

**COMMUNITY DEVELOPMENT BLOCK GRANT AGREEMENT
FOR COVID HOMELESS PREVENTION ASSISTANCE**

Grant No. B-20-MW-06-0043

CFDA: 14.218

THIS AGREEMENT is made and entered into this ___ day of _____, 20___, by and between the City of Roseville, a municipal corporation (“CITY”) and AMI Housing, a California non-profit corporation (“SUBRECIPIENT”).

W I T N E S S E T H:

WHEREAS, SUBRECIPIENT is a nonprofit corporation organized under the laws of the State of California and qualifying for federal tax exempt status; and

WHEREAS, CITY has allocated Community Development Block Grant (CDBG) funds for COVID Homeless Prevention Assistance; and

WHEREAS, on April 7, 2021, CITY and SUBRECIPIENT entered into that certain Community Development Block Grant Agreement for Covid-19 Homeless Prevention Assistance, approved by Resolution No. 21-120 of the Roseville City Council (the “Prior Agreement”); and

WHEREAS, the Prior Agreement authorized a grant of two hundred fifty thousand dollars (\$250,000) in CDBG funds to SUBRECIPIENT for Homeless Prevention Assistance; and

WHEREAS, as of the date of this Agreement, SUBRECIPIENT has expended forty nine thousand five hundred dollars (\$49,500) of the two hundred fifty thousand dollars (\$250,000)

authorized by the Prior Agreement, leaving a remaining balance of two hundred thousand five hundred dollars (\$200,500) in CDBG funds for Homeless Prevention Assistance; and

WHEREAS, SUBRECIPIENT has submitted an Application for Community Development Block Grant Funding Request for 2022/2023 for COVID Homeless Prevention Assistance; as identified on the application, which is dated February 3, 2022; and

WHEREAS, CITY and SUBRECIPIENT desire to terminate the Prior Agreement and re-allocate the remaining two hundred thousand five hundred dollars (\$200,500) from the Prior Agreement to SUBRECIPIENT by way of this Agreement, in addition to a new award of two hundred thousand dollars (\$200,000) based upon SUBRECIPIENT's February 3, 2022 application;

NOW, THEREFORE, the parties agree as follows:

1. Termination of Prior Agreement. CITY and SUBRECIPIENT agree that the Prior Agreement shall be terminated upon full execution of this Agreement.

2. Grant. CITY hereby authorizes a grant to SUBRECIPIENT in the amount of four hundred thousand, five hundred dollars (\$400,500), representing the remaining two hundred thousand five hundred dollars (\$200,500) from the Prior Agreement and a new award of two hundred thousand dollars (\$200,000). The grant shall be payable on a reimbursement basis after execution of this Agreement.

2. Services. SUBRECIPIENT shall perform the services within the limitations of this Agreement as described in its January 7, 2021 Application for Community Development Block Grant Funding Request for 2021/2022 COVID Homeless Prevention Assistance, attached hereto as EXHIBIT "A" and incorporated by this reference, and its February 3, 2022

Application for Community Development Block Grant Funding Request for 2022/2023 COVID Homeless Prevention Assistance, attached hereto as EXHIBIT “B” and incorporated by this reference. These services shall be performed as modified in EXHIBIT “A-1” and EXHIBIT “B-1,” respectively, and in a manner satisfactory to CITY’s Economic Development Director.

3. Term. This Agreement shall be for a period commencing on July 1, 2023, and ending on June 30, 2024.

4. Terms of Agreement Prevail. SUBRECIPIENT shall comply with all the terms and conditions of EXHIBIT “A,” EXHIBIT “A-1,” “EXHIBIT “B,” EXHIBIT “B-1” and this Agreement. In the event of any discrepancy between the terms of this Agreement and those of EXHIBIT “A” or EXHIBIT “B,” the terms of this Agreement shall prevail. In the event of any discrepancy between the terms of EXHIBIT “A” and of EXHIBIT “A-1,” the terms of EXHIBIT “A-1” shall prevail. In the event of any discrepancy between the terms of EXHIBIT “B” and of EXHIBIT “B-1,” the terms of EXHIBIT “B-1” shall prevail.

5. Use of Funds. Use of funds allocated hereunder to SUBRECIPIENT shall be subject to the following express terms and conditions:

A. SUBRECIPIENT shall use all funds provided pursuant to this Agreement exclusively for performing the services detailed in EXHIBIT “A” and EXHIBIT “B,” as modified by EXHIBIT “A-1” and EXHIBIT “B-1,” respectively, and the express terms of this Agreement, based on the details provided in EXHIBIT “A-2” and EXHIBIT “B-2” (Budget), attached hereto and incorporated herein by this reference.

B. No funds paid by CITY hereunder shall be used directly or indirectly by SUBRECIPIENT for any lobbying or political activity whatsoever.

C. SUBRECIPIENT shall use all moneys received pursuant to this Agreement in conformity with the applicable provisions of 24 CFR Part 570, issued by the United States Department of Housing and Urban Development (HUD) (Administrative Regulations for Community Block Grants) (provided to SUBRECIPIENT electronically) and the applicable provisions of 2 CFR Part 200: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (provided to SUBRECIPIENT electronically), and with the Income Limits as set forth in EXHIBIT “B,” attached hereto and incorporated herein by this reference.

6. Funds to be Expended During Current Fiscal Year. The grant shall be payable only from the Community Development Block Grant fund. The grant is made only for the current fiscal year. All funds received by SUBRECIPIENT under this Agreement shall be spent prior to the end of the current fiscal year. All funds not spent within the current fiscal shall be returned to CITY within thirty (30) calendar days after the conclusion of the current fiscal year.

No other fund of CITY, including without limitation its general fund, shall be liable for any payment under this Grant Agreement, nor is the taxing power of CITY pledged in any manner.

7. SUBRECIPIENT as Independent Entity. SUBRECIPIENT and the agents or employees of SUBRECIPIENT shall act in an independent capacity and not as officers, employees or agents of CITY in performance of this Grant Agreement.

8. Termination.

A. Either party shall have the right to terminate this Agreement upon thirty (30) calendar days written notice thereof being served on the other party.

B. In the event that CITY receives communication from the federal government that funds available to CITY under the Community Development Block Grant Program are to be reduced or withdrawn by the federal government, CITY may at its option terminate this Agreement immediately.

C. If, through any cause, SUBRECIPIENT shall fail to fulfill in a timely and proper manner its obligations under this Agreement, or if SUBRECIPIENT shall violate any of the covenants, requirements or stipulations of this Agreement, CITY shall thereupon have the right to terminate this Agreement by giving at least five (5) calendar days written notice to SUBRECIPIENT of such termination, specifying the effective date of such termination. In such event, all finished or unfinished documents, data, studies, photographs, and reports prepared by the SUBRECIPIENT under this Agreement shall, at the option of CITY, become property of CITY and SUBRECIPIENT shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder to the date of termination. Notwithstanding the above, SUBRECIPIENT shall not be relieved of liability to CITY for damages sustained by CITY or others by virtue of any breach of this Agreement by SUBRECIPIENT. CITY may withhold any payment to SUBRECIPIENT for the purpose of set-off until such time as the exact amount of damages due CITY from SUBRECIPIENT is determined.

9. No Assignment. This Agreement is not assignable by SUBRECIPIENT either in whole or part, without the express written authorization of CITY.

10. Time is of the Essence. Time is of the essence of this Agreement.

11. All Terms to be in Writing. No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto, and no oral

understanding or agreement not incorporated herein shall be binding on either of the parties hereto.

12. Records.

A. SUBRECIPIENT shall maintain all necessary books and records, including property, personnel and financial records, in accordance with requirements prescribed by HUD or CITY with respect to all matters covered by this Agreement. Except as otherwise authorized by HUD, such records shall be maintained for a period of four (4) years after receipt of the final payment under this Agreement, or five (5) years after the resolution of any dispute regarding this Agreement, whichever is later.

B. SUBRECIPIENT shall document all expenditures under this Agreement with properly executed payroll, time records, invoices, contracts, vouchers, or other official documentation evidencing in appropriate detail the nature and propriety of the charges. All checks, payroll, invoices, contracts, vouchers, orders, or other documents pertaining in whole or in part to this Agreement shall be clearly identified and readily accessible.

C. SUBRECIPIENT shall, at such time and in such forms as HUD or CITY may require, furnish HUD or CITY statements, records, reports, data and information pertaining to matters covered by this Agreement. SUBRECIPIENT shall file Quarterly Reports no later than 30 calendar days after the end of each fiscal year quarter, (October 30, 2023, January 30, 2024, April 30, 2024 and July 30, 2024). SUBRECIPIENT shall provide Quarterly Reports to CITY in the form and manner directed by CITY, and as may be described in EXHIBIT "A-1."

D. Upon request for examination by CITY, SUBRECIPIENT shall, at any time during normal business hours, make available all of its records with respect to all matters

covered by this Agreement. SUBRECIPIENT shall permit CITY to audit, examine and make excerpts or transcripts from these records.

13. Allowability of Expenditures. SUBRECIPIENT shall accurately document each transaction to permit the determination, through an audit if requested by CITY, of the accuracy of the records and the allowability of expenditures charged to grant funds. If the allowability of an expenditure cannot be determined because records or documentation are inadequate, the questionable expenditure shall be disallowed. In such case, SUBRECIPIENT shall reimburse CITY the amount of any disallowed expenditure. Determination by CITY of the allowability of any expenditure shall be final.

14. Program income. Unless otherwise allowed by amendment of this Agreement, SUBRECIPIENT shall remit all program income received to CITY. SUBRECIPIENT shall remit program income to CITY not less than quarterly. Any program income on hand when this Agreement expires, or received after this Agreement's expiration, shall be remitted to CITY immediately and in full. Program income is gross income received by SUBRECIPIENT directly generated from the use of CDBG funds. Program income includes, but is not limited to, the following:

- Proceeds from the disposition by sale or long-term lease of real property purchased or improved with CDBG funds;
- Proceeds from the disposition of equipment purchased with CDBG funds;
- Gross income from the use or rental of real or personal property acquired by SUBRECIPIENT with CDBG funds, less costs incidental to generation of the income;

- Gross income from the use or rental of real property, owned by SUBRECIPIENT, that was constructed or improved with CDBG funds, less costs incidental to generation of the income;
- Payments of principal and interest on loans made using CDBG funds;
- Proceeds from the sale of loans made with CDBG funds;
- Proceeds from sale of obligations secured by loans made with CDBG funds;
- Interest earned on program income pending its remittance to CITY.

Program income does not include fundraising activities carried out by SUBRECIPIENT or proceeds from the disposition of real property acquired or improved with CDBG funds when the disposition occurs after the applicable time period specified in 20.D. below.

15. Conflict of Interest. No member, officer, or employee of SUBRECIPIENT or its designees or agents, who exercises any function or responsibility with respect to the program during his or her tenure, or for one (1) year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for activities performed in connection with the program assisted under this Agreement. SUBRECIPIENT shall incorporate, or cause to be incorporated, in all subcontracts a provision prohibiting such interest pursuant to the purposes of this Section.

16. Compliance with Governmental Regulations. SUBRECIPIENT shall, at its sole cost and expense, comply with all applicable municipal, county, state and federal requirements now in force, or which may hereafter be in force pertaining to any and all activities contemplated under this Agreement.

SUBRECIPIENT shall comply with any applicable provisions of 24 CFR 570, which is provided electronically with this Agreement and is available for review in the CITY's Housing Division Office. SUBRECIPIENT may access and obtain the most current version of the Code of Federal Regulations from the US Government Printing Office at www.ecfr.gov and www.gpo.gov/fdsys/.

17. Fair Employment. SUBRECIPIENT shall comply with the provision of the Fair Employment and Housing Act (Government Code §12900, et seq.), the regulations promulgated thereunder (2 CCR §10000, et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (§§11135-11139.5) and the regulations or standards adopted by the State of California to implement such article.

SUBRECIPIENT shall give advice of its obligation under this Agreement to labor organizations or contractors with which it has collective bargaining or other agreements. SUBRECIPIENT shall include nondiscrimination compliance provisions similar to those of this Agreement in all subcontracts to perform work under this Agreement.

18. Discrimination Prohibited. SUBRECIPIENT shall not employ discriminatory practices in the provision of services, employment of personnel, or in any other respect on the basis of race, color, religion, sex, national origin, ancestry, age or physical or mental disability, as more specifically set forth in Sections 570.602 and 570.601 of the aforesaid HUD Regulations. During the performance of this Agreement SUBRECIPIENT agrees as follows:

A. No person in the United States shall, on the grounds of race, color, religion, national origin, sex, age or disability be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity made possible by or resulting from this Agreement.

B. SUBRECIPIENT will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, ancestry, age or physical or mental disability. SUBRECIPIENT shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, ancestry, age or physical or mental disability. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. SUBRECIPIENT agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provision of this nondiscrimination clause.

C. SUBRECIPIENT will in all solicitations or advertisements for employees placed by or on behalf of SUBRECIPIENT, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, ancestry, age or physical or mental disability.

19. Uniform Administrative Requirements. This Agreement is subject to the requirements of 2 CFR Part 200: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, a copy of which is being provided electronically with this contract and is available for review in CITY's Housing Division Office. SUBRECIPIENT may access and obtain the most current version of the Code of Federal Regulations from the US Government Printing Office at www.ecfr.gov and www.gpo.gov/fdsys/.

20. Property Ownership and Procurement.

A. In the event this Agreement is not fully performed to the satisfaction of CITY, any and all non-expendable furnishings, equipment or other personal property purchased

pursuant to this Agreement and having a useful life or more than one (1) year and a purchase price of three hundred dollars (\$300) or more and not consumed in the performance of this Agreement shall become the property of CITY. Such property shall be delivered to CITY upon written notification by CITY to SUBRECIPIENT.

B. The procurement of goods or services with CDBG funds is subject to the requirements of 2 CFR Part 200, including: §200.318 General procurement standards; §200.319 Competition; §200.320 Methods of procurement to be followed; §200.321 Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms; §200.323 Contract cost and price; §200.325 Bonding requirement; and §200.326 Contract provisions. SUBRECIPIENT shall consult with and receive the approval of CITY prior to procuring goods or services to be purchased with CDBG funds.

C. Property acquired in whole or in part with funds provided pursuant to this Agreement shall be managed in accordance with the provisions of 2 CFR Part 200.

D. Upon termination of this Agreement, SUBRECIPIENT shall transfer to CITY any CDBG funds on hand at the time of termination and any accounts receivable attributable to the use of CDBG funds. If SUBRECIPIENT ceases to use any asset acquired with CDBG funds for the purpose described in this Agreement, SUBRECIPIENT shall either pay to CITY the fair market value of the asset or transfer control of the asset to CITY.

E. Any real property under SUBRECIPIENT's control that was acquired or improved in whole or in part with CDBG funds (including CDBG funds provided to SUBRECIPIENT in the form of a loan) in excess of \$25,000 shall continue to meet one of the national objectives in 24 CFR 570.208 until five (5) years after expiration of this Agreement, or five (5) years after final payment is issued under this Agreement, whichever is later. CITY may

establish a longer period of time, as determined to be appropriate. In the event that the use of the acquired or improved real property does not meet one of the national objectives, SUBRECIPIENT shall pay to CITY an amount equal to the current market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for the acquisition of, or improvement to, the property. No payment will be required after the period of time specified herein.

21. Environmental impact mitigation measures. The use of CDBG funds is subject to the National Environmental Protection Act (NEPA) as implemented by HUD at 24 CFR 58. Should CITY determine as the result of its review as the Responsible Entity that measures are required to mitigate the environmental impact of actions assisted in whole or in part under this Agreement, CITY shall inform SUBRECIPIENT of such mitigation measures and SUBRECIPIENT shall comply with said measures as a condition of receiving funds. Failure to comply shall be cause for termination of this Agreement and recapture of all funds provided under this Agreement.

22. Federal labor standards and prevailing wages. Construction work assisted in whole or in part with CDBG funds is subject to applicable federal labor standards and the payment of prevailing wages including Davis-Bacon and Related Acts: Davis-Bacon Act (40 U.S.C. 276 a to a.7) as supplemented by Department of Labor Regulations (29 CFR Part 5), Copeland "Anti-Kick Back Act" (18 U.S. C. 876) as supplemented in Department of Labor regulations (29 CFR Part 3), and Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et seq.). SUBRECIPIENT shall consult with and receive the approval of CITY prior to procuring contracts for construction or employing persons in construction to be funded with CDBG.

23. Indemnification. To the fullest extent allowed by law, SUBRECIPIENT shall defend, indemnify, and save and hold harmless CITY, its officers, agents, employees and volunteers from any claims, suits or actions of every name, kind and description brought forth, or on account of, injuries to or death of any person (including but not limited to workers and the public), or damage to property, resulting from or arising out of SUBRECIPIENT's willful misconduct or negligent act or omission while engaged in the performance of obligations or exercise of rights created by this Agreement, except those matters arising from CITY's sole negligence or willful misconduct. The parties intend that this provision shall be broadly construed.

SUBRECIPIENT's responsibility for such defense and indemnity obligations shall survive the termination or completion of this Agreement for the full period of time allowed by law. The defense and indemnity obligations of this Agreement are undertaken in addition to, and shall not in any way be limited by, the insurance obligations contained in this Agreement.

24. Insurance. SUBRECIPIENT agrees to continuously maintain, in full force and effect, the following minimum policies of insurance during the term of this Agreement.

<u>COVERAGE</u>	<u>LIMITS OF LIABILITY</u>
Commercial General Liability	\$1,000,000 each occurrence \$2,000,000 aggregate Personal Injury: \$1,000,000 each occurrence \$2,000,000 aggregate

A. Form. SUBRECIPIENT shall submit a certificate evidencing such coverage for the period covered by this Agreement in a form satisfactory to Risk Management and the City Attorney, prior to undertaking any work hereunder. Any insurance written on a

claims made basis is subject to the approval of Risk Management and the City Attorney.

B. Additional Insureds. SUBRECIPIENT shall also provide a separate endorsement form or section of the policy showing CITY, its officers, agents, employees and volunteers as additional insureds. Such insurance shall specifically cover the contractual liability of SUBRECIPIENT. The additional insured coverage under the SUBRECIPIENT policy shall be primary and noncontributory, and shall not seek contribution from CITY's insurance or self-insurance. In addition, the additional insured coverage shall be at least as broad as the Insurance Services Office ("ISO") CG 20 01 Endorsement. Any available insurance proceeds in excess of the specified minimum insurance coverage requirements and limits shall be available to the additional insureds. Furthermore, the requirements for coverage and limits shall be: (1) the minimum coverage and limits specified in this Agreement; or (2) the full coverage and maximum limits of any insurance proceeds available to the named insureds, whichever is greater.

C. Cancellation/Modification. SUBRECIPIENT shall provide ten (10) calendar days written notice to CITY prior to cancellation or modification of any insurance required by this Agreement.

