



# Community Development Block Grant Program (CDBG) at U.S. HUD

Program Impact Video #2



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# Overview

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**Community Development Block  
Grants (CDBG) and  
CARES-Act CDBG Funding**





**Ashley Wolfe**

Program Analyst

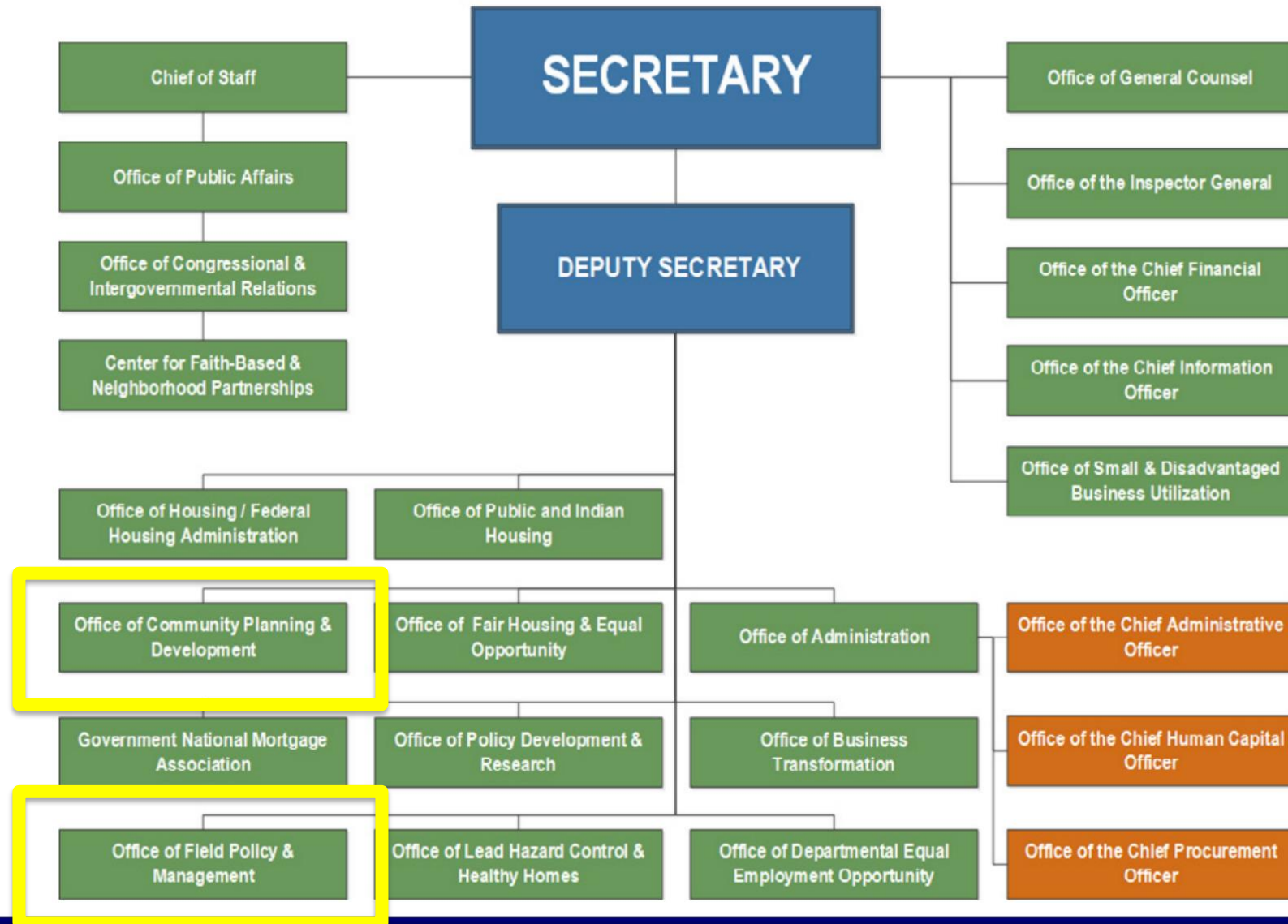
**U.S. Department of Housing and Urban Development**

Office of Field Policy & Management

San Francisco Regional Office



# HUD Structure



# HUD California CPD Field Structure

## Key CPD Staff

**CPD Director:** Manages all CPD employees within the field office and is responsible for all CPD programs and activities within assigned jurisdiction. Signs official CPD Correspondences.

**Program Manager / Team Lead:** Manages a team of CPD staff and responsible for administration and management of CPD programs within assigned jurisdiction/team.

