

Leveraging CDBG-CV and Other Federal Grant Opportunities for COVID-19 Response

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Introductions



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Agenda



CDBG-CV

CARES Act - \$5 billion

- \$2 billion will be allocated to states and local governments who received an allocation under the fiscal year 2020 formula
- \$1 billion will go directly to states
- \$2 billion will be allocated to states, cities, counties and local governments based on the prevalence of risk of COVID-19 and related economic and housing disruption

CDBG-CV

Allocations	Round 1	HUD allocated the first \$2 billion based on the same formula used for the FY 2020 CDBG formula allocation. HUD announced allocations on April 2, 2020.
	Round 2	HUD allocated \$1 billion directly to states and insular areas by May 11, 2020.
	Round 3	\$1.990 billion is available for allocation on a rolling basis based on criteria to be determined by the Secretary, prioritizing risk of transmission, coronavirus cases compared to the national average, and economic and housing market disruptions. The CARES Act does not establish a deadline to allocate funds, but HUD must obligate all funds by September 30, 2022. HUD is making one Round 3 allocation – of \$2,423,046 to the District of Columbia to provide national coverage of CDBG CARES Act funding

CDBG-CV

Waivers and Extended Deadlines

- Prohibits waivers related to fair housing, nondiscrimination, labor standards and the environment.
- Deadline to submit consolidated plans extended to August 16, 2021.
- In-person public hearing not required for Citizen Participation and Public Hearings for Consolidated Plans.
- For program year 2019 CAPERs, the requirement that grantees submit a performance report within 90 days after the close of a jurisdiction's program year is waived, subject to the condition that within 180 days after the close of a jurisdiction's program year the jurisdiction shall submit its performance report.
- Temporary elimination of the 15% Cap on Use of CDBG for public services.

CDBG-CV

15% Cap
“Public Services”
Eliminated

- The CARES Act eliminates the CDBG law’s 15% cap for “public services” that is obligated in a program year.
- The removal of the 15% cap applies not only to CDBG funds allocated from the \$5 billion appropriation from the CARES Act, but also to any FY19 and FY20 CDBG allocations.

CDBG-CV

Submitting and Documenting Waivers



CPD Memo: Availability of Waivers of CPD Grant Program and Consolidated Plan Requirements to Prevent the Spread of COVID-19 and Mitigate Economic Impacts Caused by COVID-19 for CoC, ESG, and HOPWA.



Grantees must mail or email notification to the Community Planning and Development Director of the HUD Field Office serving the grantee.



The mail or email notification must be sent two days before the grantee anticipates using waiver flexibility.

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List of Waivers

1. CoC Program - Fair Market Rent for Individual Units and Leasing Costs
2. CoC Program - Disability Documentation for Permanent Supportive Housing (PSH)
3. CoC Program – Limit on Eligible Housing Search and Counseling Services
4. CoC Program - Permanent Housing-Rapid Re-housing Monthly Case Management
5. CoC Program - Housing Quality Standards (HQS) – Initial Physical Inspection of Unit
6. CoC Program - HQS – Re-Inspection of Units
7. CoC Program – One-Year Lease Requirement
8. Consolidated Planning Requirements – HOME, CDBG, HTF, ESG, and HOPWA Programs – Citizen Participation Public Comment Period for Consolidated Plan Amendment

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List of Waivers continued

9. Consolidated Planning Requirements – HOME, CDBG, HTF, ESG, and HOPWA Programs – Citizen Participation Reasonable Notice and Opportunity to Comment
10. ESG Program - HMIS Lead Activities
11. ESG Program - Re-evaluations for Homelessness Prevention Assistance
12. ESG Program - Housing Stability Case Management
13. ESG Program - Restriction of Rental Assistance to Units with Rent at or Below FMR
14. HOPWA Program – Self-Certification of Income and Credible Information on HIV Status
15. HOPWA Program – FMR Rent Standard
16. HOPWA Program – Property Standards for TBRA
17. HOPWA Program - Space and Security

CDBG-CV

Procedure for Using Available Waivers of Program and Consolidated Plan Requirements to Prevent the Spread of COVID-19 and Mitigate Economic Impacts Caused by COVID-19

The mail or email notification must be sent two days before the grantee anticipates using waiver flexibility, and include the following details:

- Requestor's name, title, and contact information;
- Declared-disaster area(s) where the waivers will be used;
- Date on which the grantee anticipates first use of the waiver flexibility; and

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Grantees are **strongly encouraged** to establish a set of **emergency policies and procedures** for use during the COVID-19 pandemic. The policies and procedures **must outline the waivers that are being utilized and the records** that will be maintained to support those waivers.

