



COVID-19 Response

Community Development

April 21, 2020



Overview

- CARES Act and Program Guidance & Resources
 - Josh Shumaker, COSCDA
- Support for Hospitals and Medical Providers
 - Leslie Leager & Nichole Hansen, IA Economic Development Authority
 - Suzanne Barnard, TX Department of Agriculture Office of Rural Affairs
- Microenterprise Assistance
 - Laura Sullivan, RI Office of Housing and Community Development
 - Katy Easterly Martey & Kevin Peterson, NH Community Dev. Finance Authority
- Homeless Assistance
 - Jessica Hayes, CA Department of Housing and Community Development
- Questions

Coronavirus Aid, Relief, and Economic Security Act

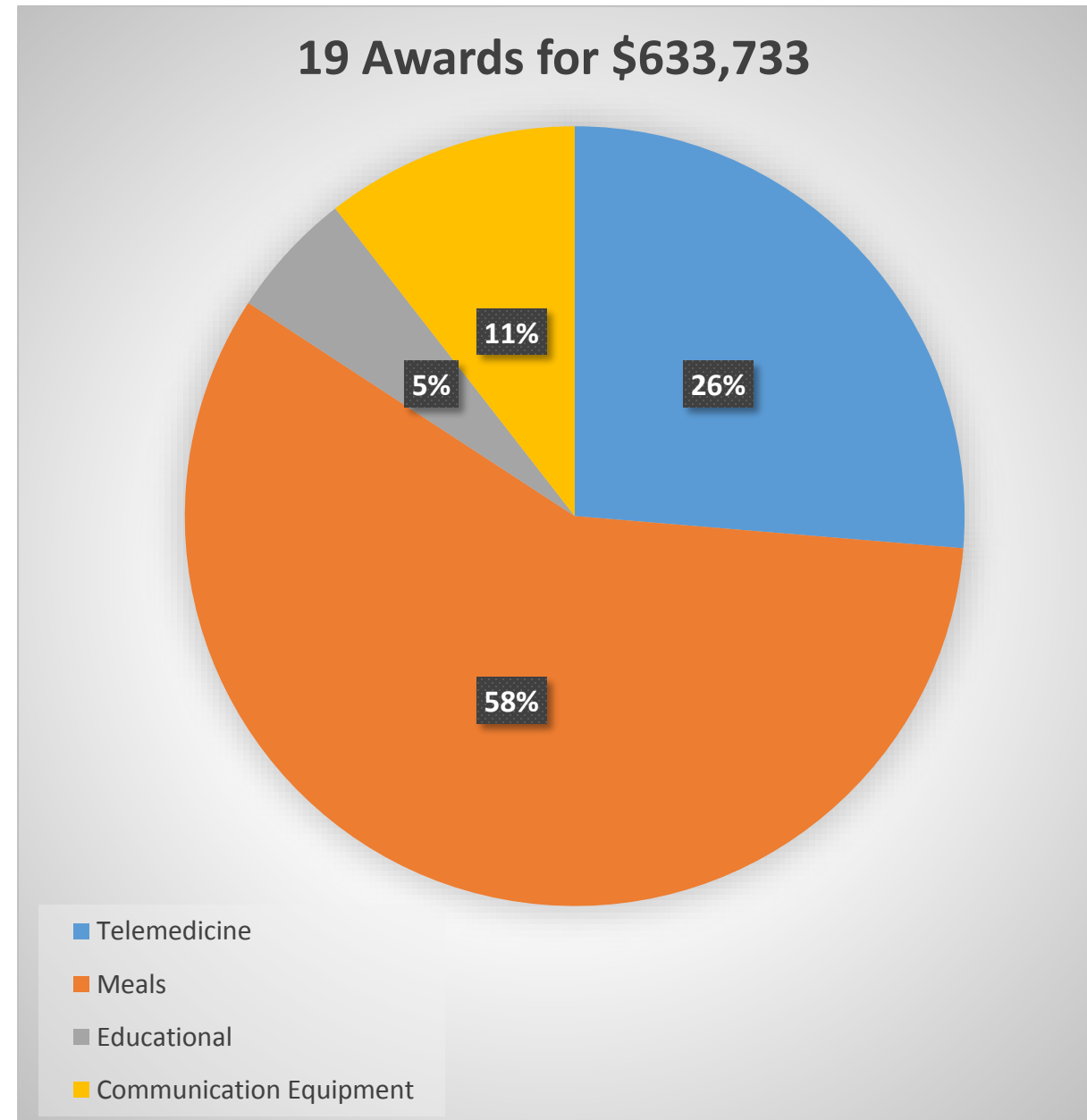
- [Legislation](#) signed into law on March 27
- Provides \$5 billion for CDBG
 - \$2b allocated using FY20 formula
 - Remainder to be allocated using formula TBD by HUD
 - Based on factors including: public health needs, risk of transmission of coronavirus, number of coronavirus cases compared to the national average, economic and housing market disruptions
 - \$1b allocation announced within 45 days of enactment (May 11)
 - Remaining \$2b announced on rolling basis
- COSCDA and other groups advocating for additional resources in next supplemental