D. Umbrella/Excess Insurance. The limits of insurance required in this Agreement may be satisfied by a combination of primary and excess insurance. Any excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and noncontributory basis for the benefit of CITY (if agreed to in a written contract) before CITY's own insurance shall be called upon to protect it as a named insured.

E. Subcontractors. SUBRECIPIENT agrees to include in its contracts with all subcontractors the same requirements and provisions of this Agreement, including the

indemnity and insurance requirements, to the extent they apply to the scope of the subcontractor's work.

Furthermore, SUBRECIPIENT shall require its subcontractors to agree to be bound to SUBRECIPIENT and CITY in the same manner and to the same extent as SUBRECIPIENT is bound to CITY under this Agreement. Additionally, SUBRECIPIENT shall obligate its subcontractors to comply with these same provisions with respect to any tertiary subcontractor, regardless of tier. A copy of CITY's indemnity and insurance provisions will be furnished to the subcontractor or tertiary subcontractor upon request.

F. Self-Insured Retentions. All self-insured retentions ("SIR") must be disclosed to Risk Management for approval and shall not reduce the limits of liability. Policies containing any SIR provision shall provide or be endorsed to provide that the SIR may be satisfied by either the named insured or CITY. CITY reserves the right to obtain a full certified copy of any insurance policy and endorsements. The failure to exercise this right shall not constitute a waiver of such right.

G. Waiver of Subrogation. SUBRECIPIENT hereby agrees to waive subrogation which any insurer of SUBRECIPIENT may acquire from SUBRECIPIENT by virtue of the payment of any loss under a Workers Compensation, Commercial General Liability or Automobile Liability policy. All Workers Compensation, Commercial General Liability and Automobile Liability policies shall be endorsed with a waiver of subrogation in favor of CITY, its officers, agents, employees and volunteers for all work performed by SUBRECIPIENT, its employees, agents and subcontractors.

H. Liability/Remedies. Insurance coverage in the minimum amounts set forth herein shall not be construed to relieve SUBRECIPIENT of liability in excess of such coverage,

nor shall it preclude CITY from taking such other actions as are available to it under any other provisions of this Agreement or law.

25. Notice. Any notice required by this Agreement shall be delivered or sent by first class mail, United States postage prepaid, addressed as follows:

<u>CITY</u>	<u>SUBRECIPIENT</u>
Trisha Isom Housing Manager 316 Vernon Street, # 150 Roseville, CA 95678 (916) 774-5446	Jennifer Price Chief Executive Officer P.O. Box 5216 Auburn, CA 95604 (530) 878-5088

Either party may amend its address for notice by giving notice to the other party.

26. No Waiver of Breach. No waiver of any breach of this Agreement by CITY shall be held to be a waiver of any other or subsequent breach.

27. Attorney's Fees; Venue; Governing Law. If either party commences any legal action against the other party arising out of this Agreement or the performance hereof, the prevailing party in such action shall be entitled to recover its reasonable litigation expenses, including but not limited to, court costs, expert witness fees, discovery expenses, and attorney's fees. Any action arising out of this Agreement shall be brought in Placer County, California, regardless of where else venue may lie. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

28. Severability. If any of the provisions contained in this Agreement are for any reason held invalid or unenforceable, such holding shall not affect the remaining provisions or the validity and enforceability of the Agreement as a whole.

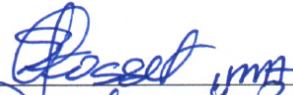
29. Integrated Agreement. This is an integrated agreement and contains all of the terms, considerations, understanding and promises of the parties. It shall be read as a whole.

IN WITNESS WHEREOF, the City of Roseville, a municipal corporation, has authorized the execution of this Agreement in duplicate by its City Manager and attested to by its City Clerk under the authority of Resolution No. _____, adopted by the Council of the City of Roseville on the ___ day of _____, 2022, and SUBRECIPIENT has caused this Agreement to be executed.

CITY OF ROSEVILLE, a municipal corporation

AMI HOUSING, a California non-profit corporation


BY: _____
DOMINICK CASEY
City Manager

BY: 
its: President of Board

ATTEST:

and

BY: _____
CARMEN AVALOS
City Clerk

BY: 
its: SECRETARY

APPROVED AS TO FORM:

BY: _____
MICHELLE SHEIDENBERGER
City Attorney

APPROVED AS TO SUBSTANCE:

BY: 

MELISSA ANGUIANO
Economic Development Director

EXHIBIT LIST:

EXHIBIT “A”	2021/22 CDBG Funding Application
EXHIBIT “A-1”	2021/22 Scope of Services
EXHIBIT “A-2”	2021/22 Budget
EXHIBIT “B”	2022/23 CDBG Funding Application
EXHIBIT “B-1”	2022/23 Scope of Services
EXHIBIT “B-2”	2022/23 Budget
EXHIBIT “C”	Income Limits for CDBG Program
EXHIBIT “D”	Federal Register Notice
EXHIBIT “D-1”	Duplication of Benefits Spreadsheet

EXHIBIT "A"



Powered by ZoomGrants™

City of Roseville
Housing Division
CARES Act CDBG-CV3
Deadline: 1/8/2021

AMI Housing, Inc. AMI Housing - COVID Assistance

Jump to: [Pre-Application Questionnaire](#) [Funding Application](#) [Program/Project Budget](#) [Documents](#)

USD\$ 300,000.00 Requested

Submitted: 1/7/2021 2:46:01 PM (Pacific)

Project Contact

Jennifer Price
jprice@amihousing.org
Tel: 530-878-5088

Additional Contacts

none entered

AMI Housing, Inc.

P.O. Box 5216
Auburn, CA 95604

Telephone 530-878-5088
Fax 916-848-3642
Web www.amihousing.org

CEO
Jennifer Price
jprice@amihousing.org

Pre-Application Questionnaire [top](#)

Primary Applicant

1. Which type of applicant entity are you?

Select one.

- Non-profit (501c3/c4)
- Public agency
- Multi-agency Collaborative – Non-profit
- Multi-agency Collaborative – Non-profit/Public Agency
- Other:

2. Have you received any grant funding from the City of Roseville before?

- Yes
- No

3. Which grant types has your agency received before?

Check all that apply. From any source or agency.

- CDBG
- REACH/Citizen's Benefit Fund
- Homeless Prevention and Rapid Re-Housing
- Other homeless funds (McKinney-Vento or other)
- Other:
- No prior funding

Application Summary Description

4. Briefly describe the proposed program or project.

AMIH will provide homeless prevention funds to Roseville residents for up to 100 days and car expense payments for individuals and families at risk of homelessness due to the COVID pandemic.

Co-Applicant/Collaborating Agency

5. If this is a collaborative application, how many agencies are involved?

Tick "0" if this is **not** a collaborative application.

- 0
- 1
- 2
- 3
- 4
- 5
- 6
- more than 6

6. List the collaborating agencies (Enter "none" if none.)

Enter agency name and DUNS# if assigned

none

7. Indicate the type of activity. You may select only one.

You may submit more than one application. You may submit applications for more than one activity type. If you are not sure which category to select, please consult City staff. You will need to know this for your main application.

- Rent and back rent
- Car expense payments
- Project Roomkey
- Educational assistance for homeless children

Funding Application [top](#)

Some answers will not be presented because they are not part of the selected group of questions based on the answer to #1.

1. Indicate the type of activity. You may select only one.

You may submit more than one application. You may submit applications for more than one activity type. If you are not sure which category to select, please consult City staff. Your selection will determine the questions you are required to complete.

- Rent and back rent
- Car expense payments
- Project Roomkey
- Educational assistance for homeless children

2. Describe the program or project. What direct COVID needs will be addressed with this program?

What is the service you will provide or the project you will complete? How will it happen and when? What will be the result? Who will benefit and how? What are the goals and objectives?

COVID has had an incredible impact on the low income and moderate-income residents of Roseville. This has led to many folks who were already precariously housed being placed at an incredibly high risk of becoming homeless and many are not aware of the guidelines in place to prevent evictions for an inability to pay rent prior to January 31st, 2020. Our agency is uniquely situated to provide housing assistance to the community during this incredibly difficult time. We have spent years developing a team of housing counselors who provide rapid rehousing and homeless prevention support to our community as well as intensive landlord engagement. We have a variety of funding sources for community housing supports, but they are not enough funds for the increase in the anticipated number of residents who will need these supports in the upcoming year.

Through this proposal we are asking for funds for homeless prevention and car expense payments. At this time, we are getting an increasing number of requests for homeless prevention, but some of that is because people are not aware of the current

eviction moratorium. Landlords are also not aware and need to be educated on the proper process for serving evictions for residents who cannot pay rent.

We anticipate that when people with COVID related reasons (such as job loss, infection, child care) are unable to pay their rent we will need to step in to make sure they remain housed or we will see an incredible rise in homelessness and evictions.

With all of these factors to consider, we anticipate that we will assist an estimated two hundred individuals or families over the next year (prior to June 30, 2022) specifically due to COVID. It will take time for the economy to recover after this pandemic, for people to get their kids back in school full time, for jobs to be available again as businesses fully reopen, and for the lowest income earners to have the ability to pay their rent as they once did. The outcomes we hope to achieve are that we don't see a surge in homelessness, that people remain housed, and that people are able to get back on their feet after this incredibly difficult year.

3. Location(s) where services will be provided or project will be completed.

Include administrative offices if services will also be provided there or from there. Provide street address, city, and ZIP code.
11768 Atwood Drive, Suite 6 Auburn CA.

Remotely through HIPPA compliant Zoom, Telephone, and email.

Services are also provided at the tenants homes when needed and at property management locations.

4. What is the program's/project's current status?

Is it still being planned? Is it underway? Is it ready to receive funding? Is the program or project seasonal? What will need to be done before the program or project can start?

This AMIH program is underway for the entire Placer County region. Funds requested in this application will be specifically for Roseville residents. The project is ready to receive funding and will begin on the first day funded.

5. When will the program or project begin?

If underway as of application, enter "underway."
underway

6. When will the program or project be completed?

Services must be completed no later than June 30 of the award fiscal year.
Project will be completed by June 30, 2022

7. What are the specific costs to be funded with this request?

Identify the types of costs and amounts. Salary, and for whom? Materials, what type and quantity? Equipment, specifications? How will funding these costs meet the goals and objectives described in this request?
Homeless prevention, direct salaries for program staff (housing counselors), car expense payments, and administration of program.

8. If this is a collaborative application, describe the collaboration being utilized for the proposed program or project.

Explain how the collaboration improves the provision of services or the competition of the proposed program or project. Attach co-applicant commitment letters to your application to document the collaboration.
N/A

9. Describe your other collaboration with other agencies, including non-profit and public agencies.

Do you participate in the local Continuum of Care (CoC) and/or coordinated entry efforts? Do you provide/accept referrals? Do you participate in other coordinating bodies or work with service/business/government organizations?
AMIH has a long history of collaboration with other agencies including: Placer County ASOC, Gathering Inn, Welcome Center, Cirby Clubhouse, PIRS, Homeless Resource Council of the Sierras (HRCS), PCN, Voc Rehab, Campaign for Community Wellness (CCW), Project Go, Turning Point, Placer County Office of Education, and the cities of Roseville, Rocklin, & Auburn. AMIH is a member of the Roseville and Auburn Chambers of Commerce and works closely with the Placer County Community Foundation.

AMIH is on the board of the HRCS (CoC) and on the leadership team for the CCW (Steering committee for local MHSA funds). AMIH is actively participating in coordinated entry for Placer County from the planning process to implementation. We receive referrals through coordinated entry and through our housing coordinator who outreaches to the local homeless shelters. We use the "By Name List" for housing placements and referrals as well. In addition our Housing Coordinator is collaborating closely with the Roseville police department.

AMIH began a collaboration called ASSK with Stand Up Placer, Kids First, and St Vincent de Paul. We work in tandem to provide rapid rehousing, homeless prevention, and utility assistance in Roseville and Placer County.

10. Describe your use of volunteers.

How do volunteers contribute to your efforts overall and to this program or project specifically?

AMIH's board is a dedicated group of volunteers who meet on a regular basis for community outreach, fundraisers, grants, projects, and overall consumer happiness.

AMIH partners with California State University, Sacramento & Brandman University to provide bachelor and master degree internships in the social work and mental health fields. Interns visit with our residents at their homes to provide education on basic life skills such as cooking, budgeting, personal hygiene, grocery shopping, etc. In addition they work with our case managers to create and implement individual service plans.

Last year volunteers helped by gathering and donating household items for our many programs. In addition, volunteers helped create "Welcome Home" bags for residents which included: hygiene items, a new pillow, sheets, blanket, and other essential items. In collaboration with Toys for Tots a Holiday Party with Santa himself is held in December for the many families enrolled in our program.

11. Describe your history and experience providing services to the community.

Be sure to include the number of years in operation and summary of major accomplishments.

In 1992, the National Alliance for the Mentally Ill-Placer County entered into a contract with Placer County Mental Health Department to begin a housing program for its consumers. Housing was provided for Adult System of Care consumers who needed training in basic living skills, before progressing to independent living. In 1995, the collaborative expanded and opened houses in Rocklin, Roseville, and Auburn. Early in 2003, it was decided to place the operation of the housing program under a new organization: Advocates for Mentally Ill Housing, Inc. (AMIH). In August 2003, AMIH received its 501c3 designation.

Since 2003, collaboration with other community based organizations has allowed AMIH to open additional homes in Placer County. AMIH now provides transitional, permanent, rapid rehousing, emergency, peer supported, transitional age youth, and subsidized independent housing. AMIH still contracts with Placer County, but has expanded our program to include families and individuals who are homeless in Placer County. AMIH owns nine homes, a 6 unit apartment complex, a 19 unit studio apartment complex, subsidizes 75 plus independent apartments, and leases five other homes allowing us to serve over 200 individuals every night. In addition, AMIH employs over 20 adults with mental illness through our peer advocacy programs.

12. Describe your experience with this type of program or project.

If this is a new program or project, your experience with similar programs and projects. If this addresses homelessness, what is your knowledge of issues and needs specific to homeless persons, including families and those at risk of homelessness?

AMI Housing has provided housing and supportive services in Placer County to low income homeless or at risk of homeless individuals and families for over twenty years. AMIH subsidizes people throughout the community in apartments and houses. We work with over 150 landlords in the community who know and trust us to help our clients stay housed and to work through any landlord/tenant issues that may arise. Prior to COVID we have supported over 500 individuals per year with rapid rehousing and homeless prevention and we house approximately 300 individuals per year in our own permanent and transitional housing programs in Placer County.

13. Identify staff who will implement and manage the program or project.

Include their experience administering the activity or similar type of activities. If this is a collaborative effort, note the agency for each staff person. Attach resumes and job descriptions or duty statements.

The staff overseeing the program or project will be the AMIH Board, AMIH CEO, AMIH COO, AMIH staff, AMIH-ASOC Collaborative Housing Manager (CHM), peer counselors, Data Analyst, & our Case Manager (CM). The majority of our board is comprised of people with family members who have a mental illness. The board has compassion & life experience working with adults with a mental illness & has been operating this housing program since its inception. Our COO has a Masters Degree in Social Work Public Administration and will provide oversight of this program. We have five housing coordinators or case managers on staff, with varying education levels, but many years of experience in social work and property management. In addition, we employ five peer counselors who will use their own life experience to assist individuals in this program with accessing community services. For over thirteen years, the AMIH CEO has administered AMIH programs and all grants associated with it.

14. Describe your service area. This funding is intended to benefit City of Roseville residents.

If you serve an area less than the entire city, explain. If you serve an area larger than the city, how will you identify costs to serve Roseville residents? How will you assure Roseville residents are referred by outside agencies?

AMIH provides housing to Placer & Nevada County residents. Roseville residency is verified prior to acceptance. The recipients of any CDBG funding awarded will be Roseville residents. AMIH will take referrals from any agency and coordinated entry to identify eligible Roseville residents.

AMIH will use HMIS for program demographics. Clients will be given intake, update, and exit forms. This allows us to easily identify Roseville residents.

15. List all City of Roseville funding received within the last three (3) years including funding amount and status.

List as follows: PROGRAM/PROJECT NAME, SOURCE/TYPE, AWARD AMOUNT, AWARD DATE, EXPENDED AMOUNT, STATUS (planned, underway, complete, or canceled)

2020/2021: Housing Support Services. Source: City of Roseville. \$15,000. Status: Underway.

2020: Rapid Rehousing & Homeless Prevention - \$250,000 for the ASSK program. Source: City of Roseville. Status: Complete.

2019/2020: Housing Support Services. Source: City of Roseville. \$15,000. Status: Complete.

2019/2020: Main Street Solar. Source: City of Roseville. \$93,000. Status: Underway.

2019: Rapid Rehousing & Homeless Prevention - \$200,000 for the ASSK program. Source: City of Roseville. Status: Complete.

2018/2019: Housing Support Services. Source: City of Roseville. \$15,000. Status: Complete.

2018: Rapid Rehousing & Homeless Prevention - \$187,500 for the ASSK program. Source: City of Roseville. Status: Complete.

2017/2018: Housing Support Services. Source: City of Roseville. \$13,355. Status: Complete.

2017: Rapid Rehousing & Homeless Prevention - \$143,186 for the ASSK program. Source: City of Roseville. Status: Complete.

16. Should the City award less than you have requested, how will this impact the program or project?

Will you accept a lesser amount? Will goals be reduced? Will the program or project not be feasible?

We will adjust the funding so that we can serve as many individuals as possible. We will attempt to find additional funding from other community resources to continue the program for the entire year.

17. Explain how this program or project offers something different from what other agencies may offer, or are currently offering.

Do you coordinate with other agencies to leverage and avoid duplication? What makes you different? Are services targeted to a unique population? Are you uniquely positioned to serve a community because of location, relationships, or staff skills?

This program is in direct response to the COVID 19 pandemic. It is not an ongoing program, but a program that will remain in place until all CARES act funds have been expended or June 30, 2022.

18. These funds must be used to benefit low and moderate income persons. You must also collect and report demographic information on persons served. Describe your methods for documenting eligibility for services and collecting demographics.

If you are targeting a low-income area, please describe the area and how you determined it is low-income. If you are serving a population that is presumed to be low-income, please describe. Describe the tools you use to report on persons served.

AMIH utilizes the Homeless Management Information System for all incoming clients. The intake paperwork captures the following data: demographics, income, income source, homeless status, location, and current housing placement or lack thereof. The clients who are admitted into this program must meet the following guidelines:

1. Decrease or loss of income due to COVID
2. At risk of homelessness
3. A resident of the City of Roseville.

Our agency will only serve individuals who meet the above criteria.

19. A duplication of benefits (DOB) occurs when a person, household, business, government, or other entity receives financial assistance from multiple sources for the same purpose, and the total assistance received for that purpose is more than the total need for assistance. How will you ensure no duplication of benefits for the participants of your program?

-answer not presented because of the answer to #1-

20. In follow up to the previous question, how will you ensure no duplication of benefits for your agency? Please complete the Duplication of Benefits Chart.

