

Setting Up a Substantial Amendment for CARES Act Funding

This guide is for CARES Act Substantial amendments in order to incorporate CDBG-CV, ESG-CV, and HOPWA-CV funding into a grantee's most recent approved Annual Action Plan (AAP). Grantees adding CARES Act funds to a *new* 2020 Consolidated Plan/Annual Action Plan, see the addendum to this guide. Following the process in this guide allows HUD to complete reviews most expeditiously and best enables later completion of the consolidated annual performance report (CAPER).

Substantial Amendment Submission and Field Office Review Process

A grantee may amend its FY2019 plan (or its FY2020 plan) to include the CDBG-CV, ESG-CV, and HOPWA-CV funding. This means that a grantee that has not yet submitted its FY 2020 plan does not need to expedite its FY 2020 plan submission to receive its CARES Act funding; instead, the grantee may make a substantial amendment to the FY 2019 Action Plan.

The FY 2020 annual action plan is still required to be submitted for the FY 2020 formula programs, including CDBG. A grantee that has submitted a FY 2020 annual action plan to HUD that was marked "review completed" in IDIS or not disapproved within 45 days, must amend its FY 2020 plan to include CARES Act funding. Other grantees may include CARES Act funding in either a substantial amendment to the FY2019 plan or an original FY 2020 plan submission. Grantees are encouraged to choose the most expeditious option given individual circumstances.

Grantees should work with their local CPD Field Office in creating this amendment to ensure that the correct plan is being amended for all CARES Act programs.

For grantees adding CARES Act funds to a new 2020 Con Plan/Action Plan, the process is outlined in an addendum to this guide.

When amending a Plan, a grantee will only create **one** substantial amendment for its CARES Act programs **within one program year.**

Grantees are encouraged to use consistent nomenclature for CARES Act amendments, as follows "PY [Insert Program Year and Name of Entitlement Jurisdiction] CARES Act Amendment". e.g. "PY 2019 Chicago CARES Act Amendment".

Once a grantee has completed the steps outlined below, it may notify HUD via e-mail that the amendment has been submitted.

- A grantee with more than one CARES Act grant (e.g. CDBG-CV and ESG-CV) may submit an amendment with all grants at the same time or separately as they are ready, and HUD will review the submitted amendment(s). If accepted, HUD will award the funds through issuance of a grant agreement for that program. When the grantee submits subsequent amendments for different CARES Act grants, HUD will follow the same process to review the amendments and issue the grant agreement(s).
- As HUD completes its review of each amendment and the amendment is complete, the status in IDIS will be changed to "Reviewed and Waiting for Modifications." HUD will notify the grantee by sending the grant agreement and transmittal letter electronically. If multiple amendments need to be submitted for

the different programs, the status for the amendment should be changed to “Reviewed and Waiting for Modifications” until all amendments have been submitted and reviewed. Once all amendments have been completed, HUD will change the status of the amendment to “Review Completed”.

- The FO Rep may change the status of the amendment to “Reviewed and Waiting for Modifications” to allow the grantee to make any needed changes. HUD will send the grantee an email providing a list of needed changes. After changes are made the grantee may submit the amendment again for review.
- For subsequent CARES Act allocations, simply update the information in the amendment previously submitted for CARES Act funding and follow the same submission process.

1. Create the Substantial Amendment

To create a substantial amendment, follow the instructions provided in the following quick guides:

- [Amending a Consolidated Plan and Annual Action Plan for State and Entitlement Grantees](#)
- [Amending a Consolidated Plan and Annual Action Plan for Consortia Grantees](#)
- [Amending a Consolidated Plan and Annual Action Plan for Regional Grantees](#)

On the AD-25/AD-26 screen enter the amendment title. Grantees are encouraged to use consistent nomenclature for CARES Act amendments, as follows: “PY [Insert Program Year and Name of Entitlement Jurisdiction] CARES Act Amendment”. For example: “PY 2019 Chicago CARES Act Amendment”.

