

**STATE OF MARYLAND
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
ACTION PLAN AMENDMENT – DISASTER GRANT #2 CHANGES
August 13, 2019
Approved by HUD on September 18, 2019**

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 to amend the Action Plan again related to projects only in Somerset County. The amendment added two new projects for Somerset County and the State. It did 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. The State submitted the amendment to the Action Plan to HUD for approval at the conclusion of the 30 day public comment period. It was approved on September 18, 2019.

Under Grant #2 Phase #2, there were two projects that provided funding to the U.S. Army Corps of Engineers to undertake design and feasibility studies. The Army Corps required the funds to be provided before the activities began. CDBG funds in the amount of \$518,210 were provided for the Tidal Dike Feasibility Study and \$350,000 for the Great Point Design project. For both cases, the Army Corps decided that the ultimate projects would be financially unfeasible and terminated them. The Army Corps returned funds in the amount of \$335,062.48 for the Tidal Dike and \$127,226.84 for Great Point for a total of \$462,289.32.

In the last Action Plan Amendment, which was approved by HUD on December 14, 2018, \$300,000 of the returned funds was obligated for two new projects. The following projects will utilize the balance of Army Corps return and CDBG Program Income received from the sale of houses acquired by the County with grant funds.

City of Crisfield Drainage Study

The City of Crisfield is a waterfront, low-lying coastal community which experiences multiple annual flooding events, where standing water from rain and tide are chronic inconveniences, and flooded streets and sidewalks are an unpleasant reality throughout the city. Water causes damage to infrastructure and property; blocks travel, hospital, and evacuation routes; close local businesses; and adversely impacts the quality of life for area residents. The current drainage situation is also an environmental hazard due to constant overflow and stagnant water which serves as a haven for breeding mosquitoes.

The City will conduct a city-wide drainage system assessment to identify, categorize, and prioritize deficiencies in the overall system; develop an implementation plan, including a phasing schedule; create a proposed budget, per phase; and recommend retrofits and/or innovative adaptation strategies to ensure Crisfield is increasingly resilient to storm-induced and tidal flooding. The final product will provide a thorough

and comprehensive assessment of the current drainage system and propose methods to reduce flood risks in the context of stormwater management and localized flooding.

Activity Type: Planning

National Objective: Benefit to Low and Moderate Income Persons – Area Benefit 2,595 Persons / 1,880 Low & Moderate Income Persons 72.45%

Amount Proposed: \$100,000

Leverage/Source: \$50,000 / MD Department of Natural Resources

Proposed Start Date: October 2019

Address: City of Crisfield, City-Wide

Project Description: Funds will be used to fund a study/assessment of current drainage system to determine methods, costs and activities necessary for improvement.

Impact: As a coastal community, the City must plan for the continuing impact of climate change. The identification of deficiencies and issues with the City’s drainage system will assist with required and future improvements as well as determining other measures that must be taken to protect life and property.

Proposed Accomplishments: Improvements to infrastructure

ACTION STEP: Obligate returned funds from the Army Corps of \$100,000 for a study of drainage issues in the City of Crisfield.

Community Rating System Project

Somerset County will undertake a Community Rating System (CRS) Project which is a national program developed by the Federal Emergency Management Agency (FEMA). Based on the current 2015 maps prepared by FEMA, 53% of the County is in the 100 year floodplain. The new maps showed a 25% increase of land impacted by the special flood hazard area. Under the CRS project, the County will evaluate the current public and private impact on flood prone areas and determine necessary actions to protect people and property in the future.

The County will hire a consultant to undertake this effort which will take approximately two years to complete. Activities will include but are not limited to:

- Evaluation of current zoning and ordinances;
- Documentation of past efforts;
- Public outreach;
- Development of mitigation measures and activities;
- Development of new zoning and ordinances;
- Preparation for future disasters and weather related events; and
- Preparation of education materials for residents, homeowners and businesses.

Communities approved under the CRS program demonstrate a willingness to manage floodplain activities by implementing goals of: 1) reducing and avoiding flood damage to insurable property; 2) strengthening and supporting the insurance aspects of the National Flood Insurance Program; and 3) fostering comprehensive floodplain activities through pro-active management and mitigation. Benefits include reduction of flood insurance premiums for county residents.

Activity Type:	Planning
National Objective:	Benefit to Low and Moderate Income Persons – Area Benefit 18,960 Persons / 11,225 Low & Moderate Income Persons 59.2%
Address:	Countywide
Amount Proposed:	\$100,000
Proposed Start Date:	October 2019
Project Description:	Funds will be used to hire a consultant to undertake required activities under the CRS Program.
Impact:	Measurement and evaluation of floodplain management activities to reduce impact on people and property.
Proposed Accomplishments:	Improvements to infrastructure and housing

ACTION STEP: Obligate returned funds from the Army Corps in the amount of \$62,289.32 plus \$37,710.68 to undertake CRS project.

PUBLIC COMMENT

The draft of this plan was prepared by the Maryland Department of Housing and Community Development and posted on the DHCD website. As required by federal regulations, it was available for public comment for a 30 day period beginning on August 13, 2019 and ending on September 11, 2019. Notifications related to the plan and the hearings were published in *The Somerset Herald* and *The Salisbury Daily Times* only as this Amendment only involves Somerset County.

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. No written comments were received.

Additionally, the State conducted two public hearings related to the proposed activities found within this amendment. The first hearing was held on Wednesday, August 14, 2019 at the Somerset County Office Building, Room 111, in Princess Anne at 5:00 p.m. The second hearing was held on Tuesday, August 20, 2019 at 10:00 a.m. at the DHCD Office Building in Lanham. No one from the public attended either hearing.

*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