**CPD Representative:** Primary point of contact between HUD and assigned CPD grantees/recipients.

Questions? Email

[CPDQuestionsAnswered@hud.gov](mailto:CPDQuestionsAnswered@hud.gov)



# Talking Points Overview





# HUD CDBG and CDBG-CV Overview

- **Community Planning and Development (CPD)** seeks to develop viable communities by promoting integrated approaches that provide decent housing, a suitable living environment, and expand economic opportunities for low and moderate income persons. CPD administers the Community Development Block Grant Program.
- **Community Development Block Grant Program (CDBG)** provides annual grants on a formula basis to entitled cities and counties. The CDBG Program is designed to principally benefit low- and moderate-income persons. States administer CDBG in non-entitled areas (mainly rural communities).
- **Community Development Block Grant Coronavirus Grant Funding (CDBG-CV)** is the abbreviation for additional CDBG funding from the CARES Act. The primary purpose of this funding is to prepare, prevent or respond to the coronavirus.

# Talking Points Overview



# CDBG CARES Act Key Points

- **Funding:** Makes available **\$5 Billion** in Supplemental Community Development Block Grant (CDBG) funding for grants to prevent, prepare for and respond to COVID-19 (CDBG-CV)
- **Flexibilities:** Provides flexibilities for CDBG grantees to make it easier to use CDBG-CV grants and Federal Fiscal Years 2019 and 2020 CDBG grant funds for COVID-19 response and authorizes HUD to grant **waivers** and alternative requirements
- **Duplication:** Requires CDBG-CV grantees to prevent the **duplication** of benefits, which means grant funds **may not** be used to pay costs if another source of financial assistance is available to pay that cost

# CARES Act CDBG-CV Nationwide Funding Allocation Timeline

**March 27<sup>th</sup>**

**CARES Act  
enacted  
providing \$5  
billion for  
CDBG  
COVID-19  
Funds**

**April 2<sup>nd</sup>**

**\$2 billion  
allocated  
based on the  
FY2020  
allocation  
formula**

**May 11<sup>th</sup>**

**\$1 billion  
allocated  
based on a  
new formula  
with funds for  
states and  
insular areas  
only**

**TBD**

**\$2 billion to  
be made  
available on a  
rolling basis  
under a new  
formula based  
on needs**

# California CDBG-CV April 2<sup>nd</sup> Funding Allocation Breakdown



*California received \$235,277,462 or 11.8%  
of the \$2 billion CDBG-CV allocated nationwide*

Entitlement Cities	Entitlement Counties	California Non-Entitlement
163 California Entitlement Cities	20 California Entitlement Counties	California Non-Entitlement Areas
\$165,605,180	\$50,340,538	\$19,331,744

[FY 2020 Allocations and CARES Act Funding Link](#)



# Talking Points Overview

- 
- 1: HUD Community Planning and Development and CDBG Overview
  - 2: CDBG CARES Act Funding and Timeline
  - 3: CDBG Funds Eligible Activities and Flexibilities
  - 4: Submitting and Documenting CDBG Funds Waivers
  - 5: Checklist for Economic Development Staff for COVID-19 Needs and Uses

## **CDBG-CV and CDBG Funds Eligible Activities for Infectious Disease Response**

- Buildings and Improvements, including public facilities
- Provision of new or quantifiably increased public services
- Planning, capacity building, and technical assistance
- Assistance to businesses, including special economic development assistance

For full guidance visit: <https://files.hudexchange.info/resources/documents/Quick-Guide-CDBG-Infectious-Disease-Response.pdf>

# CDBG-CV and CDBG Fund Eligible Activities:

## Assistance to Businesses

New Business or Business Expansion	Short-Term Working Capital to Small Businesses	Establish, Stabilize and Expand Microenterprises
Provide grants or loans to support new businesses or business expansion to create jobs and manufacture medical supplies necessary to respond to infectious disease	Avoid job loss caused by business closures related to social distancing by providing short-term working capital assistance to small businesses to enable retention of jobs held by low- and moderate-income persons	Provide technical assistance, grants, loans, and other financial assistance to establish, stabilize, and expand microentrepreneurs that provide medical, food delivery, cleaning, and other services to support home health and quarantine

# Neighborhood Revitalization Strategy Areas (NRSAs)

- **Neighborhood Revitalization Strategy Area (NRSA):** HUD Encourages CDBG entitlement grantees to develop and implement NRSAs
- As an incentive for CDBG entitlement communities to develop and use NRSAs, HUD provides great flexibility in the use of CDBG resources, including with the HUD Section 108 Loan Guarantee program.
- **Incentives include:**

