Mayor and Council
Work Session and Executive Session
December 8, 2020
Agenda

"The City of Hagerstown will promote a diverse, business-friendly, and sustainable community with clean, safe, and strong neighborhoods."
"The City of Hagerstown shall be the model provider of the most efficient and highest quality customer services to be known as the municipal location of choice for all"

****
In accordance with CDC guidelines, attendees are required to wear face coverings, and seating is limited to provide social distancing.
****

"To be the best, persist during the worst." Unknown

EXECUTIVE SESSION

3:00 PM 1. Executive Session

4:00 PM WORK SESSION

1. Senator Paul Corderman and Delegate Brenda Thiam

4:30 PM 2. FY20 Audit - CAFR Presentation - *Michelle Hepburn, Director of Finance, and Chris Lehman, SB & Company, LLC*

4:50 PM 3. Preliminary Agenda Review

5:00 PM 4. The Greens at Hamilton Run Golf Course - Proposed Rates for 2021 - *Rodney Tissue, City Engineer, Mark Haddock, Parks and Recreation Manager, and Amy Riley, Recreation Promotion and Services Coordinator*

5:15 PM 5. Program Open Space (POS) Annual Program - *Rodney Tissue, City Engineer, and Mark Haddock, Parks and Recreation Manager*

5:30 PM 6. Stormwater Protection Program – Update and Fee Implementation – *Rodney Tissue, City Engineer, and Jim Bender, Assistant City Engineer*

5:45 PM 7. Second Allocation - Community Development Block Grant CARES Act Funding (CDBG-CV) - *Jonathan Kerns, Community Development Manager*

CITY ADMINISTRATOR'S COMMENTS

MAYOR AND COUNCIL COMMENTS

ADJOURN

REQUIRED MOTION
MAYOR AND CITY COUNCIL
HAGERSTOWN, MARYLAND

Topic:
Executive Session

Mayor and City Council Action Required:

Discussion:

Financial Impact:

Recommendation:

Motion:

Action Dates:

ATTACHMENTS:

File Name	Description
December_8__2020_Executive_Session.pdf	Executive Session Agenda

EXECUTIVE SESSION

MAYOR & CITY COUNCIL
DECEMBER 8, 2020
AGENDA

3:00 p.m. EXECUTIVE SESSION

1. To consult with counsel to obtain legal advice, #7
   **Review of a contract*

2. To discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation or performance evaluation of appointees, employees, or officials over whom it has jurisdiction, #1
   **Discussion of various personnel issues*

***AUTHORITY: Annotated Code of Maryland, General Provisions Article: Section 3-305(b)**
(Subsection is noted in parentheses)

CITY OF HAGERSTOWN, MARYLAND

PUBLIC BODY: *Mayor & City Council* **DATE:** *December 8, 2020* .
PLACE: *Council Chamber, 2nd floor, City Hall* **TIME:** *3:00 pm* .

AUTHORITY: ANNOTATED CODE OF MARYLAND, GENERAL PROVISIONS ARTICLE: Section 3-305(b):

1. To discuss:

[X] (i) the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation or performance evaluation of appointees, employees, or officials over whom it has jurisdiction; or

[ ] (ii) any other personnel matter that affects 1 or more specific individuals;

[ ] 2. To protect the privacy or reputation of individuals with respect to a matter that is not related to public business;

[ ] 3. To consider the acquisition of real property for a public purpose and matters directly related thereto;

[ ] 4. To consider a matter that concerns the proposal for a business or industrial organization to locate, expand, or remain in the State;

[ ] 5. To consider the investment of public funds;

[ ] 6. To consider the marketing of public securities;

[X] 7. To consult with counsel to obtain legal advice;

[ ] 8. To consult with staff, consultants, or other individuals about pending or potential litigation;

[ ] 9. To conduct collective bargaining negotiations or consider matters that relate to the negotiations;

[ ] 10. To discuss public security, if the public body determines that public discussions would constitute a risk to the public or public security, including:
(i) the deployment of fire and police services and staff; and
(ii) the development and implementation of emergency plans;

[ ] 11. To prepare, administer or grade a scholastic, licensing, or qualifying examination;

[ ] 12. To conduct or discuss an investigative proceeding on actual or possible criminal conduct; or

[ ] 13. To comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosures about a particular proceeding or matter; or

[ ] 14. Before a contract is awarded or bids are opened, discuss a matter directly related to a negotiation strategy or the contents of a bid or proposal, if public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process.

[ ] 15. Administrative Function

REQUIRED MOTION
MAYOR AND CITY COUNCIL
HAGERSTOWN, MARYLAND

Topic:
Senator Paul Corderman and Delegate Brenda Thiam

Mayor and City Council Action Required:

Discussion:

Financial Impact:

Recommendation:

Motion:

Action Dates:

REQUIRED MOTION
MAYOR AND CITY COUNCIL
HAGERSTOWN, MARYLAND

Topic:
FY20 Audit - CAFR Presentation - *Michelle Hepburn, Director of Finance, and Chris Lehman, SB & Company, LLC*

Mayor and City Council Action Required:

Discussion:

Financial Impact:

Recommendation:

Motion:

Action Dates:

ATTACHMENTS:

File Name	Description
FY20_Auditor_CAFR_Presentation.pdf	FY20 Auditor CAFR Presentation

SB & COMPANY, LLC

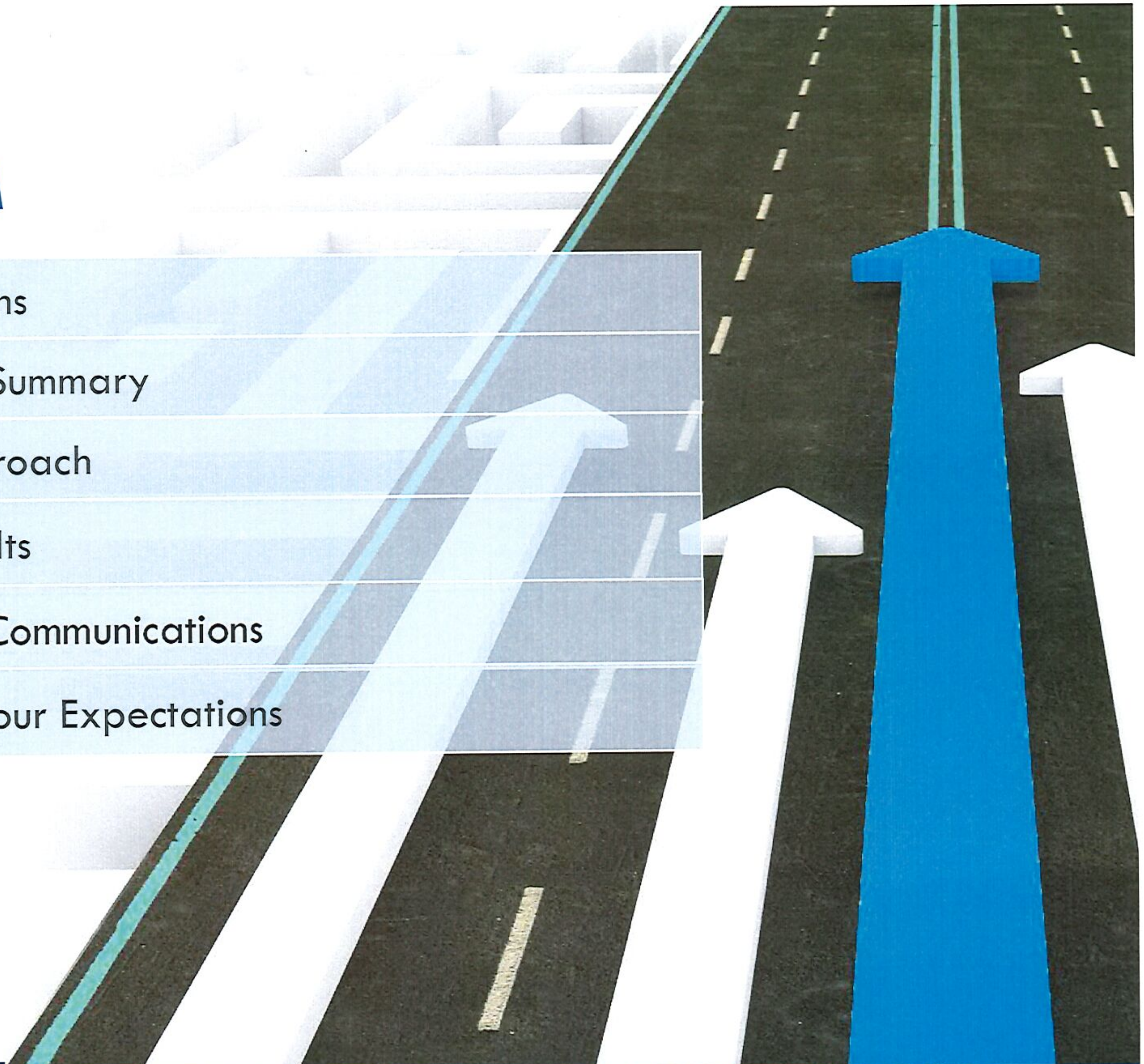
KNOWLEDGE · QUALITY · CLIENT SERVICE

Presentation to the City Council

December 8, 2020

AGENDA

1. Introductions
2. Executive Summary
3. Audit Approach
4. Audit Results
5. Required Communications
6. Meeting Your Expectations



