

# CORONAVIRUS 2019 [COVID-19]



## CARES Act Eligibility and Recommended Uses for States and Local Jurisdictions

CARES Act	Overview	Federal / State Allocations	Recommended Uses for Supportive Housing and Homeless Response
<b>Federal Emergency Management Agency Disaster Relief Fund</b>	<p><u>FEMA Disaster Relief Funds:</u></p> <ul style="list-style-type: none"> <li>• Reimburse for eligible emergency medical care and protective measures in response to COVID-19;</li> <li>• Cannot duplicate funding provided by HHS (including CDC) and other federal agencies;</li> <li>• Requires <a href="#">state/jurisdictions to apply for funds and execute an agreement with FEMA</a><sup>i</sup>; and</li> <li>• Are approved for the duration of the Public Health Emergency<sup>ii</sup></li> </ul>	<p><u>Federal:</u> \$45 billion total</p> <p><u>States:</u> States may apply for funding as needed, must match 25% of federal funding.</p> <p>FEMA is recommending local governments apply to states for funding</p>	<ul style="list-style-type: none"> <li>• Personal protective equipment</li> <li>• Transportation to healthcare facilities for emergency treatment</li> <li>• Purchase and delivery of food to seniors, individuals / families experiencing homelessness, in non-congregate settings, or in supportive housing who do not have access to food or may be at high risk of contracting COVID -19</li> <li>• Medical sheltering used for individuals experiencing mild COVID symptoms and require quarantining and/or post-hospital discharge</li> <li>• <a href="#">Non-congregate sheltering</a><sup>iii</sup> (requires specific approval<sup>iv</sup>) through hotels /motels /dorms to create social distancing and reduce density in shelters and housing</li> <li>• Costs necessary and related to maintain non-congregate site (<a href="#">excludes case management, mental health services, etc</a>)</li> <li>• Housing navigation services to support people moving into non-congregate settings and out of non-congregate settings into permanent housing</li> </ul>
<b>Emergency Solutions Grant</b>	<p><u>ESG Funds</u></p> <ul style="list-style-type: none"> <li>• Can be used to provide assistance for unsheltered /sheltered individuals experiencing homelessness, and individuals at risk of homelessness at or below 50% AMI;</li> <li>• Cannot be used to require people experiencing homelessness to receive treatment or perform any other prerequisite activities as a condition for receiving shelter, housing, or other services;</li> <li>• Eliminates requirements for matching funds, local</li> </ul>	<p><u>Federal:</u> \$4 billion total<sup>vi</sup>:</p> <ul style="list-style-type: none"> <li>• Within 30 days-\$2B to jurisdictions that received an allocation under the ESG FY20 formula</li> <li>• Within 90 days<sup>vii</sup>-\$2B to highest risk communities as determined by HUD based on risk, COVID rates, and homeless population</li> </ul>	<p><u>Short-term</u></p> <ul style="list-style-type: none"> <li>• Lease motels/hotels for isolation /social distancing and reduce density in shelters and housing</li> <li>• Acquire/operate emergency shelter</li> <li>• Personal protective equipment</li> <li>• Street outreach</li> <li>• Cleaning supplies for emergency shelter locations and street outreach teams</li> <li>• Furniture and equipment for emergency shelter operations</li> <li>• Transportation to healthcare facilities</li> <li>• Case management and medical care coordination</li> <li>• Hire and train new staff for to support COVID-19 preparedness and response</li> <li>• Provide hazard pay to staff</li> <li>• Services to individuals and families in emergency shelter / non-congregate settings</li> </ul>