CVBG-CV

Public services include, but are not limited to:

- Childcare
- Health care
- Job training
- Recreation programs
- Education programs
- Public safety services
- Fair housing activities
- Services for senior citizens
- Services for homeless persons
- Drug abuse counseling and treatment
- Energy conservation counseling and testing
- Homebuyer down payment assistance
- Welfare (but excluding provision of income payments described at §570.207(b)(4))

Paying the cost of operating and maintaining that portion of a facility in which the service is located is also considered to fall under the basic eligibility category of Public Services

CDBG-CV

Grantees may select from more than 25 eligible CDBG activities to shape their local programs to meet their needs, including:

- A wide range of public services to prevent, prepare for, and respond to coronavirus, such as providing food and health services for low-income elderly persons and children;
- Small business assistance or emergency housing payments for entities and families impacted by economic and housing market disruptions; or
- Acquisition and rehabilitation of structures for health facilities, food banks, or public improvements needed to support community coronavirus response, preparation, or prevention. For example, grants may assist improvements to heating, ventilation, and air conditioning in a local grocery store to protect employees and shoppers, or alterations to neighborhood business district sidewalks and facades to enable curbside pick-up or social distancing.

https://www.hud.gov/press/press_releases_media_advisories/HUD_No_20_062

CDBG-CV

Increased CDBG funding could be utilized by grantees to address a wide variety of needs in response to the COVID-19 pandemic, including:

- Grants or revolving loan funds for small and medium enterprises
- Supporting community non-profits performing essential services
- Workforce development and training services for displaced workers
- Retrofitting community facilities for medical or quarantine uses
- Supporting food and other essential supply deliveries to elderly and other vulnerable populations
- Supporting various interrupted or at-risk core governmental functions

Source: <https://crsreports.congress.gov/product/pdf/IN/IN11277>

CBBG-CV



CDBG-CV

CDGB and CDBG-CV Funds Checklist

- ✓ Determine if the city or county is a HUD Entitlement jurisdiction if not then the State of California will cover your location
- ✓ Identify your Local Government Department that administers your CDBG Funds
- ✓ Review the CDBG Funds Eligible Activities for Infectious Disease Response and consider working with local public health authorities
- ✓ Identify potential needs and uses of CDBG Funds. Prioritize the use based on activities being performed. Conduct duplication of benefits analysis as well as emergency policy.
- ✓ Establish a meeting with the Local Government Department staff that manage the location's CDBG Funds and present your ideas for needs and uses of CDBG Funds for Economic Development
- ✓ Monitor HUD CDBG Website for future allocation of HUD CDBG CARES Act
- ✓ Continue dialogues with local government about anticipated needs and uses of additional federal allocation

CDBG-CV



- Ensure your community can quickly, and compliantly administer all CDBG CV Funding.
- Make sure to create policies and procedures specific to CDBG-CV funding.
- Ensure you have federally compliant procurement procedures and contract templates in place.
- Retain all program and project documentation.
- Coordinate all tranches of CDBG & CDBG-CV funding.

FEMA Update

CRF
dollars
for non-
federal
cost
share?

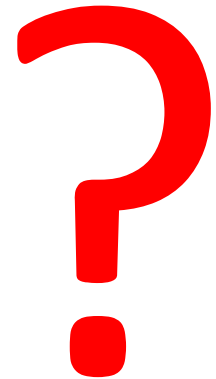
National Association of Counties

National Calls Q&A May 12th & 21st

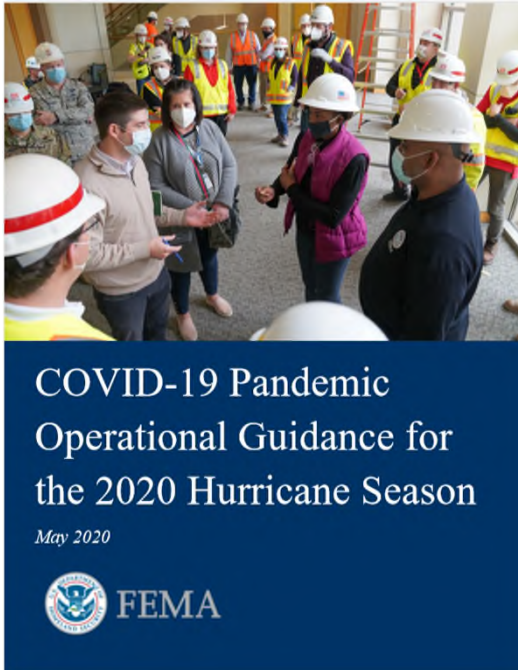
(updated May 27, 2022)