Guidance and Resources

- [CDBG flexibilities and plan amendment waiver](#) issued April 13
- Addresses FY19, FY20, and CDBG-CV funds
- Encourages grantees to amend plans ahead of register notice
- COSCDA sent [recommendations](#) to support state CDBG programs
- OBGA to issue guidance on duplication of benefits & urgent need
- Waivers and suspensions expected in upcoming register notice
- More info available from HUD: [CDBG Infectious Disease Response](#)
- COSCDA: [COVID-19 Resources](#)

Iowa

- Current MOD has a Threats Fund for Disasters and other Urgent Needs:
- Mid March, sent special notice to inform emergency responders about the fund
- Awarded 3 rounds, one per week
- New or expanded services
- All public Service
- All Urgent Need
- Using this fund to model CDBG-CV MOD
- However, need to better understand unmet need after all other CARES funds are known.
- [IEDA Webpage for program guidance and list of projects](#)



Texas

- CDBG and State Office of Rural Health are in the same division in TX Department of Agriculture
- Hospital closures worsening
- Providing working capital for salaries
 - Applying public services - requested exception for decline in service level
 - Using urgent need for round 1
- Additional need for equipment
 - Testing and gradual release of patients who regain health

Rhode Island

Microenterprise Program Design Drivers

- Simplicity -> Limit to microenterprises, LMC
- Streamlining -> Single design for UGLGs to opt-in
Phone screening
- Clarity -> Explicit eligibility criteria and exclusions
Grievance process

Program Design Drivers cont.

- Non-Discrimination -> Flyers in 10 languages, applications in 3
Direct outreach to ethnic groups,
MBE/WBE orgs
- Fraud Prevention -> Personal tax returns to support LMC
Exclusions
Verifications

Limitations/Pitfalls and Mitigating Measures

1. Can't offer statewide - Entitlements excluded
 2. Non-participating non-entitlements
 3. Can't serve LMC biz with 6+ employees
 4. Capacity – applicants, UGLGs, State
 5. IT requirements to apply
 6. IT requirements to securely transmit PII
 7. Local preferences
 8. Duplication of benefits
1. Waiver?
 2. Regional entity?
 3. SBA?
 4. Procure services?
 5. TA, tech support
 6. Tech support
 7. Design flexibility
 8. MOA with SBA+

MicroE Sources – Pros and Cons

Source	Pros	Cons
CDBG-CV	Waivers available Funds not already obligated Program clearly linked to COVID impacts	Duplication of benefits analysis required Need AAP amnd, SF-424s to access \$\$
PY'20	Waivers available Funds likely not obligated No duplication of benefits analysis required	Need new AAP (ConPlan?) to access \$\$
PY'19	Waivers available Existing access to line of credit No duplication of benefits analysis required	Limited \$\$ available May displace other programs May need to amnd PY19 AAP to access
Older PY	Meet expenditure deadlines Existing access to line of credit No duplication of benefits analysis required	No waivers available Limited \$\$ available May need to amnd PY19 AAP to access

New Hampshire

- 97% of business in NH classified small
 - 40% micro
- High land, housing costs → limited equity opportunity for LMI people
 - Small biz/entrepreneurship a good way to build equity, wealth
- CDBG funds awarded to nine technical assistance providers (~\$800K)
- Best practices developed by UNH, Aspen Institute
- Applications include program design, info tracker, best practices
 - 2019 results: 267 clients, 113 FT/116 PT new jobs, \$2.3MM total net profit
- Exploring creation of “Community of Practice” of TA providers

California

- \$44m provided through ESG
- “Operation Room Key” coordinated with FEMA and California Office of Emergency Services (CalOES)
- \$19m provided through CDBG
 - Three priorities
 - Partnering w. state agencies, UGLGs, homeless service providers,
 - Task force supported by consultants to help coordinate plans
- Using an Allocation Method of Distribution to reduce processing time

California Priorities

- Give UGLGs as flexibility to address local needs
- Support homeless response
 - Other homeless funding provide operations support
 - Capital funding to leverage existing programs
- Support healthcare and public service needs
 - Public services for health and basic needs with simplified application process
 - Use the COVID-19 public service cap exemption
- Support economic development job retention
 - Re-tool open NOFA for ED activities with simplified application
 - Configure CDBG-CV ED to match open NOFA ED for leverage

California Risks and Opportunities

- Risks:

- Limited staff experience and limited access to outside expertise
- Lack of UGLG program experience – shortage of training & materials
- CDBG Redesign – legacy of poor program performance
- Piloting a new online grants management system
- Lack of staff telework infrastructure
- State regulations and statutes strictly limit funding uses

- Opportunities:

- New online grants management system allows remote work
- UGLGs are beginning to re-engage with the program, especially in ED
- Improved cross-division communication
- Pending Governor's Executive Order that will provide maximum program flexibility

A black chalkboard with white chalk writing. The text 'Any Questions?' is written in a cursive, handwritten style. The word 'Any' is on the top line, and 'Questions?' is on the bottom line. The background of the chalkboard shows some faint, dark smudges and lines from previous writing.

Any
Questions?