

March 17, 2020

Mr. John Gibbs
Acting Assistant Secretary
Office of Community Planning and Development
451 7th Street SW
Washington, DC

Dear Mr. Gibbs:

This letter requests immediate regulatory relief for grantees administering the Office of Community Planning and Development (CPD) programs to allow them to quickly respond to COVID-19.

Local government grantees responsible for administering the Community Development Block Grant Program (CDBG), HOME Investment Partnerships (HOME) Program, Emergency Solutions Grant (ESG) Program, and other CPD programs are on the frontlines of the local response to the COVID-19 crisis and will be for many weeks and months ahead. Many local government staff, including those that administer the CPD grant programs, have been assigned to work on crisis response teams. Grantees administering these programs are facing challenges in aiding low and moderate-income people and neighborhoods in addressing COVID-19 because of existing program regulations. Ensuring flexibility in current CPD programs is critical as communities address this pandemic. Regulatory relief from HUD is needed immediately.

Existing HUD program requirements inhibit the ability of grantees to rapidly and effectively respond to community needs to address this crisis. We urge you to make the following immediate program changes.

- Ensure the timely release of the FY2020 grant agreements and grant funding. These funds are needed as quickly as possible to help low/moderate-income communities address and recover from this pandemic.
- Seek the suspension of the 15% public services cap. The suspension of the public services cap requires Congressional approval and we urge HUD to request this suspension immediately. Our organizations have asked Congress to suspend the cap. In addition, we urge HUD to request Congress to allow States to award directly to nonprofits for public services or through an MOU to other agencies to carry out activities directly.
- Suspend the CDBG program timeliness test for this program year. Grantees are anticipating delays in program deployment because of COVID-19. Project timelines will be impacted by closures and the diversion of local government resources to the COVID-19 response.
- Regarding the Action Plan, 5-Year Consolidated Plan, CAPER:
 - Suspend (waive) the public meeting and public input requirements for the Action Plan and 5-Year Consolidated Plan.
 - Extend the submission deadline for the Action Plan and 5-Year Consolidated Plan.
 - Extend the deadline for CAPER submittals.
- Activities related to treatment of or assistance with the consequences of COVID-19 should be deemed emergency activities and grantees should be able to shift funds by a declaration of the grant official without the typical amendment to plans requirements.
- Suspend program monitoring requirements to allow grantees to continue to focus solely on crisis response.
 - Suspend HUD's monitoring of grantees.
 - Suspend grantee monitoring and audits of subrecipients and projects.

- Allow pre-award expenses to continue to be paid to subrecipients to help buffer the financial impact on subrecipient staff, many of whom are low-income.
- Waive requirements on completing Environmental Reviews.
- Regarding the HOME Program:
 - Waive the HOME match requirement.
 - Provide flexibility in the HOME TBRA income requirements in order to serve more people who are unable to pay rent due to the crisis.
 - Suspend funding commitment deadlines.
 - Relax the monitoring of the HOME program, particularly completed rental developments. PJs should be allowed to defer rental project inspections for this program year.
- Regarding the Emergency Solutions Grant Program:
 - Waive the match requirement.
 - Suspend the 60% cap on emergency shelter assistance.
 - Provide maximum feasible flexibility with documentation required to provide homeless prevention and rapid rehousing assistance.
- Extend the due date for HOPWA-C renewals.
- Provide other CPD waivers quickly, where needed.

Request additional funding for CDBG

While CDBG-DR is usually the approved method for distributing disaster funds, we urge you to advocate for an increase in regular CDBG program funding. The CDBG program is well targeted to low- and moderate-income areas that will need these funds. This pandemic is not localized to one or two areas, but nationwide. Given the potential impact of the virus, relief will have to move much quicker and the CDBG program provides the infrastructure to do so.

We look forward to your quick response to this letter. Please feel free to contact Vicki Watson, Executive Director, National Community Development Association, with any questions at vwatson@ncdaonline.org or at 540-656-9552.

Sincerely,

The National Community Development Association

The National Community Development Association is a bi-partisan national organization comprised of nearly 500 local governments across the country that administer federally supported affordable housing, economic development, homelessness assistance, and community development programs, including CDBG, HOME, ESG and other HUD programs.

The National League of Cities

The National League of Cities (NLC) is the voice of America’s 19,000 cities, towns and villages, representing more than 200 million people; and is a resource and advocate for the nation's cities and their leaders.

U.S. Conference of Mayors

The U.S. Conference of Mayors is the official non-partisan organization of cities with a population of 30,000 or larger. Each city is represented by its chief elected official, the mayor.

National Association of Counties

Founded in 1935, the National Association of Counties is the only national organization that represents America's 3,069 county governments. Counties play a fundamental role in helping ensure the health and well-being of residents.

Council of State Community Development Agencies

The Council of State Community Development Agencies represents state housing and community development agencies responsible for administering federal affordable housing, community development, and homeless assistance programs through the U.S. Department of Housing and Urban Development.

National Association for County Community and Economic Development

The National Association for County Community and Economic Development represents county government practitioners that administer federally funded affordable housing, community development, and economic development programs benefiting low- and moderate-income households.