	<p>planning, and procurement standards;</p> <ul style="list-style-type: none"> <li>• Eliminates environmental review standards for temporary emergency shelter;</li> <li>• Increases administrative allowance to 10%; and</li> <li>• Previous years ESG may be also used to respond to COVID-19 with approval<sup>v</sup></li> </ul>	<p><u>States:</u>  <u>Min</u><sup>viii</sup> – based on statutory formula used to distribute the regular, annual FY20 ESG allocations</p> <p><u>Max</u> – TBD, possible additional allocation based on risk, COVID rates, and homeless population</p>	<p><u>Medium/ Long-term</u></p> <ul style="list-style-type: none"> <li>• Short and medium-term rental assistance for individuals/ families at risk of homelessness<sup>ix</sup></li> <li>• Housing stability case management</li> <li>• Housing navigation services to support people moving into non-congregate settings and out of non-congregate settings into permanent housing</li> <li>• Landlord and tenant mediation</li> </ul>
<p><b>Community Development Block Grants – Coronavirus (CDBG-CV)</b></p>	<p><u>CDBG-CV Funds:</u></p> <ul style="list-style-type: none"> <li>• Can be used to cover expenses to prevent, prepare for, and respond to COVID-19 incurred by a State or locality, regardless of the date on which such costs were incurred, so long as costs comply with CDBG requirements;</li> <li>• Eliminates 15% cap on amount of grant that can be used for public service activities;</li> <li>• Authorizes statutory and regulatory waivers /alternative requirements for <a href="#">CDBG FY19 / FY20</a> grants when necessary to also respond to COVID 19;</li> <li>• Generally eligible activities benefit low- and moderate-income persons, prevention or elimination of slums or blight, or urgent (within last 18 months) community development needs that pose a health or welfare threat; and</li> <li>• Makes funding available until Sept 30, 2022</li> </ul>	<p><u>Federal:</u>  \$5 billion total</p> <ul style="list-style-type: none"> <li>• Within 30 days - \$2B to jurisdictions based on CDBG FY20 formula</li> <li>• Within 45 days - \$1B to states / insular areas distributed based on transmission risk, COVID rates, homeless/ housing disruption</li> <li>• \$2B to states / jurisdictions based on number of cases, economic &amp; market forces/ housing disruption</li> </ul> <p><u>States:</u>  <u>Min</u><sup>x</sup> – based on statutory formula used to distribute the regular, annual FY20 CDBG allocations</p> <p><u>Max</u> – TBD, possible additional allocation based on risk, need, economic disruption</p>	<p><u>Short-term</u></p> <ul style="list-style-type: none"> <li>• Capital for acquisition/rehab of hotels/motels to isolate individuals with mild symptoms/ in recovery from COVID 19</li> <li>• Funding for improvements to affordable/ supportive housing properties to allow quarantining /distancing on-site on a temporary basis</li> <li>• Funding to establish a testing site at a shelter, encampment, supportive housing development (fixed or mobile location)</li> <li>• Funding to establish data collection systems to track racial disparities in outbreak and response to COVID 19</li> <li>• Protective equipment, supplies, and materials</li> <li>• Deliver meals to seniors, individuals / families experiencing homelessness, in non-congregate setting, or who recently experienced homelessness now living in permanent housing</li> </ul> <p><u>Medium/Long-term</u></p> <ul style="list-style-type: none"> <li>• Rental assistance/ eviction prevention funds directly to individuals/ families experiencing homelessness or imminent risk of homelessness and in communities most affected remain stably housed<sup>xi</sup></li> <li>• Capital for acquisition/rehab of non-residential building into permanent housing</li> <li>• Capital for affordable/ supportive housing acquisition/ development/ rehab</li> <li>• Housing navigation / tenancy support services - recruit landlords, help people complete housing applications, transition people into permanent housing, and support ongoing tenancy<sup>xii</sup></li> <li>• Services for individuals not covered by Medicaid, but otherwise could be billed to Medicaid</li> </ul>

	<p><a href="#">CDBG-DR</a> grantees cannot apply previous appropriations towards COVID-19 response, but can use income generated by CDBG-DR activities</p>		<ul style="list-style-type: none"> <li>• Operating support to boost payments to affordable &amp; supportive housing developers to make up for shortfalls in rent due to lost wages from tenants that are not otherwise covered by CARES Act Housing Choice Voucher funding</li> <li>• Funding to states to local jurisdictions for technical assistance to first-time CDBG recipients</li> <li>• Development of a healthcare facility for supportive housing residents for ongoing testing, treatment, and diagnosis</li> <li>• Installation of broadband infrastructure at supportive housing sites for the purpose of connecting individuals to jobs, education, healthcare providers/telehealth, and to help prepare for and respond to natural disaster/emergencies<sup>xiii</sup></li> <li>• Funding to maintain data collection systems and analyze data on disparities in outbreak and response to COVID 19, and develop response plan to ensure</li> <li>• Funding to conduct an analysis of impediments to fair housing choices and develop a plan for more equitable access to housing and resources</li> </ul>
<p><b>Coronavirus Relief Funds</b></p>	<p><u>Coronavirus Relief Funds can only be used to cover expenses that are:</u></p> <ul style="list-style-type: none"> <li>• Necessary expenditures incurred due to the COVID 19;</li> <li>• Not accounted for in the budget most recently approved for the State or government (3/27/20); and</li> <li>• Were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020</li> </ul>	<p><u>Federal:</u></p> <p>\$150 billion total</p> <ul style="list-style-type: none"> <li>• Within 30 days – \$139B to be released to states based on relative population, minimum allocation of \$1.25B</li> <li>• \$3B reserved for territorial governments/ D.C.</li> <li>• \$8B reserved for tribal governments</li> </ul> <p><u>States<sup>xiv</sup>:</u></p> <p><a href="#">55% to State, 45% allocated to local jurisdictions with populations over 500,000<sup>xv</sup></a></p>	<ul style="list-style-type: none"> <li>• Capital to convert motels/hotels that were leased to isolate / distance people into permanent housing</li> <li>• Supportive housing operating subsidies/ rental assistance for people in shelters/ temp. non-congregate settings (e.g. hotels/motels) to move into permanent housing</li> <li>• Housing navigation services - recruit landlords, help people complete housing applications, and transition people into housing</li> <li>• Capital for supportive housing development based on estimated increase in need from COVID 19</li> <li>• Services for people in supportive housing</li> <li>• Rental assistance/ eviction prevention funds directly to individuals/ families experiencing homelessness or imminent risk of homelessness and in communities most affected remain stably housed</li> <li>• Compensation to affordable/ supportive housing property managers to compensate for loss of rent income</li> </ul>