SBC

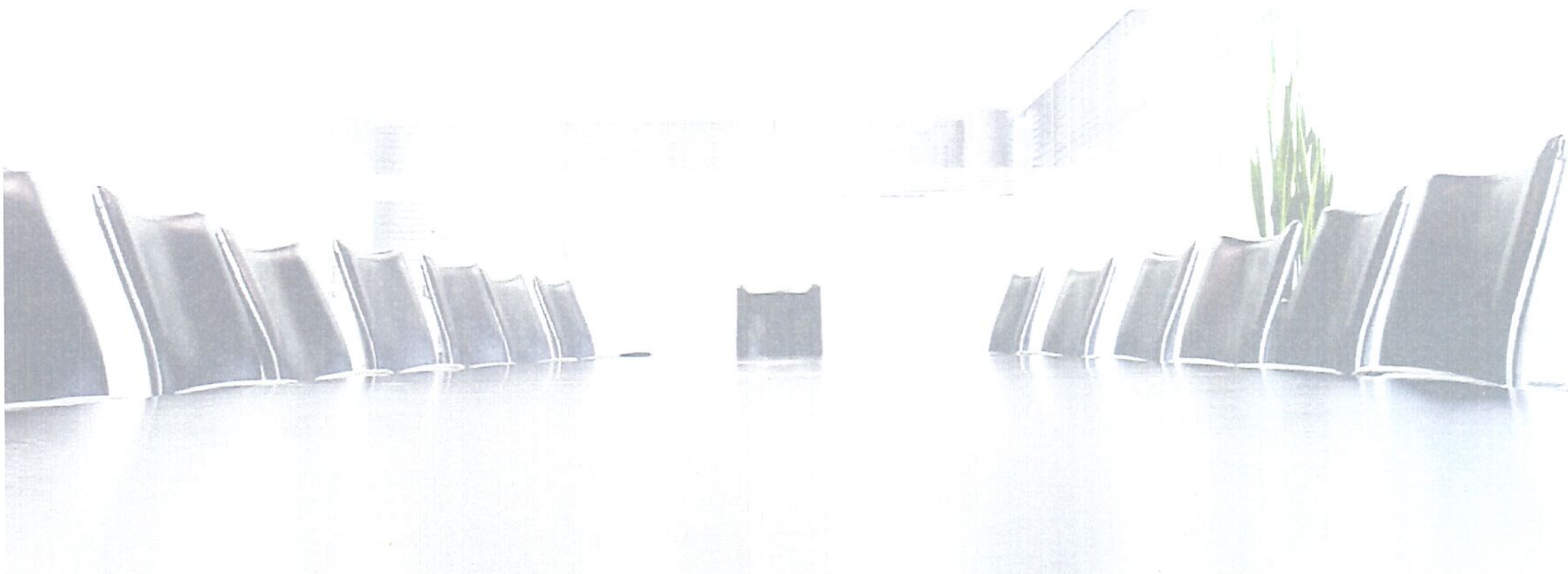
KNOWLEDGE · QUALITY · CLIENT SERVICE

Introductions

INTRODUCTIONS

SB & Company, LLC

- Chris Lehman, Engagement Partner



Executive Summary

SCOPE OF SERVICES

- Audit of the June 30, 2020, financial statements
- Performance of Uniform Guidance Single Audit
- Review of Uniform Financial Report
- Review of Data Collection form
- Available for year-round consultation

SUMMARY OF THE RESULTS

- Issued an unmodified opinion on the financial statements
- Discovered no instances of fraud
- Discovered no material weakness in internal controls
- Received full cooperation from management
- Results:

	2020	2019	2018
Changes in Net Position	$ 3,964,305	$ 4,794,879	$ 4,462,180
Net Position	$ 203,598,504	$ 199,634,199	$ 194,839,320

- Audit journal entries
  - No Audit journal entries noted

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Audit Approach

FORCAM Audit Approach

Focus on Risk, Controls, and Account Misstatement

Agree on Expectations and Deliverables

Planning - Understand the Business & Risk

Client Acceptance • Client Environment • Tone at the Top
Materiality • Initial Risk Assessment • Audit Plan • Client Expectations

Assess & Test Design & Operations of Controls

What Can Go Wrong? • Test Key Controls • Walkthrough
Map Accounts & Transactions • Identify Key Controls

Financial Close & Reporting Misstatement Analysis

Analyze Balances • Financial Close Process
Principles Applied • Management's Verification

Substantive Testing

Negative Account Analysis • Negative Financial Close
Firm & GAAS Required • Significant Estimates
Negative Operating Controls • Unusual Transactions

GAAS Compliance & Reporting

GAAS Checklist • Review Reports • Wrap Up
Draft Board/Management Presentation
Did We Meet Your Expectations?

Goals:

Detect Financial Statement Misstatement Risk
Detect Error
- Accounting Principle
- Estimate
- Information Processing
- Account Balances

Fraud
Business Failure
Business Improvement Opportunities
Client Expectations

Communicate Value Delivered and Measure Satisfaction

ASSESSMENT OF CONTROL ENVIRONMENT

Area	Points to Consider	Our Assessment
Control Environment	▪ Key executive integrity, ethical, and behavior ▪ Control consciousness and operating style ▪ Commitment to competence ▪ Board's participation in governance and oversight ▪ Organizational structure, responsibility, and authority ▪ HR policies and procedures	Effective
Risk Assessment	▪ Mechanisms to anticipate, identify, and react to significant events ▪ Processes and procedures to identify changes in GAAP, business practices, and internal control	Effective
Information & Communication	▪ Adequate performance reports produced from information systems ▪ Information systems are connected with business strategy ▪ Commitment of HR and finance to develop, test, and monitor IT systems and programs ▪ Business continuity and disaster recovery for IT ▪ Established communication channels for employees to fulfill responsibilities ▪ Adequate communication across organization	Effective
Control Activities	▪ Existence of necessary policies and procedures ▪ Clear financial objectives with active monitoring ▪ Logical segregation of duties ▪ Periodic comparisons of book-to-actual and physical count-to-books ▪ Adequate safeguards of documents, records, and assets ▪ Assess controls in place	Effective
Monitoring	▪ Periodic evaluations of internal controls ▪ Implementation of improvement recommendations	Effective

EVALUATION OF KEY PROCESSES

Process	Function	A	B	C	D	Our Assessment
Treasury	• Cash Management • Investment Monitoring • Investment Policy • Investment Accounting • Investment Valuation • Reconciliation	✓	✓	✓	✓	Effective
Estimation	• Methodology • Information • Calculation	✓	✓	✓	*	Effective
Financial Reporting	• Accounting Principles and Disclosure • Closing the Books • Report Preparation • General Ledger and Journal Entry Processing • Verification and Review of Results	✓	✓	✓	*	Effective
Expenditures	• Purchasing • Receiving • Accounts Payable and Cash Disbursement	✓	✓	✓	✓	Effective

A	Understand the Process
C	Walk-through

B	What Can Go Wrong?
D	Test of Controls/Substantive

* Substantive approach only

EVALUATION OF KEY PROCESSES (CONTINUED)