**Aggregation of  
Housing Units**

**Job Creation /  
Retention as  
Low/Moderate  
Income Area  
Benefit**

**Aggregate  
Public Benefit  
Standard  
Exemption**

**Public Service  
Cap Exemption**

[General HUD NRSA Information](#)  
[NRSAs for Promise Zones and Choice Neighborhoods](#)

# CARES Act Flexibilities for CDBG and CDBG-CV Funding

## Public Service Activities

- Public service efforts may be undertaken with CDBG funds
- Most common type of public service used in conjunction with economic development is job training
- 15% Cap has been eliminated

## Citizen Participation and Public Hearings for ConPlans

- Plans may be amended with at least 5 days notice to public for comments
- Virtual town halls may be allowed.
- Deadline for ConPlans has been extended until August 16, 2021

## Waiver and Alternate Requirement Authority

- Secretary may issue statutory and regulatory waivers/alternative requirements for CDBG-CV and some CDBG funds
- Prohibits waivers/alternative requirements related to fair housing, nondiscrimination, labor standards, and the environment

## Reimbursement of Costs

- Grantees may use CDBG-CV grant funds to cover or reimburse costs to prevent, prepare for, and respond to coronavirus
- Date is not a factor when costs comply with CDBG requirements



# HUD CPD “Mega-Waiver”

- <https://files.hudexchange.info/resources/documents/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.pdf>

## Waivers of Community Planning and Development Grant Program and Consolidated Plan Requirements to Prevent the Spread of COVID-19 and Mitigate Economic Impacts

### Waiver Process and Recordkeeping Requirements:

- Grantees should email notification to the attention of CPD Director Kimberly Nash at [CPD\\_COVID-19WaiverSFO@hud.gov](mailto:CPD_COVID-19WaiverSFO@hud.gov)
- The email notification must be sent two calendar days before the grantee anticipates using the waiver.
- In addition to the summarized justifications provided under each waiver section below, grantees MUST update their program records to include written documentation of the specific conditions that justify the recipient's use of the waiver, consistent with the justifications and applicability provisions provided in the COVID-19 Waiver Memorandum. Provisions that are not specifically waived remain in full effect.

### Required Information (complete all fields):

Entitlement Jurisdiction:	_____
Requestor Name and Title:	_____
Phone Number:	_____ E-mail: _____
Declared-disaster area(s) where the waivers will be used:	_____
Date on which the grantee anticipates first use of the waiver flexibility:	_____

### Grantee will utilize the following waiver flexibilities (select all that apply):

#### CoC Program:

- ☐ Fair Market Rent for Individual Units and Leasing Costs
- ☐ Disability Documentation for Permanent Supportive Housing (PSH)
- ☐ Limit on Eligible Housing Search and Counseling Services
- ☐ Permanent Housing-Rapid Re-housing Monthly Case Management
- ☐ Housing Quality Standards (HQS) – Initial Physical Inspection of Unit
- ☐ HQS – Re-Inspection of Units
- ☐ One-Year Lease Requirement

#### Description supporting request for the waiver (optional):


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#### ESG Program:

- ☐ HMIS Lead Activities
- ☐ Re-evaluations for Homelessness Prevention Assistance
- ☐ Housing Stability Case Management
- ☐ Restriction of Rental Assistance to Units with Rent at or Below FMR

#### Description supporting request for the waiver (optional):


#### HOPWA Program:

- ☐ Self-Certification of Income and Credible Information on HIV Status
- ☐ FMR Rent Standard
- ☐ Property Standards for TBRA
- ☐ Space and Security

#### Description supporting request for the waiver (optional):


#### HOME, CDBG, HTF, ESG, and HOPWA Program Consolidated Planning Requirements:

- ☐ Citizen Participation Public Comment Period for Consolidated Plan Amendment
- ☐ Citizen Participation Reasonable Notice and Opportunity to Comment

