

Community Development Block Grant Coronavirus (CDBG-CV1, ESG-CV1 & HOPWA-CV1) Funding Overview

May 26, 2020; Community and Economic Development Committee City Hall, Milwaukee, WI

CARES Act Community Planning and Development Funding to Date

ESG-CV (\$4 Billion) Round 1 = \$2 Billion via current formula Round 2 = Pending Announcement



HOPWA-CV (\$65 Million) \$50 Million via current formula \$15 Million via new Comp and for TA.

CDBG-CV (\$5 Billion) Round 1 = \$2 Billion via current formula Round 2 = \$1 Billion Pending Announcement (for States and Insular Areas) Round 3 = TBD

HOME - \$0 Waivers and Flexibilities Provided **COC - \$0** Waivers and Flexibilities Provided

CARES Act funds must be used for activities that **prevent**, **prepare** for, and **respond to coronavirus**.



- WHAT? Special allocation of Community Development Block Grant (CDBG) funding to prevent, prepare for, and respond to the coronavirus (COVID-19).
- WHO? CDBG-CV funding provided to City by U.S. Department of Housing and Urban Development (HUD) on formula basis.
- ✤ AMOUNT? \$9,574,616
- PURPOSE? CDBG-CV projects <u>must</u> meet one of three National Objectives: 1) Benefit Low- to Moderate-Income Persons/Households;
 Aid in the Prevention/Elimination of Slum and Blight; or 3) Meet an Urgent Need



CDBG-CV vs. CDBG FUNDS?

- CDBG-CV funds must ONLY to be used for <u>eligible activities related to</u> <u>COVID-19</u>
- No percentage caps for allocation of funding! Funding is equally available to all categories, including Public Services
- Substantial Amendment will be required for use of CDBG-CV funds
- If necessary, PY2019 and PY2020 CDBG funding may be re-allocated for eligible COVID-19 activities
- SUBJECT TO CHANGE: additional Federal guidelines are pending



U.S. Department of Housing and Urban Development (HUD) 2020 Income Limits

| | NUMBER OF PERSONS IN HOUSEHOLD | | | | | | | |
|-----------------|--------------------------------|----------|----------|----------|----------|----------|----------|----------|
| CATEGORY | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| Extremely Low * | \$17,650 | \$20,150 | \$22,650 | \$25,150 | \$27,200 | \$29,200 | \$31,800 | \$33,200 |
| Very Low (50%) | \$29,350 | \$33,550 | \$37,750 | \$41,900 | \$45,300 | \$48,650 | \$52,000 | \$55,350 |
| Low (80%) | \$46,950 | \$53,650 | \$60,350 | \$67,050 | \$72,450 | \$77,800 | \$83,150 | \$88,500 |

* Extremely Low Income is defined as the great of 30/50ths (60%) of the Section 8 very low-income limit or the poverty guidelines provided that this amount is not greater than the Section 8 50% very low-income limit.



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EXAMPLES OF ELIGIBLE ACTIVITIES?

- Emergency rent/utility assistance
- Food distribution
- Provide testing, diagnosis or other services at a fixed or mobile location
- Provide short-term working capital assistance to small businesses to enable retention of jobs held by low- and moderate-income persons
- Construct a facility for testing, diagnosis, or treatment
- Rehabilitate a community facility to establish an infectious disease treatment clinic
- FOR CITY USE ONLY: Gather data and develop non-project specific emergency infectious disease response plans



***** EXAMPLES OF ELIGIBLE APPLICANTS?

- Existing 501(c)(3) or Other Non-Profit Status
- Other Public Agencies
- For-Profits with Mission to Serve Low- to Moderate-Income Persons/Families
- Small Businesses with Low- to Moderate-Income Employees
- City Departments
- Community Housing Development Organizations(CHDO)
- Community Development Financial Institutions (CDFI)

Emergency Shelter Grant-CV Overview



- WHAT? Special allocation of Emergency Solutions Grant (ESG) funding to prevent, prepare for, and respond to the coronavirus (COVID-19).
- WHO? ESG-CV funding provided to City by U.S. Department of Housing and Urban Development (HUD) on formula basis.
- **AMOUNT?** \$4,785,445
- PURPOSE? ESG-CV projects <u>must</u> address individuals, families and youth experiencing homelessness. Funds shall be used to provide essential supplies and services to reduce the spread of infectious disease in homeless programs.

ESG-CV Overview



***** EXAMPLES OF ELIGIBLE ACTIVITIES?

- Emergency Shelter
 - Supplies, Furnishings, Equipment and Transportation
- <u>Street Outreach</u>
 - Engagement- Urgent physical needs
 - Engagement- Equipping Staff
- Homeless Prevention
 - Financial Assistance Rental arrears, utilities and security deposits
- Hazard pay

Housing Opportunity for Persons with AIDS-CV Overview



- WHAT? Special allocation of Housing Opportunities fro Persons with AIDS (HOPWA) funding to prevent, prepare for, and respond to the coronavirus (COVID-19).
- WHO? HOPWA-CV funding provided to City by U.S. Department of Housing and Urban Development (HUD) on formula basis.
- ✤ AMOUNT? \$142,391

PURPOSE? HOPWA-CV projects <u>must</u> assist HOPWA eligible households in accessing essential services and supplies.

HOPWA-CV Overview



***** EXAMPLES OF ELIGIBLE ACTIVITIES?

- Supportive Services
 - Food, medications, Transportation
- Leasing
 - Cost for short-term hotel/motel stays for use as quarantine spaces
- Operating Costs for Housing Facilities
 - Essential furnishings, maintenance, equipment that support the operation of housing facilities.
- Hazard pay