The Duplication of Benefits Chart can be found under the 'Documents' tab.

Each person who is assisted with funds for homeless prevention is tracked with our financial accounting tools and through HMIS. Benefits will not be duplicated and reports for outcomes will be available by program.

21. What is your total cost to serve each unduplicated person? Amount funded by this grant?

Ignore the automatic total under the table you will see in preview and print.

1500	Total cost/person (\$)
1500	Cost/person funded by this grant (\$)
3,000.00	TOTAL

22. This request will ...

Select one

- Result in an increase in the current level of service provided, or increase the capacity of a facility.
- Improve access to an existing service, or improve access to an existing facility.
- Prevent a reduction in the current level of service provided, or reduction in the current capacity of a facility.
- Correct a currently sub-standard level of service, or correct a sub-standard condition in a facility.

23. Provide any additional information in the space below that you would like to be considered for this proposal.

If none, enter "none."

none

24. Have you completed the budget tab?

- Yes

25. Have you uploaded all required documents?

- Yes

Program/Project Budget [top](#)

Revenue/Sources	Prior (Actual)	Current (Budgeted)	Proposed
City of Roseville (this request)			USD\$ 300,000.00
Total	USD\$ 0.00	USD\$ 0.00	USD\$ 300,000.00

Expenses/Uses	Prior (Actual)	Current (Budgeted)	Proposed
Direct Salaries with Fringe Benefits			USD\$ 30,000.00
Homeless Prevention			USD\$ 195,000.00
Car Expense Payments			USD\$ 45,000.00
Adminsitration			USD\$ 30,000.00
Rent			
Total	USD\$ 0.00	USD\$ 0.00	USD\$ 300,000.00

Current less Prior	USD\$ 0.00
Change from Prior (Actual) to Current (Budgeted)	

Proposed less Current	USD\$ 300,000.00
Change from Current (Budgeted) to Proposed	

Documents [top](#)

Documents Requested *	Required?	Attached Documents *
Agency Adopted Budget for current year	<input checked="" type="checkbox"/>	Agency Budget
Program/Project Proposed Budget download template	<input checked="" type="checkbox"/>	Program Budget
Current Organizational Chart	<input checked="" type="checkbox"/>	Org Chart
Authorized Signatory Page download template	<input checked="" type="checkbox"/>	Authorized Signatory
Collaborator Commitment Letter(s)		
Award Letter(s)		

Other documents

Duplication of Benefits Chart
[download template](#)



[Duplication of Benefits](#)

** ZoomGrants™ is not responsible for the content of uploaded documents.*

Application ID: 329998

Become a [fan of ZoomGrants™](#) on Facebook
Problems? Contact us at Questions@ZoomGrants.com
©2002-2021 GrantAnalyst.com. All rights reserved.
"ZoomGrants" and the ZoomGrants logo are trademarks of GrantAnalyst.com, LLC.
[Logout](#) | [Browser](#)

EXHIBIT "A-1"

SCOPE OF SERVICES

Agency Name:	AMI Housing
Program Title:	COVID Homeless Prevention Assistance
Amount of Request:	\$300,000
Amount of Award:	\$250,000
Number/type of annually unduplicated Persons/Households to Be Assisted:	200 individuals/families
Target date to complete:	06/30/2022
Location:	11768 Atwood Drive, Suite 6 Auburn, CA 95603
Eligible Activity:	§570.201 (e) Public services 05Q Subsistence Payments
National Objective:	§570.208 (a) (2) LMC Low/mod limited clientele benefit

Description of Eligible Activities funded by Grant: COVID has had an incredible impact on the low income and moderate-income residents of Roseville. This has led to many folks who were already precariously housed being placed at an incredibly high risk of becoming homeless and many are not aware of the guidelines in place to prevent evictions for an inability to pay rent prior to January 31st, 2020. AMI Housing is uniquely situated to provide housing assistance to the community during this incredibly difficult time. They have spent years developing a team of housing counselors who provide rapid rehousing and homeless prevention support to our community as well as intensive landlord engagement. AMI Housing has a variety of funding sources for community housing supports, but they are not enough funds for the increase in the anticipated number of residents who will need these supports in the upcoming year.

Through this grant funding, AMI Housing will provide funds for homeless prevention through payment of rental, utility or mortgage payments. At this time, AMI Housing is getting an increasing number of requests for homeless prevention, but some of that is because people are not aware of the current eviction moratorium. Landlords are also not aware and need to be educated on the proper process for serving evictions for residents who cannot pay rent.

When people with COVID related reasons (such as job loss, infection, child care) are unable to pay their rent, AMI Housing will be able to step in to make sure they remain housed, otherwise there will be an incredible rise in homelessness and evictions.

AMI Housing anticipates serving an estimated two hundred individuals or families over the next year (prior to June 30, 2022) specifically due to COVID. It will take time for the economy to recover after this pandemic, for people to get their kids back in school full time, for jobs to be available again as businesses fully reopen, and for the lowest income earners to have the ability to pay their rent as they once did. The outcomes AMI Housing hopes to achieve is that there is not a surge in homelessness, that people remain housed, and that people are able to get back on their feet after this incredibly difficult year.

Activity eligibility information: *Subsistence Payments: 24 CFR 570.207(b)(4) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2):* One-time or short-term...emergency payments on behalf of individuals or families, generally for the purpose of preventing homelessness. Examples include utility payments to prevent cutoff of service, and rent/mortgage payments to prevent eviction.

Reporting: AMI Housing will complete and submit quarterly reports using ZoomGrants. Reports are due by the end of the month following the completion of the quarter.

AMI Housing will report on the number of individuals served with the basic subsistence payments. If serving families, reporting will include the number of members per family.

Documentation of Eligibility: This activity is eligible for CDBG funding as a public service that serves low income persons. The Subrecipient must collect documentation that shows all persons served are low-income. The Subrecipient must also collect information on the race, ethnicity, and age of those served. Current income limits are published at <https://www.hudexchange.info/incomecalculator/> (click on CDBG Income Limits) and are attached.

For the provision at 570.208(a)(2)(i)(C), since the activity will be limited to low and moderate income persons, information on family size and income will have to be collected to ensure that all of the beneficiaries are low and moderate income.

Use of Funds: CDBG funds may only be used to reimburse the Subrecipient for those costs shown in EXHIBIT “A-2.” All costs must be directly related to the provision of services. Reimbursement requests must be supported with appropriate documentation. For example, labor costs must be supported with timesheets.

Timely Performance and Expenditure: Progress towards meeting goals for persons served, units of service, and funds expended will follow the schedule shown in EXHIBIT “A-2.” Reimbursement requests will be submitted by the end of the month following the completion of the quarter for all expenses within the quarter.

Duplication of Benefits: Subrecipient shall not carry out any of the activities under this agreement in a manner that results in a prohibited duplication of benefits as defined by Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 USC 5155) and described in Appropriations Act. The Subrecipient must comply with HUD’s requirements for duplication of benefits, imposed by Federal Register notice on the City, which are: <https://www.federalregister.gov/documents/2020/08/20/2020-18242/notice-of-program-rules-waivers-and-alternative-requirements-under-the-cares-act-for-community>.

For rent and back rent payments, rent paid must not exceed 100 days per family.

In order to ensure duplication of benefits does not occur, Subrecipient will track addresses of individuals/families provided with rental, utility, or mortgage payments, along with the months payment was provided. The City will be administering additional funding for homeless prevention for Roseville residents; therefore, coordination with the City to ensure homeless prevention related payments for individuals/families are not duplicated will be required.

EXHIBIT "A-2"

City of Roseville
2021-22 CDBG-CV3
Estimated Budget

Subrecipient: AMI Housing, Inc
 Program/project: COVID Homeless Prevention Assistance
 Request/Award: \$ 250,000.00

Balance	Total	Q1	Q2	Q3	Q4
-	(200,000.00)		(100,000.00)	(50,000.00)	(50,000.00)
-	(25,000.00)		(12,500.00)	(6,250.00)	(6,250.00)
-	(25,000.00)		(12,500.00)	(6,250.00)	(6,250.00)
-	-				
-	-				
-	(250,000.00)	-	(125,000.00)	(62,500.00)	(62,500.00)

Line item description of cost	Total program	CDBG	Other funds
Roseville Homeless Prevention	200,000.00	200,000.00	
Direct Salaries	25,000.00	25,000.00	
Administration	25,000.00	25,000.00	
Total	\$ 250,000.00	\$ 250,000.00	\$ -

Balance of CDBG award (should = 0)

Percent expended	Beneficiaries planned/actual/percent
100.0%	200 200 100.0%
100.0%	200 200 100.0%

0	200	100	50	50
---	-----	-----	----	----

EXHIBIT "B"



Powered by ZoomGrants™

City of Roseville
Housing Division
2022/23 CARES Act CDBG-CV
Deadline: 2/4/2022

AMI Housing, Inc. AMI Housing - COVID Assistance

Jump to: [Pre-Application Questionnaire](#) [Funding Application](#) [Program/Project Budget](#) [Documents](#)

\$ 250,000.00 Requested

Submitted: 2/3/2022 1:36:11 PM (Pacific)

Project Contact

Jennifer Price
jprice@amihousing.org
Tel: 530-878-5088

Additional Contacts

none entered

AMI Housing, Inc.

P.O. Box 5216
Auburn, CA 95604

Telephone 530-878-5088
Fax 916-848-3642
Web www.amihousing.org

CEO
Jennifer Price
jprice@amihousing.org

Pre-Application Questionnaire [top](#)

Primary Applicant

1. Which type of applicant entity are you?

Select one.

- Non-profit (501c3/c4)
- Public agency
- Multi-agency Collaborative – Non-profit
- Multi-agency Collaborative – Non-profit/Public Agency
- Other:

2. Have you received any grant funding from the City of Roseville before?

- Yes
- No

3. Which grant types has your agency received before?

Check all that apply. From any source or agency.

- CDBG
- REACH/Citizen’s Benefit Fund
- Homeless Prevention and Rapid Re-Housing
- Other homeless funds (McKinney-Vento or other)
- Other:
- No prior funding

Application Summary Description

4. Briefly describe the proposed program or project.

AMIH will provide rental assistance, emergency response, and rapid rehousing to Roseville residents at risk of homelessness due to the COVID pandemic.

AMIH will provide permanent supportive housing at Project Roomkey in Roseville.

Co-Applicant/Collaborating Agency

5. If this is a collaborative application, how many agencies are involved?

Tick "0" if this is *not* a collaborative application.

- 0
- 1
- 2
- 3
- 4
- 5
- 6
- more than 6

6. List the collaborating agencies (Enter "none" if none.)

Enter agency name and DUNS# if assigned

none

7. Indicate the type of activity. You may select only one.

You may submit more than one application. You may submit applications for more than one activity type. If you are not sure which category to select, please consult City staff. You will need to know this for your main application.

- Rent and back rent
- Car expense payments
- Project Roomkey
- Educational assistance for homeless children

Funding Application [top](#)

Some answers will not be presented because they are not part of the selected group of questions based on the answer to #1.

1. Indicate the type of activity.

You may submit more than one application. You may submit applications for more than one activity type. If you are not sure which category to select, please consult City staff.

Rent and Back Rent / Project Roomkey

2. Describe the program or project. What direct COVID needs will be addressed with this program?

What is the service you will provide or the project you will complete? How will it happen and when? What will be the result? Who will benefit and how? What are the goals and objectives?

COVID has had an incredible impact on the low income and moderate-income residents of Roseville. This has led to many folks who were already precariously housed being placed at an incredibly high risk of becoming homeless. Our agency is uniquely situated to provide housing assistance to the community during this incredibly difficult time. We have spent years developing a team of housing counselors who provide rapid rehousing and homeless prevention support to our community as well as intensive landlord engagement. We have a variety of funding sources for community housing supports, but they are not enough funds for the increase in the anticipated number of residents who will need these supports in the upcoming year while some of the current COVID response programs begin to wind down.

Through this proposal we are asking for funds for COVID rental assistance. We anticipate that when the state/county rental assistance programs come to an end people with COVID related reasons (such as job loss, infection, child care) who are unable to pay their rent will need us to step in to make sure they remain housed or we will see an incredible rise in homelessness and evictions.

With all of these factors to consider, we anticipate that we will assist an estimated two hundred individuals or families over the next year (prior to June 30, 2022) specifically due to COVID. It will take time for the economy to recover after this pandemic, for people to get their kids back in school full time, for jobs to be available again as businesses fully reopen, and for the lowest income earners to have the ability to pay their rent as they once did. The outcomes we hope to achieve are that we don't see a surge in homelessness, that people remain housed, and that people are able to get back on their feet after this incredibly difficult year.

Project Roomkey will help create permanent housing for low income individuals or families who have been impacted by COVID and are the most vulnerable in our community. Roomkey will provide 86 studio units and immediately permanently house many people experiencing homelessness.

3. Location(s) where services will be provided or project will be completed.

Include administrative offices if services will also be provided there or from there. Provide street address, city, and ZIP code.
3123 Professional Drive Ste 210, Auburn CA 95603. (Admin Office)

Remotely through HIPPA compliant Zoom, Telephone, and email.

Services will also be provided at various apartment complexes and community partners offices. Our Housing Coordinators will meet with clients as needed in the most convenient locations for each participant.

The proposed Homekey site is located at 110 N. Sunrise Ave, Roseville CA.

4. What is the program's/project's current status?

Is it still being planned? Is it underway? Is it ready to receive funding? Is the program or project seasonal? What will need to be done before the program or project can start?

This AMIH COVID rental assistance program is underway for the entire Placer County region. Funds requested in this application will be specifically for Roseville residents. The project is ready to receive funding and will begin on the first day funded.

The Homekey collaborative project application was submitted in December 2021 to the State and all parties are expecting an award notification any day now. The project is ready to receive funding and will begin development in the beginning of March if awarded.

5. When will the program or project begin?

If underway as of application, enter "underway."
underway

6. When will the program or project be completed?

Services must be completed no later than June 30 of the award fiscal year.
Project will be completed by June 30, 2022

7. What are the specific costs to be funded with this request?

Identify the types of costs and amounts. Salary, and for whom? Materials, what type and quantity? Equipment, specifications? How will funding these costs meet the goals and objectives described in this request?

Rental assistance, deposits, direct salaries for program staff (housing counselors), emergency payments, and administration of program. (\$125,000)

Homekey request: \$125,000 for operations costs. Homekey operations budget is included in the additional documents section.

8. If this is a collaborative application, describe the collaboration being utilized for the proposed program or project.

Explain how the collaboration improves the provision of services or the competition of the proposed program or project. Attach co-applicant commitment letters to your application to document the collaboration.

n/a

9. Describe your other collaboration with other agencies, including non-profit and public agencies.

Do you participate in the local Continuum of Care (CoC) and/or coordinated entry efforts? Do you provide/accept referrals? Do you participate in other coordinating bodies or work with service/business/government organizations?

AMIH has a long history of collaboration with other agencies including: Placer County ASOC, Gathering Inn, Welcome Center, Cirby Clubhouse, PIRS, Homeless Resource Council of the Sierras (HRCS), PCN, Voc Rehab, Campaign for Community Wellness (CCW), Project Go, Turning Point, Placer County Office of Education, and the cities of Roseville, Rocklin, & Auburn. AMIH is a member of the Roseville and Auburn Chambers of Commerce and works closely with the Placer County Community Foundation.

AMIH is on the board of the HRCS (CoC) and on the leadership team for the CCW (Steering committee for local MHSA funds). AMIH is actively participating in coordinated entry for Placer County from the planning process to implementation. We receive referrals through coordinated entry and through our housing coordinator who outreaches to the local homeless shelters. We use the "By Name List" for housing placements and referrals as well. In addition our Housing Coordinator is collaborating closely with the Roseville police department.

AMIH began a collaboration called ASSK with Stand Up Placer, Kids First, and St Vincent de Paul. We work in tandem to provide rapid rehousing, homeless prevention, and utility assistance in Roseville and Placer County.

10. Describe your use of volunteers.

How do volunteers contribute to your efforts overall and to this program or project specifically?

AMIH's board is a dedicated group of volunteers who meet on a regular basis for community outreach, fundraisers, grants, projects, and overall consumer happiness.

AMIH partners with California State University, Sacramento & UMass Global to provide bachelor and master degree internships in the social work and mental health fields. Interns visit with our residents at their homes to provide education on basic life skills such as cooking, budgeting, personal hygiene, grocery shopping, etc. In addition they work with our case managers to create and implement individual service plans.

Last year volunteers helped by gathering and donating household items for our many programs. In addition, volunteers helped create "Welcome Home" bags for residents which included: hygiene items, a new pillow, sheets, blanket, and other essential items. In collaboration with Toys for Tots a Holiday Party with Santa himself is held in December for the many families enrolled in our program.

11. Describe your history and experience providing services to the community.

Be sure to include the number of years in operation and summary of major accomplishments.

In 1992, the National Alliance for the Mentally Ill-Placer County entered into a contract with Placer County Mental Health Department to begin a housing program for its consumers. Housing was provided for Adult System of Care consumers who needed training in basic living skills, before progressing to independent living. In 1995, the collaborative expanded and opened houses in Rocklin, Roseville, and Auburn. Early in 2003, it was decided to place the operation of the housing program under a new organization: Advocates for Mentally Ill Housing, Inc. (AMIH). In August 2003, AMIH received its 501c3 designation.

Since 2003, collaboration with other community based organizations has allowed AMIH to open additional homes in Placer County. AMIH now provides transitional, permanent, rapid rehousing, emergency, peer supported, transitional age youth, and subsidized independent housing. AMIH still contracts with Placer County, but has expanded our program to include families and individuals who are homeless in Placer County. AMIH owns nine homes, a 6 unit apartment complex, a 19 unit studio apartment complex, subsidizes 150 plus independent apartments, and leases five other homes allowing us to serve over 250 individuals every night. In addition, AMIH employs over 25 adults with mental illness through our peer advocacy programs.

12. Describe your experience with this type of program or project.

If this is a new program or project, your experience with similar programs and projects. If this addresses homelessness, what is your knowledge of issues and needs specific to homeless persons, including families and those at risk of homelessness?

AMI Housing has provided housing and supportive services in Placer County to low income homeless or at risk of homeless individuals and families for over twenty years. AMIH subsidizes people throughout the community in apartments and houses. We work with over 250 landlords in the community who know and trust us to help our clients stay housed and to work through any landlord/tenant issues that may arise. Prior to COVID we have supported over 500 individuals per year with rapid rehousing and homeless prevention and we house approximately 300 individuals per year in our own permanent and transitional housing programs in Placer County.

13. Identify staff who will implement and manage the program or project.

Include their experience administering the activity or similar type of activities. If this is a collaborative effort, note the agency for each staff person. Attach resumes and job descriptions or duty statements.

AMIH Rental Assistance staff: Please see Housing Coordinators org chart attached under the documents tab.

Homekey will use existing executive and administrative staff, in addition to hiring a large amount of new staff. The org chart (last page) has the staffing plan for Homekey.