We heard FEMA and the White House announced that CRF payments are allowed to be used towards the FEMA cost share. However, is that allowed for direct CRF counties (entitlement) or just non-entitlement?

On a May 20 White House COVID-19 call, intergovernmental affairs staff stated that President Trump approved that CRF payments will be allowed to be used towards the FEMA cost share requirements under the Stafford Act. During this same call, FEMA IGA officials confirmed that CRF payments can be used towards the cost share. We expect additional guidance from the U.S. Treasury to be released in the coming days. It is our understanding that counties, both entitlement and non-entitlement, can use CRF payments for the FEMA cost share. There has been no communication from the U.S. Treasury, FEMA or the White House that there is any sort of distinction between the two. However, we do know that there are still ongoing conversations on exact details of this new information and that the U.S. Treasury and FEMA plan to release additional guidance.



FEMA Update



Remaining Ready for the Hurricane Season

On May 20th, to address the challenges of managing disaster response and recovery efforts during this year's hurricane season, FEMA released the "COVID-19 Pandemic Operational Guidance for the 2020 Hurricane Season" to help emergency managers and public health officials best prepare for disasters, while continuing to respond to and recover from coronavirus (COVID-19). The guidance can also be used by private sector and non-governmental organizations to gain an understanding of the government's posture, planning and readiness efforts.

FEMA Update

Coronavirus (COVID-19) Pandemic: Medical Care Costs Eligible for Public Assistance FP 104-010-04

SLTT government entities and certain private nonprofit (PNP) organizations are eligible for associated costs to support the provision of medical care, including eligible facility, equipment, supplies, staffing, and wraparound services.

Eligible work may include both emergency and inpatient treatment of confirmed and suspected cases:

- Temporary and Expanded Facilities
- Emergency medical transport related to COVID-19
- Triage and medically necessary tests and diagnosis related to COVID-19 patients
- Necessary medical treatment of COVID-19 patients
- Prescription costs related to COVID-19 treatment
- Medical waste disposal related to COVID-19
- Purchase, lease, and delivery of specialized medical equipment necessary (subject to disposition requirements)
- Purchase and delivery of PPE, durable medical equipment, and consumable medical supplies necessary (subject to disposition requirements)

FEMA Update

FEMA Factsheet: Coronavirus (COVID-19) Pandemic: Alternate Care Site (ACS) “Warm Sites” May 12, 2020

- FEMA may approve work and costs associated with maintaining minimal operational readiness at ACS facilities when necessary in response to the COVID-19 Public Health Emergency.
- Public health experts have warned of the potential for a second wave of COVID-19 cases, the severity and timing of which are uncertain.

FEMA Update

To determine whether work related to ACS warm sites is necessary to eliminate or lessen an immediate threat, FEMA may consider SLTT assessments of need based on:

- Public health guidance, including the continued declaration of a Public Health Emergency by the US Department of Health and Human Services, and other information on the likelihood of a resurgence.
- Whether the ACS is strategically located for areas projected to be most impacted by a resurgence.
- SLTT hospital bed capacity relative to the projected need.

FEMA Update

Eligible Costs to Maintain ACS Warm Sites

- Renting/leasing the space for an ACS facility and/or the necessary equipment to operate the facility and provide adequate medical care in the event of a COVID-19 resurgence;
- Other facility costs such as utilities, maintenance, and/or security;
- Keeping the necessary equipment and supplies (including PPE) in stock, including inspection and maintenance of equipment and supplies, and replacement of non-functioning equipment and expired supplies and commodities;
- Demobilization of ACS facilities when it is more cost effective than maintaining a warm site, and remobilizing in the event of a COVID-19 resurgence based on projected needs;
- Storage of equipment and supplies for ACS warm sites or demobilized ACS facilities which can be re- deployed for future rapid activation;
- Wraparound services, as defined in the ACS Toolkit,³ necessary for minimal operational readiness;
- Minimal level of medical and/or non-medical staffing, if necessary;
- Site restoration to allow a facility that was/is being used as an ACS to return to normal operations until such time as the facility is needed as an ACS again in the event of a COVID-19 resurgence; and/or
- Other costs necessary to maintain a minimum level of operational readiness.

