

**STATE OF MARYLAND
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
ACTION PLAN AMENDMENT – DISASTER GRANT #2 – PHASE 2
January 21, 2021
Approved by HUD on March 23, 2021**

On January 29, 2013, the U.S. Congress approved the Disaster Relief Appropriations Act which includes \$16 billion of Community Development Block Grant (CDBG-DR) funds. The funding is to be used for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 et seq.). The funding is to be used for recovery efforts due to Hurricane Sandy and other eligible events in calendar years 2011, 2012 and 2013. The funding was awarded by the U.S. Department of Housing and Urban Development (HUD) through several rounds.

The State of Maryland was notified it would receive \$20 million of CDBG-DR funds (identified hereafter as Disaster Grant #2) under the second round of awards to be used specifically for housing and economic recovery activities related to Hurricane Sandy and other eligible storm events pursuant to the Federal Register Notice FR-5696-N-01 published on March 5, 2013. The funding is being managed by the Maryland Department of Housing and Community Development (DHCD) through its Community Development Block Grant Office.

As required by HUD, the State submitted an Action Plan which is an Amendment to the State's Consolidated Plan. The Consolidated Plan is a five-year planning document required by HUD that sets out overall Statewide goals and priorities for housing, community development, and economic development activities. The Action Plan identified the planned use of the CDBG-DR funding, how it would be managed, and provided information required by HUD as to impact of the storm events. The Action Plan also identified the method of distribution used by the State to determine what activities would be funded. The Action Plan is available for review at www.mdhousing.org under *CDBG Disaster Recovery Assistance*.

As allowed by HUD, the State submitted an Action Plan which only identified a specific amount of the available funding to be used and the activities to be undertaken. This was done partially due to capacity issues and partially for flexibility in order to shift funding to other needs that may be determined as recovery efforts are underway. The subsequent amendments to the Action Plan obligated additional funds and described projects and activities to be undertaken. Under Disaster Grant #2 Phase #1, the State obligated \$7,578,000 for a number of projects and activities in Allegany County, Charles County, Dorchester County, Garrett County and Somerset County. Under Grant #2 Phase #2, the State obligated \$2,350,000 of new funds for an on-going project in Somerset County. Under Grant #2 Phase #3, the State obligated \$4,872,000 for one

on-going project and two new projects in Somerset County. Under Grant #2 Phase #4, the State obligated \$745,000 for one new project and administrative costs. Under Grant #2 Phase #5, the State obligated \$4,455,000 for two new projects in Somerset County and for State administrative costs.

AMENDMENT

The State proposed an amendment to the Action Plan related to projects only in Somerset County. The amendment added one new project and deleted another for Somerset County and the State. It does not change or alter other information or requirements found in the Action Plan or add any new funding.

As required by HUD, the State drafted an amendment to the Action Plan and made it available to the public for comment. At the end of the 30 day public comment period, the State submitted the amendment to the Action Plan to HUD for approval. HUD approved the plan on March 23, 2021.

On December 14, 2018, HUD approved an amendment which added a \$200,000 dredging project. It involved the dredging of a water channel known as Sheep Pen Gut at the community of Rhodes Point on Smith Island. It was a continuation of two earlier projects funded by the Hurricane Sandy Disaster Grant – the Rhodes Point Shoreline Stabilization project and the Rhodes Point Jetty project.

Under this amendment, Somerset County deleted this project due to lack of funding from the Maryland Department of Natural Resources which was to provide leverage for the project. They County will replace this project with a drainage project which improves two areas on Smith Island.

Smith Island Drainage Project

After Hurricane Sandy, a drainage study was completed for Smith Island. The study identified major deficiencies in the island's drainage system. Tidal and localized flooding has been a chronic issue impacting roads, creating health problems and affecting the quality of life for residents and visitors. Large weather events such as Hurricane Sandy compound the issues as the system fails causing other infrastructure and property to be damaged.

This project will improve two of the sections identified in the study. The specifics are as follows:

- (1) Somerset Road – The activities include an upgrade to existing culverts, a regrade of the entire roadside ditch and the installation of a TideFlex valve in Ewell.
- (2) Wharf Street – The activities include the conversion of an existing, poorly performing roadside ditch, eradication of a non-native, invasive plant negatively impacting the wetlands, and the installation of stone and other materials in

Tylerton.

This activity compliments the other work completed under this grant to improve the drainage and prevent flooding on Smith Island. It will utilize green infrastructure and stormwater best practices.

Activity Type: Infrastructure

National Objective: Benefit to Low and Moderate Income Persons – Area Benefit 180 Persons / 135 Low & Moderate Income Persons (75%)

Amount Proposed: \$200,000

Leverage/Source: \$200,000 / Rural Maryland Council

Proposed Start Date: March 2021

Address: Smith Island

Project Description: Funds will be used for infrastructure improvements.

Impact: The elimination and reduction of drainage issues and flooding will benefit infrastructure, property and residents.

Proposed Accomplishments: Improvements to infrastructure

ACTION STEP: De-obligate \$200,000 funds for dredging project and add new drainage project.

PUBLIC COMMENT

The plan was prepared by the Maryland Department of Housing and Community Development and posted on the DHCD website (www.dhcd.maryland.gov). As required by federal regulations, it was available for public comment for a 30 day period beginning on January 21, 2021 and ending on February 20, 2021. Notifications related to the plan and the hearings were published in *The Somerset Herald* and *The Salisbury Daily Times* only, as this Amendment involves Somerset County only.

Written comments were to be submitted via email to cindy.stone@maryland.gov or via mail to: Cindy Stone, Director, Office of Community Programs, DHCD, 7800 Harkins Road, Lanham, MD 20706.

Additionally, the State conducted two public hearings related to the proposed activities found within this amendment. The first hearing was held on Thursday, January 28th at 10:00 a.m. and the second hearing was held on Thursday, February 4th at 6:00 p.m. *Both were held virtually.* Interested persons were to register for hearings with Cindy Stone at cindy.stone@maryland.gov or via phone at 301/429-7519.

Only one person participated in one of the hearings. No written comments were received.

*As noted, the State of Maryland received two separate and distinct grant awards from HUD. The grants are tracked in the State system as two grants. The obligation of funds under each grant are identified as “Phases.” For HUD’s purposes, they are using the word “Round” for each Action Plan that is created and grant agreement awarded by HUD to the State. They do not make a distinction between the two grants awards. Thus, they have approved funding for eight rounds as follows:

Round 1	\$4,400,000
Round 2	\$7,578,000
Round 3	\$1,100,000
Round 4	\$3,140,000
Round 5	\$2,350,000
Round 6	\$4,872,000
Round 7	\$ 745,000
Round 8	\$4,455,000