



# Commonwealth of Massachusetts

## DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT

Charles D. Baker, Governor ♦ Karyn E. Polito, Lt. Governor ♦ Jennifer D. Maddox, Undersecretary

### CDBG One-Year Action Plan FFY 2021 Final Changes

The Department of Housing and Community Development (DHCD) has contemplated several changes to the MA CDBG program for FFY 2021. DHCD proposed the changes in order to address delays in the implementation of prior year programs due to impacts from the COVID-19 pandemic and other circumstances. A public input process was conducted including a public meeting and acceptance of written comments.

As a result of this process and consideration of all comments, DHCD will make the following changes to the CDBG program for FFY 2021:

- DHCD will make an application available for FFY 2021 only and will not combine it with FFY 2022.
- DHCD's anticipated time line for the FFY 2021 Program is to issue an application in early June 2021 with a due date in early September 2021. Exact dates will be included in the draft FFY 2021 CDBG One-Year Action Plan when it is posted.
- DHCD intends to have FFY 2021 grant awards in place for a program year that commences on January 1, 2022 and has an 18 month implementation period ending on June 30, 2023.
- DHCD will consider maintaining this timeline for future grant years.

#### TIMELY EXPENDITURE:

Mass CDBG requires that all applicants – including lead applicants and joint participants – who have received grants comply with a timely expenditure threshold. In order to apply for FFY 2021 CDBG<sup>1</sup> funding, a community must demonstrate, using the most recent financial status report produced by DHCD's grant management system, at the time of application that 100% of all grant funds awarded for FFY year 2018 and earlier have been fully expended; 70% of funds awarded for FFY 2019 have been expended and all required procedural clearances (environmental review, special conditions and administrative services procurement(s)) have been completed at the time of an application for FFY 2020 funds. On a case-by-case basis, DHCD reserves the right to waive strict compliance with this threshold for events beyond the control of grantees.

All lead applicants and participating applicants must meet this standard at the time of application for all MA CDBG components. Communities that do not meet this threshold will be eliminated from further MA CDBG funding consideration. *Active grants* include those for which project activities have yet to be completed and payments are outstanding. *Unexpended CDBG funds* are defined as funds awarded for eligible Massachusetts CDBG program costs but not expended.

A Mini Entitlement community that cannot meet this threshold may have its award amount reduced based on defined grant limitations.

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<sup>1</sup> CDBG includes CDF, Mini-Entitlement, and Reserves, but for the purposes of this calculation excludes CDBG-CV and Section 108 guarantees. Planning-only grants of \$50,000 or less are also excluded from this calculation.

## **APPLICATION SUBMISSION:**

A signed copy of the Application Cover Page must be attached in the Miscellaneous Attachments link of the application. DHCD will no longer require a hard copy of the cover page to be submitted by mail.

## **Administration and Technical Assistance**

A review of all users accessing DHCD program grant management systems shall be conducted annually to determine the accuracy of user access designations. If necessary, action shall be taken to change, revoke, or grant user access to reflect the appropriate designation.

## **EXHIBIT 2**

### **MUNICIPAL ELIGIBILITY TO APPLY FOR CDBG PROGRAM FUNDS IN FY 2021**

Based on the FFY 2020 One Year Action Plan, a single Community Development Fund community may receive no more than \$1.35 million from two successive years. This limit has been waived for the FY 2021 program.

As a result, applicants to the FFY 2021 program will not be limited by FFY 2020 awards.