Chose “Substantial Amendment” from the drop-down menu and enter the purpose of the amendment. (Note: if the AAP being amended is the first year of the Con Plan, the Administration screen displays as AD-25 instead of AD-26.)

Annual Action Plans
AD-26 Administration of the Annual Action Plan

Save and Return | Cancel

AAP Program Year:* 2019

AAP Title:* PY 2019 Rhode Island CARES / X

AAP Plan Version:* RI app v1

If Amendment: Substantial ▼

Purpose of the amendment:* Amended on May 5, 2020 to add CDBG CARES Act funds to the FY2019 Annual Action Plan

2. Upload Executed SF-424 and SF-424D Forms and Certifications to the AD-25 Administration Screen for Each CARES Act Grant

Grantees will need to complete SF-424 and SF-424D forms and Certifications for new CARES Act funding awards from all allocations for each CARES Act grant (e.g. CDBG-CV, ESG-CV).

- HUD Form SF-424 and SF-425D: <https://www.hudexchange.info/resource/306/hud-form-sf424/>
- Certifications*: <https://www.hudexchange.info/resource/2396/consolidated-plan-certifications-state-and-non-state/>

* ESG grantees can access updated ESG-CV certifications posted at the link above and submit those for their substantial amendment for ESG-CV funds.

On the AD-25/AD-26 Administration screen, there is an attachment link for SF-424 and Certifications. Only one file can be uploaded to the attachment link to include all SF-424 and Certification submissions.

| Attachments | | |
|---------------------------------------|--------------------------------------|---------------|
| Citizen Participation Comments | Citizen Participation Attachment.pdf | View Delete |
| Grantee Unique Appendices | 19 AP Attachment for IDIS.pdf | View Delete |
| Grantee SF-424's and Certification(s) | SF424 and Certifications_signed.pdf | View Delete |

It is very important that Grantees DO NOT OVERWRITE the existing SF-424 and Certification forms.

- To avoid overwriting the existing forms, follow these steps:
 - Click the “View” link to download and save the existing forms
 - Click the “Delete” link to remove the existing forms from the attachment link
 - Re-scan or combine as one PDF document both the existing forms AND the new forms for CARES Act grants
 - Click the “Browse to Attach” link to upload the combined PDF document to the SF-424 and Certifications attachment link

3. Attach a Summary of Citizen Participation Efforts, Including a Summary of Comments or Views Submitted and Reason Comments or Views Were Not Accepted to Satisfy CDBG-CV and HOPWA-CV Requirements and a Description of ESG-CV Public Notification to the AD-25 or AD-26

Similar to the upload PDF field discussed in Step 2 above, all citizen participation information must be uploaded in a single document. If a document already exists in this field, use the steps outlined above to combine and reattach the document.

| Attachments | | |
|---------------------------------------|--|----------------------|
| Citizen Participation Comments | BostonPY19_Citizen Comment Summary.pdf | View |
| Grantee Unique Appendices | Boston_PY19_Appendix.pdf | View |
| Grantee SF-424's and Certification(s) | Boston_SF424_424D_Certifications.pdf | View |

Note: Grantees may also wish to update the Participation chart in the AP-12 to describe citizen participation efforts undertaken. ESG-CV funds are not subject to consultation or citizen participation requirements. An ESG-CV grantee must publish how it has and will utilize its allocation, at a minimum, on the Internet at the appropriate Government web site or through other electronic media.