Process	Function	A	B	C	D	Our Assessment
Payroll	• Attendance Reporting • Payroll Accounting and Processing • Payroll Disbursements	✓	✓	✓	✓	Effective
Revenue	• Billing • Cash Receipts • Revenue Recognition • Cutoff	✓	✓	✓	✓	Effective
Fixed Assets	• Physical Custody • Asset and Construction in Process Accounting • Report Preparation	✓	✓	✓	✓	Effective

A	Understand the Process
C	Walk-through
B	What Can Go Wrong?
D	Test of Controls/Substantive

KNOWLEDGE · QUALITY · CLIENT SERVICE

Audit Results

Financial Statement Highlights

	Governmental Activities			Business-type Activities		
	2020	2019	2018	**2020**	2019	2018
Current and other assets	$ **34,564,319**	$ 36,100,964	$ 30,416,839	$ **41,706,209**	$ 44,549,690	$ 44,889,474
Capital assets	**85,000,642**	84,100,043	84,153,136	**203,091,109**	201,017,529	196,221,106
Total assets	**119,564,961**	120,201,007	114,569,975	**244,797,318**	245,567,219	241,110,580
Deferred outflows	**4,880,737**	5,439,875	4,631,507	**1,918,520**	1,944,490	1,640,604
Long-term liabilities	**83,119,191**	82,329,480	81,162,201	**58,249,238**	60,975,530	62,588,442
Other liabilities	**11,389,147**	11,012,353	8,658,162	**12,468,440**	16,068,554	12,463,024
Total liabilities	**94,508,338**	93,341,833	89,820,363	**70,717,678**	77,044,084	75,051,466
Deferred inflows	**1,576,619**	2,423,082	1,370,807	**760,397**	709,393	870,710
Net position						
Net investment in capital assets	**67,629,556**	66,784,135	66,650,974	**159,951,217**	154,076,731	146,353,536
Restricted	**4,812,010**	11,549,646	9,650,397	**-**	-	-
Unrestricted	**(44,080,825)**	(48,457,814)	(48,291,059)	**15,286,546**	15,681,501	20,475,472
Total Net Position	$ **28,360,741**	$ 29,875,967	$ 28,010,312	$ **175,237,763**	$ 169,758,232	$ 166,829,008

FINANCIAL STATEMENT HIGHLIGHTS (CONTINUED)

	Governmental Activities			Business-type Activities		
	2020	**2019**	**2018**	**2020**	**2019**	**2018**
REVENUES						
Charges for current services	**$ 8,227,084**	$ 9,038,555	$ 8,760,431	**$ 52,065,364**	$ 52,589,568	$ 51,159,561
Operating grants and contributions	**2,246,769**	3,061,406	1,554,570	**240,000**	750,196	5,616
Capital grants and contributions	**1,006,232**	845,126	1,236,493	**5,037,394**	2,568,732	1,449,023
Property taxes	**32,399,365**	32,047,754	29,674,582	**-**	-	-
Income and other taxes	**5,930,706**	5,735,651	5,057,155	**-**	-	-
Miscellaneous	**943,594**	932,282	426,095	**295,674**	409,075	265,658
Total Revenues	**$ 50,753,750**	$ 51,660,774	$ 46,709,326	**$ 57,638,432**	$ 56,317,571	$ 52,879,858
EXPENSES						
General government	**$ 10,986,324**	$ 10,613,252	$ 8,627,247	**$ -**	$ -	$ -
Public safety	**26,395,843**	24,243,025	25,773,111	**-**	-	-
Highways and streets	**3,044,652**	3,258,426	2,791,282	**-**	-	-
Waste, collection and disposal	**2,621,986**	2,562,226	2,293,396	**-**	-	-
Culture and recreation	**3,267,389**	3,090,190	3,005,649	**-**	-	-
Economic and community development	**4,958,500**	4,757,014	3,204,744	**-**	-	-
Interest on long-term debt	**668,563**	615,223	622,454	**-**	-	-
Utilities and other proprietary funds	**-**	-	-	**52,484,620**	54,044,110	48,809,122
Total Expenses	**$ 51,943,257**	$ 49,139,356	$ 46,317,883	**$ 52,484,620**	$ 54,044,110	$ 48,809,122

SINGLE AUDIT RESULTS

Major Program		Expenditures
Community Development Block Grant (CFDA #14.218)	$	1,083,647
Total Expenditures of all Federal Awards	$	1,709,653
Percentage of Coverage of Audited Federal Grants		63%
No Single Audit findings		

The Single Audit, which encompasses both financial and compliance components, is required for entities that expend $750,000 or more of federal assistance received for its operations. It provides assurance to the US Federal government as to the management and use of such assistance.

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Required Communications

REQUIRED COMMUNICATIONS

Auditor's Responsibilities Under Generally Accepted Auditing Standards (GAAS)	The financial statements are the responsibility of management. Our audit was designed in accordance with auditing standards generally accepted in the United States of America, and provide for reasonable, rather than absolute, assurance that the financial statements are free of material misstatement. We were engaged to perform our audit in accordance with the standards of the accounting principles generally accepted in the United States of America.	
Significant Accounting Policies	Management has the responsibility for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by management are described in the notes to the financial statements.	
Auditor's Judgments About the Quality of Accounting Principles	We discuss our judgments about the quality, not just the acceptability, of accounting principles selected by management, the consistency of their application, and the clarity and completeness of the financial statements, which include related disclosures.	*We have reviewed the significant accounting policies adopted by the City and have determined that these policies are acceptable accounting policies.*
Audit Adjustments	We are required to inform the City's oversight body about adjustments arising from the audit (whether recorded or not) that could in our judgment either individually or in the aggregate have a significant effect on the entity's financial reporting process. We also are required to inform the City's oversight body about unadjusted audit differences that were determined by management to be individually and in the aggregate, immaterial.	*There were no recorded or unadjusted audit adjustments for the City's audit.*

REQUIRED COMMUNICATIONS
(CONTINUED)

Fraud and Illegal Acts	We are required to report to the City's oversight body any fraud and illegal acts involving senior management and fraud and illegal acts (whether caused by senior management or other employees) that cause a material misstatement of the financial statements.	*Our procedures identified no instances of fraud or illegal acts.*
Material Weaknesses in Internal Control	We are required to communicate all significant deficiencies in the City's systems of internal controls, whether or not they are also material weaknesses.	*We have not identified any material weaknesses in internal controls.*
Other Information in Documents Containing Audited Financial Statements	None.	
Disagreements with Management on Financial Accounting and Reporting Matters	None.	

Required Communications
(Continued)

Serious Difficulties Encountered in Performing the Audit	None.
Major Issues Discussed with Management Prior to Acceptance	None.
Management Representations	We received certain written representations from management as part of the completion of the audit.
Consultation with Other Accountants	To our knowledge, there were no consultations with other accountants since our appointment as the City's independent public accountants.
Independence	As part of our client acceptance process, we go through a process to ensure we are independent of the City. We are independent of the City.

REQUIRED COMMUNICATIONS
(CONTINUED)

Our Responsibility Related to Fraud

- Comply and perform the audit to obtain reasonable assurance that there is no material misstatement caused by error or fraud;
- Comply with GAAS AU-C 240 "Consideration of Fraud in a Financial Statement Audit";
- Approach all audits with an understanding that fraud could occur in any entity, at any time, by anyone; and
- Perform mandatory procedures required by GAAS and our firm policies.

Examples of Procedures Performed

- Discuss thoughts and ideas in areas where the financial statements might be susceptible to material misstatement due to fraud;
- Understand pressures on the financial statement results;
- Understand the tone and culture of the organization;
- Look for unusual or unexpected transactions, relationships, or procedures;
- Discussions with individuals outside of finance;
- Evaluate key processes and controls; and
- Consider information gathered throughout the audit.

