



March 18, 2020

The Honorable Mitch McConnell
Majority Leader
S-230, U.S. Capitol
Washington, DC 20510

The Honorable Chuck Schumer
Minority Leader
S-221, U.S. Capitol
Washington, DC 20510

The Honorable Nancy Pelosi
Speaker of the House
H-232, U.S. Capitol
Washington, DC 20515

The Honorable Kevin McCarthy
Minority Leader
H-204, U.S. Capitol
Washington, DC 20515

Dear Leader McConnell, Leader Schumer, Speaker Pelosi, and Leader McCarthy,

The Council of State Community Development Agencies (COSCDA) represents state community development and housing agencies which administer HUD programs including the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Housing Trust Fund (HTF), and McKinney Vento Homeless Assistance. As the nation and world stare down an emergency unlike any other in recent times, states are prepared to support federal efforts in combating this severe pandemic. Certain parameters exist within each of above programs which need to be altered to accommodate assistance. Additionally, we ask that Congress consider populations served by these important programs and incredible strain put on local and state governments caused by this ongoing crisis. At this critical time and moving forward, significant support will be required to help jurisdictions withstand pressures of increasing public service demands and loss of tax revenue. Additional resources through these programs are essential to aiding both an immediate response and long-term recovery.

Updates to program processes through waivers and other measures allow much-needed flexibility in administering support to service areas. The following recommendations will further HUD program implementation in complementing assistance efforts already underway.

- Allow grantees to modify Consolidated and Action Plans, and suspend timeliness and reporting requirements.
- Direct HUD to issue guidance on subsidy layering and duplication of benefits/assistance
- Suspend 15% cap on public services and allow grantees to award funding directly to non-profits for public services. This could be arranged through an MOU to service-providers to carry out activities directly.

- Alleviate constraints caused by environmental review processes by applying Disaster Recovery guidance to expedite review time
- Support states implementing new CDBG-DR grants by allowing additional time on implementation plans and certifications since state administration is being diverted to COVID-19 response
- Permit maximum feasible flexibility to Emergency Shelter Grants in documentation requirements for homeless prevention and rapid rehousing assistance
- Allow reimbursement of homeless assistance to private foundations for eligible activities and expenses. Private foundations are extending credit to homeless assistance providers with limited cash flow.

While resource commitments are difficult to forecast, COVID-19 response efforts will continue to inflict substantial costs on state and local governments. Infrastructure development, housing, homelessness assistance, and various public services face significant cuts ahead. Federal assistance can best facilitate these type of projects and services through existing programs including those administered by HUD. States are prepared to apply additional federal resources in support of at-risk populations and distressed communities. We urge Congress to consider the following HUD programs in a potential stimulus bill.

- The Community Development Block Grant (CDBG) program directs resources to various state and local needs including infrastructure, housing, economic development, and public services.
- The HOME Investment Partnerships (HOME) program supports production and preservation of affordable housing for low-income persons.
- The Housing Trust Fund (HTF) targets funding to build and preserve housing for very low-income populations.
- McKinney Vento Homeless Assistance Grants include Continuum of Care (CoC) and Emergency Solutions Grants (ESG) programs and supports various activities and services to aid persons experiencing homelessness.

Intergovernmental cooperation is necessary to ensure resources are focused across both existing and emerging needs. Updates to the programs listed above will accommodate jurisdictions in promoting the safety and well-being of its citizens. Further resources will be needed as well to help communities provide essential services and regain commerce crippled by this pandemic. The aforementioned programs offer proven channels to facilitate federal recovery efforts in partnership with state and local governments.

If we can provide further information or response, please feel free to reach out. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Dianne E. Taylor". The signature is written in a cursive style with a large initial "D" and "T".

Dianne E. Taylor
Executive Director