The staff overseeing the programs or projects will be the AMIH Board and AMIH Leadership teams in collaboration with our City and County partners. The majority of our board is comprised of people with family members who have a mental illness. The board has compassion & life experience working with adults with a mental illness & has been operating this housing program since its inception. Our COO has a Masters Degree in Social Work Public Administration and will provide oversight of this programs. We have many housing coordinators or case managers on staff, with varying education levels, but many years of experience in social work and property management. In addition, we employ peer counselors who will use their own life experience to assist individuals in this program with accessing community services. For over thirteen years, the AMIH CEO

has administered AMIH programs and all grants associated with it.

14. Describe your service area. This funding is intended to benefit City of Roseville residents.

If you serve an area less than the entire city, explain. If you serve an area larger than the city, how will you identify costs to serve Roseville residents? How will you assure Roseville residents are referred by outside agencies?

AMIH provides housing to Placer & Nevada County residents. Roseville residency is verified prior to acceptance. The recipients of any CDBG funding awarded will be Roseville residents. AMIH will take referrals from any agency and coordinated entry to identify eligible Roseville residents.

AMIH will use HMIS for program demographics. Clients will be given intake, update, and exit forms. This allows us to easily identify Roseville residents.

15. List all City of Roseville funding received within the last three (3) years including funding amount and status.

List as follows: PROGRAM/PROJECT NAME, SOURCE/TYPE, AWARD AMOUNT, AWARD DATE, EXPENDED AMOUNT, STATUS (planned, underway, complete, or canceled)

2021/2022: Rental Assistance - \$250,000 (CDBG CV). Source: City of Roseville. Status: Underway.

2021/2022: Rapid Rehousing & Homeless Prevention - \$250,000 for the ASK program. Source: City of Roseville. Status: Underway.

2021/2022: Temporary rent & utility assistance with supportive services. Source: City of Roseville. \$15,000. Status: Underway.

2020/2021: Temporary rent & utility assistance with supportive services. Source: City of Roseville. \$15,000. Status: Complete.

2020: Rapid Rehousing & Homeless Prevention - \$250,000 for the ASK program. Source: City of Roseville. Status: Complete.

2019/2020: Housing Support Services. Source: City of Roseville. \$15,000. Status: Complete.

2019/2020: Main Street Solar. Source: City of Roseville. \$93,000. Status: Underway.

2019: Rapid Rehousing & Homeless Prevention - \$200,000 for the ASSK program. Source: City of Roseville. Status: Complete.

2018/2019: Housing Support Services. Source: City of Roseville. \$15,000. Status: Complete.

2018: Rapid Rehousing & Homeless Prevention - \$187,500 for the ASSK program. Source: City of Roseville. Status: Complete.

16. Should the City award less than you have requested, how will this impact the program or project?

Will you accept a lesser amount? Will goals be reduced? Will the program or project not be feasible?

We will adjust the funding so that we can serve as many individuals as possible. We will attempt to find additional funding from other community resources to continue the program for the entire year.

Project Roomkey: additional funding is needed for this program and if the award is less than requested it could impact the viability of the entire project. We will continue to search for additional funding for this project.

17. Explain how this program or project offers something different from what other agencies may offer, or are currently offering.

Do you coordinate with other agencies to leverage and avoid duplication? What makes you different? Are services targeted to a unique population? Are you uniquely positioned to serve a community because of location, relationships, or staff skills?

This program is in direct response to the COVID 19 pandemic. The rental assistance portion as it relates to COVID is not an ongoing program, but a program that will remain in place until all CARES act funds have been expended or June 30, 2023.

Project Homekey is a new program that will provide additional permanent supportive housing beds for the Roseville community. This is an expansion of our current permanent housing programs. Lack of affordable low income housing has been identified as a barrier for the homeless population and has lead to chronic homelessness.

18. These funds must be used to benefit low and moderate income persons. You must also collect and report demographic information on persons served. Describe your methods for documenting eligibility for services and collecting demographics.

If you are targeting a low-income area, please describe the area and how you determined it is low-income. If you are serving a population that is presumed to be low-income, please describe. Describe the tools you use to report on persons served.

AMIH utilizes the Homeless Management Information System for all incoming clients. The intake paperwork captures the following data: demographics, income, income source, homeless status, location, and current housing placement or lack thereof. The clients who are admitted into this program must meet the following guidelines:

1. Decrease or loss of income due to COVID
2. At risk of homelessness
3. A resident of the City of Roseville.

Our agency will only serve individuals who meet the above criteria or meet the qualifications for Project Roomkey.

19. A duplication of benefits (DOB) occurs when a person, household, business, government, or other entity receives financial assistance from multiple sources for the same purpose, and the total assistance received for that purpose is more than the total need for assistance. How will you ensure no duplication of benefits for the participants of your program?

-answer not presented because of the answer to #1-

20. In follow up to the previous question, how will you ensure no duplication of benefits for your agency? Please complete the Duplication of Benefits Chart.

The Duplication of Benefits Chart can be found under the 'Documents' tab.

Each person who is assisted with funds for homeless prevention is tracked with our financial accounting tools and through HMIS. Benefits will not be duplicated and reports for outcomes will be available by program.

21. What is your total cost to serve each unduplicated person? Amount funded by this grant?

Ignore the automatic total under the table you will see in preview and print.

1500	Total cost/person (\$)
1500	Cost/person funded by this grant (\$)
3,000.00	TOTAL

22. This request will ...

Select one

- Result in an increase in the current level of service provided, or increase the capacity of a facility.
- Improve access to an existing service, or improve access to an existing facility.
- Prevent a reduction in the current level of service provided, or reduction in the current capacity of a facility.
- Correct a currently sub-standard level of service, or correct a sub-standard condition in a facility.

23. Provide any additional information in the space below that you would like to be considered for this proposal.

If none, enter "none."

none

24. Have you completed the budget tab?

- Yes

25. Have you uploaded all required documents?

-answer not presented because of the answer to #1-

Program/Project Budget [top](#)

Revenue/Sources	Prior (Actual)	Current (Budgeted)	Proposed
City of Roseville (this request)	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
ESG CV, CDBG 2020/2021			\$ 325,000.00
Homekey 2.0			\$ 1,325,000.00
Total	\$ 250,000.00	\$ 250,000.00	\$ 1,900,000.00

Expenses/Uses	Prior (Actual)	Current (Budgeted)	Proposed
Direct Salaries with Fringe Benefits	\$ 50,000.00	\$ 50,000.00	\$ 120,000.00
Rental Assistance	\$ 170,000.00	\$ 170,000.00	\$ 225,000.00
Emergency Assistance	\$ 0.00	\$ 0.00	\$ 60,000.00
Administration	\$ 30,000.00	\$ 30,000.00	\$ 45,000.00
Homekey Operations			\$ 1,450,000.00
Total	\$ 250,000.00	\$ 250,000.00	\$ 1,900,000.00

Current less Prior **\$ 0.00**

Change from Prior (Actual) to Current (Budgeted)

Proposed less Current **\$ 1,650,000.00**

Change from Current (Budgeted) to Proposed

Program/Project Budget Narrative

The funds will be used to provide service coordination/housing coordination, 10% administration (indirect), and the rest will be used for direct services related to homeless prevention and housing retention.

The Homekey funds will be used for the operations of Project Roomkey.

Documents [top](#)

Documents Requested *

Required? Attached Documents *

Agency Adopted Budget for current year



[Agency Budget](#)

Program/Project Proposed Budget



[Program Budget](#)

[download template](#)

Current Organizational Chart



[Org Chart](#)

Authorized Signatory Page



[Authorized Signatory](#)

[download template](#)

Collaborator Commitment Letter(s)

Award Letter(s)

Other documents

[Homekey Operations Budget](#)

Duplication of Benefits Chart



[Duplication of Benefits](#)

[download template](#)

* ZoomGrants™ is not responsible for the content of uploaded documents.

Application ID: 382889

Become a [fan of ZoomGrants™](#) on Facebook
Problems? Contact us at Questions@ZoomGrants.com
©2002-2022 GrantAnalyst.com. All rights reserved.
"ZoomGrants" and the ZoomGrants logo are trademarks of GrantAnalyst.com, LLC.
[Logout](#) | [Browser](#)

City of Roseville

Programs > 2022/23 CARES Act CDBG-CV > AMI Housing - COVID Assistance

Housing Division

2022/23 CARES Act CDBG-CV

\$ 250,000.00 Available

Deadline: 2/4/2022

AMI Housing, Inc.

AMI Housing - COVID Assistance

\$ 250,000.00 Requested

Next Submitted Application

Follow-up

1 Question 6. When will the program or project be completed? (Services must be completed no later than June 30 of the award fiscal year.)

Please confirm that the response "Project will be completed by June 30, 2022" should be June 30, 2023 - thank you!

(Edit)

Project will be completed by June 30 2023.

2 The Duplication of Benefits Chart shows \$200k but the award of CV funds this current FY is \$250k. Please confirm that I can update the chart to show the \$250k for the file - thanks! (Edit)

You can update the chart.

3 Various question responses say "Roomkey" and others say "Homekey". Is requested funding for Homekey only?

(Edit)

The funding is intended for Homekey if awarded, but we would like the option to use it for Roomkey if Homekey is not awarded and Placer County still needs funds as Roomkey winds down. If neither are awarded or needed, then we would use the funds 100% for the rental assistance program.

*Update - we will only use these funds for Homekey or for the rental assistance program. We will not use these funds for Roomkey.

4 Please specify what operations costs specifically are being requested for Project Homekey (Rehab? Direct services to the tenants? etc.) Or is it still unknown? (Edit)

We left this vague as the award from Homekey has not been made yet. Our intention is to use these funds for the operations of Homekey, not for the rehab of Homekey. The funds would be for direct services to tenants. Once the award is made, we can provide a better budget for the operations of the project and exactly what operations are funded with the CDBG funds. It will most likely be staff salaries and we will use the Homekey operating subsidy for other costs.

5 It talks about Roomkey and then about Homekey. Is this the same project that is being converted to PSH? If these are two different projects, will CDBG funds serve one, or both? Roomkey would probably be transitional housing (public facility) and rental assistance would not be an eligible expense. Homekey PSH would be rental assistance (basic subsistence). (Edit)

Roomkey is considered emergency housing and then once the hotel is converted in 10 months from the date of award, the units will be PSH and will be considered Homekey.

This request is for Homekey operations (PSH) only. If funding is not awarded, we would like to use the funds 100% for our

rental assistance program.

6 We would want to see the development budget and operational profoma provided for the Roomkey and/or Homekey grants to ensure that we are not duplicating other funding sources. What source would cover these costs? Did you anticipate applying for Roseville CDBG? (Edit)

Under the documents tab, "other documents", we have included the operations budget that was part of the Homekey PSH application to the state. These funds would not be duplicating another funding source. When the application was submitted to the state, we anticipated applying to CDBG and other sources to make the budget complete.

7 Can you describe how this is an increase in services provided? (Edit)

The additional 86 studios for PSH that Homekey will provide is a large increase in housing stock for the city of Roseville. Right now, we have over 200 referrals for housing and we are lucky if we can house up to ten per month because there is not enough housing stock.

8 If awarded, would AMI accept the full request towards the rental assistance program as opposed to \$125k for Project Homekey and \$125k for the rental assistance program? (Edit)

Yes, if awarded AMIH will accept the full request towards the rental assistance program and will continue to look for funds elsewhere for Homekey operations.

9 Add/Edit Question (for this applicant only, answer type will be paragraphs)

10 Add/Edit Question (for this applicant only, answer type will be paragraphs)

11 Add/Edit Question (for this applicant only, answer type will be paragraphs)

12 Add/Edit Question (for this applicant only, answer type will be paragraphs)

13 Add/Edit Question (for this applicant only, answer type will be paragraphs)

14 Add/Edit Question (for this applicant only, answer type will be paragraphs)

15 Add/Edit Question (for this applicant only, answer type will be paragraphs)

16 Add/Edit Question (for this applicant only, answer type will be paragraphs)

17 Add/Edit Question (for this applicant only, answer type will be paragraphs)

18 Add/Edit Question (for this applicant only, answer type will be paragraphs)

19 Add/Edit Question (for this applicant only, answer type will be paragraphs)

20 Add/Edit Question (for this applicant only, answer type will be paragraphs)

EXHIBIT “B-1”

SCOPE OF SERVICES

Agency Name:	AMI Housing
Program Title:	COVID Homeless Prevention Assistance
Amount of Request:	\$250,000 Round 1 + \$125,000 Round 2
Amount of Award:	\$400,500 (<i>\$200,500 remaining funds from the original award in 2021, plus \$200,000 new funding awarded in 2022</i>)
Number/type of annually unduplicated Persons/Households to Be Assisted:	275 individuals/families
Target date to complete:	06/30/2023
Location:	11768 Atwood Drive, Suite 6 Auburn, CA 95603
Eligible Activity:	§570.201 (e) Public services 05Q Subsistence Payments
National Objective:	§570.208 (a) (2) LMC Low/mod limited clientele benefit

Description of Eligible Activities funded by Grant: COVID has had an incredible impact on the low income and moderate-income residents of Roseville. This has led to many folks who were already precariously housed being placed at an incredibly high risk of becoming homeless. AMI Housing is uniquely situated to provide housing assistance to the community during this incredibly difficult time. They have spent years developing a team of housing counselors who provide rapid rehousing and homeless prevention support to our community as well as intensive landlord engagement. AMI Housing has a variety of funding sources for community housing supports, but they are not enough funds for the increase in the anticipated number of residents who will need these supports in the upcoming year while some of the current COVID response programs begin to wind down.

Through this grant funding, AMI Housing will provide funds for COVID rental assistance. When people with COVID related reasons (such as job loss, infection, child care) are unable to pay their rent, AMI Housing will be able to step in to make sure they remain housed, otherwise there will be an incredible rise in homelessness and evictions.

AMI Housing anticipates serving an estimated two hundred and seventy-five individuals or families over the next year (prior to June 30, 2023) specifically due to COVID. It will take time for the economy to recover after this pandemic, for people to get their kids back in school full time, for jobs to be available again as businesses fully reopen, and for the lowest income earners to have the ability to pay their rent as they once did. The outcomes AMI Housing hopes to achieve is that there is not a surge in homelessness, that people remain housed, and that people are able to get back on their feet after this incredibly difficult year.

Costs requested include rental assistance, emergency assistance, direct salaries (wages, taxes, mileage reimbursement), and administration.

Activity eligibility information: *Subsistence Payments: 24 CFR 570.207(b)(4) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2):* One-time or short-term...emergency payments on behalf of individuals or families, generally for the purpose of preventing homelessness. Examples include utility payments to prevent cutoff of service, and rent/mortgage payments to prevent eviction.

Reporting: AMI Housing will complete and submit quarterly reports using ZoomGrants. Reports are due by the end of the month following the completion of the quarter.

AMI Housing will report on the number of individuals served with the basic subsistence payments. If serving families, reporting will include the number of members per family.

Documentation of Eligibility: This activity is eligible for CDBG funding as a public service that serves low income persons. The Subrecipient must collect documentation that shows all persons served are low-income. The Subrecipient must also collect information on the race, ethnicity, and age of those served. Current income limits are published at <https://www.hudexchange.info/incomecalculator/> (click on CDBG Income Limits) and are attached.

For the provision at 570.208(a)(2)(i)(C), since the activity will be limited to low and moderate income persons, information on family size and income will have to be collected to ensure that all of the beneficiaries are low and moderate income.

Use of Funds: CDBG funds may only be used to reimburse the Subrecipient for those costs shown in EXHIBIT “A-2.” All costs must be directly related to the provision of services. Reimbursement requests must be supported with appropriate documentation. For example, labor costs must be supported with timesheets.

Timely Performance and Expenditure: Progress towards meeting goals for persons served, units of service, and funds expended will follow the schedule shown in EXHIBIT “A-2.” Reimbursement requests will be submitted by the end of the month following the completion of the quarter for all expenses within the quarter.

Duplication of Benefits: Subrecipient shall not carry out any of the activities under this agreement in a manner that results in a prohibited duplication of benefits as defined by Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 USC 5155) and described in Appropriations Act. The Subrecipient must comply with HUD’s requirements for duplication of benefits, imposed by Federal Register notice on the City, which are: <https://www.federalregister.gov/documents/2020/08/20/2020-18242/notice-of-program-rules-waivers-and-alternative-requirements-under-the-cares-act-for-community>.

For rent and back rent payments, rent paid must not exceed 100 days per family.

In order to ensure duplication of benefits does not occur, Subrecipient will track addresses of individuals/families provided with rental, utility, or mortgage payments, along with the months payment was provided. The City will be administering additional funding for homeless prevention for Roseville residents; therefore, coordination with the City to ensure homeless prevention related payments for individuals/families are not duplicated will be required.

EXHIBIT "B-2"

City of Roseville

2022-23 CDBG-CV

Estimated Budget

Subrecipient:

AMI Housing, Inc

Program/project:

COVID Homeless Prevention Assistance

Request/Award:

400,500.00

Line item description of cost	Total program	CDBG	Other funds
Roseville Rental Assistance	238,000.00	184,875.00	53,125.00
Direct Salaries	175,000.00	131,250.00	43,750.00
Emergency Assistance	60,000.00	45,000.00	15,000.00
Administration	52,500.00	39,375.00	13,125.00

Total \$ 525,500.00 \$ 400,500.00 \$ 125,000.00

Balance of CDBG award (should = 0)

Percent expended			100.0%
Beneficiaries planned/actual/percent	275	275	100.0%

Balance	Total	Q1	Q2	Q3	Q4
---------	-------	----	----	----	----

-	(184,875.00)		(92,437.50)	(46,218.75)	(46,218.75)
-	(131,250.00)		(65,625.00)	(32,812.50)	(32,812.50)
-	(45,000.00)		(22,500.00)	(11,250.00)	(11,250.00)
-	(39,375.00)		(19,687.50)	(9,843.75)	(9,843.75)
-	-				

- (400,500.00) - (200,250.00) (100,125.00) (100,125.00)

0	275		137.5	68.75	68.75
---	-----	--	-------	-------	-------

EXHIBIT "C"



FY 2022 INCOME LIMITS DOCUMENTATION SYSTEM

[HUD.gov](#) [HUD User Home](#) [Data Sets](#) [Fair Market Rents](#) [Section 8 Income Limits](#) [MTSP Income Limits](#) [HUD LIHTC Database](#)

FY 2022 Income Limits Summary

Selecting any of the buttons labeled "Click for More Detail" will display detailed calculation steps for each of the various parameters.