Responsibility for Mitigating Fraud

Management:

- CFO/Controller: controls to deter and detect fraud
- General Counsel/Compliance: monitoring

Audit Committee:

- Evaluate management identification of fraud risk
- Evaluate implementation of fraud controls
- Reinforce "tone at the top"
- Conduct special investigations

External Auditor:

- Evaluate management programs and controls to deter and detect fraud for identified risks
- Reasonable assurance that financial statements are free of material misstatement due to fraudulent financial reporting or misappropriation of assets
- Compliance with fraud standard (SAS 99)
  - Conversations with finance and operations personnel
  - Disaggregated analytics
  - Surprise audit procedures
  - Journal entry testing

REQUIRED COMMUNICATIONS – FRAUD

Opportunity

- Generally provided through weaknesses in internal control
- Tone at the top is important
- We assess controls and tone at the top

Pressure

- Pressure can be imposed due to economic troubles, personal vices and unrealistic deadlines and performance goals
- There are increased pressures due to economy and minimal salary increases

Rationalization

- Individuals develop a justification for their fraudulent activities
- Increased rationalization due to minimal salary increases and less personnel

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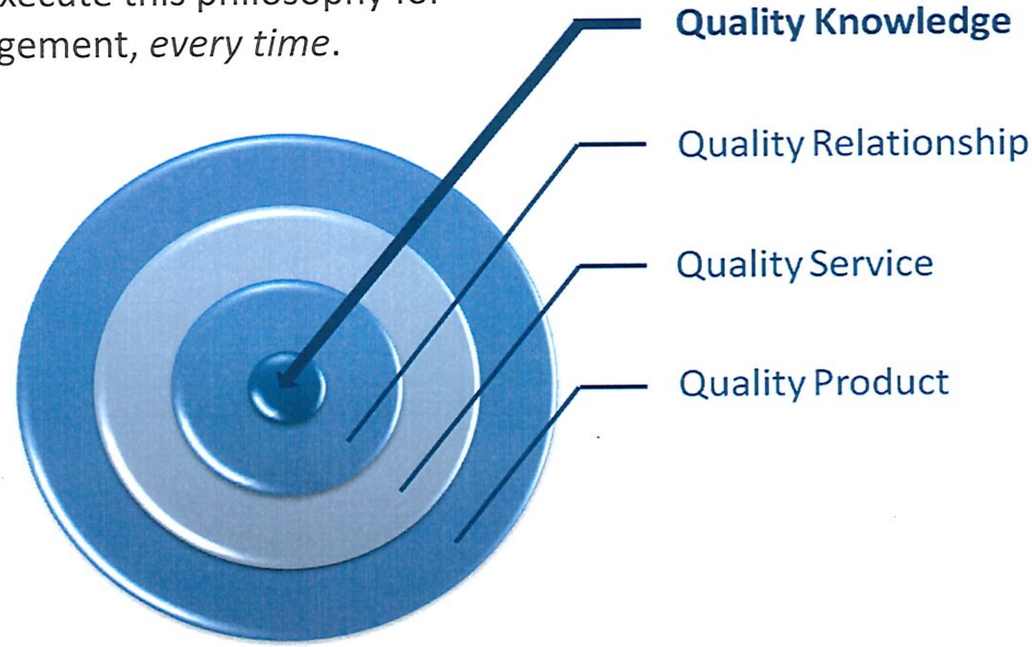
Meeting Your Expectations

SBC's Service Pledge to You

We will consistently deliver a **Quality Product** and **Quality Service** so that we have the opportunity to establish a **Quality Relationship** with you, allowing us to provide you with **Quality Knowledge** for your continual success. Only after we have provided you with the knowledge that enables your business to grow and prosper, we have ***hit the bullseye!***

Our commitment to you is the execution of our **Bullseye Philosophy.** We execute this philosophy for every client, on every engagement, *every time*.



Engagement Team Contact Information

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Engagement Partner

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clehman@sbandcompany.com

Executive Assistant:
Tina Riley
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SB & COMPANY, LLC

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12th Floor, East Tower
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Suite 410
Richmond, VA 23230
804.441.6000

South Florida Office:
4000 Hollywood
Suite 555-S
Hollywood, FL 33021
954.843.3477

REQUIRED MOTION
MAYOR AND CITY COUNCIL
HAGERSTOWN, MARYLAND

Topic:
Preliminary Agenda Review

Mayor and City Council Action Required:

Discussion:

Financial Impact:

Recommendation:

Motion:

Action Dates:

REQUIRED MOTION
MAYOR AND CITY COUNCIL
HAGERSTOWN, MARYLAND

Topic:
The Greens at Hamilton Run Golf Course - Proposed Rates for 2021 - *Rodney Tissue, City Engineer, Mark Haddock, Parks and Recreation Manager, and Amy Riley, Recreation Promotion and Services Coordinator*

Mayor and City Council Action Required:

Discussion:

Financial Impact:

Recommendation:

Motion:

Action Dates:

ATTACHMENTS:

File Name	Description
The_Greens_at_Hamilton_Run_Golf_Course_-_Proposed_Rates_for_2021.pdf	Memo - The Greens at Hamilton Run Golf Course - Proposed Rates for 2021
Greens_at_Hamilton_Run_Golf_Course_-_Rate_Chart.pdf	The Greens at Hamilton Run Golf Course - Rate Chart

CITY OF HAGERSTOWN, MARYLAND
Department of Parks and Engineering

December 8, 2020

TO: Scott Nicewarner, City Administrator

FROM: Rodney Tissue, Director RCN
Mark Haddock, Parks and Recreation Manager
Amy Riley, Recreation Coordinator

RE: The Greens at Hamilton Run Golf Course
Proposed Rates for 2021

1. Introduction and Background
Staff is recommending an increase in green fee rates and season pass memberships beginning January 1, 2021. Most of these rates have not been adjusted since around 2012. We feel these increases are justifiable since we are lower priced than many comparable courses, have significantly improved the course condition by our outstanding grounds keepers, and the course play is increasing.

The purpose of this memo is to present our rate plan for Mayor and Council feedback and approval. The following is some important background information:

- The annual general fund subsidy to the golf course has been running around $270,000 the last several years. However, with revenue up over 25% this year, this subsidy will decrease. In the past, 9-holes rounds played has hovered around 11,000 annually while this year that is approaching 16,000 rounds played (and we were closed six weeks in the spring for COVID restrictions). This significantly decreases the "per round" subsidy. This subsidy is one reason we feel that city residents deserve a break on passes.
- In calendar year 2020, there are 34 season passes issued: 6 season pass holders are City residents; 12 are City senior residents; and 16 senior non-residents. Most pass holders play at least 75 rounds of golf a year (some may play many times that). This yields a payment of only a couple dollars per round.
- As we plan to stay open all winter, members will enjoy an additional two to three months of play.

2. Recommendation
Staff is recommending that we raise the greens fees and season passes. The current prices and proposed increases are listed on the attached chart. We also recommend that season passes only be accepted on weekdays and on weekends *after noon*, which is comparable to other courses.

The attached chart that Amy Riley compiled compares rates of The Greens at Hamilton Run and other nearby courses. Review of the rates show that our rates are on the lower end in every category, while our course is arguably in the best condition of all the nine-hole courses. Therefore, as shown on the chart, staff is proposing rate increases effective January 1, 2020.

Staff will be available on Tuesday to discuss this matter with Council.

Attachment: Rate Comparison chart

Cc: Mark Haddock, Amy Riley, Cathy Beach

Parks and Recreation Division
351 North Cleveland Avenue • Hagerstown, MD 21740
Ph: 301.739.8577 Ext. 169 • Fax: 301.790.0171

Engineering Division
1 East Franklin Street • Hagerstown, MD 21740-4817
Ph: 301.739.8577 Ext. 125 • Fax: 301.733.2214

RATE COMPARISON FOR PUBLIC GOLF COURSES
(Last Revised December 3, 2020)