4. Add All CARES Act Grant Sources that are Part of This Substantial Amendment to the SP-35 Anticipated Resources or AP-15 Expected Resources Screen

The CARES Act grant funds must be added in IDIS as a new “Resource”. For grantees in Year 1 of the Con Plan cycle, new resources must be added to the SP-35 Anticipated Resources screen. Grantees in Years 2-5 should add CARES Act funds to the AP-15 Expected Resources screen.

| Year 1 | Years 2-5 |
|--------|-----------|
| SP-35 | AP-15 |

Grantees should add their CARES Act allocations as an “Other” funding source on the SP-35 Anticipated Resources or AP-15 Expected Resources table. Note: The Resources screen should reflect allocations received to date for each CARES Act grant (e.g. CDBG-CV, ESG-CV)

Note: Allocations are posted at: https://www.hud.gov/program_offices/comm_planning/budget/fy20/

- Click the “Add” link at the bottom-right of the table on the screen.

| Priority Table | Source | Uses of Funds | Expected Amount Available | Expected Amount Available Remainder of Con Plan | Narrative Description | Action |
|----------------|------------------|---|--|---|-----------------------|---------------------|
| CCBG | public - federal | Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services | Annual Allocation: \$ Program Income: \$ Prior Year Resources: \$ Total: \$ | \$ | | |
| HDBE | public - federal | Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA | Annual Allocation: \$ Program Income: \$ Prior Year Resources: \$ Total: \$ | \$ | | |
| HOPWA | public - federal | Permanent housing in facilities Permanent housing placement STRM Short term or transitional housing facilities Supportive services TBRA | Annual Allocation: \$ Program Income: \$ Prior Year Resources: \$ Total: \$ | \$ | | |
| ESG | public - federal | Conversion and rehab for transitional housing Financial Assistance Oversight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing | Annual Allocation: \$ Program Income: \$ Prior Year Resources: \$ Total: \$ | \$ | | |
| HIF | public - federal | Acquisition Admin and Planning Homebuyer assistance Multifamily rental new construction Multifamily rental rehab New construction for ownership | Annual Allocation: \$ Program Income: \$ Prior Year Resources: \$ Total: \$ | \$ | | Add |

- In the Anticipated Resources dropdown menu, select “Other”.
- For Other Funding Source, enter:
 - “CDBG-CV” for CDBG CARES Act funding
 - “ESG-CV” for ESG CARES Act funding
 - “HOPWA-CV” for HOPWA CARES Act funding

- Enter the total CARES Act allocation amount received to-date for the specific CARES Act grant under “Expected Amount Available Year 1”. No funds should be entered under “Amount Expected for the remainder of the Consolidated Plan”.
- Under “Uses of Funds” select “Other” and indicate “Prevent, prepare for, and respond to coronavirus” and select any other applicable use. Click “Save and Return”.

AP-15 Expected Resources (SP-35 Anticipated Resources Screen has same format)

Anticipated Resource: Other

Other Funding Source: CDBG-CV

Expected Amount Available: \$ 3227111

Amount Expected for the remainder of the Consolidated Plan: \$

Narrative Description:
CDBG-CV funds to be used to prevent, prepare for and respond to the Coronavirus.

Source: public - federal public - state public - local private

Uses of Funds:

- Acquisition
- Admin and Planning
- Conversion and rehab for transitional housing
- Economic Development
- Financial Assistance
- Homebuyer assistance
- Homeowner rehab
- Housing
- Multifamily rental new construction
- Multifamily rental rehab
- New construction for ownership
- Overnight shelter
- Public Improvements
- Public Services
- Rapid re-housing (rental assistance)
- Rental Assistance
- Services
- TBRA
- Transitional housing
- Other To prevent, prepare for and respond to the Coronavirus

Save | Save and Return | Cancel

5. Add New IDIS Projects for All CARES Act Funds

Project setup requirements differ for CDBG-CV, ESG-CV, and HOPWA-CV, as described in the sections below. As part of the Amendment, Grantees will create projects in the AP-35 section of IDIS for all CARES Act grants. Also, the AP-30 Method of Distribution screen must be updated for State CDBG-CV grants.

See specific instructions for each program area below.

Note: Grantees may wish to add a new goal to the AP-20 Annual Goals and Objectives screen or select an existing goal within the Con Plan that is best suited to their COVID-related projects. Additionally, grantees are encouraged to adopt a naming protocol that identifies projects as CV- [insert project name] to allow for clear tracking and reporting (e.g. “CV-Public Services”). HOPWA grantees should follow the established HOPWA IDIS Naming Convention format, modified for CV. ESG grantees should follow the established ESG IDIS project naming convention format identified below.