FEMA Update

Time Limitations

Funding for ACS warm sites is limited to maintaining the site no longer than is necessary and reasonable based on projected needs and in accordance with public health guidance.

- The continued need for an ACS warm site should be **assessed on a monthly basis** by FEMA and SLTTs and based on the latest federal and/or SLTT COVID-19 projections of the likelihood of a COVID-19 resurgence in the area and the subsequent capacity and capability needs.
- FEMA will **not reimburse costs** related to maintaining ACS warm sites for more than **30 days after the end of the COVID-19 Public Health Emergency**, as determined by HHS.

FEMA Update

FEMA PA COVID-19 60 Day Deadline to Identify Damage Memo (May 14, 2020)

As stipulated in 44 CFR § 206.202(d)(1)(ii), an Applicant has 60 days from its first substantive meeting with FEMA to identify and report damage to FEMA. Due to the unprecedented nature of the national emergency declaration, the number of potential Public Assistance Applicants, and the fact that these Applicants are still actively engaged in life-saving operations, enforcing the 60 day deadline at this time is not appropriate.

The deadline to identify and report damage is extended for the major disaster declaration and will remain open for the duration of the Public Health Emergency, as declared by the Secretary of the U.S. Dept. of Health and Human Services, unless an earlier deadline is deemed appropriate by the FEMA Assistant Administrator of the Recovery Directorate.

FEMA Update

60
Day
Deadline

Applicants must identify and report their damage/costs by whichever is later:

- 60 days from the end of the Public Health Emergency
OR
- 60 days from the approval of their Request for Public Assistance

These damages must be submitted via a Streamlined Project Application in Grants Portal.

Once the deadline has passed for an Applicant, FEMA will no longer accept new project applications.

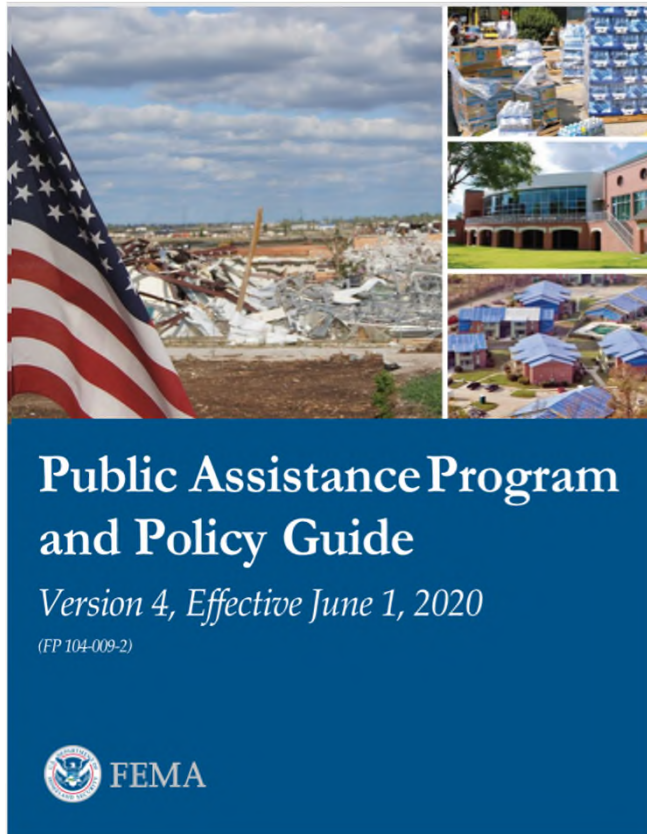
FEMA Update

Version 4 of the PAPPG is effective for all **emergencies and major disasters declared on or after June 1, 2020.**

It supersedes Version 3.1 of the PAPPG which was published on April 1, 2018 and is effective for all emergencies and major disasters declared between August 23, 2017 and May 31, 2020.

Updates to the PAPPG includes:

- Incorporation of the Public Assistance Alternative Procedures for Permanent Work Pilot Policy (FEMA Policy 104-009-7).
- Incorporation of the PA National Delivery Model process and procedures.
- Updates to administrative processes and eligibility of applicants, emergency work, permanent work, and cost.
- Incorporation and subsequent supersession of various policies, job aids, and fact sheets.