	Beaver Creek	Black Rock Golf Course (18-Hole)	Gettysburg National Fairfield, PA (18-hole)	Greencastle Greens (18-Hole)	Maple Run Thurmont (18-hole)	South Mountain Golf Course, PA (9-Hole)	Woodbrier Golf Course, WV (9-Hole)	The Greens at Hamilton Run Current Rates	The Greens at Hamilton Run **Proposed Rates 2021**
Comments:	FLEX PASS /RATES	REG/$99 PASS Rate increase 2021	REG/$100 PASS	NO WALKING RATES			WEEKDAY/ WEEKEND		
RIDING (Greens Fees and Cart)									
Reg 9-Holes		25/23	30	30	16	17	25/27	19	**21**
Sr. 9-Holes		20	33	25	15			16	**18**
Reg. 18-Holes	198/30 440/30	46/33	40/28	45	25	24	33/35	26.50	**29**
Sr. 18-Holes		30/23	33/23	35	22			22.50	**25**
Twilight Rate		33	25	35-40	20				
Weekends & Holidays 9-Hole			35	35	25	18		22	**24**
Weekends & Holidays 18-Hole		52/37	51/35	55	35	28		29.50	**32**
WALKING (Greens Fees)									
Reg 9-Holes		15	18		13	10	15/17	11	**13**
Sr. 9-Holes		12			12			9	**11**
Reg 18-Holes		28			18	14	18/20	14	**16**
Sr. 18-Holes		20			16			12	**14**
SEASON PASSES (Cart Not Included)									
City Pass/Individual	1,900	$99 frequent player pass		500	1,075	420	540	425	**625**
Non-City Pass								625	**825**
City Senior Pass	1,200 (80+)						484	299	**499**
Non-City Senior Pass								499	**699**

REQUIRED MOTION
MAYOR AND CITY COUNCIL
HAGERSTOWN, MARYLAND

Topic:
Program Open Space (POS) Annual Program - *Rodney Tissue, City Engineer, and Mark Haddock, Parks and Recreation Manager*

Mayor and City Council Action Required:

Discussion:

Financial Impact:

Recommendation:

Motion:

Action Dates:

ATTACHMENTS:

File Name	Description
Memo_-_Program_Open_Space_(POS).pdf	Memo - Program Open Space

CITY OF HAGERSTOWN, MARYLAND

Department of Parks and Engineering

December 8, 2020

TO: Scott Nicewarner, City Administrator

FROM: Rodney Tissue, Director Parks and Engineering RDT

RE: Program Open Space (POS) Annual Program

==

Attached you will find our recommendation for the Program Open Space funds for FY 2022 and beyond. We request that Council review the list, especially the FY 2022 portion, and provide comments. At the December 15th Regular Session, staff will request that Mayor & Council approve the priority list for FY 2022. We need to send our list to Washington County by January 4, 2021.

Staff will be present to review the proposal with Mayor & Council.

Attachments:
* County request letter
* Proposed FY 22-26 Plan
* Pictures

c: Cathy Beach
Mark Haddock

Parks and Recreation Division
351 North Cleveland Avenue • Hagerstown, MD 21740
Ph: 301.739.8577 Ext. 169 • Fax: 301.790.0171

Engineering Division
1 East Franklin Street • Hagerstown, MD 21740-4817
Ph: 301.739.8577 Ext. 125 • Fax: 301.733.2214

Washington County
MARYLAND
DIVISION OF PUBLIC WORKS

MEMORANDUM

TO: Mayors of Municipal Corporations in Washington County
Hagerstown Community College
Washington County Board of Education

FROM: Andrew Eshleman, P.E. Director, Public Works

DATE: November 4, 2020

SUBJECT: Program Open Space-Acquisition & Development Annual Program FY 2022

The Program Open Space (POS) Annual Program for Acquisition and Development Projects for FY 2022 is required to be submitted to the State Department of Natural Resources by July 1, 2021. As in past years, projects will be reviewed by the Washington County Recreation and Parks Advisory Board prior to a recommendation being made to the Board of County Commissioners for adoption of the annual program.

Please submit requests for acquisition or development project funding for the FY 2022 Annual Program by Monday, January 4, 2021, delivered to the Washington County Division of Public Works, 100 West Washington Street, Hagerstown, Maryland, 21740. A completed application is required for each project, along with a map showing the project location. Application forms and additional information can be found on the Department of Natural Resources, Local Program Open Space, Land Acquisition and Planning website. If no projects are submitted by January 4, 2021 then it will be assumed that you do not have any projects for consideration for the 2022 fiscal year. Please attempt to use realistic estimates when determining project costs and do not submit more projects than may reasonably be expected to be completed in a fiscal year. In FY2021 State funding for POS was reduced and I anticipate the potential for the same in FY2022.

As with last year's submittal, in addition to any FY 2022 annual program request, please provide a list of projects you may be considering requesting POS funding in the next five (5) years. Acquisition projects are eligible for 100% of project expenses, while development projects are eligible for 90% of project expenses. Please refer to the Local Program Open Space Manual or contact me if you have questions regarding project eligibility for this program.

The list should include the following information, and be presented in a similar format. See following examples:

Fiscal Yr	Project	Location	Est. Cost	POS Funds Requested
FY 2022	Walking Trail	Regional Park	$200,000	$180,000
FY 2023	Bathroom Upgrades	Marty Snook	$50,000	$45,000
FY 2024	Pavilion Roof Repl.	Marty Snook	$25,000	$22,500
FY 2025	Parking Lot Overlay	Pleasant Valley	$30,000	$27,000
FY 2026	Playground Equipment	Pen Mar	$100,000	$90,000

Please provide this list whether or not you intend to submit for project funding in FY 2022. The list will assist with long range recreation planning and forecasting the long-term funding needs versus projected available funding. Omitting a project would not eliminate it from future consideration. The annual program will still be developed on a yearly basis as required by law.

I understand that priorities change from year to year and that new projects may arise that are not yet conceived, but will become high priorities in the future. If you do not have any future projects identified at this time, that is acceptable, or if you would like County staff to assist with developing a list of projects, we will be happy to help.

After all applications are received, a time will be assigned to make your presentations to the Recreation and Parks Board. Presentations should be limited to 10 - 15 minutes. It is anticipated that presentations will take place during the February through April meetings of the Recreation and Parks Board.

Once presentations are completed, the Recreation and Parks Advisory Board will recommend an annual program to the County Commissioners. This program will be reviewed and adopted subject to additions, deletions or changes approved by the Board of County Commissioners.

After action is taken by the Board of County Commissioners, you will be notified as to what projects have been approved for funding and the copies of the approved annual program returned.

Thank you for your past cooperation and support in development of the annual POS program and I look forward to working with you in the future. If you have any questions regarding these changes or the POS program, please contact me at 240-313-2252 or aeshleman@washco-md.net.

CITY OF HAGERSTOWN
5-YEAR *PROGRAM OPEN SPACE*
PROPOSED PLAN FY22-26 (Listed By Priority)
Last Revised 12/02/2020

FY	CIP #	Project	Location/Description	Total Project Cost	POS Fund Request	City Match
2022	---	Skatepark	Fairgrounds Park, per Task Force recommendations	$555,000	$150,000	$375,000 (CDBG) $30,000 (Fundraising and grants)
2022	CO237	Park Play Equipment and Amenities	Grass mound in City Park (20k) Expression swings, 3 parks ($6k) Web climbers, 6 parks ($18k) Spinners, 3 parks ($21k) Tables, benches, 5 parks ($35k)	$190,000	$171,000	$19,000
2022	--	Roof Replacements	Stables, Fairgrounds Park ($100k) Garage, Hager Park $5k) Pavilion, Mills Park ($15k)	$120,000	$108,000	$12,000
2023	C0522	Parking Improvements.	City Park: Upper lot near tennis court	$250,000	$225,000	$25,000
2023	CO439	Amenities for City Park Train Hub	Install children's exhibits, display improvements, signs, access to cabooses, benches, tables, etc.	$50,000	$45,000	$5,000
2023	---	High Resolution Electronic Message Board	On Golf Course adjacent Route 40, advertise City Recreation events and	$80,000	$72,000	$8,000
2024	CO047	City Park Upper Lake Improvements	Reconstruct perimeter wall, dredge lake, permanently repair leak under causeway	$500,000	$200,000	$300,000
2024	----	New City Park Restrooms	Construct new restrooms near Digby parking Lot for park patrons, model sailboat operators, etc.	$150,000	$135,000	$15,000
2024	C0825	The Greens at Hamilton Run Improvements	Course improvements such as cart paths, tee box and green improvements	$100,000	$90,000	$10,000

CITY OF HAGERSTOWN 5-YEAR *PROGRAM OPEN SPACE* PROPOSED PLAN FY22-26 (Listed By Priority) *Last Revised 12/02/2020*						
FY	**CIP #**	**Project**	**Location/Description**	**Total Project Cost**	**POS Fund Request**	**City Match**
2025	C0626	Parking Improvements.	Fairgrounds Park: Rear lot below BMX	$250,000	$225,000	$25,000
2025	C0626	Soccer Field Lights	Fairgrounds Park: add lights to soccer field for evening use	$170,000	$63,000	$107,000 by others
2026	C0548	Entrance Building & Gatekeeper's House Renovation	Fairgrounds Park	$500,000	$450,000	$50,000