FY 2022 Income Limit Area	Median Family Income Click for More Detail	FY 2022 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Sacramento--Roseville--Arden-Arcade, CA HUD Metro FMR Area	\$102,200	Very Low (50%) Income Limits (\$) Click for More Detail	35,500	40,550	45,600	50,650	54,750	58,800	62,850	66,900
		Extremely Low Income Limits (\$)* Click for More Detail	21,300	24,350	27,400	30,400	32,850	37,190	41,910	46,630
		Low (80%) Income Limits (\$) Click for More Detail	56,750	64,850	72,950	81,050	87,550	94,050	100,550	107,000

NOTE: Placer County is part of the **Sacramento--Roseville--Arden-Arcade, CA HUD Metro FMR Area**, so all information presented here applies to all of the **Sacramento--Roseville--Arden-Arcade, CA HUD Metro FMR Area**. HUD generally uses the Office of Management and Budget (OMB) area definitions in the calculation of income limit program parameters. However, to ensure that program parameters do not vary significantly due to area definition changes, HUD has used custom geographic definitions for the **Sacramento--Roseville--Arden-Arcade, CA HUD Metro FMR Area**.

The **Sacramento--Roseville--Arden-Arcade, CA HUD Metro FMR Area** contains the following areas: El Dorado County, CA; Placer County, CA; and Sacramento County, CA.

* The FY 2014 Consolidated Appropriations Act changed the definition of extremely low-income to be the greater of 30/50ths (60 percent) of the Section 8 very low-income limit or the poverty guideline as [established by the Department of Health and Human Services \(HHS\)](#), provided that this amount is not greater than the Section 8 50% very low-income limit. Consequently, the extremely low income limits may equal the very low (50%) income limits.

Income Limit areas are based on FY 2022 Fair Market Rent (FMR) areas. For information on FMRs, please see our associated [FY 2022 Fair Market Rent documentation system](#).

For last year's Median Family Income and Income Limits, please see here:

[FY2021 Median Family Income and Income Limits for Sacramento--Roseville--Arden-Arcade, CA HUD Metro FMR Area](#)

Select a different county or county equivalent in California:

Select any FY2022 HUD Metropolitan FMR Area's Income Limits:

Or press below to start over and select a different state:

EXHIBIT "D"

- N–SUMHSS, an annual census of substance use and mental health treatment facilities which collects descriptive data on the location, scope of services provided, and operational characteristics of all known substance use and mental health treatment facilities in the United States and jurisdictions, and on utilization of services by means of a single-day count of clients in treatment; and
- I–BHS data collection activities associated with updating the inventory

of both mental health treatment facilities and substance use treatment facilities.

The information in N–SUMHSS and I–BHS is needed to assess the nature and extent of these resources, to identify gaps in services, and to provide a database for treatment referrals.

The request for OMB approval will include a request to conduct the N–SUMHSS survey which includes facility characteristics and services and one-day client counts and to update the I–BHS

facility listing on a continuous basis in 2021, 2022 and 2023. Also included in this request is the Between Cycle N–SUMHSS data collection (N–SUMHSS BC), to be conducted between annual surveys to collect information on new facilities for inclusion in the Treatment Locator. N–SUMHSS BC use is an abbreviated N–SUMHSS survey questionnaire.

The estimated annual burden for the I–BHS and BHSIS activities is as follows:

Type of respondent and activity	Number of respondents	Responses per respondent	Total responses	Hours per response	Total burden hours	Wage rate	Total hour cost
States: I–BHS Online ¹	56	75	4,200	0.08	336	\$23	\$7,728
State Subtotal	56	.....	4,200	.....	336	.....	7,728
Facilities: I–BHS application ²	800	1	800	0.08	64	19.40	1,242
Augmentation screener	1,300	1	1,300	0.08	104	19.40	2,018
N–SUMHSS questionnaire (either SU or MH)	32,000	1	32,000	0.67	21,333	47.95	1,022,917
N–SUMHSS (both SU and MH)	5,000	1	5,000	1.17	5,833	47.95	279,692
N–SUMHSS BC	1,000	1	1,000	0.58	580	47.95	27,811
Facility Subtotal	40,100	.....	40,100	.....	27,914	.....	1,333,680
Total	40,156	.....	44,300	.....	28,250	.....	1,341,408

¹ States use the I–BHS Online system to submit information on newly licensed/approved facilities and on changes in facility name, address, status, etc.

² New facilities complete and submit the online I–BHS application form in order to get listed on the Inventory.

Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to www.reginfo.gov/public/do/PRAMain. Find this particular information collection by selecting “Currently under 30-day Review—Open for Public Comments” or by using the search function.

Carlos Graham,
Social Science Analyst.

[FR Doc. 2020–18220 Filed 8–19–20; 8:45 am]

BILLING CODE 4162–20–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–6218–N–01]

Notice of Program Rules, Waivers, and Alternative Requirements Under the CARES Act for Community Development Block Grant Program Coronavirus Response Grants, Fiscal Year 2019 and 2020 Community Development Block Grants, and for Other Formula Programs

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Notice.

SUMMARY: This notice describes the program rules, statutory and regulatory waivers, and alternative requirements applicable to supplemental Community Development Block Grant (CDBG) funds made available to prevent, prepare for, and respond to coronavirus (CDBG–CV funds) and to annual formula CDBG grants awarded in fiscal years 2019 and 2020. Except as otherwise described in this notice and the CARES Act, the statutory and regulatory provisions governing the CDBG program apply to

CDBG–CV and CDBG grants. This notice also describes conforming waivers and alternative requirements for other formula programs included in the consolidated planning regulations in 24 CFR part 91.

DATES: *Applicable:* August 7, 2020.

FOR FURTHER INFORMATION CONTACT: Jessie Handforth Kome, Director, Office of Block Grant Assistance, Office of Community Planning and Development, Department of Housing and Urban Development, 451 7th Street SW, Room 7282, Washington, DC 20410, telephone number 202–708–3587. Persons with hearing or speech impairments may access this number via TTY by calling the Federal Relay Service at 800–877–8339. Facsimile inquiries may be sent to Ms. Kome at 202–708–0033. Except for the “800” number, these telephone numbers are not toll-free. Questions regarding the CDBG–CV program may be submitted to CPDQuestionsAnswered@hud.gov. Interested parties may also visit HUD’s website at https://www.hud.gov/program_offices/comm_planning for updated information and resources.

SUPPLEMENTARY INFORMATION:

Table of Contents

- I. Overview and Background
- II. Summary of Special Authorities Under the CARES Act
 - II.A. Program Modifications in the CARES Act
 - II.B. Authority To Grant Waivers and Alternative Requirements
- III. CDBG–CV Grants
 - III.A. Allocations of CDBG–CV Funds
 - III.A.1. First Allocation
 - III.A.2. Additional Allocations
 - III.A.3. Reallocation.
 - III.B. CDBG–CV Grant Rules, Waivers, and Alternative Requirements
 - III.B.1. General Grant Requirements
 - III.B.2. Responsible Use of CARES Act Funds
 - III.B.3. Overview of Process To Receive CDBG–CV Grants
 - III.B.4. Application for Grant Funds and Citizen Participation
 - III.B.5. Allowable Costs, Eligible Activities and National Objectives
 - III.B.6. Other Program Requirements
 - III.B.7. Period of Performance, Timeliness, and Closeout
 - III.B.8. Reporting
 - III.B.9. Duplication of Benefits
 - III.B.10. Citizenship Requirements
- IV. Fiscal Year 2019 and Fiscal Year 2020 CDBG Grants
 - IV.A. General Requirements
 - IV.B. Flexibilities, Waivers, and Alternative Requirements
 - IV.B.1. Timeliness
 - IV.B.2. Consolidated Plan, Citizen Participation, and CAPER
 - IV.B.3. Flexibilities that Apply to Coronavirus-Related Activities.
 - IV.B.4. Provisions That Do Not Apply to FY 19 and FY 20 Grants.

I. Overview and Background

On January 21, 2020, the Centers for Disease Control and Prevention (CDC) confirmed the first case in the United States of a coronavirus known by several names, including novel coronavirus, and SARS–CoV–2, and which causes the disease commonly referred to as COVID–19. On March 27, 2020, President Trump signed the Coronavirus Aid, Relief, and Economic Security Act (Pub. L. 116–136) (CARES Act). The CARES Act makes available \$5 billion in CDBG coronavirus response (CDBG–CV) funds to prevent, prepare for, and respond to coronavirus. In the CARES Act and this notice, the term “coronavirus” means SARS–CoV–2 or another coronavirus with pandemic potential.

The nation faces significant public health and economic challenges related to this respiratory disease. To address these challenges, CDBG–CV and CDBG grants are a flexible source of funding that can be used to pay costs that are not covered by other sources of assistance, particularly to benefit persons of low and moderate income.

This notice is broken into sections. Section II provides a general overview of the CDBG–CV and CDBG program flexibilities provided by the CARES Act. Section III describes the allocations, grant procedures, program flexibilities, waivers, and alternative requirements applicable to CDBG–CV grants. Section IV describes the program flexibilities, waivers, and alternative requirements that apply to fiscal years 2019 and 2020 CDBG grants used to prevent, prepare for, and respond to coronavirus or that affect other aspects of program administration. Other sections contain administrative information related to this notice.

II. Summary of Special Authorities Under the CARES Act

The CARES Act modifies some CDBG program rules and authorizes the Secretary of HUD to grant waivers and alternative requirements. Accordingly, this notice describes how requirements of the CDBG program are modified for CDBG–CV grants, fiscal year 2020 CDBG grants under the Department of Housing and Urban Development Appropriations Act, 2020 (Pub. L. 116–94), and fiscal year 2019 CDBG grants under the Department of Housing and Urban Development Appropriations Act, 2019 (Pub. L. 116–6). For ease of reference, citations in this notice include parentheticals indicating whether a CDBG program statute or regulation applies to entitlement grants, state grants, insular area grants, or grants to nonentitlement counties in Hawaii. Where citations do not include Hawaii counties or insular areas, the additional citation is not necessary because the cited entitlement CDBG regulation applies to insular areas and Hawaii counties in addition to entitlement grantees.

II.A. Program Modifications in the CARES Act

The Community Development Fund heading in title XII of Division B of the CARES Act modifies some CDBG program requirements to provide immediate support for coronavirus efforts. The modifications are described in more detail in Section III, and are the following:

- Permits a public comment period of no less than 5 days when citizen participation is required.
- Permits grantees to develop expedited citizen participation procedures and to hold virtual public hearings when necessary for public health reasons.
- Eliminates the public services cap for coronavirus-related activities.

- Allows states and local governments to reimburse allowable costs of eligible activities regardless of the date the costs were incurred.

II.B. Authority To Grant Waivers and Alternative Requirements

The CARES Act authorizes the Secretary to waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the use of CDBG–CV grants, fiscal year 2020 CDBG grants, and fiscal year 2019 CDBG grants to prevent, prepare for, and respond to coronavirus or that affect other aspects of program administration for the fiscal year 2019 and 2020 CDBG grants, except for requirements related to fair housing, nondiscrimination, labor standards, and the environment, upon a finding by the Secretary that any such waivers or alternative requirements are necessary to expedite or facilitate the use of such amounts to prevent, prepare for, and respond to coronavirus. Additional waiver authority is provided in 24 CFR 5.110 and 91.600. In accordance with these provisions, HUD may waive regulatory provisions (subject to statutory limitations) for good cause.

As required by the CARES Act, the Secretary has considered the waivers and alternative requirements in this notice and finds that there is good cause for each and that each is necessary to expedite or facilitate the use of grant funds to prevent, prepare for, and respond to coronavirus.

III. CDBG–CV Grants

This section describes the CDBG–CV allocations to states and units of general local government (including insular areas), the process to access grant funds, and the rules, waivers, and alternative requirements that apply to CDBG–CV grants.

III.A. Allocations of CDBG–CV Funds

Of the \$5 billion made available by the CARES Act, HUD will use \$10,000,000 to make technical assistance awards to provide an immediate increase in capacity building and technical assistance to support the use of CDBG–CV grants and CDBG grants to prevent, prepare for, and respond to coronavirus.

The remaining funds will be allocated as described in sections III.A.1. and III.A.2.

III.A.1. First Allocation

The CARES Act requires HUD to allocate up to \$2 billion in CDBG–CV funds using the same formula that it used to allocate fiscal year 2020 CDBG

grants pursuant to section 106 of the Housing and Community Development Act of 1974 (42 U.S.C. 5306). HUD made this first CDBG–CV allocation on April 2, 2020, 24 days before the 30-day allocation deadline in the CARES Act, in the amount of \$2 billion. The allocations are available on HUD’s website at https://www.hud.gov/program_offices/comm_planning/budget/fy20/.

III.A.2. Additional Allocations

The CARES Act requires HUD to make a second round of CDBG–CV allocations within 45 days of enactment of the CARES Act. HUD is required to make this allocation in the amount of \$1 billion directly to states and insular areas to prevent, prepare for, and respond to coronavirus within the state or insular area. HUD made this second round of CDBG–CV allocations on May 11, 2020, in the amount of \$1 billion. The allocations and methodology are available on HUD’s website at: https://www.hud.gov/program_offices/comm_planning/budget/fy20/. The second CDBG–CV allocations were based on factors identified in the CARES Act: Public health needs, risk of transmission of coronavirus, number of coronavirus cases compared to the national average, economic and housing market disruptions, and other factors, as determined by the Secretary, using best available data.

The CARES Act authorized HUD to allocate the remaining \$2 billion in CDBG–CV funds, minus the \$10 million set aside for technical assistance, on a rolling basis. The CARES Act provides that the remaining \$2 billion shall be distributed directly to states or units of general local government, at the discretion of the Secretary, according to a formula based on factors to be determined by the Secretary, prioritizing risk of transmission of coronavirus, number of coronavirus cases compared to the national average, and economic and housing market disruptions resulting from coronavirus. The District of Columbia is defined as a metropolitan city under the Housing and Community Development Act of 1974 and not as a state or insular area. As such, it was not eligible for funding under the Round 2 \$1 billion allocation. To ensure national geographic coverage in Round 2, HUD made an allocation from the third round of funding to the District of Columbia simultaneously with the second round because the District met the geographic criteria for the third round of allocations and was the only geographic area in the nation that was not covered by the second round of allocations.

HUD will publish additional third round allocations and a description of the allocation formulas on HUD’s website at https://www.hud.gov/program_offices/comm_planning/budget/fy20/ and will provide a link to this site in any press release announcing an allocation.

III.A.3. Reallocation

Under Section 106 of the Housing and Community Development Act of 1974 (HCD Act) (42 U.S.C. 5306), HUD reallocates annual formula CDBG funds that cannot be distributed to grantees when it allocates the next fiscal year’s appropriation of annual formula CDBG funding. Given the immediate need for coronavirus assistance, the Department is specifying the following alternative requirement to sections 106I and (d)(3)I (42 U.S.C. 5306I and 5306(d)(3)I), and the reallocation provisions of 24 CFR 570.4(a), 570.420I, 570.429(d)(2), and 570.442(b), to expedite the use of any funds that may become available for reallocation.

If a jurisdiction receiving an allocation of CDBG–CV funds fails to apply for funding in accordance with the requirements of this notice by August 16, 2021 (the deadline established by the CARES Act) or HUD is unable to distribute funds to a grantee for another reason, HUD may notify the jurisdiction of the cancellation of all or part of its allocation amount. Funds that are not awarded to jurisdictions under the formulas described in paragraphs III.A.1. and III.A.2. may be reallocated based on factors identified in the CARES Act, as determined by the Secretary. If made, reallocations will be published on HUD’s website.

III.B. CDBG–CV Grant Rules, Waivers, and Alternative Requirements

This section describes program flexibilities in the CARES Act and provides waivers and alternative requirements to expedite or facilitate the use of CDBG–CV funds. The rules, waivers, and alternative requirements described in this section only apply to CDBG–CV grants (as specified in this section) and in some cases to fiscal year 2019 and fiscal year 2020 CDBG grants (as specified in section IV) and program income (as specified in sections III.B.5.(f)(iv) and III.B.6.(a)). The CARES Act statutory flexibilities, waivers, and alternative requirements do not apply to other sources of CDBG funds (even if used in conjunction with CDBG–CV funds, fiscal year 2019 CDBG funds, or fiscal year 2020 CDBG funds) except as otherwise described in section IV.B.3.(b).

III.B.1. General Grant Requirements

CDBG–CV grants are subject to the requirements of the CARES Act, the authorities and conditions imposed on fiscal year 2020 CDBG grants, and the mandatory provisions of this notice and waivers and alternative requirements. Except as otherwise described, grantees must comply with statutory and regulatory provisions governing the CDBG program. These include regulations at: 24 CFR part 570 subpart I (states); 24 CFR part 570 subparts A, C, D, E, F, J, K, and O for CDBG (entitlements, nonentitlement Hawaii counties and insular areas).

To facilitate the use of CDBG–CV funds in accordance with the grant requirements, HUD is imposing an alternative requirement that the definitions of CDBG funds in 24 CFR 570.3 (entitlements) and 24 CFR 570.481(a)(2) (states) include CDBG–CV funds. This alternative requirement applies the requirements in 24 CFR part 570 to the use of CDBG–CV funds, except as modified by rules, waivers, and alternative requirements applicable to CDBG–CV grants.

CDBG–CV grant agreements will impose requirements by incorporating program rules, waivers, and alternative requirements (including those published in memoranda, in this and any future notices).

Grantees should not assume that their normal CDBG funding distribution procedures are adequate to swiftly distribute and use CDBG–CV grants. For example, if a grantee’s existing policies mandate lengthy processes to select activities or complete procurements, grantees should try to expedite actions with local waiver authorities or emergency procedures that may be available without state or local rulemaking. In addition, urban counties that normally distribute CDBG funds on a proportional basis among all participating jurisdictions should consider whether their normal procedures would result in funding awards that are too small to be used expeditiously and productively by the participating jurisdictions.

III.B.2. Responsible Use of CARES Act Funds

CDBG–CV funds are subject to additional measures designed to prevent fraud, waste, and abuse. HUD will conduct regular oversight and monitoring activities to determine that use of CDBG–CV funds is consistent with grant requirements and limited to the necessary and reasonable costs of activities to prevent, prepare for, and respond to coronavirus. Measures to

increase transparency and accountability include:

- Regular reporting on the use of CDBG–CV funds, including reporting that may be required by the CARES Act to conduct audits and reviews of programs, operations, and expenditures relating to funds under the CARES Act and the Coronavirus response (see section III.B.8. for information on reporting requirements); and
- a requirement that grantees prevent the duplication of benefits that is caused when a person, household, business, or other entity receives financial assistance from multiple sources for the same purpose, and the total assistance is more than the total need (see section III.B.9. for information on duplication of benefits).

III.B.3. Overview of Process To Receive CDBG–CV Grants

On April 2, 2020, HUD published the first round of CDBG–CV allocations on the *hud.gov* website and notified jurisdictions of their allocation amounts. On April 9, 2020, John Gibbs, Acting Assistant Secretary for Community Planning and Development, issued a memorandum with the subject, “*CARES Act Flexibilities for CDBG Funds Used to Support Coronavirus Response and plan amendment waiver*” (“April 9 memorandum”), available at <https://www.hud.gov/sites/dfiles/CPD/documents/CARES-Act-Flexibilities-CDBG-Funds-Used-Support-Coronavirus-Response.pdf>. The memorandum advised grantees to amend or prepare consolidated plan submissions for CDBG–CV grants as soon as possible. Grantees may have partially or fully completed the application process before HUD publishes this notice.