FEMA Best Practices



DOCUMENT

- ✓ Document as much as possible.
 - ✓ Try to make sure records are digital/searchable.
- ✓ Ensure each expenditure is recorded and referenced to supporting documentation.
- ✓ Create an emergency response documentation library that is easily navigable with a clear file structure.

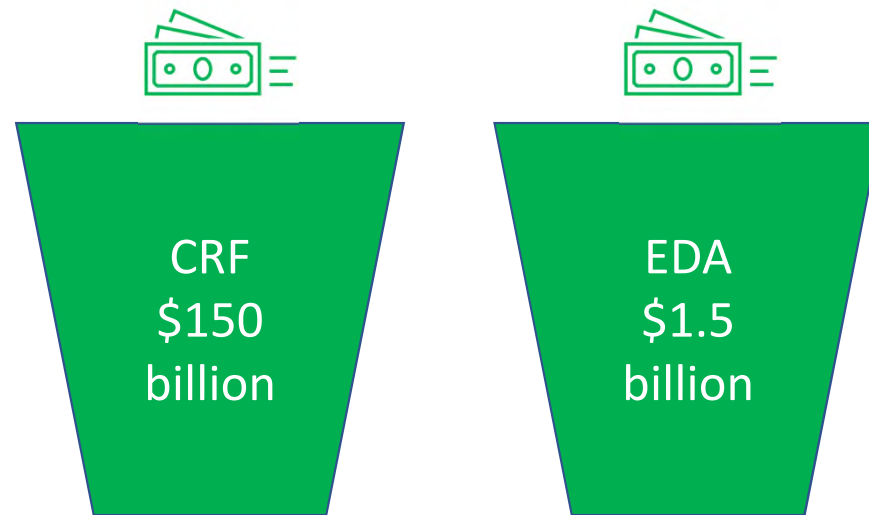
DOCUMENT

DOCUMENT

CARES Act Update

- **\$500 billion** - loans and assistance to companies, state and local governments.
- **\$150 billion** - Coronavirus Relief Fund for states and local governments
- **\$45 billion - FEMA Disaster Relief Fund**
- **\$100 billion** - new program at the Department of Health and Human Services
- **\$25 billion** - Federal Transit Administration for grants to public transit agencies.
- **\$14.25 billion** - institutions of higher education
- **\$13.5 billion** - local elementary and secondary educational
- **\$10 billion** - publicly owned commercial airports
- **\$5 billion** - Community Development Block Grants
- **\$4 billion** - homeless assistance grants
- **\$3.5 billion** - Child Care Development Block Grant
- **\$3 billion** - Section 8 and other rental assistance programs
- **\$1.5 billion** - Centers for Disease Control and Prevention
- **\$1.5 billion** - Economic Development Administration for economic adjustment assistance for communities.
- **\$1 billion** -Community Services Block Grant Program
- **\$850 million** - Department of Justice for state and local law enforcement
- **\$685 million** - public housing operating funds
- **\$400 million** - help states prepare for the 2020 elections

CARES Act Update



CARES Act

US Treasury Department Coronavirus Relief Fund Frequently Asked Questions Updated as of May 28, 2020

Should States receiving a payment transfer funds to local governments that did not receive payments directly from Treasury?

Yes, provided that the transferred funds are used by the local government for eligible expenditures under the statute.

To facilitate prompt distribution of Title V funds, the CARES Act authorized Treasury to make direct payments to local governments with populations in excess of 500,000, in amounts equal to 45% of the local government's per capita share of the statewide allocation.

This statutory structure was based on a recognition that it is more administratively feasible to rely on States, rather than the federal government, to manage the transfer of funds to smaller local governments.

Consistent with the needs of all local governments for funding to address the public health emergency, States should transfer funds to local governments with populations of 500,000 or less, using as a benchmark the per capita allocation formula that governs payments to larger local governments.

This approach will ensure equitable treatment among local governments of all sizes.

For example, a State received the minimum \$1.25 billion allocation and had one county with a population over 500,000 that received \$250 million directly. The State should distribute 45 percent of the \$1 billion it received, or \$450 million, to local governments within the State with a population of 500,000 or less.