CDBG-CV Project Setup Instructions:

Grantees should follow the normal process for setting up CDBG projects.

- Under the Plans/Projects/Activities tab, click on the “Add” link under the Project submenu.



- In the Program Year dropdown menu, select “2020”.
- Enter the Project Title “CV-[Project Name]”.
- Enter project description.

| | |
|--|---|
| Program Year *Program Year: 2020 ▼ | <input type="checkbox"/> Add New Program Year: <input type="text"/> (ex: yyyy) |
| IDIS Project ID: | |
| *Project Title: CV-[Project Name] | |
| Grantee/PJ Project ID: <input type="text"/> | |
| Description: <input type="text"/> | |

- Enter the combined amount of CDBG and CDBG-CV funds for this project in the CDBG Estimated Amount field and Save. Unlike ESG and HOPWA, the grantee has the option of creating multiple CDBG projects for activities to prevent, prepare for, and respond to coronavirus.

After creating the new project in IDIS, go back to the AAP substantial amendment.

- Go to the AP-35 Projects screen
- Click the “Add a Project” link at the bottom of the projects table.
- Search for the applicable project(s) and then click “Add” in the Action column.
- The Estimated Amount will already be populated from what was previously entered during the initial IDIS Project set-up. Update the Expected Resources by entering the CARES Act funding for this project in the “Other” line for CDBG-CV.

| | |
|-----------------|-------------------------|
| Other - CDBG-CV | \$ <input type="text"/> |
|-----------------|-------------------------|

Note: Activity-level detail is not required for state CDBG-CV grantees. Projects provided should align with the state’s method of distribution. Method of distribution addresses required information (AP-30).

ESG-CV Project Setup Instructions:

For ESG-CV grantees that amend the 2019 AAP, IDIS users cannot create a 2020 Project on the AP-35 of the 2019 plan. Instead, they must create the appropriate 2020 project in the IDIS Project module using the 2020 program year, and then link the 2020 project to the 2019 plan from within the AAP module.

Note: For ESG-CV recipients, a single 2020 project will be used to include the annual allocation of ESG funds and the ESG- CV funds.

- Under the *Plans/Projects/Activities* tab, click on the “Add” link under the *Project* submenu.



- In the Program Year dropdown menu, select “2020”.
- Enter the Project Title “**ESG20 [Add Jurisdiction Name]**”.
- Enter project description, providing a high-level summary of all eligible activities that will be funded in response to COVID-19.

A screenshot of a web form for creating a project. The form is titled "IDIS Project ID:". It contains several fields: "Program Year:" with a dropdown menu set to "2020" and an "Add New Program Year:" button; "*Project Title:" with a text input field containing "ESG20 - [Jurisdiction Name]"; "Grantee/PJ Project ID:" with an empty text input field; and "Description:" with a large text area. There are also labels for "IDIS Project ID:" and "Description:".

Enter the total ESG-CV allocation in the HESG line for Estimated Amount (an amount would need to be entered in order to associate IDIS activities to the project) and save.



| Estimated Amount (Including Program Income) | |
|---|----------------|
| Section 108 Loan amount | \$ 0.00 |
| CDBG | \$ 0.00 |
| HOME | \$ 0.00 |
| ESG | \$ 0.00 |
| HOPWA | \$ 0.00 |
| CDBG-R | \$ 0.00 |
| HPRP | \$ 0.00 |
| TCAP | \$ 0.00 |
| HESG | \$ 0.00 |
| HOPWA-C | \$ 0.00 |
| HTF | \$ 0.00 |
| Total | 0.00 |

Save | Reset

After creating the new project in IDIS, go back to the AAP substantial amendment.