The April 9 memorandum also granted waivers to expedite this process of applying for CDBG–CV funds by permitting application for a grantee’s share of the first \$2 billion through a substantial amendment to a grantee’s most recent annual action plan (the most recent year may be the 2019 annual action plan). These waivers and alternative requirements describing the content of a substantial amendment to add CDBG–CV allocations to the most recent annual action plan are in section III.B.4.(b)(i).

Submitting a substantial amendment may speed access to grant funds because consultation and public hearings are not required (although 24 CFR 570.441(2) requires insular areas to hold a public hearing for amendments, section III.B.4.(a)(iii) waives this requirement for CDBG–CV substantial amendments). However, the April 9 memorandum

does not preclude grantees from applying by submitting a FY 2020 Action Plan that includes the CDBG–CV funds. If the grantee chooses to include CDBG–CV grant funds in its annual action plan for FY 2020 funds, the grantee must comply with action plan submission procedures in 24 CFR part 91 (including consultation and a public hearing), as modified by the waiver and alternative requirements in paragraph III.B.4.(a)(iv), which apply the CARES Act citizen participation flexibilities to all consolidated plan formula grant programs.

The following procedures apply regardless of whether the grantee applies for CDBG–CV funds through an action plan or action plan substantial amendment:

- Rather than wait to apply until HUD allocates all available CDBG–CV funds, HUD recommends that grantees apply as soon as possible for CDBG–CV funds that HUD has allocated. Grantees receiving subsequent allocations can make substantial amendments to apply for subsequent allocation amounts after they are announced.
- All grantees may adopt and use expedited procedures to draft, propose, modify, or amend consolidated plans for CDBG–CV and fiscal year 2019 and 2020 CDBG grants as described in section III.B.4. These expedited procedures amend the grantee’s citizen participation plan and require it be published for no less than 5 calendar days to solicit public comment. Expedited procedures may include virtual hearings, as described in section III.B.4.(a)(ii).
- The grantee must publish its application for CDBG–CV funds (whether through a new action plan or action plan substantial amendment) for no less than 5 calendar days to solicit public comment. The comment period can run concurrently with the comment period on changes to add expedited procedures to the citizen participation plan. The grantee must respond to public comments.
- The grantee must submit its application for CDBG–CV funds to HUD for review in accordance with 24 CFR 91.500. To receive a CDBG–CV grant, a grantee must also submit a SF–424, SF–424D and the certifications at 24 CFR 91.225(a) and (b) or 24 CFR 91.325(a) and (b) and 24 CFR 91.425.
- HUD and the grantee will enter a grant agreement and HUD will establish the grantee’s line of credit.
- The grantee may draw funds from the line of credit after the Responsible Entity completes applicable environmental review(s) pursuant to 24 CFR part 58 and, as applicable, receives

from HUD the Authority to Use Grant Funds (AUGF) form and certification.

III.B.4. Application for Grant Funds and Citizen Participation

This section III.B.4. describes the CDBG program flexibilities in the CARES Act and additional waivers and alternative requirements that HUD granted to facilitate or expedite the process to amend consolidated plans and apply for CDBG–CV grants.

III.B.4.(a) Expedited Citizen Participation and Virtual Hearings

The CARES Act permits grantees to adopt expedited citizen participation procedures and hold virtual hearings for consolidated plan submissions for CDBG–CV funds and for CDBG grants for fiscal years 2019 and 2020. Section III.B.4.(a)(iii) includes a corollary waiver and alternative requirement to permit states to extend these flexibilities to units of general local government and insular areas. Section III.B.4.(a)(iv) includes a corollary waiver and alternative requirement extending these flexibilities to other consolidated plan formula programs.

III.B.4.(a)(i) Citizen Participation, Public Notice and Comment Period. The CARES Act authorizes a CDBG–CV grantee to adopt and utilize expedited procedures to prepare, propose, modify, or amend its consolidated plan, notwithstanding sections 104(a)(2), (a)(3), and (c) of the HCD Act (42 U.S.C. 5304(a)(2), (a)(3), and (c)) and section 105 of the Cranston-Gonzalez National Affordable Housing Act (NAHA, at 42 U.S.C. 12705). The expedited procedures may permit virtual hearings, as described in section III.B.4.(a)(ii), whenever a public hearing is required by 24 CFR 91.105 (entitlements), 91.115 (states), 570.431 (Hawaii counties), 570.441 (insular areas), or by the grantee’s citizen participation plan. Expedited procedures adopted by the grantee shall provide citizens with notice and a reasonable opportunity to comment of no less than 5 days.

Expedited procedures must be published for no less than 5 calendar days to solicit public comment, and once adopted, become part of the grantee’s citizen participation plan. The public comment period for incorporating expedited procedures into the citizen participation plan may run concurrently with the public comment period on a proposed CDBG–CV substantial amendment or other proposed consolidated plan submissions for CDBG–CV funds and fiscal year 2019 and 2020 CDBG grants. Consolidated plan submissions for other

programs are addressed in section III.B.4.(a)(iv).

The CARES Act modifies the annual formula CDBG program requirement that a grantee must solicit comments from its citizens for a period of at least 30 days before it submits a substantial amendment or an annual action plan to HUD.

III.B.4.(a)(ii) Virtual Hearings. For as long as national or local health authorities recommend social distancing and limiting public gatherings for public health reasons, the CARES Act authorizes the grantee to hold virtual hearings in lieu of in-person public hearings for CDBG–CV grants and for fiscal year 2019 and 2020 CDBG grants (virtual hearings for other consolidated plan formula programs are addressed in section III.B.4.(a)(iv)). All virtual hearings held under the authority provided by the CARES Act shall provide reasonable notification and access for citizens in accordance with the grantee's certifications, timely responses from local officials to all citizen questions and issues, and public access to all questions and responses.

Therefore, grantees may use online platforms to hold virtual hearings that facilitate public access to all questions and responses and provide timely responses from local officials. Additionally, grantees must take appropriate actions to encourage the participation of all residents, including the elderly, minorities, persons with limited English proficiency, as well as persons with disabilities, consistent with the jurisdiction's citizen participation plan.

The CARES Act does not modify nondiscrimination requirements. Consistent with 24 CFR 91.105 (entitlements) and 91.115 (states), and 24 CFR 570.431 (Hawaii counties) and 570.441 (insular areas), a jurisdiction is expected to take whatever actions are appropriate to encourage the participation of all its citizens in virtual and in-person hearings, including minorities and persons with limited English proficiency, as well as persons with disabilities. Whether hearings are in-person or virtual, grantees must take appropriate steps to ensure effective communication with persons with disabilities consistent with the requirements of accessibility laws, such as Section 504 of the Rehabilitation Act and the Americans with Disabilities Act. The grantee must provide appropriate auxiliary aides and services where necessary to afford individuals with hearing and vision impairments an equal opportunity to access and participate in such hearings. These may include effective methods that make

aurally delivered information available to individuals who are deaf or hard of hearing, and visually delivered materials available to individuals who are blind or have low vision. The type of auxiliary aid or service necessary to ensure effective communication will vary in accordance with the method of communication used by the individual; the nature, length, and complexity of the communication involved; and the context in which the communication is taking place. In determining what types of auxiliary aids and services are necessary, a grantee shall give primary consideration to the requests of individuals with disabilities. In order to be effective, auxiliary aids and services should be provided in accessible formats, in a timely manner, and in such a way as to protect the privacy and independence of the individual with a disability. For virtual hearings, such steps should include ensuring that information is provided on an accessible website, that emails and other digital notifications are accessible, and that the application or platform used to host the hearing is also accessible. Additional services such as audio description or captioning may also be needed to provide effective communication in a digital context. Helpful guidelines for ensuring the accessibility of web-based and digital materials are available through the World Wide Web Consortium's Web Accessibility Initiative at <https://www.w3.org/WAI/>. Examples of auxiliary aids and services that may be necessary when conducting hearings online can be found at 28 CFR 35.104.

Grantees must also take reasonable steps to provide meaningful access to persons with limited English proficiency consistent with Title VI of the Civil Rights Act. To ascertain their obligations, grantees should conduct the four-factor analysis set forth in HUD's limited English proficiency guidance found at <https://www.hud.gov/sites/documents/FINALLEP2007.PDF>, which may be covered by grantees' Language Assistance Plan, recognizing that the use of the internet to conduct such a hearing may change the analysis. For virtual or online hearings, such services may also include translation of documents and captioning or interpretation in the appropriate language(s). More information on the four-factor analysis and other requirements can be found at <https://www.hud.gov/sites/documents/FINALLEP2007.PDF>.

III.B.4.(a)(iii) Modifications to citizen participation requirements for local governments that receive funds from States and for insular areas. HUD is

clarifying that by authorizing states to adopt expedited citizen participation procedures, the CARES Act authorized expedited procedures and virtual public hearings for citizen participation by units of general local government that receive CDBG–CV funds from a state through a method of distribution. This is because 24 CFR 91.115I requires states to include citizen participation requirements for units of general local government in its own citizen participation plan. Expedited procedures must still describe how units of local governments receiving funds from the state will meet the citizen participation requirements in 24 CFR 570.486.

Additionally, HUD is waiving the requirement in 570.441(2) that an insular area must hold a public hearing on a substantial amendment. Instead, HUD is imposing an alternative requirement to permit the insular area to adopt expedited requirements by modifying its citizen participation plan to replace the hearing if it provides community residents with reasonable notice and an opportunity to comment on substantial amendments to the consolidated plan or annual action plan.

III.B.4.(a)(iv) Extension of CARES Act Flexibilities to All Consolidated Plan Formula Programs (CDBG, CDBG–CV, HOME, HOPWA, HTF, ESG) and Section 108 Loan Guarantees. The CARES Act altered consolidated plan citizen participation requirements for some CDBG–CV grants, fiscal year 2019 and 2020 annual formula CDBG grants, and Emergency Solutions Grant supplemental CARES Act (ESG–CV) grants. It did not modify citizen participation for other annual formula CDBG and ESG grants, Section 108 Loan Guarantees, or for HOME Investment Partnerships (HOME), Housing Trust Fund (HTF), and Housing Opportunities for Persons With AIDS (HOPWA) formula programs before fiscal year 2019.

On April 1, 2020, HUD issued two waivers to modify citizen participation requirements for consolidated plan substantial amendments for CDBG, ESG, HOME, HTF, and HOPWA. The first eliminated the 30-day minimum for the required public comment period for substantial amendments, provided that no less than 5 days are provided for public comments on each substantial amendment concerning the proposed uses of CDBG, HOME, HTF, HOPWA, or ESG funds. The second allowed grantees to determine what constitutes reasonable notice and opportunity to comment, given their circumstances, for the 2020 program year. The waivers were published in a memorandum

signed by Acting Assistant Secretary John Gibbs on March 31, 2020. It is available at: <https://www.hud.gov/sites/dfiles/CPD/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>.

HUD is now issuing waivers and alternative requirements to expedite procedures to modify citizen participation plans for *all* 2020 fiscal year consolidated plan and annual action plan submissions that pertain to ESG, HOME, HTF, and HOPWA formula programs. The waivers are necessary to effectively implement the CARES Act flexibilities offered to CDBG grantees because planning and annual action plan consolidated plan submissions for CDBG–CV and CDBG grants are inextricably linked with the consolidated plan submissions for ESG, HOME, HTF, and HOPWA.

In 1995, HUD published the consolidated plan regulation at 24 CFR part 91. The consolidated plan replaced the following separate application and planning submissions: The Comprehensive Housing Affordability Strategy (CHAS), enacted by NAHA at 42 U.S.C. 12701, the Community Development Plan requirements, added to the CDBG program by NAHA (42 U.S.C. 5304), the CDBG final statement, the HOME program description, and the ESG and HOPWA applications. In 2015, HUD published an interim rule that added HTF to the consolidated planning regulations. States and units of general local government (including insular areas) that apply for Section 108 loan guarantees pursuant to 24 CFR 570.704 may also be required to include the use of guaranteed loan funds in their consolidated plans.

Grantees that apply for CDBG–CV or CDBG funds as part of their 3–5 year consolidated plan or annual action plan submissions cannot reasonably take advantage of the expedited CARES Act citizen participation requirements unless the other programs included in these submissions are subject to the same expedited requirements. Creating a separate application process for CDBG–CV and CDBG funds would add time and complications that are likely to delay the availability of funds and undermine the purpose of the CARES Act provisions to expedite assistance. Further, separating CDBG planning and applications would thwart several of the reasons cited for the consolidated planning rule, *e.g.*, providing comprehensive information on the jurisdiction that is easy to understand and reducing paperwork and

simplifying the process of requesting and obtaining federal funds available to the jurisdictions (60 FR 1878, published January 5, 1995).

Therefore, HUD is waiving provisions at 24 CFR 91.105(b)(4), (c)(2) and (k), 24 CFR 91.115(b)(4), (c)(2) and (i), 24 CFR 91.401, 24 CFR 570.431, 24 CFR 570.441, and 24 CFR 570.704 to the extent necessary to permit the following alternative requirement: CDBG, HOME, HTF, HOPWA, and ESG grantees may modify their citizen participation plans to adopt expedited procedures that apply when the grantees prepare, propose, modify, or amend any consolidated plan submissions that contain uses of CDBG–CV funds or uses of fiscal year 2019 or 2020 CDBG funds to prevent, prepare for, and respond to coronavirus. The expedited procedures must, at a minimum, provide citizens with notice and a reasonable opportunity to comment of no less than 5 days.

Additionally, HUD is waiving provisions at 24 CFR 91.105(b) and I, 24 CFR 91.115(b) and I, 24 CFR 91.401, and 24 CFR 570.431, 570.441, and 570.486(a) to the extent necessary to establish the following alternative requirement. For as long as national or local health authorities recommend social distancing and limiting public gatherings for public health reasons, CDBG, ESG, HOME, HTF, and HOPWA grantees, and units of general local government receiving CDBG funds from state or insular area CDBG grantees, may hold virtual hearings in lieu of in-person public hearings to fulfill public hearing requirements imposed by 42 U.S.C. 12707(a)(3) and the regulations at 24 CFR part 91 and 24 CFR part 570, or by the grantee's citizen participation plan.

For each virtual hearing, a grantee shall provide reasonable notification and access for citizens in accordance with the grantee's certifications, timely responses from local officials to all citizen questions and issues, and public access to all questions and responses. Therefore, grantees may use online platforms to hold virtual hearings that provide public access to questions and responses and provide timely responses from local officials. This alternative requirement is only applicable to consolidated planning submissions describing the use of fiscal year 2019 or 2020 annual formula funds for CDBG, ESG, HOME, HTF, and HOPWA, or for CDBG–CV or ESG–CV funds provided under the CARES Act.

HUD cannot modify requirements for CDBG grantees to mirror the elimination of citizen participation for substantial amendments and new consolidated plan

submissions for ESG–CV funds because HUD cannot waive the minimum requirements the CARES Act imposed on CDBG grantees. Therefore, this waiver and alternative requirement does not alter or expand the authority for ESG grantees to omit the citizen participation and consultation requirements for consolidated plan submissions that only pertain to ESG CARES Act (ESG–CV) funding.

III.B.4.(b) CDBG–CV Application Content and Submission

III.B.4.(b)(i). CDBG–CV Application Content, Submission, Consistency with Other Portions of Consolidated Plan. In the April 9 memorandum, HUD issued a waiver and alternative requirement that permits a grantee to apply for CDBG–CV funds by submitting a substantial amendment to its most recently approved annual action plan. Grantees may also apply for CDBG–CV funds in a future annual action plan submission.

As part of the application submission, HUD is temporarily waiving the requirements (found at 42 U.S.C. 12706 and 24 CFR 91.325(a)(5) and 91.225(a)(5)) that grantees certify that the housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan portion of the consolidated plan. HUD is imposing a related alternative requirement that allows grantees to submit those certifications when the grantee submits its next full (3–5 year) consolidated plan due after the 2020 program year. Grantees may not have considered the needs associated with CDBG–CV funds when developing their current consolidated plan strategic plan and needs assessment.

In conjunction, HUD is temporarily waiving 42 U.S.C. 5304I to the extent that it requires HUD to annually review grantee performance under the consistency criteria. This waiver also only applies until the grantee submits its next full (3–5 year) consolidated plan due after the 2020 program year.

Applying through a substantial amendment to the most recent action plan. If the CDBG–CV application is submitted as a substantial amendment to the most recent annual action plan, the substantial amendment must include the CDBG–CV allocation as an available resource for the year. The amendment must include the proposed use of all funds and how the funds will be used to prevent, prepare for, and respond to coronavirus. To permit this expedited application process, in the April 9 memorandum HUD waived statutory provisions at 42 U.S.C. 12705(a)(2) to the extent they require

updates to the housing and homeless needs assessment, (24 CFR 91.205 and 91.405), housing market analysis (24 CFR 91.210 and 91.410), and strategic plan (24 CFR 91.215 and 91.415. HUD also waived 24 CFR 91.220 (entitlements) and 91.320 (states), to the extent those regulations limit the action plan to a specific program year, to permit grantees to prepare substantial amendments to their most recent annual action plan (including their 2019 annual action plan).

In the April 9 memorandum, HUD also issued a waiver and alternative requirement to 24 CFR 91.505 to facilitate the use of the CDBG–CV funds to the extent necessary to require submission of the substantial amendment to HUD for review in accordance with 24 CFR 91.500, and required that, to receive a CDBG–CV grant, a grantee must also submit a SF–424, SF–424D, and the certifications at 24 CFR 91.225(a) and (b) (entitlements) or 24 CFR 91.325(a) and (b) (states).

HUD is now adding to the waivers in the April 9 memorandum as follows. The abbreviated consolidated plan regulations for insular areas at 24 CFR 570.440(i) are waived to the extent necessary to impose the same alternative requirements in the April 9, 2020 waiver, so that if an insular area applies for CDBG–CV funds by submitting a substantial amendment to an abbreviated consolidated plan, the following requirements apply. The substantial amendment must include the CDBG–CV allocation as an available resource for the year. The amendment must include the proposed use of all funds and how the funds will be used to prevent, prepare for, and respond to coronavirus. The grantee must submit the substantial amendment to HUD for review in accordance with 24 CFR 91.500, and to receive a CDBG–CV grant, it must submit a SF–424, SF–424D and the certifications at 24 CFR 570.440I.

If CDBG–CV funds are included in a substantial amendment to the most recently submitted annual action plan, existing cooperation agreements between a local government and an urban county governing other CDBG funds in the most recently submitted annual action plan (for purposes of either an urban county or a joint program) will automatically cover CDBG–CV funding as well. These cooperation agreements will continue to apply to the use of CDBG–CV funds for the duration of the CDBG–CV grant.

