

# Co-Managing Disaster Recovery and CARES Act Programs

Wednesday, November 17, 2021 from 1:00-2:30 PM



**CDBG**  
**CARES Act**



# Introductions



# Overview





# Program Similarities and Differences











# Typical Activities















# Opportunities









# CDBG-CV for Homelessness (Cont'd)

Public Services  
Cap (15%)  
Lifted

- Increase public service agency funding to increase number of rental assistance applicants that can be processed
- Broaden range of services to include Food Programs (distribution can include delivery)



# CDBG-CV for Economic Recovery – Examples

## Business Assistance, Services and Microenterprises

- Target Central Business Districts (CBDs)
- Expand goods and services to core
- Create incubators

# CDBG-CV for Economic Recovery (Cont'd)

Location  
Presumption of  
LMI status for  
job creation/  
retention

- The higher poverty rate for Central Business Districts is removed
- Qualifying Census tracts must meet either the 70% LMI requirement or 20% Poverty Rate and evidence of poverty and general distress

# CDBG-CV for Economic Recovery (Cont'd)

LMI Job  
Creation/  
Retention  
income  
documentation

- Individuals who fill created or retained jobs will be treated as a one-person family for purposes of income qualification
- Alternative Recordkeeping: Document job type and annual salary of position

# CDBG-CV for Economic Recovery (Cont'd)

## • Public Benefit Test **CDBG** vs **CDBG-CV**

Benefit Test Type	CDBG Requirement	CDBG-CV Requirement
Aggregate	<ol style="list-style-type: none"> <li>1. Cost/ FTE job does not exceed \$35,000</li> <li>2. Activity provides goods or services to LMI residents where cost &lt; \$350/resident</li> </ol>	N/A
Individual	<ol style="list-style-type: none"> <li>1. Cost/ FTE job does not exceed \$50,000</li> <li>2. Activity provides goods or services to LMI residents where cost &lt; \$1,000/ resident</li> </ol>	<ol style="list-style-type: none"> <li>1. Cost/ FTE job does not exceed \$85,000</li> <li>2. Activity provides goods or services to LMI residents where cost &lt; \$1,700/ resident</li> <li>3. Aid due to Covid business disruption</li> </ol>

# CDBG-DR and CV Together

## Why Fund Same Type of Activity with Both Grants?

- Needs changed between natural disaster and pandemic
- Conditions have evolved during pandemic
- Program design elements, polices and procedures are similar
- Staff capabilities exist for related features
- Duplication of benefit is manageable

# CDBG-DR and -CV Together (Cont'd)

## What Are Best Examples?

- Offer CDBG-CV funded emergency payments for rental assistance to address those 'at risk' of homelessness particularly CDBG-DR households
- Prioritize CDBG-DR funded/repaid developments to help ensure immediate viability of affordable developments
- Provide CDBG-CV funded emergency payments mortgage assistance to applicants receiving CDBG-DR funded repairs
- Expand CDBG-DR funded business working capital to include CDBG-CV funded rent payments
- Add CDBG- CV funded microenterprise technical assistance to existing CDBG-DR funded assistance program

# CDBG-DR and -CV Together (Cont'd)

## How to Maintain Compliance?

- DOB – To avoid, increase the size or scope of an existing CDBG-DR funded activity with CDBG-CV funds because the need has increased
- Supplanting – To prevent, do not reduce state or local funds for an activity specifically because federal funds are available (or expected to be available) to fund that same activity.

# CDBG-DR and –CV Together: Puerto Rico

Responding to Coronavirus while still Recovering from Devastating Hurricanes

CDBG-DR funded Economic Revitalization and Recovery Program

- Gap funding for large-scale commercial and industrial development
- Includes development/redevelopment of commercial and mixed-use developments and infrastructure that supports economic investment

CDBG-CV funded Microenterprise Enterprise Assistance Program

- Focus on businesses that that provide medical, food delivery, cleaning, and other services to support home health and quarantine.
- Designed to complement larger scale DR funded activities



# Question and Answer

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# Resources

# Additional Resources/ Upcoming Webinars

- Quick Guides
  - Co-managing Disaster Recovery and CARES Act Programs
  - CDBG-CV PPR Tieback Flexibilities
  - CDBG-CV Duplication of Benefits
- Webinars
  - Economic Development Strategies
  - Subrecipient Management
- CDBG-DR/CDBG-CV On-Call

# HUD Links and Resources

- Disaster Recovery Tools and Templates Library
  - <https://www.hudexchange.info/resources/disaster-recovery-library/>
- CDBG-CV Federal Register Notice (FR-6218-N-01) published on 8/7/20
  - Federal Register Notice: <https://www.hud.gov/sites/dfiles/CPD/documents/FR-6218-N-01-CDBG-CV-clean-8-7-20-header-for-posting.pdf>
- CDBG-CV Resources
  - [https://www.hud.gov/program\\_offices/comm\\_planning/cdbg\\_programs\\_covid-19](https://www.hud.gov/program_offices/comm_planning/cdbg_programs_covid-19)
  - <https://www.hudexchange.info/programs/cdbg-cv/>
- Questions
  - FAQs <https://www.hud.gov/sites/dfiles/CPD/documents/CDBG-CV-Notice-FAQs-OBGA-082720-TOC.pdf>
  - CDBG-CV Ask a Question <https://www.hudexchange.info/program-support/my-question/>