DEVELOPMENT for the purpose of amending the Prince George's County Fiscal Year ("FY") 2020 Annual Action Plan for Housing and Community Development by adding eligible Community Development Block Grant (CDBG) activities not originally funded or described in the FY 2020 Annual Action Plan.

Fiscal Summary

Direct Impact:

Expenditures: Increased expenditures of \$4,086,220 in federal grant funds.

Revenues: Increased revenues of \$4,086,220 in federal grant funds.

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Indirect Impact:

Likely Positive

Legislative Summary:

CR-024-2021, proposed by the County Executive and sponsored by Councilmembers Hawkins, Turner, Anderson-Walker, Harrison, Davis, Franklin and Streeter, was introduced on March 16, 2021 and referred to the Committee of the Whole.

Current Law/Background:

The federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and the US Department of Housing & Urban Development (HUD) awarded billions of CDBG Coronavirus (CDBG-CV) funds to the state CDBG and local governments to address the resource needs caused by the nationwide Coronavirus pandemic. There were three rounds of COVID-CV funding distributed by the federal government.

The County's Department of Housing and Community Development (DHCD) has received an additional \$4,086,220 in COVID-CV Round 3 funding to address the needs of the residents as a result of the pandemic and public emergency. Whereas the availability of these funds was not previously known nor anticipated, the DHCD must amend its Annual Action Plan to the Community Development Block Grant by adding program activities not originally funded or described in its FY 2020 Annual Action Plan.

In accordance with 24 CFR § 91.505, and pursuant to Prince George's County Code Section 15A-107, the when amending its approved Consolidated Plan, CR-047-2020, DHCD must complete a Substantial Amendment that has to be approved by HUD. The jurisdiction shall amend its approved plan whenever it makes one of the following decisions:

- To make a change in its allocation priorities or a change in the method of distribution of funds;
- The addition of an eligible activity not originally funded or described in the Annual Action Plan; or
- A change in the location, description, regulatory reference, national objective citation, and status of an eligible activity originally described in the Annual Action Plan; or
- A change in the use of CDBG, HOME, Program Income, or ESG funds, exceeding \$250,000 from one existing activity to another existing eligible activity in any category within applicable program.

Therefore, the FY 2020 Annual Action Plan of the five-year Consolidated Plan must be amended to include proposed activities for the CDBG-CV Round 3 (CDBG-CV3) funds received by DHCD that were not previously discussed or described in the Annual Action Plan.

Resource Personnel:

DHCD Staff
Council Administration

Discussion/Policy Analysis:

The funding recommendations summary is attached to the Resolution as Attachment A. The recommendations include twelve (12) activities recommended for CDBG-CV3 funding totaling \$3,906,220.00. Also included in the recommendation is \$180,000 in funding for DHCD administrative support. This funding would support: primary health care for low income, uninsured adults and children; tenant and homeowner assistance including foreclosure and eviction prevention and tenant and homeowner representation; and emergency food pantries and distribution (see Attachment A pages 3-4).

- *Potential Benefits of Adopting CR-024-2021*

Adoption of CR-024-2020 would provide assistance and resources needed to address concerns from the COVID-19 pandemic. COVID-19 is a national pandemic that caused a disturbance in the County and residents' ability to go about normal work and daily activities. Many residents were not allowed the opportunity to work due to the public emergency caused by the pandemic.

- *Potential Costs of adopting CR-024-2021*

Adoption of CR-024-2021 would represent an expenditure of revenues received from the federal government in the amount of \$4,086,220 in CDBG-CV funds to address the public health emergency caused by the pandemic. As these funds were just granted to the Department, the activities thereby were not planned for in the original FY 2020 Action Plan.

Fiscal Impact:

Direct Impact

Adoption of CR-024-2021 would have offsetting impacts on revenue and expenditures as it represents an increase of \$4,086,220 in Department spending, funded by an equivalent amount of federal CDBG-CV3 funds, to address concerns caused by the public emergency.

Indirect Impact

Adoption of CR-024-201 may have a positive indirect fiscal impact through community resources and services to residents and businesses impacted by the public emergency.

Appropriated in the Current Fiscal Year Budget

No

Effective Date of Proposed Legislation:

The Resolution shall become effective as of the date of its adoption.

If you require additional information, or have questions about this fiscal impact statement, please reach me via phone or email.