REQUIRED MOTION
MAYOR AND CITY COUNCIL
HAGERSTOWN, MARYLAND

Topic:

Stormwater Protection Program – Update and Fee Implementation – *Rodney Tissue, City Engineer, and Jim Bender, Assistant City Engineer*

Mayor and City Council Action Required:

Discussion:

Financial Impact:

Recommendation:

Motion:

Action Dates:

ATTACHMENTS:

File Name	Description
Stormwater_Protection_Program_-_Update_and_Fee_Implementation.pdf	Memo - Stormwater Protection Program

December 8, 2020

TO: Scott Nicewarner, City Administrator

FROM: Rodney Tissue, City Engineer RCT

RE: **Stormwater Protection Program – Update & Fee Implementation**

Background:

Staff, working with our consultant (WOOD), the Finance Department, and the Customer Service staff, have been preparing to send out the initial bills for the stormwater utility fee. As you recall, the City Council approved an ordinance to create the Stormwater Protection Program and the stormwater utility fee, with the intention that the first stormwater bills would begin going out after July 1, 2020. Due to the COVID-19 pandemic and the economic strain that it had placed on City residents, Council decided to delay the initial billing until January 1, 2021. However, due to the ongoing pandemic and several other factors, the Council may desire to further delay the initial billing cycle. The purpose of this memo is to discuss the effect that a further delay of the stormwater fee would have on both residents and the Stormwater Protection Program.

Mayor and Council Action Requested:

Review this information, and determine whether to proceed with the initial stormwater fee billing cycle on January 1, 2021, or to delay the initial billing until March 1, 2021. Staff will be present at the work session to discuss.

Discussion:

The financial model developed for the Stormwater Protection Program assumed that billing of the stormwater utility fee would begin in July 2020, and would generate sufficient revenue to cover the anticipated program costs necessary to meet the requirements of the City's NPDES MS4 permit by 2025. While delaying the initial stormwater billing will force changes to the financial model, staff recommends that the Council delay implementation until March 1, 2021; this assessment is based upon the following factors:

1. COVID-19 pandemic effects: All Americans had hoped that the pandemic would be somewhat under control by January 2021; however, it is clear that this is not the case. Large numbers of workers remain unemployed, and continued remote learning at our schools has prevented other workers from returning to the work force. The Congress has yet to pass another round of stimulus funding, putting a further burden on the personal finances of many. And, with the expiration of protections against evictions and the collection of payments for overdue utility bills, the burden of a new fee would further strain the resources of both residents and businesses.

2. Administrative billing set-up: Staff has been working to create a Master Account File that would tie the new stormwater fee to the water bills issued to each property. However, this has proven to be a difficult and time consuming task, as some properties do not have an existing water service, and other properties have water accounts that have been suspended due to vacancies, foreclosures, etc. While staff has continued to work toward having this Master Account File

ready for implementation on January 1st, a delay until March 1st would allow staff to resolve remaining account issues, and to fully test the billing system prior to the first bills going out.

3. <u>Stormwater Enterprise Fund revenue</u>: The City Council previously approved an ordinance that created an Enterprise Fund dedicated to operating the Stormwater Protection Program. Since July 1, 2020, the Finance Department has been allocating costs for the program to this Enterprise Fund, but the Fund has been unable to generate revenue because the stormwater fee has not been charged. Staff, recognizing this lack of revenue, has delayed planned projects and expenditures until the City begins charging the fee. To date, the costs to the Enterprise Fund have totaled approximately $150,000, significantly below what was projected to have been spent if the fee had been implemented on July 1, 2020. Staff feels that the revenue that will be generated for the remainder of FY21 with a fee implementation of March 1, 2021 will be sufficient to cover the costs incurred by the Enterprise Fund.

4. <u>Verification of stormwater fee rate</u>: Staff has continued to refine the Stormwater Protection Program financial model to more accurately determine how much revenue must be generated by 2025 to meet our MS4 permit goals. Based upon some recent calculations of the credits that the City can earn through its street sweeping program, and the cost of restoration and retrofit projects that the City plans to complete, the overall cost of the program by 2025 will be less than originally estimated. The initial annual fee rate was set at $32 per 1,000 square feet of impervious area, based upon the projected program costs; if the program costs will be lower, there may be an opportunity to reduce the fee rate. By delaying implementation to March 1, 2021, staff and Wood will have an opportunity to review the financial model, and determine whether the fee can be reduce prior to implementation.

Assuming that the stormwater fee is implemented on March 1, 2021, staff will begin to move forward with the delayed projects and programs that are needed to meet our MS4 permit requirements. These projects will likely include stream restorations, the retrofit of existing stormwater management facilities, reforestation, and other projects that will earn the City credits toward its goal of providing treatment for 20% of the existing impervious area in the City by 2025.

cc: Rodney Tissue
Michelle Hepburn

City of Hagerstown
Stormwater Protection Program

"Keep It Clean Hagerstown"

What is Stormwater?

Stormwater is rain and melted snow that runs off the land. In natural, undeveloped areas, soil absorbs and filters stormwater in a process called infiltration. The water that 'runs off' the land in Hagerstown flows to the Antietam Creek, Potomac River, Chesapeake Bay and eventually the Atlantic Ocean. During development, natural wooded or meadow areas are replaced with roofs, driveways, sidewalks, and streets. These hard surfaces, called impervious surfaces, do not allow rain water to penetrate them. Stormwater runoff from our properties carries fertilizers (including nutrients such as nitrogen and phosphorus), sediment, oil, grease, heavy metals, and trash into ditches, storm drains and pipes which can cause:

- Erosion of streams and decreased stream water quality,
- Contamination of downstream water quality and drinking water supplies, and
- Flooding, property damage and damage to public storm drains.

The City of Hagerstown is taking action to clean up our community's polluted stormwater runoff and to make investments in our aging stormwater infrastructure (many of the City's pipes are over 100 years old). This will not only help to improve water quality and our environment for future generations, but also help protect residents and private property from damage due to flooding.

We all contribute to the pollutants that enter our local waterways. Hagerstown is asking that everyone who contributes to polluted runoff be part of the solution. The City is proposing a stormwater utility fee that will be invested locally on projects to filter, control, and treat polluted runoff before it reaches our waterways.

Did You Know that Hagerstown...

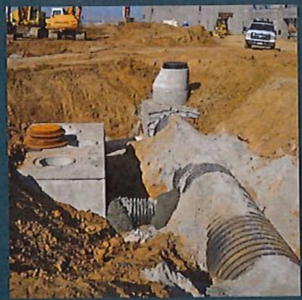
- **Maintains 106 miles of pipes and tunnels, 2,800+catch basins, and 600 manholes?**

  Much of the City's stormwater system was installed prior to modern codes and design guidance. As a result, storm grates and pipes are deteriorating, are under-sized, and do not meet today's construction standards.

- **Sweeps 110 miles of City streets?**
  Sweeping removes pollutants such as grit and trash that would otherwise flow into the Potomac River, helping to protect water quality.

- **Plants trees across the City?**
  Trees help decrease runoff and cool the urban environment.

- **Has committed to improve the quality of our stormwater runoff and condition of our infrastructure?**



Hagerstown's Stormwater Protection Program will...

- Repair or replace failing storm pipes, storm drains, and culverts.
- Reduce the flow of pollutants to local waterways.
- Add 'green' infrastructure as a long-term solution to improving stormwater quality including more tree planting, street sweeping and stormwater-cleaning practices.
- Comply with new water quality permit requirements from the Maryland Department of the Environment (MDE) and the EPA requirements under the federal Clean Water Act.

NEW STORMWATER FEE STARTING SOON

To Fund the City's Stormwater Protection Program...

- The stormwater user fee goes into effect January 1, 2021. The fee will be on your first quarterly "Water and Wastewater" utility bill after a full billing quarter in 2021 [monthly customers will get their first bill in February]. This charge will be solely dedicated to funding the stormwater services listed above.
- All properties will be billed approximately $3 each month for every 1000 square feet of impervious area (a surface that rain water cannot easily penetrate) on the property.
- Credits will be available for properties that have or add approved stormwater management practices.
- The program will include incentives to help fund approved stormwater management practices on your property.