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<sup>i</sup> 50, states, DC, 32 tribes have approved declarations/working with FEMA under the emergency declaration. More information available: <https://www.fema.gov/coronavirus/disaster-declarations>

<sup>ii</sup> Typically, FEMA declarations are only approved for 30 days; however, this restriction has been removed during the COVID-19 pandemic/ More information available: <https://www.fema.gov/news-release/2020/03/31/coronavirus-covid-19-pandemic-emergency-medical-care>

<sup>iii</sup> FAQs on Non-congregate sheltering are available from FEMA here: <https://www.fema.gov/news-release/2020/03/31/coronavirus-covid-19-pandemic-non-congregate-sheltering>

<sup>iv</sup> Non-congregate medical sheltering is subject to prior approval by FEMA and is limited to that which is reasonable and necessary to address the public health needs of the event. More information available: <https://www.fema.gov/news-release/2020/03/19/coronavirus-covid-19-pandemic-eligible-emergency-protective-measures>

<sup>v</sup> For additional guidance see the Eligible Program Costs for Infection Disease Preparedness from HUD. More information available: <https://files.hudexchange.info/resources/documents/Eligible-ESG-Program-Costs-for-Infectious-Disease-Preparedness.pdf>

<sup>vi</sup> A total of \$3.96 billion dollars has been allocated to states and jurisdictions as of June 9, 2020. A reserve of \$40 million dollars will be utilized to provide technical assistance to build capacity of the grantee in communities receiving ESG. More information available: [https://www.hud.gov/press/press\\_releases\\_media\\_advisories/HUD\\_No\\_20\\_077](https://www.hud.gov/press/press_releases_media_advisories/HUD_No_20_077)

<sup>vii</sup> As of June 9, 2020, HUD released the supplemental appropriations and the methodology to determine the allocation per jurisdiction. Methodology explanation and breakdown of funding can be found:

[https://www.hud.gov/sites/dfiles/CPD/documents/ESG\\_CARES\\_Act\\_Round\\_2\\_Allocation\\_Methodology\\_rev.pdf](https://www.hud.gov/sites/dfiles/CPD/documents/ESG_CARES_Act_Round_2_Allocation_Methodology_rev.pdf)

<sup>viii</sup> For a breakdown of ESG per jurisdiction, download the All CARES Act Grants excel sheet from HUD:

[https://www.hud.gov/program\\_offices/comm\\_planning/budget/fy20/](https://www.hud.gov/program_offices/comm_planning/budget/fy20/)

<sup>ix</sup> Regulations requiring recipients of homeless prevention assistance to be re-evaluated for need every three months has been waived has been adjusted to every 6 months until March 2022. Fair Market Rent (FMR) limits have also been waived from March to September 2020 for individuals and families using rapid rehousing or homeless prevention dollars. More information available: <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#page=13>

<sup>x</sup> For a breakdown of CDBG-CV per jurisdiction, download the All CARES Act Grants excel sheet from HUD:

[https://www.hud.gov/program\\_offices/comm\\_planning/budget/fy20/](https://www.hud.gov/program_offices/comm_planning/budget/fy20/)

<sup>xi</sup> Emergency rental assistance is usually limited to three-months under the 15% cap on public services; however, CDBG-CV and approved flexibility to FY19/20 CDBG remove this cap.

<sup>xii</sup> Housing outreach, counseling and referral assistance is usually subject to the 15% cap on public services as part of the fair housing activities; however, CDBG-CV and approved flexibility to FY19/20 CDBG remove this cap.

<sup>xiii</sup> Broadband installation must meet a “national objective” as per the CDBG regulation. Consultation with the local HUD Field Office is recommended. More information available: <https://www.hudexchange.info/onecpd/assets/File/CDBG-Public-Facilities-Improvements-Introduction-Transcript.pdf>

<sup>xiv</sup> For an aggregate breakdown of state (55%) and local cap (45%) allocation of Coronavirus Relief Funds see the NCSL estimates available:

[https://www.ncsl.org/Portals/1/Documents/statefed/COVID\\_Relief\\_Fund.pdf](https://www.ncsl.org/Portals/1/Documents/statefed/COVID_Relief_Fund.pdf)

<sup>xv</sup> For estimates on the number of localities per state that will receive direct assistance see the Congressional Research Service CARES Act Title V Background and State and Local Allocations, page 6-7: <https://crsreports.congress.gov/product/pdf/R/R46298>