Applying through a new annual action plan submission. The action plan submission procedures in 24 CFR part 91 (including consultation and a public

hearing) apply to grantees that choose to submit CDBG–CV applications by including CDBG–CV funds in a new annual action plan submission. Content of action plans is described at 24 CFR 91.220 (entitlements), 91.320 (states), and 24 CFR 570.440 (insular areas).

Applying for additional CDBG–CV allocations. The waivers and alternative requirements in the April 9 memorandum apply to all allocations of CDBG–CV funds. HUD encourages grantees to apply for additional allocations of CDBG–CV funds as they are announced by submitting substantial amendments to their most recent annual action plan. Grantees are advised that an application for an additional allocation of CDBG–CV funds should be submitted as a substantial amendment to the annual action plan that describes the first CDBG–CV allocation.

An application submitted as a substantial amendment must include the CDBG–CV allocation as an available resource for the year and include the proposed use of all funds and how the funds will be used to prevent, prepare for, and respond to coronavirus.

HUD strongly encourages grantees to apply for allocations through substantial amendments as they are announced. However, grantees that have not submitted applications for CDBG–CV funds when additional allocations are announced may submit a single application for all allocations as a substantial amendment to the most recent annual action plan, or as part of a new annual action plan.

III.B.4.(b)(ii). Content of CDBG–CV application for States Acting Directly. The waiver and alternative requirement in paragraph III.B.6.(b)(i) permit states to carry out activities directly. Therefore, HUD is granting the following waiver and alternative requirement to amend 24 CFR 91.320(d) and 24 CFR 91.320(k)(1)(i) to the extent necessary to require a state to submit a description of a method of distribution and include a list of the use of all funds for activities it will carry out directly, and how the use of the funds will prevent, prepare for, and respond to coronavirus. A state that has already submitted its application for CDBG–CV funds may amend its annual action plan that describes the use of CDBG–CV funds to modify its description of a method of distribution and include a list of the use of all funds for activities it will carry out directly, and how the use of the funds will prevent, prepare for, and respond to coronavirus.

III.B.4.(b)(iii). Deadline to Apply for Assistance. Under the CARES Act, the deadline is August 16, 2021, for grantees to submit their CDBG–CV action plan

and the annual Action Plan for fiscal year 2019 and 2020 CDBG funds. This deadline supersedes the August 16, 2020 deadline established by 24 CFR 91.15 in accordance with section 116(b) of the HCD Act.

III.B.5. Allowable Costs, Eligible Activities and National Objectives

This section describes modifications to the CDBG program requirements that address allowability of costs that can be charged to CDBG–CV grants.

III.B.5.(a) Use of Funds for CARES Act Purposes

The grantee is required to use all CDBG–CV funds for CDBG-eligible activities that are carried out to prevent, prepare for, and respond to coronavirus. CDBG–CV grants cannot be used for any other purpose. This requirement is discussed more fully in section III.B.5.(f), which discusses eligible activities.

Additionally, HUD weighed the purpose of the CARES Act to prevent, prepare for, and respond to coronavirus with the intent of Congress expressed in section 101I of the HCD Act (42 U.S.C. 5301I) that CDBG funds not be utilized to reduce substantially the amount of local financial support for community development activities below the level of such support prior to the availability of such assistance. Given the extreme and unexpected downturn in local and national economic conditions, local resources are strained. Jurisdictions must provide new and expanded support with fewer resources. Therefore, HUD has concluded that when CDBG funding is used for purposes of the CARES Act, it is not considered to substantially replace the amount of local financial support previously provided to community development activities.

III.B.5.(b) Reimbursements

The CARES Act provides that CDBG–CV funds may be used to cover or reimburse allowable costs of activities to prevent, prepare for, and respond to coronavirus incurred by a state or locality regardless of the date on which such costs were incurred. This authority is broader than the authority to reimburse costs with other CDBG funds.

The term “locality” is not defined by the CARES Act, the HCD Act, or the CDBG program regulations. For purposes of CDBG–CV grants, a “locality” shall mean units of general local government, as defined in section 102 of the HCD Act.

The CARES Act also requires that all costs reimbursed with CDBG–CV funds be allowable costs, meaning they comply with all grant requirements.

Therefore, HUD is adopting the following waivers and alternative requirements to 24 CFR 570.200(h) and 570.489(b) to facilitate the use of CDBG–CV funds to reimburse allowable costs by modifying current regulations that are inconsistent with CARES Act reimbursement authority and imposing safeguards to help ensure the allowability of all costs charged to the CDBG–CV grant:

Grantees shall not reimburse costs incurred before January 21, 2020, without written approval from HUD's Office of Block Grant Assistance (OBGA), by emailing the contact person listed at the beginning of this notice. HUD is imposing a presumption that costs of activities undertaken before January 21, 2020, the date the CDC confirmed the first case of coronavirus in the United States in the State of Washington,¹ are highly unlikely to be eligible for reimbursement because they likely are not costs to prevent, prepare for, and respond to coronavirus. The need to pay for coronavirus-related costs incurred after this date far exceeds the amount of CDBG–CV funds available. HUD cautions that it will only consider granting written approval in extraordinary cases where the clear link to the purposes of the CARES Act is documented by substantial evidence provided to HUD by the grantee. Inquiries related to this requirement can be submitted to the contact identified above for this notice.

HUD is waiving the requirements of 570.200(h) and 570.489(b) to the extent necessary to authorize a grantee to permit reimbursement of pre-application costs of subrecipients, units of general local government, and itself, in addition to pre-agreement and pre-award costs. However, an environmental review must be performed and a release of funds must be obtained in accordance with 24 CFR part 58 prior to committing CDBG–CV funds to reimburse such costs. After the grantee signs a CDBG–CV agreement it may reimburse a unit of general local government or subrecipient for costs incurred before the unit of general local government or subrecipient applies to the grantee for assistance.

For grantees subject to the entitlement CDBG regulation at 24 CFR 570.200(h), the following waivers and alternative requirements apply: In lieu of the effective date described at 570.200(h), the grantee shall use the date in box 4 of form HUD–7082, Funding Approval/Agreement. HUD is waiving the

requirement at 570.200(h)(1)(i) and (ii) that the activity for which costs are incurred must be included in a consolidated plan action plan or amended consolidated plan action plan before incurring the costs. Instead, the activity for which costs were incurred must be included in the grantee's CDBG–CV application before CDBG–CV funds are used to reimburse those costs. Or, if the use of CDBG–CV funds for reimbursements is not included in the CDBG–CV application, this use may be included in a subsequent amendment to the annual action plan that describes the use of the CDBG–CV funds (following the grantee's citizen participation plan procedures for amendments). To facilitate the use of funds provided under a one-time grant rather than an annual appropriation, HUD is waiving the time limitation and the monetary limitation on reimbursements in 570.200(h)(1)(v) and (vi) and related provisions at 570.200(h)(2). HUD is not waiving the requirement at 570.200(h)(1)(iii) to comply with the environmental review procedures stated in 24 CFR part 58.

All grantees may authorize subrecipients to incur pre-award costs in accordance with pre-agreement cost authority under 24 CFR 570.489(b) (states) and pre-award cost authority under 24 CFR 570.200(h) (entitlements), as modified above. Consistent with the waiver and alternative requirement in paragraph III.B.6.(b)(i) that authorizes states to act directly, the provisions of 24 CFR 570.489(b) are waived to the extent necessary to authorize a state to charge to the grant pre-agreement costs of its subrecipients in addition to the pre-agreement costs of units of general local government, in accordance with procedures established by the state and subject to the requirements that apply to pre-agreement costs of units of general local government in 24 CFR 570.489(b), and the requirements that apply to the use of CDBG–CV funds.

While provisions of 24 CFR 570.489(b) requiring compliance with 24 CFR part 58 do not apply prior to an application for CDBG–CV funds, a unit of general local government or state must document compliance with the environmental review requirements at 24 CFR part 58 following the application to the state or unit of general local government for funding and prior to reimbursement of pre-application costs, per 24 CFR 570.200(h)(1)(iii) and 24 CFR 570.489(b). If a grantee cannot meet all requirements at 24 CFR part 58 and cannot demonstrate there was no environmental harm committed, the pre-application costs cannot be

reimbursed with CDBG–CV or other HUD funds.

III.B.5.(c) Terms and Conditions Made Applicable by the CARES Act

The CARES Act subjects CDBG–CV funds to the authorities and conditions applicable to annual CDBG grants for fiscal year 2020. Therefore, the following requirements apply to CDBG–CV grants:

III.B.5.(c)(i). Limitations on Use of Funds for Eminent Domain. The grantee shall ensure that no CDBG–CV funds are used to support any Federal, state, or local projects that seek to use the power of eminent domain, unless eminent domain is employed only for a public use. For the purposes of this requirement, public use shall not be construed to include economic development that primarily benefits private entities. Any use of funds for mass transit, railroad, airport, seaport or highway projects as well as utility projects which benefit or serve the general public (including energy-related, communication-related, water-related and wastewater-related infrastructure), other structures designated for use by the general public or which have other common-carrier or public-utility functions that serve the general public and are subject to regulation and oversight by the government, and projects for the removal of an immediate threat to public health and safety or brownfield as defined in the Small Business Liability Relief and Brownfields Revitalization Act (Pub. L. 107–118) shall be considered a public use for purposes of eminent domain.

III.B.5.(c)(ii). Prohibition on Certain Funds Transfers. The Grantee or unit of general local government that directly or indirectly receives CDBG–CV funds may not sell, trade, or otherwise transfer all or any such portion of such funds to another such entity in exchange for any other funds, credits or non-Federal considerations, but must use such funds for activities eligible under title I of the HCD Act or permitted by waiver and alternative requirements that apply to the use of CDBG–CV funds.

III.B.5.(c)(iii). E.O. 12372—Special Contract Condition. Notwithstanding any other provision governing CDBG–CV funds, no funds may be obligated or expended for the planning or construction of water or sewer facilities until receipt of written notification from HUD of the release of funds on completion of the review procedures required under Executive Order (E.O.) 12372, Intergovernmental Review of Federal Programs, and HUD's implementing regulations at 24 CFR part

¹ See CDC Press Release at: <https://www.cdc.gov/media/releases/2020/p0121-novel-coronavirus-travel-case.html>.

52. The recipient shall also complete the review procedures required under E.O. 12372 and 24 CFR part 52 and receive written notification from HUD of the release of funds before obligating or expending any funds for any new or revised activity for the planning or construction of water or sewer facilities not previously reviewed under E.O. 12372 and implementing regulations.

III.B.5.(c)(iv). Mandatory Evaluation of Special Economic Development Activities. CDBG–CV funds may not be provided to a for-profit entity pursuant to section 105(a)(17) of the Act unless such activity or project has been evaluated and selected in accordance with Appendix A to 24 CFR 570—“Guidelines and Objectives for Evaluating Project Costs and Financial Requirements.” Given the likelihood that CDBG–CV funds will be used to assist businesses needing working capital financing for everyday operations, such as payroll costs, HUD intends to provide advice or technical assistance on the application of the guidelines and objectives set forth in Appendix A to such assistance. HUD will consider providing advice or technical assistance in recognition of the differences in underwriting assistance for the wide range of economic development projects permitted under section 105(a)(17) (as implemented at 24 CFR 570.203(b)).

III.B.5.(d) National Objectives

III.B.5.(d)(i) Use of Urgent Need National Objective. HUD has received questions regarding the records necessary to document that a grantee’s activities to prevent, prepare for, and respond to coronavirus satisfy the urgent need national objective. To meet the urgent need national objective criteria at 24 CFR 570.208I (entitlements) and 570.483(d) (states), a grantee (or in the case of the State CDBG program, a unit of general local government or a state, if the state is carrying out activities directly as authorized by section III.B.6.(b)(i)) must certify that: (1) The activity is designed to alleviate existing conditions; (2) those existing conditions pose a serious and immediate threat to the health or welfare of the community and are of recent origin or recently became urgent; and (3) that the grantee, state, or unit of general local government is unable to finance the activity on its own, and that other sources of funds are not available. The State CDBG regulation at 24 CFR 570.483(d) requires the state’s determination of these elements in addition to the unit of general local government’s certification.

Entitlement grantees must maintain records required by 24 CFR 570.506(b)(12) to document: (1) The nature and degree of seriousness of the condition requiring assistance and the timing of its development; (2) evidence that the recipient certified that the CDBG activity was designed to address the urgent need; and (3) evidence confirming that other financial resources to alleviate the need were not available. The State CDBG recordkeeping requirements at 24 CFR 570.490 require states and state recipients to maintain records to demonstrate compliance with the urgent need criteria.

The following information provides guidance on how a grantee may satisfy existing recordkeeping requirements for the urgent need national objective criteria in addition to a grantee’s or unit of general local government’s certification and a state’s determination (or state’s certification, if the state is acting directly):

Criteria 1: Is the activity designed to alleviate existing conditions? For CDBG–CV grants, the records the grantee maintains to demonstrate that the activity was designed to alleviate existing conditions can be the same records used to show that grant funds were used to prevent, prepare for, and respond to coronavirus, as required by the CARES Act.

Criteria 2: Does the condition pose a serious and immediate threat to the health or welfare of the community that is of recent origin or that recently became urgent? In light of the severity of coronavirus and the urgency of the nation in addressing its impacts, pursuant to 24 CFR 570.208I (entitlements) or 24 CFR 570.483(d) (states), a grantee may certify that the activity is designed to alleviate existing conditions which pose a serious and immediate threat to the health or welfare of the community within 18 months following a date determined by one of the following three methods:

- Referral to a U.S. Department of Health and Human Services issued press release declaring a public health emergency for the entire United States found at <https://www.hhs.gov/about/news/2020/01/31/secretary-azar-declares-public-health-emergency-us-2019-novel-coronavirus.html>. The declaration was retroactive to January 27, 2020;
- Referral to the President’s declaration of the ongoing Coronavirus Disease 2019 (COVID–19) pandemic as an emergency of sufficient severity and magnitude to warrant an emergency declaration for all states, tribes, territories, and the District of Columbia

pursuant to section 501(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121–5207 (the “Stafford Act”). (The President subsequently approved additional major disaster declarations for states); or

- Referral to the effective date of a grantee’s own local or state emergency declaration.

Criteria 3: Is the grantee or unit of general local government unable to finance the activity on its own, and are other sources of funds not available to carry out the activity? The extreme needs of local governments resulting from coronavirus in the United States outweigh available resources, despite the extraordinary level of assistance provided to states and units of general local government under the CARES Act. Therefore, documentation that the activity will prevent, prepare for, and respond to the coronavirus may be used to demonstrate that a grantee or unit of general local government is unable to finance the activity on its own.

All CDBG–CV grantees are required to establish and maintain adequate procedures to prevent any duplication of benefits for assisted activities (as discussed in section III.B.9. of this notice). To demonstrate that no financial assistance has been received or is available to pay costs charged to a CDBG–CV grant, a grantee may demonstrate that no other funds are available for an activity by maintaining records of compliance with mandatory duplication of benefits requirements described in section III.B.9.

All grantees are reminded to consider how the use of the urgent need national objective will affect their compliance with the CDBG “overall benefit” requirements discussed in paragraph III.B.5.(d)(iv).

III.B.5.(d)(ii) Modification of Location-Based Presumption of LMI Benefit for Job Creation and Retention National Objective Criteria. To facilitate the use of funds for economic development, HUD is removing the higher poverty rate required in some cases for central business districts, which is not required by statute. HUD is instituting an alternative requirement to modify the regulations at 24 CFR 570.208(a)(4)(v) (entitlement) and 24 CFR 570.483(b)(4)(v) (state) by deleting the criteria at 24 CFR 570.208(a)(4)(v)(B) (entitlement) and 24 CFR 570.483(b)(4)(v)(B) (state). Under this alternative requirement, for purposes of the LMI job creation/retention national objective at 24 CFR 570.208(a)(4) and 24 CFR 570.483(b)(4), a census tract qualifies for the presumptions under the criteria established in regulations at 24

CFR 570.208(a)(4)(v) and 24 CFR 570.483(b)(4)(v) if the poverty rate is at least 20 percent and if it evidences pervasive poverty and general distress using the criteria described in 24 CFR 570.208(a)(4)(v)(C) (entitlement) and 24 CFR 570.483(b)(4)(v)(C) (states).

This alternative requirement eliminates a requirement that census tracts that contain at least a portion of a central business district must have a poverty rate of at least 30 percent before residents and businesses in the tract are entitled to a presumption of low- and moderate-income (LMI) benefit. HUD has determined that eliminating the 30 percent requirement for tracts that contain central business districts will standardize the required poverty rate to meet the presumption regardless of where the persons or the business is located, which facilitates the use of grant funds to assist desperate businesses. Central business districts are hubs that contain many coronavirus-affected businesses and facilitating assistance to businesses that seek to retain jobs is consistent with the purposes of the CARES Act. Standardizing the poverty rate for the LMI benefit presumption may help to avoid wholesale collapse of central business districts at a when many businesses have closed or at risk of closing due to insufficient revenues.

III.B.5.(d)(iii) LMI Job Creation and Retention Records. HUD is establishing the following waiver and alternative requirement to facilitate and expedite assistance to coronavirus-affected businesses by streamlining national objective criteria and recordkeeping requirements for activities that benefit LMI persons by retaining or creating jobs. The normal job creation and retention recordkeeping requirements consider family income when determining whether a beneficiary is a person of low or moderate income, but these requirements are likely to be burdensome during a time when unemployment has surged and family income is more difficult to document. Collection of income information directly from assisted businesses can streamline assistance. Therefore, notwithstanding that the definitions of low-income person and moderate-income person in 24 CFR 570.3 are based on family income, for purposes of meeting the national objective criteria for job creation or retention at 24 CFR 570.208(a)(4) and 24 CFR 570.483(b)(4), HUD is imposing the following waiver and alternative requirement: Grantees and employers may consider individuals that apply for or hold jobs to be members of one-person families for activities that prevent, prepare for,

and respond to coronavirus. HUD is also modifying related recordkeeping requirements at 24 CFR 570.506(b)(7) (entitlement) and the jointly agreed upon requirements referenced in 24 CFR 570.490 (state) by adding the following additional presumption: The recipient may substitute records showing the type of job and the annual wages or salary of the job in lieu of maintaining records showing the person's family size and income to demonstrate that the person who filled or held/retained the job was a low- or moderate-income person, when required by paragraph 24 CFR 570.506(b)(5)(i)(B), (b)(5)(ii)(C), (b)(6)(iii) or (b)(6)(v) (entitlement) or the requirements referenced in 24 CFR 570.490 (state). HUD will consider the person income-qualified if the annual wages or salary of the job is equal to or less than the Section 8 low-income limit established by HUD for a one-person family. Under this alternative requirement, a grantee will have substantially reduced documentation requirements because they will be working with assisted businesses rather than each person, and potentially their households, who received a job.