How can I learn more?

To learn more about the City's stormwater program, including the stormwater user fee, credits, incentives, the appeals process, and the MDE permit requirements, visit the City's stormwater website at ***www.HagerstownStormwater.com***
or contact the Engineering Division at 301-739-8577 ext. 125.

WASHED AWAY HERE GOES HERE

REQUIRED MOTION
MAYOR AND CITY COUNCIL
HAGERSTOWN, MARYLAND

Topic:
Second Allocation - Community Development Block Grant CARES Act Funding (CDBG-CV) - *Jonathan Kerns, Community Development Manager*

Mayor and City Council Action Required:
Staff request Mayor & City Council direction on proposed next steps for a *second* allocation of CDBG-CV funding being awarded to the City through the Federal CARES Act legislation.

Discussion:
Background on CDBG-CV Funding
In early April, the City received written correspondence from the U.S. Department of Housing and Urban Development (HUD) regarding a special allocation of "CDBG-CV" funding being awarded to the City in the amount of $472,845. This CDBG-CV funding was a result of the Federal CARES Act legislation in response to the COVID-19 pandemic. A second allocation of CDBG-CV funding was to be announced at a later date.
In September, HUD correspondence was received confirming the City will be awarded a second allocation of CDBG-CV funding in the amount of $274,365. Like the first CDBG-CV allocation, the second allocation of CDBG-CV funding must be used via standard CDBG activities that also prevent, prepare for, or respond to the COVID-19 pandemic. These activities still must meet CDBG national objective requirements with the primary national objective being a benefit to low/moderate income citizens. In essence, CDBG-CV funds are more restrictive than standard CDBG funds with additional requirements related to COVID-19 prevention, preparation, and response.
Initial CDBG-CV For Local Non-Profit Service Providers
For the City's first allocation of CDBG-CV funding, non-profit service providers were given the opportunity to submit applications to seek CDBG-CV funding for public service activities that provide assistance to COVID-19 impacted, CDBG eligible clientele. After an application period and review process, the City Council approved CDBG-CV funding awards to local non-profit organizations as listed below. The amount of CDBG-CV funding expended to date for each organization is also listed.

- Washington County Community Action Council Housing Stability Program (mortgage payment assistance and/or rent payment assistance) - $350,245. Expenditures to date: **$23,374.07**
- Washington County Community Action Council and Horizon Goodwill Housing Short-Term Housing Stability Funding and Food Resource Funding - $58,900 (this funding is administered in partnership with Horizon Goodwill and the Washington County Community Action Council is the lead agency). Expenditures to date: **$13,607.72**
- Washington County Community Action Council Food Resources for Food Pantry Program - $25,300. Expenditures to date: **$1,036.56**
- Washington County Commission on Aging Food Resources for Seniors - $17,300.

Expenditures to date: **$17,300**
- Girls Inc. Food Resources for Girls Inc. Members - $21,100. Expenditures to date: **$2,971.76**

During the initial application process for local non-profit organizations, total CDBG-CV funding requests exceeded available CDBG-CV funding. The initial CDBG-CV award amounts were based on an across the board reduction proportional to the requested amount of funding for each service.

Next Steps for Second CDBG-CV Allocation

CDBG-CV funding has been allocated to states and cities nationwide. After researching a sample of CDBG-CV funded cities throughout the county, the *majority* of CDBG-CV funded programming is targeted for public service assistance programs (housing subsistence payments, homelessness services, food resource services) and business assistance programs. Hagerstown's initial CDBG-CV allocations for housing stability services and food resource services appear to be in line with many CDBG-CV funded activities nationwide.

During an October discussion with the previous Mayor & City Council administration, DCED staff were asked to research the possibility of using CDBG-CV funding for a Public Restroom facility. After review of the program guidelines and consultation with HUD Baltimore Field Office staff, DCED staff do not view the public restroom facility as and eligible CDBG-CV project.

Based on guidance from the HUD Baltimore Field Office, recommended options for allocating the recently awarded CDBG-CV funding are:

· Option 1- The second allocation of CDBG-CV funding can be distributed to each non-profit recipient that received initial allocation of CDBG-CV funding without the need for a new application process. If distributed to initial CDBG-CV non-profit recipients, newly available CDBG-CV funding could be distributed in amounts proportional to the first awards OR funding could be awarded based on most critical need. The Mayor & City Council would vote on final funding allocation amounts prior to distribution funds.

· Option 2- The second allocation of CDBG-CV funding can be distributed after a new non-profit service provider application period and review process. The application and review process would mirror the steps taken with the first allocation of CDBG-CV funding. The Mayor & City Council would vote on final funding allocation amounts prior to distribution of funds.

· Option 3- Revisit funding decisions on the second allocation CDBG-CV funding until the first or second quarter of 2021. Impacts from the COVID-19 pandemic can be reassessed and the Mayor & City Council would be then be consulted for direction at that time. Per HUD regulations, 80% of the City's CDBG-CV funding must be expended within 3 years of grant agreement execution so funding decisions in early 2021 would not jeopardize funding availability.

After final funding decisions are made, a CDBG-CV Action Plan amendment reflecting planned expenditures for the second allocation CDBG-CV funding must be advertised for public comment. After a required 5 day public comment period, a CDBG-CV amendment will be submitted to HUD for approval. The second allocation of CDBG-CV funding will then be available after HUD's approval of the required amendment.

Staff will be available to discuss the second allocation of CDBG-CV funding in more detail during the December 8th work session.

Financial Impact:

Recommendation:

Motion:

Action Dates:

ATTACHMENTS:

File Name	Description
120820_Second_Allocation_CDBG-CV.pdf	CDBG-CV SECOND ALLOCATION

To: Scott Nicewarner, City Administrator

From: Jonathan Kerns, Community Development Manager

Date: December 2, 2020

RE: Second Allocation - Community Development Block Grant CARES Act Funding (CDBG-CV)

Mayor & Council Action Requested:

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Next Steps for Second CDBG-CV Allocation

CDBG-CV funding has been allocated to states and cities nationwide. After researching a sample of CDBG-CV funded cities throughout the county, the *majority* of CDBG-CV funded programming is targeted for public service assistance programs (housing subsistence payments, homelessness services, food resource services) and business assistance programs. Hagerstown's initial CDBG-CV allocations for housing stability services and food resource services appear to be in line with many CDBG-CV funded activities nationwide.

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After final funding decisions are made, a CDBG-CV Action Plan amendment reflecting planned expenditures for the second allocation CDBG-CV funding must be advertised for public comment. After a required 5 day public comment period, a CDBG-CV amendment will be submitted to HUD for approval. The second allocation of CDBG-CV funding will then be available after HUD's approval of the required amendment.

Staff will be available to discuss the second allocation of CDBG-CV funding in more detail during the December 8th work session.

Attachments: HUD CDBG-CV Notification
HUD CDBG-CV Quick Guide

c. Jill Thompson, Director of Community and Economic Development
Michelle Hepburn, Director of Finance

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

ASSISTANT SECRETARY FOR
COMMUNITY PLANNING AND DEVELOPMENT

September 11, 2020

The Honorable Robert Bruchey
Mayor of Hagerstown
1 E Franklin Street
Hagerstown, MD 21740-4859

Dear Mayor Bruchey:

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 immediately allocated $2 billion on March 27, 2020, the same day President Trump signed the Act, based on the fiscal year 2020 CDBG formula; this constituted the first round of CDBG-CV funds. Next, $1 billion was required by the Act to be allocated to States and insular areas within 45 days of enactment of the Act; HUD accomplished this on May 11, 2020, and this constituted the second round of CDBG-CV funds. Finally, the remaining $2 billion in CDBG-CV funds was required by the Act to be allocated to states and local governments at the discretion of the Secretary on a rolling basis; HUD accomplished this on September 11, 2020, and this constituted the third round of CDBG-CV funds. Additionally, up to $10 million will be set aside for technical assistance.

Accordingly, this letter informs you that your jurisdiction's allocation for the third round is $274,365. Your cumulative amount for all allocation rounds is $747,210.