- Go to the AP-35 Projects screen
- Click the “Add a Project” link at the bottom of the projects table.
- Search for the applicable project(s) and then click “Add” in the Action column.



The screenshot shows the 'Project Search Projects' form. It includes search criteria for Program Year (set to 2020), Program, Project Title, IDIS Project ID, and Grantee/PJ Project ID. At the bottom, there are buttons for Search, Reset, Return to AP-35 Projects, and Create a New Project.

| | | | |
|------|---|---------------------------|-----|
| 2020 | 9 | ESG20 [Jurisdiction Name] | Add |
|------|---|---------------------------|-----|

- The Estimated Amount will already be populated from what was previously entered during the initial IDIS Project set-up. Update the Expected Resources by entering the allocated CARES Act funding in the “Other” line for ESG-CV.

HOPWA-CV Project Setup Instructions:

HOPWA-CV grantees that amend the 2019 AAP must ensure the IDIS Projects created are 2020 Projects so that the required “year matching” funding rules between Projects and Activities work for the 2020 CARES Act funding. IDIS users cannot create a 2020 Project on the AP-35 of the 2019 plan because the year will default to 2019. Instead, they must create the appropriate 2020 Project in the IDIS Project module, and then link the 2020 project to the 2019 Plan from within the AAP module, AP-35 screen.

For HOPWA-CV grantees, the AP-35 screen should identify new, separate “CV” 2020 projects: one for the grantee and one for each known project sponsor. The Grantee may temporarily include placeholder “dummy” projects if the project sponsors are not yet known. Grantees should also provide a budget description of the funding and proposed household count by eligible activity in the project description boxes labeled: “Estimate the number and type of families that will benefit from the proposed activities” and “Planned Activities”.

- Under the Plans/Projects/Activities tab, click on the “Add” link under the Project submenu.



- In the Program Year dropdown menu, select “2020”.
- Enter the Project Title using the standard HOPWA naming convention adding – “CV-COVID-19” e.g., “CV-COVID-19 2020-2023 City of Baltimore MDH20HWF001 (Balt)”–
- HOPWA IDIS Naming Convention Tool: <https://www.hudexchange.info/resource/5233/Hopwa-idis-naming-convention-tool/>

- Assign a Project Sponsor (if applicable)
- Enter project description, providing a high-level summary of all eligible activities that will be funded in response to COVID-19.

Program Year

***Program Year:** **Add New Program Year:** (ex: yyyy)

IDIS Project ID:

***Project Title:**

Grantee/PJ Project ID:

Description:

Estimated Amount (Including Program Income)

| | | |
|-------------------------|----|------------------|
| Section 108 Loan amount | \$ | 0.00 |
| CDBG | \$ | 0.00 |
| HOME | \$ | 0.00 |
| HTF | \$ | 0.00 |
| HESG | \$ | 0.00 |
| HOPWA | \$ | 100000.00 |
| HOPWA-C | \$ | 0.00 |
| ESG | \$ | 0.00 |
| HPRP | \$ | 0.00 |
| TCAP | \$ | 0.00 |
| CDBG-R | \$ | 0.00 |
| Total | | 100000.00 |

After creating the new project in IDIS, go back to the AAP substantial amendment to associate the new project to the AP-35 Projects screen.

- Go to the AP-35 Projects screen.
- Click the “Add a Project” link at the bottom of the projects table.
- Search for the applicable project(s) and then click “Add” in the Action column.

