

DRAFT SUBSTANTIAL AMENDMENT to the New Mexico 2019 Annual Action Plan and 2015-2019 Consolidated Plan

Summary

The purpose of this draft Substantial Amendment to the New Mexico 2019 Annual Action Plan (AAP) and Citizen Participation Plan within the 2015-2019 Consolidated Plan is to utilize Community Development Block Grant (CDBG) funds to assist small businesses in avoiding job loss resulting from the COVID-19 pandemic and to allow for a shorter public comment period and virtual public hearing in the event of a substantial amendment during the COVID-19 pandemic. The 2019 New Mexico Annual Action Plan was approved by the U.S. Department of Housing and Urban Development (HUD) in August 2019. The 2019 Annual Action Plan is the fifth annual implementation plan under the State of New Mexico 2015-2019 Consolidated Plan for Housing and Community Development. The Consolidated Plan is a five-year strategic plan that governs the administration of federal funding appropriated for housing and community development activities that benefit low- and moderate-income persons throughout the State of New Mexico. Such federal funding includes the following programs: HOME Investment Partnerships (HOME), Community Development Block Grant (CDBG), Emergency Solutions Grants (ESG), Housing Opportunities for Persons with AIDS (HOPWA) and the Housing Trust Fund (HTF).

The New Mexico Mortgage Finance Authority (MFA) and the Department of Finance and Administration, Local Government Division (DFA) are seeking public comment on the DRAFT Amended State of New Mexico 2019 Annual Action Plan and 2015-2019 Consolidated Plan. Based on HUD's waiver for a 30-day public comment period due to the COVID-19 pandemic, the State of New Mexico will provide a 5-day public comment period in the event of a substantial amendment through December 31, 2020. The five-day public comment period will begin on May 8, 2020 and end on May 13, 2020, and a virtual public hearing on the draft will be held at 12:30pm on May 12, 2020 at <http://housingnm.org/resources/new-mexico-annual-action-plan>. The 2019 Annual Action Plan is being amended to request the use of Community Development Block Grant (CDBG) funds to be used to assist small businesses in avoiding job loss resulting from the COVID-19 pandemic.

Amended Plan Sections

The 2019 Annual Action Plan and 2015-2019 Consolidated Plan are proposed to be amended in the following sections:

- AP-15 Expected Resources – 91.320(c)(1,2)
- AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)
- AP-30 Methods of Distribution – 91.320(d)&(k)
- AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)
- Appendix A: Citizen Participation Plan

Within these five sections, the amendments are indicated by **red** font color.

Expected Resources

AP-15 Expected Resources – 91.320(c)(1,2)

Introduction

The expected resources numbers are based on federal and state allocations. HUD's allocations were announced in April.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Amount Available Year 5				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	<ul style="list-style-type: none"> Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services 	11,159,156	0	3,117,310	114,276,466	14,276,466	Annual appropriation and carry forward

Annual Goals and Objectives

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
9	Enhance infrastructure , public facilities, housing	2015	2019	Non-Housing Community Development	Colonias neighborhood Statewide	Community Development Needs	CDBG: \$13,845,516	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 4300 Households Assisted Jobs created/retained : 28 Jobs

AP-30 Methods of Distribution – 91.320(d)&(k)

Introduction:

This section describes the manner in which federal funding is allocated and distributed across the State of New Mexico

Distribution Methods

Table 8 - Distribution Methods by State Program

1	State Program Name:	Community Development Block Grant (CDBG) Program
	Funding Sources:	CDBG
	Describe how resources will be allocated among funding categories.	<ul style="list-style-type: none">Economic Development. Eligible economic development activities may include, but are not limited to acquisition of real property; construction, reconstruction, rehabilitation, or installation of public facilities; site improvements; utilities; commercial or industrial buildings or structures; other commercial or industrial real property improvements or planning. Additionally, funds may be used to provide financial capital to small businesses to avoid job loss resulting from the COVID-19 pandemic.

AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)

Will the state allow units of general local government to carry out community revitalization strategies?

Yes

State's Process and Criteria for approving local government revitalization strategies

Depending on funding availability and the state's ability to support the request, the state will allow units of local government to carry out community revitalization strategies as long as the strategy is in accordance with the local government's comprehensive plan, Infrastructure Capital Improvement Plan (ICIP) and meets the low-to-moderate income requirement. The most appropriate funding for a local government revitalization strategy is a CDBG economic development grant. **Additionally, funds may be used to provide financial capital to small businesses to avoid job loss resulting from the COVID-19 pandemic.**

Appendix A: Citizen Participation Plan (All language below will be added to the plan)

Waivers of Consolidated Plan Requirements to Prevent the Spread of COVID-19 and Mitigate Economic Impacts Caused by COVID-19

Citizen Participation Public Comment Period for Consolidated Plan Amendment

In a memo released to all community planning and development field office directors, deputy directors and program managers on April 1, 2020, HUD waived 24 CFR 91.105(c)(2) and (k), 91.115(c)(2) and (i) as specified below, in order to balance the need to respond quickly to the growing spread and effects of COVID-19 with the statutory requirement to provide reasonable notice and opportunity for citizens to comment on substantial amendments concerning the proposed uses of CDBG, HOME, NHTF, HOPWA or ESG funds.

This 30-day minimum for the required public comment period was waived for substantial amendments, provided that no less than 5 days are provided for public comments on each substantial amendment. The waiver is available through the end of the recipient's 2020 program year. Any recipient wishing to undertake further amendments to prior year plans following the 2020 program year can do so during the development of its FY 2021 Annual Action Plan. Based on this waiver, the State of New Mexico will provide a 5-day public comment period in the event of a substantial amendment through December 31, 2020.

Citizen Participation Reasonable Notice and Opportunity to Comment

HUD recognizes the efforts to contain COVID-19 requires limiting public gatherings, such as those often used to obtain citizen participation, and that there is a need to respond quickly to the growing spread and effects of COVID-19. Therefore, in the previously mentioned memo, HUD waived 24 CFR 91.105(c)(2) and (k), 24 CFR 91.115(c)(2) and (i) and 24 CFR 91.401 to allow grantees to determine what constitutes reasonable notice and opportunity to comment given their circumstances. This authority is in effect through the end of the 2020 program year.

In-person public hearings are not required. Grantees may meet public hearing requirements with virtual public hearings if: 1) national/local health authorities recommend social distancing and limiting public gatherings for public health reasons; and 2) virtual hearings provide reasonable notification and access for citizens in accordance with the grantee's certifications, timely responses from local officials to all citizen questions and issues, and public access to all questions and responses. Based on this waiver, the State of New Mexico will provide access for citizens to participate in virtual public hearings regarding substantial amendments through December 31, 2020 through MFA's website at <http://housingnm.org/resources/new-mexico-annual-action-plan>. During the 5-day comment period, citizens can leave a comment on MFA's Contact Us page at <http://housingnm.org/contact/contact-us> in addition to emailing staff as described in public notices. MFA will not hold in-person public hearings through December 31, 2020 if national/local health authorities recommend social distancing and limiting public gatherings for public health reasons.