The CARES Act adds additional flexibility for both the CDBG-CV grant and, in some cases, for the annual FY2019 and 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 HUD Secretary to grant waivers and alternative requirements of statutes and regulations the HUD 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 CDBG CARES Act Federal Register Notice (FR-6218-N-01) was released on August 10, 2020. The notice describes the allocations and grant procedures applicable to the CDBG-CV grants. It also describes the program flexibilities, waivers, and alternative requirements that apply to the CDBG-CV grants as well as the fiscal year 2019 and 2020 CDBG grants. As further such flexibilities 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 the requirement that each grantee have adequate procedures to prevent the duplication of benefits (DOB). HUD will provide guidance and technical assistance on DOB, the prevention of fraud, waste, and abuse, and on documenting the impact of this program for beneficiaries.

Reminder, all CPD Grantees must ensure they maintain active Dun and Bradstreet Numbering System (DUNS) numbers in the System for Award Management (SAM) system. Entities must have an active and unexpired DUNS before execution of grant agreements to avoid delays in the obligation of funds- which will delay your ability to drawdown funds in the Integrated Disbursement & Information System (IDIS). Grantees are required to maintain an active SAMs registration by re-activating their DUNS number annually in the SAM system for the entire drawdown period of their grants. DUNS numbers can be registered and renewed each year at the following website: https://www.sam.gov/SAM/.

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,

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

Quick Guide to CDBG Eligible Activities to Support Coronavirus and Other Infectious Disease Response
REVISED April 6, 2020

Grantees should coordinate with local health authorities before undertaking any activity to support state or local pandemic response. Grantees may use Community Development Block Grant (CDBG) funds for a range of eligible activities that prevent and respond to the spread of infectious diseases such as the coronavirus.

Examples of Eligible Activities to Support Coronavirus and Other Infectious Disease Response

For more information, refer to applicable sections of the Housing and Community Development Act of 1974 (for State CDBG Grantees) and CDBG regulations (for Entitlement CDBG grantees).	
Buildings and Improvements, Including Public Facilities	
Acquisition, construction, reconstruction, or installation of public works, facilities, and site or other improvements. *See section 105(a)(2) (42 U.S.C. 5305(a)(2)); 24 CFR 570.201(c).*	Construct a facility for testing, diagnosis, or treatment.
	Rehabilitate a community facility to establish an infectious disease treatment clinic.
	Acquire and rehabilitate, or construct, a group living facility that may be used to centralize patients undergoing treatment.
Rehabilitation of buildings and improvements (including interim assistance). *See section 105(a)(4) (42 U.S.C. 5305(a)(4)); 24 CFR 570.201(f); 570.202(b).*	Rehabilitate a commercial building or closed school building to establish an infectious disease treatment clinic, e.g., by replacing the HVAC system.
	Acquire, and quickly rehabilitate (if necessary) a motel or hotel building to expand capacity of hospitals to accommodate isolation of patients during recovery.
	Make interim improvements to private properties to enable an individual patient to remain quarantined on a temporary basis.
Assistance to Businesses, including Special Economic Development Assistance	
Provision of assistance to private, for-profit entities, when appropriate to carry out an economic development project. *See section 105(a)(17) (42 U.S.C. 5305(a)(17)); 24 CFR 570.203(b).*	Provide grants or loans to support new businesses or business expansion to create jobs and manufacture medical supplies necessary to respond to infectious disease.
	Avoid job loss caused by business closures related to social distancing by providing short-term working capital assistance to small businesses to enable retention of jobs held by low- and moderate-income persons.
Provision of assistance to microenterprises. *See section 105(a)(22) (42 U.S.C. 5305(a)(22)); 24 CFR 570.201(o).*	Provide technical assistance, grants, loans, and other financial assistance to establish, stabilize, and expand microenterprises that provide medical, food delivery, cleaning, and other services to support home health and quarantine.

Provision of New or Quantifiably Increased Public Services	
Following enactment of the CARES Act[1], the public services cap[2] has no effect on CDBG-CV grants and no effect on FY 2019 and 2020 CDBG grant funds used for coronavirus efforts. *See section 105(a)(8) (42 U.S.C. 5305(a)(8)); 24 CFR 570.201(e).*	Carry out job training to expand the pool of health care workers and technicians that are available to treat disease within a community.
	Provide testing, diagnosis or other services at a fixed or mobile location.
	Increase the capacity and availability of targeted health services for infectious disease response within existing health facilities.
	Provide equipment, supplies, and materials necessary to carry-out a public service.
	Deliver meals on wheels to quarantined individuals or individuals that need to maintain social distancing due to medical vulnerabilities.
Planning, Capacity Building, and Technical Assistance	
States only: planning grants and planning only grants. *See section 105(a)(12).*	Grant funds to units of general local government may be used for planning activities in conjunction with an activity, they may also be used for planning only as an activity. These activities must meet or demonstrate that they would meet a national objective. These activities are subject to the State's 20 percent administration, planning and technical assistance cap.
States only: use a part of to support TA and capacity building. *See section 106(d)(5) (42 U.S.C. 5306(d)(5).*	Grant funds to units of general local government to hire technical assistance providers to deliver CDBG training to new subrecipients and local government departments that are administering CDBG funds for the first time to assist with infectious disease response. This activity is subject to the State's 3 percent administration, planning and technical assistance cap.
Entitlement only: data gathering, studies, analysis, and preparation of plans and the identification of actions that will implement such plans. *See 24 CFR 570.205.*	Gather data and develop non-project specific emergency infectious disease response plans.

Planning Considerations

Infectious disease response conditions rapidly evolve and may require changes to the planned use of funds:

- CDBG grantees must amend their Consolidated Annual Action Plan (Con Plan) when there is a change to the allocation priorities or method of distribution of funds; an addition of an activity not described in the plan; or a change to the purpose, scope, location, or beneficiaries of an activity (24 CFR 91.505).
- If the changes meet the criteria for a "substantial amendment" in the grantee's citizen participation plan, the grantee must follow its citizen participation process for amendments (24 CFR 91.105 and 91.115).
- Under the CARES Act, CDBG grantees may amend citizen participation and Con Plans concurrently in order to establish and implement expedited procedures with a comment period of no less than 5-days.

Resources

The Department has technical assistance providers that may be available to assist grantees in their implementation of CDBG funds for activities to prevent or respond to the spread of infectious disease. Please contact your local CPD Field Office Director to request technical assistance from HUD staff or a TA provider.

- Submit your questions to: CPDQuestionsAnswered@hud.gov
- Coronavirus (COVID-19) Information and Resources: https://www.hud.gov/coronavirus
- CPD Program Guidance and Training: https://www.hudexchange.info/program-support/

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[1] On March 27, 2020, President Trump approved the Coronavirus Aid, Relief, and Economic Security Act (Public Law 116-136) (CARES Act). The CARES Act makes available $5 billion in CDBG coronavirus response (CDBG-CV) funds to prevent, prepare for, and respond to coronavirus.

[2] Section 105(a)(8) of the HCD Act caps public service activities at 15 percent of most CDBG grants. Some grantees have a different percentage cap.

Receipt for Kitty Clark

Account ID: 45299806

Invoice/Payment Date
Nov 30, 2020, 6:57 AM

Payment Method
Visa*0887
Reference Number: SREY3YSQR2

Transaction ID
3462358410546862-7159053

Product Type
Facebook

Paid

$32.07 USD

Remaining ad costs at the end of the month.

Campaigns 0103005-5944-P0816 Kitty Clark 11.30.2020

Event: City Center Tree Lighting From Nov 4, 2020, 12:00 AM to Nov 29, 2020, 11:59 PM		**$16.65**
Event: City Center Tree Lighting	5,447 Impressions	$16.65
Event: City Center Tree Lighting From Nov 4, 2020, 12:00 AM to Nov 29, 2020, 11:59 PM	0103005-5944-P0816 Kitty Clark 11.30.2020	**$10.00**
Event: City Center Tree Lighting	2,397 Impressions	$10.00
Event: Christmas at the Market From Nov 4, 2020, 12:00 AM to Nov 29, 2020, 11:59 PM	0140204-5331 Kitty Clark 11.30.2020	**$5.42**
Event: Christmas at the Market	1,302 Impressions	$5.42