Project

Search Projects

Search Criteria

Program Year: **Program:** **Project Title:**

IDIS Project ID: **Grantee/PJ Project ID:**

| | [Return to AP-35 Projects](#) | [Create a New Project](#)

Project

Search Projects

Search Criteria

Program Year: Program: Project Title:

IDIS Project ID: Grantee/PJ Project ID:

| | [Return to AP-35 Projects](#) | [Create a New Project](#)

Results Page 1 of 1

| Program Year | IDIS Project ID | Grantee/PJ Project ID | Project Title | Project Owner | Status | Action |
|--------------|-----------------|-----------------------|--|---------------|--------|---------------------|
| 2020 | 4 | | CV-COVID-19 2020-2023 City of Baltimore MDH20HW001 | BALTIMORE, MD | Open | Add |

- The Estimated Amount will already be populated from what was previously entered during the initial IDIS Project set-up. Update the Expected Resources by entering the allocated CARES Act funding in the "Other" line for HOPWA-CV.

| | |
|--------------------------|-------------------------|
| Other - Other - HOPWA-CV | \$ <input type="text"/> |
|--------------------------|-------------------------|

- Update the following:
 - Select the associated annual goals and priority needs
 - Complete the following text box with proposed households by activity: "Estimate the number and type of families that will benefit from the proposed activities"
 - Complete the following text box with the budget description: "Planned Activities"
 - Estimate the quantity and unit of measure (e.g., persons assisted, households assisted, etc.) for the goal outcome indicator(s) selected
 - Select appropriate Goal Outcome Indicators (should be the same as the associated goal)
 - Click "Save"
- The HOPWA-CV project is now added to the bottom of the AP-35 Projects table.

6. Update Other Applicable eCon Planning Suite Screens

Method for selecting project sponsors, if changed for the CARES Act activities, should be updated in a description text box (AP-90 HOPWA-CV only).

7. After All Updates Have Been Made, Submit the Substantial Amendment by Changing the Status on the AD-25/AD-26 Administration Screen to "Submitted for Review" and then Click "Save and Return"

Status:

Status changed on: Tue, Apr 28 2020 at 8:58:28 AM EDT

|

Note: Once the amendment is changed to "Submitted for Review," it cannot be edited unless HUD changes it back to "Reviewed and Waiting for Modifications."

Once the substantial amendment has been reviewed by HUD, the status will be changed from “Submitted” to “Reviewed and Waiting for Modifications” if there are more amendments that need to be submitted. This will allow for CARES Act funding to be submitted as it is ready and allow for grantees to submit as they are ready. At this point in the process, HUD will take one of the following actions:

- If the amendment is complete for a grant, the grantee will receive notification from HUD conveying the transmittal letter and grant agreement(s). Once the grantee has signed the agreement(s) and returned to HUD, funds will be made available in IDIS.
- If the substantial amendment is not complete for a grant and changes are required, HUD will change the status of the amendment to “Reviewed and Waiting for Modifications” to allow the grantee to make any needed changes. HUD will send the grantee an email providing a list of needed changes. After changes are made the grantee may submit the amendment again for review.
- For subsequent CARES Act allocations, simply update the information in the amendment and follow the same submission process.

Note: The SF-424 and AP-15 should reflect cumulative CARES Act awards from all allocations for each CARES Act grant (e.g. CDBG-CV, ESG-CV)

Addendum: Adding CARES Act Grant Funding to a NEW 2020 Plan

AD-25/AD-26

- Upload CARES Act specific SF-424 and SF-424D forms and Certifications to the AD-25/AD-26 Administration screen along with the regular 2020 formula funds for which the grantee is applying.
- CDBG-CV and HOPWA-CV citizen participation narratives should be combined with entitlement citizen participation narratives and documents uploaded to the AD-25/AD-26 Administration screen.
- Upload ESG-CV narrative on public notification process (if applicable) in the AD-25/AD-26 Administration screen.

SP-35/AP-15

- Grantees should follow Step 4 of the Substantial Amendment Guide as applicable.

AP-35/AP-30

- Grantees should follow the normal process for setting up projects with the addition of the naming protocol outlined in Step 5 of the Substantial Amendment Guide as applicable.
- CDBG-CV State grantees must update their method of distribution in the AP-30 screen if changed for CARES Act funding.

AP-90

- HOPWA-CV grantees must outline their method for selecting project sponsors, if changed for the CARES Act activities.

In all other screens, grantees should follow the normal process while including reference to CARES Act grants and related goals and activities.