CARES Act Update

Most Municipalities Remain Unable to Access Coronavirus Relief Fund

(Source: May 18, 2020
National League of Cities)

NLC Reports Three Primary Approaches to Distribution:

- 1) States allowing transfers to county governments but excluding municipal governments.
- 2) States allowing municipal governments to apply for a transfer of funds, with greater and lesser degrees of red tape.
- 3) States withholding funding from most municipal governments, including all small and rural municipalities, with no indication of when, or if, funds will ever be made available.

CARES Act Update

Most Municipalities Remain Unable to Access Coronavirus Relief Funds
 (Source: May 18, 2020 National League of Cities)

Arizona has formulated a plan to disperse funding to local governments

Two states are allowing transfers to county governments but excluding municipal governments:

1. North Carolina	2. Missouri
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Sixteen states are allowing municipal governments to apply for a transfer of funds, with greater and lesser degrees of red tape:

1. Alaska	5. Indiana	9. Massachusetts	13. Oregon
2. Delaware	6. Kentucky	10. New Hampshire	14. Texas
3. Hawaii	7. Louisiana	11. Ohio	15. Virginia
4. Idaho	8. Maryland	12. Oklahoma	16. Washington

Thirty-two states are withholding funding from most municipal governments, including all small and rural municipalities, with no indication when, or if, funds will ever be made available

1. Alabama	9. Illinois	17. Nebraska	25. Tennessee
2. Arizona	10. Iowa	18. Nevada	26. South Carolina
3. Arkansas	11. Kansas	19. New Jersey	27. Rhode Island
4. California	12. Maine	20. New Mexico	28. Utah
5. Colorado	13. Michigan	21. New York	29. Vermont
6. Connecticut	14. Minnesota	22. North Dakota	30. West Virginia
7. Florida	15. Mississippi	23. Pennsylvania	31. Wisconsin
8. Georgia	16. Montana	24. South Dakota	32. Wyoming

CARE Act Update

- California CRF Allocation:
 - State Received \$9.5 Billion
 - Cities/Counties (population>500k) Received \$5.8 Billion
- Per the Governor's May 2020 Budget Update:
 - State Offsets: Vulnerable Populations/Public Health & Safety: \$3.8 B
 - K-12 Learning Loss Mitigation: \$4.0 B
 - County Public Health, Behavioral Health & HHS \$1.3 B
 - City Homelessness & Public Safety Funding \$450 M

CARES Act Update

EDA
1.5 Billion

\$1.5 billion is available for economic development assistance programs to help communities prevent, prepare for and respond to coronavirus. Grant amounts vary from \$100,000 - \$30,000,000.

EDA will make CARES Act Recovery Assistance grants under the authority of its Economic Adjustment Assistance (EAA) program. The program is intended to be flexible and responsive to the economic development needs and priorities of local and regional stakeholders.

EDA CARES Act Recovery Assistance investments will support a wide range of non-construction and construction activities, including Revolving Loan Funds, in regions across the country experiencing severe economic dislocations brought about by the coronavirus pandemic.

CARES Act Update

In addition to COVID response, EDA requires that projects/programs satisfy at least one of five Investment Priorities.

Investment Priorities

- Recovery and Resilience
- Critical Infrastructure
- Workforce Development and Manufacturing
- Exports and Foreign Direct Investment
- Opportunity Zones

CARES Act Update

Economic Adjustment Assistance (EAA)

Examples

Economic recovery planning and preparing technical assistance strategies to address economic dislocations caused by the coronavirus pandemic.

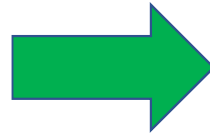
Preparing or updating resiliency plans to respond to future pandemics.

Implementing entrepreneurial support programs to diversify economies.

Constructing public works and facilities that will support economic recovery, including the deployment of broadband for purposes including supporting telehealth and remote learning for job skills.

New Legislation?

Fourth Coronavirus Relief Package ?



- Senate Republicans declared the House HEROES Act to be "dead on arrival."
- Senate Majority Leader Mitch McConnell (R-Ky.) said on May 29th he would like the next potential relief bill to be the final coronavirus stimulus legislation.
- McConnell indicated the decision on whether to go forward with a fourth bill would be made in about one month.

Best Practices



- Keep Looking!
 - ✓ Grant and legislative guidelines are evolving
- Assume costs will be reimbursed
 - ✓ Be compliant with procurement and documentation requirements for federal grant funding
- Don't give up!

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