#### Description supporting request for the waiver (optional):

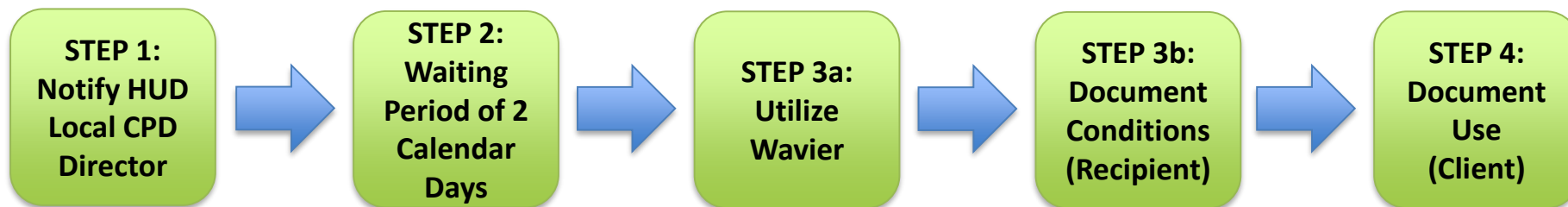

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# Talking Points Overview



# Submitting and Documenting Waivers

- Recipients wishing to utilize any of the waivers provided must **notify their local CPD Director, by email**, of their intent to utilize a specific waiver **two days** before they anticipate using the flexibility.
- Grantees are strongly encouraged to established 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.



# HUD Waiver Resources

- [HUD CPD Waiver Memorandum](#): Description of available waivers and the notification procedure
- **Wavier-Specific HUD CPD Director Contact Information:** Here are the specific email addresses to be used to notify CPD directors of utilization of waivers.

Los Angeles: [CPD\\_COVID19WaiverLA@hud.gov](mailto:CPD_COVID19WaiverLA@hud.gov)

San Francisco: [CPD\\_COVID19WaiverSFO@hud.gov](mailto:CPD_COVID19WaiverSFO@hud.gov)

- [Attachment #1 to the HUD Waiver Memorandum](#): This document details the

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- 5: Checklist for Economic Development Staff



# CDGB and CDBG-CV Funds Checklist

- ☐ 1. Determine if the city or county is a HUD Entitlement jurisdiction if not then the State of California will cover your location
- ☐ 2. Identify your Local Government Department that administers your CDBG Funds
- ☐ 3. Review the CDBG Funds Eligible Activities for Infectious Disease Response and consider working with local public health authorities
- ☐ 4. 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.
- ☐ 5. 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
- ☐ 6. Monitor HUD CDBG Website for future allocation of HUD CDBG CARES Act Funding
- ☐ 7. Continue dialogues with local government about anticipated needs and uses of additional federal allocation

# HUD CDBG Resources

- [HUD CDBG: Community Development Block Grant Programs](#)
- [HUD CDBG FY 2020 Allocations and HUD CARES Act CDBG-CV Round 1 Funding Link](#)
- [“Availability of Waivers of Community Planning and Development \(CPD\) Grant Program and Consolidated Plan Requirements to Prevent the Spread of COVID-19 and Mitigation Economic Impacts Caused by COVID-19” dated March 31, 2020](#)
- [CARES Act Flexibilities for CDBG Funds Used to Support Coronavirus Response](#)
  - [HUD Memorandum “CARES Act Flexibilities for CDBG Fund Used to Support Coronavirus Response and Plan Amendment Waiver” dated April 9, 2020](#)
- [Quick Guide to CDBG Eligible Activities to Support Infections Disease Response](#)
  - [HUD Document “Quick Guide to CDBG Eligible Activities to Support Coronavirus and Other Infections” dated April 6, 2020](#)
- [National Briefing on CDBG Support for Infectious Disease Response Webinar](#)

# HUD CDBG Resources

- [General HUD NRSA Information](#)
- [NRSAs for Promise Zones and Choice Neighborhoods](#)
- [HUD CDBG Matrix for CDBG Eligible Activities and National Objectives](#)
- [“The Economic Development Toolkit: A Practical Guide to Constructing Your Economic Development Program” Using CDBG Funds](#)
- [Microenterprise Assistance Toolkit \(Updated April 2020 and excerpted from “The Economic Development Toolkit”](#)
- [California Department of Housing and Community Development CDBG Website](#)

# Contact Information

**Questions:** [CPDQuestionsAnswered@hud.gov](mailto:CPDQuestionsAnswered@hud.gov)

**Waivers:** [CPD\\_COVID19WaiverLA@hud.gov](mailto:CPD_COVID19WaiverLA@hud.gov)  
[CPD\\_COVID19WaiverSFO@hud.gov](mailto:CPD_COVID19WaiverSFO@hud.gov)

## Contact Information:

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# Closing

- Thank you!
- Join us for future videos posted on our YouTube channel and on [business.ca.gov/coronavirus-2019/](https://business.ca.gov/coronavirus-2019/)



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