III.B.5.(d)(iv) Overall Benefit to LMI Persons. HUD is establishing an alternative requirement to modify the calculation of overall LMI benefit, so that compliance with the requirement is separated from the annual formula CDBG program calculation of overall benefit. Overall LMI benefit for CDBG-CV grants will be calculated based on the percentage of the CDBG-CV grant that benefits LMI persons. This alternative requirement is consistent with the idea that one-time, supplemental funding should not skew the calculation of overall benefit for use of annual formula CDBG grants and guaranteed loan funds. This modification expedites and facilitates the use of funds in part by enabling grantees to best plan which activities will benefit LMI persons.

Section 1011 of the HCD Act (42 U.S.C. 53011) establishes the primary objective of the HCD Act: the "development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income." CDBG-CV grants are subject to the requirement that 70 percent of funds are for activities that benefit LMI persons. The requirements at 42 U.S.C. 53011, 42 U.S.C. 5304(b)(3)(A), 24 CFR 570.200(a)(3) (entitlements and nonentitlement counties in Hawaii), 24 CFR 570.420(d)(2)-(3) (insular areas), and 24 CFR 570.484 (states) shall

remain in place to the extent that they require the grantee to ensure that 70 percent of its CDBG-CV grant be expended for activities that benefit LMI persons. As an alternative requirement, however, HUD is requiring that grantees must demonstrate compliance with the overall benefit requirement separately for a grantee's total CDBG-CV grant allocation and not in combination with annual formula CDBG funding or commitments under the Section 108 Loan Guarantee program.

Under this alternative requirement, there is no option for grantees to select the timeframe for compliance. HUD previously instructed grantees to submit certifications required by 24 CFR 91.225 (entitlements) or 24 CFR 91.325 (states). The regulations at 24 CFR 91.225(b)(4)(ii) and 24 CFR 91.325(b)(4)(ii) require grantees to certify that the aggregate use of CDBG funds will comply with the overall benefit requirement during a period specified by the jurisdiction, consisting of one, two, or three specific consecutive program years. Under this alternative requirement, grantees are not required to carry out the grant consistent with the mandatory overall benefit certification because HUD has changed the requirement related to overall benefit.

III.B.5.(e) Public Benefit

III.B.5.(e)(i) Elimination of Aggregate Public Benefit Test. HUD is waiving the standard for aggregate public benefit that applies to economic development activities described in 24 CFR 570.209(b)(1)-(2) (entitlement) and in 24 CFR 570.482(f)(2)-(3) (state). The public benefit standards were designed to require that economic development activities, in the aggregate, provide an appropriate amount of public benefit based on the amount of CDBG funds used. Given the clear benefit derived from addressing economic disruptions due to coronavirus, CDBG-CV grantees can adequately demonstrate public benefit based on the individual public benefit standards, as modified by waivers and alternative requirements in section III.B.5.(e)(ii).

Therefore, to facilitate and expedite the use of CDBG-CV funds for coronavirus-related economic development activities, HUD is waiving the aggregate public benefit standards at 24 CFR 570.209(b)(1)-(2) (entitlement) and 24 CFR 570.482(f)(2)-(3) (state). In granting this waiver, HUD notes that based on the growing number of urgent requests for economic development assistance, particularly from small business, grantees are likely to have difficulty determining the appropriate

amount of CDBG assistance, in the aggregate, for their current and next program years.

III.B.5.(e)(ii) Modification of Individual Public Benefit Standards. To facilitate the use of grant funds by providing greater leeway to grantees to identify the most advantageous means of providing economic development assistance, HUD is modifying the individual public benefit standards. HUD is imposing a waiver and alternative requirement to establish an alternative means by which grantees can demonstrate public benefit from the use of CDBG—CV funds for individual special economic development activities.

Certain economic development activities described in 24 CFR 570.209 (entitlement) and in 24 CFR 570.482(f)(1) (state) are subject to individual public benefit standards at 24 CFR 570.209(b)(3) (entitlement) and 24 CFR 570.482(f)(4) (state). Grantees must satisfy these public benefit standards to show that the amount of CDBG funds used for individual economic development activities is appropriate relative to the benefit to the public from those activities.

HUD is waiving the individual standards at 24 CFR 570.209(b)(3) and 24 CFR 570.482(f)(4) and imposing the following alternative requirement. For activities subject to the public benefit standards, grantees must document that: (a) The activity will create or retain at least one full-time equivalent, permanent job per \$85,000 of CDBG funds used; (b) the activity will provide goods or services to residents of an area such that the number of LMI persons residing in the area served by the assisted businesses amounts to at least one LMI person per \$1,700 of CDBG funds used; or (c) the assistance was provided due to business disruption related to coronavirus (in which case, no monetary standard applies because HUD has determined that there is sufficient public benefit derived from the provision of assistance to stabilize or sustain businesses in the grantee's jurisdiction that suffer disruption due to coronavirus, and that facilitation of business assistance for this purpose may help to avoid complete economic collapse within the grantee's jurisdiction). This alternative requirement does not modify the requirements related to eligible activities and national objectives criteria.

III.B.5.(f) Eligible Activities

Grantees may use CDBG—CV funds only for those activities carried out to prevent, prepare for, and respond to

coronavirus. By law, use of funds for any other purpose is unallowable. To satisfy these purposes, grantees may assist activities that respond to direct effects, such as the need to rehabilitate a building to add isolation rooms for recovering coronavirus patients. A grantee may also undertake activities to address indirect effects of the virus, such as the economic and housing market disruptions caused by social distancing measures and stay at home orders implemented to prevent the spread of coronavirus.

Some activities clearly tie back to the purposes of the CARES Act, such as public services, economic development and microenterprise assistance, public facilities, and the rehabilitation of private buildings to provide housing. However, HUD is not prohibiting grantees from carrying out any particular CDBG eligible activity described in the HCD Act and the part 570 regulations, because other CDBG eligible activities, such as acquisition, can justifiably be used to fulfill the CARES Act purposes depending upon the circumstances.

To remain consistent with the structure of a block grant program and the flexibility of CDBG to provide multiple avenues to achieve the purposes of the CARES Act, HUD is implementing the limitation that funds be used for the coronavirus-related purposes of the CARES Act by requiring grantees to document the use of funds to prevent, prepare for, and respond to coronavirus, rather than by expressly prohibiting grantees from undertaking any of the eligible activities described in the HCD Act. HUD cautions grantees that the recordkeeping requirements of this notice require clear documentation that all uses of funds satisfy the statutory purposes of the CARES Act.

The current needs to prevent, prepare for, and respond to coronavirus may require use of CDBG—CV funds for uncommon activities. HUD is preparing a series of technical assistance products that describe opportunities to quickly deploy CDBG—CV funds to address immediate needs. As this technical assistance is developed, it will be posted on the CDBG—CV page on the https://www.hud.gov/program_offices/comm_planning/cdbg_programs_covid-19.

When identifying eligible activities to be carried out with CDBG—CV funds, grantees can reduce the potential for duplication of benefits by designing activities that address needs not covered by other sources of financial assistance. More information on requirements to prevent the duplication of benefits is described in section III.B.9.

III.B.5.(f)(i) Extension of Emergency Payments. HUD is providing an alternative requirement to extend the period that grantees can make emergency grant payments on behalf of individuals and families. Normally, CDBG funds may not be used for income payments, which are not included among eligible activities in section 105(a) of the HCD Act for states, and which are expressly prohibited by 24 CFR 570.207(b)(4) in the Entitlement CDBG regulations. The phrase *income payments* means a series of subsistence-type grant payments made to an individual or family for items such as food, clothing, housing (rent or mortgage) or utilities, but excludes *emergency payments* made over a period of up to three consecutive months to the provider of such items or services on behalf of an individual or family.

Coronavirus has had a massive impact on families' ability to work for pay, make rent or mortgage payments, access or pay for food, clothing, and basic utilities, and access many other essential items and services. To help individuals and families address these challenges, HUD is waiving section 105(a)(8) of the HCD Act and 24 CFR 570.207(b)(4) only to the extent necessary to establish the following alternative requirement: CDBG—CV funds may be used to provide emergency payments for individuals or families impacted by coronavirus for items such as food, clothing, housing (emergency rental assistance or mortgage assistance) or utilities for up to six consecutive months.

Emergency payments must be made to the provider of such items or services on behalf of an individual or family, and not directly to an individual or family in the form of income payments, debit cards, or similar direct income payments. CDBG—CV grantees must ensure that proper documentation is maintained to ensure that all costs incurred are eligible. Grantees using this alternative requirement must document, in their policies and procedures, how they will determine the amount of assistance to be provided is necessary and reasonable.

III.B.5.(f)(ii) Opportunity Zones and Related Flexibilities for Economic Development. To facilitate and expedite the use of grant funds for economic development during this time of extraordinary need, HUD is clarifying the existing requirements and adopting an alternative requirement that expands economic development activities that can be carried out with CDBG—CV funds. HUD is adopting this alternative requirement because the entitlement

regulations at 24 CFR 570.203(b) describe some financing mechanisms for economic development, but do not provide an exhaustive list of the forms of support grantees can provide to private, for-profit businesses and to nonprofits for special economic development activities. Many economic development activities are carried out in conjunction with other forms of assistance and Federal tax-based programs that help provide additional sources of financing for economic development, particularly in LMI areas. HUD wants to facilitate the ability for grantees to use CDBG–CV funds to fill financing gaps that cannot be met by other sources and quickly launch critical economic development projects, particularly in Opportunity Zones and other target areas, without taking the time to seek additional clarification from HUD on activity eligibility for individual projects.

First, this notice clarifies an existing requirement of economic development activities that grantees may carry out pursuant to 24 CFR 570.203(b) (entitlement) or section 105(a)(17) of the HCD Act (state). Grantees may provide assistance to an economic development project through a for-profit entity that passes the funds through a financing mechanism (*e.g.*, Qualified Opportunity Funds and New Markets Tax Credit (NMTC) investment vehicles). The regulations at 24 CFR 570.203(b) already list forms of support by which grantees can provide assistance to private, for-profit businesses where the assistance is appropriate to carry out an economic development project. HUD has previously interpreted this provision to allow for CDBG assistance to NMTC investment vehicles. This clarification makes clear that such assistance through any financing mechanism (which is not limited to NMTC investment vehicles) is eligible under 24 CFR 570.203(b). The regulation also does not apply to states, but states may consider 24 CFR 570.203(b), as clarified by the following alternative requirement, as guidance in the same way that they may consider other Entitlement CDBG regulations.

HUD is not waiving 24 CFR 570.203(b) (entitlement) or section 105(a)(17) (state), and other statutory and regulatory requirements remain in place.

Second, this notice establishes an alternative requirement that expands the authority in section 105(a)(15) of the HCD Act and 24 CFR 570.204 to permit grantees subject to entitlement CDBG regulations to assist nonprofit organizations serving the development needs of their jurisdiction by carrying out community economic development

projects through a financing mechanism. The nonprofit may pass assistance through a financing mechanism to another entity based on the language in section 105(a)(15) of the HCD Act. Grantees subject to entitlement regulations must document that the assisted nonprofit is serving the development needs of the jurisdiction and that the assistance is used for a community economic development project that is necessary to prevent, prepare for, and respond to coronavirus.

III.B.5.(f)(iii) Public Services Cap. The CARES Act provides that notwithstanding section 105(a)(8) of the HCD Act (42 U.S.C. 5305(a)(8)), there shall be no per centum limitation for the use of funds for public services activities to prevent, prepare for, and respond to coronavirus. The CARES Act provides this flexibility for all CDBG–CV funds and CDBG funds appropriated in fiscal years 2019 and 2020 to the extent that grantees use these funds to carry out public service activities to prevent, prepare for, and respond to coronavirus.

Following enactment of the CARES Act, the public services cap described in section 105(a)(8) of the HCD Act and 24 CFR 570.201I has no effect on CDBG–CV grants. Program income generated by the use of CDBG–CV funds is given special treatment, as discussed in III.B.6.(a). Therefore, notwithstanding the provisions of section 105(a)(8) of the HCD Act, program income is not a consideration for purposes of determining the amount of CDBG–CV funds that can be expended on public services. The calculation of the public services cap for fiscal year 2020 and 2019 annual formula CDBG grants is discussed in section IV.B.4.(a).

III.B.5.(f)(iv) Other Public Services Considerations. HUD reminds grantees to comply with other requirements in section 105(a)(8) of the HCD Act, and for grantees subject to entitlement CDBG regulations, 24 CFR 570.201I. Namely, CDBG–CV funds may only be used for those public service activities that are new or that represent a quantifiable increase above the level of an existing service that has been provided by or on behalf of the unit of general local government (through funds raised by the unit or received by the unit from the state in which it is located) in the 12 calendar months before the submission of the action plan, unless the Secretary finds that the discontinuation of such services was the result of events not within the control of the unit of general local government.

Additionally, grantees are reminded that the purchase of personal property and equipment is generally ineligible.

However, the entitlement CDBG regulation at 24 CFR 570.207(b)(1) (which may be used as guidance by state grantees), allows grantees to purchase or to pay depreciation in accordance with 2 CFR part 200, subpart E, for personal property, fixtures, and equipment when necessary when such items constitute all or part of a public service. Examples of use of equipment that constitute all or part of a public service include equipment and supplies owned by the grantee or subrecipient that provides the public service, *e.g.*, ventilators or other medical equipment and supplies that will be used in providing health care at a field clinic, or a vehicle outfitted with medical equipment to provide mobile health care.

III.B.5.(f)(v) Clarification on Application of Requirements in 2 CFR part 200. In response to the coronavirus pandemic, the Office of Management and Budget (OMB) released two memoranda that allow Federal agencies to grant exceptions to some requirements under 2 CFR part 200, the *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*. HUD reminds grantees that the flexibilities in these memoranda do not automatically apply to grantees. HUD has not approved class exceptions to 2 CFR part 200 for CDBG–CV grants or CDBG grants, so the requirements in 2 CFR part 200 continue to apply.

The OMB memoranda were for limited purposes and were not intended to cover all grantees and activities. The March 9, 2020 memorandum, M–20–11, *Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID–19)* (available at <https://www.whitehouse.gov/wp-content/uploads/2020/03/M-20-11.pdf>), allows Federal agencies to grant class exceptions in instances where the agency has determined that the purpose of the Federal awards is to support the continued research and services necessary to carry out the emergency response related to COVID–19. The March 19, 2020 memorandum, M–20–17, *Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID–19) due to Loss of Operations* (available at <https://www.whitehouse.gov/wp-content/uploads/2020/03/M-20-17.pdf>) allows HUD to make class exceptions for an expanded scope of recipients affected by the loss of operational capacity and increased costs due to the COVID–19 crisis. OMB indicated that it would

reassess the authority granted by these memoranda within 90 days.

III.B.6. Other Program Requirements

III.B.6.(a) Program Income

To expedite use of grant funds, HUD is clarifying the requirements for CDBG–CV grants on the treatment of program income at 24 CFR 570.504 (entitlement) and 24 CFR 570.489I–(f) (state) that is generated by the use of CDBG–CV funds. The receipt and expenditure of program income that is generated by the use of CDBG–CV funds shall be treated as annual formula CDBG program income and recorded as part of the financial transactions of the annual formula CDBG grant program. This clarification will facilitate expenditures of CDBG–CV grant funds for their intended purpose, while continuing to maintain appropriate controls on the use of program income.

III.B.6(a)(i) Use of program income before annual formula CDBG grant funds. Any program income generated from the use of CDBG–CV funds will be receipted in HUD’s Integrated Disbursement and Information System (IDIS) as program income to the annual formula CDBG grant program.

III.B.6(a)(ii) Inapplicability of float-funded activities. Based on the treatment of income generated from the use of CDBG–CV funds as annual formula CDBG program income, HUD is waiving 24 CFR 570.301(b) and section 104(h) of the HCD Act for CDBG–CV grants. HUD is imposing the following alternative requirement: Grantees shall not use CDBG–CV funds for float-funded activities or guarantees.

III.B.6(a)(iii) Retention of program income by subrecipients. A grantee may permit subrecipients (including units of general local government receiving funds from a state) to retain program income from the use of CDBG–CV funds under this paragraph if the amount held does not exceed the subrecipient’s projected cash needs for CDBG activities including activities to prevent, prepare for, and respond to coronavirus.

III.B.6.(b) Rules Applicable to State CDBG–CV Grants

The paragraphs in this section apply only to State CDBG–CV grantees.

III.B.6.(b)(i) Direct Action by States. The waivers and alternative requirements in this section and in sections III.B.6.(b)(ii)–(iv) permit a state grantee to use a portion of its funds to act directly to carry out activities through employees, contractors, and subrecipients in all geographic areas within its jurisdiction, including entitlement areas and tribal populations.

HUD is issuing the waivers and alternative requirements in this section based in part on information in requests from states and in part to implement provisions of the CARES Act that permit grant funds allocated to states to be used in entitlement areas.

HUD has determined that this waiver and alternative requirement will facilitate and expedite the use of CDBG–CV funds by supporting states in their roles as significant coordinators of statewide and regional activities to prevent, prepare for, and respond to coronavirus. Additionally, these waivers and alternative requirements are designed to reduce administrative costs and streamline the delivery of assistance by maintaining a single set of grant requirements for all CDBG–CV allocations.

These waivers and alternative requirements are only available to a state if it complies with the following alternative requirements in this paragraph and in III.B.6.(b)(ii)–(iv):

Nonentitlement set aside: A state must set aside a portion of its grant for use by nonentitlement units of general local government. The nonentitlement set aside must be no less than an amount equal to the state’s first CDBG–CV allocation and may be from any portion of the state’s additional CDBG–CV allocation. This limitation is imposed for consistency with the CDBG–CV formulas, which include a direct allocation to entitlement areas and to states on behalf of nonentitlement areas to prevent, prepare for, and respond to coronavirus. The nonentitlement set aside fulfills the intent reflected by the formula to address needs in urban and rural areas, while giving states the flexibility to determine how to expend each allocation as it is made based on needs within its jurisdiction.

Inclusion in CDBG–CV Application: A state’s proposal to act directly and to distribute or use CDBG–CV funds in entitlement areas must be published for public comment in its application for CDBG–CV funds or in a subsequent substantial amendment to the annual action plan that includes the CDBG–CV funds.

Activities carried out in tribal areas: A state grantee may carry out activities in tribal areas. States carrying out projects in tribal areas through employees, contractors, or subrecipients must obtain the consent of the Indian tribe with jurisdiction over the tribal area.

Other conforming changes: Requirements at section 106(d) of the HCD Act (42 U.S.C. 5306(d)) and 24 CFR 570.480(g) are waived to the extent

necessary to allow a state to use its CDBG–CV funds for eligible activities that the state carries out directly. The standard at 24 CFR 570.480I and the provisions at section 104I(2) of the HCD Act (42 U.S.C. 5304I(2)) are modified to also include activities that the state carries out directly. Section 106(d) of the HCD Act is not otherwise waived, except as provided in this notice.

A state may carry out eligible activities directly, consistent with the entitlement program requirement of 24 CFR 570.200(f), through its employees, through procurement contracts, or through assistance provided under agreements with subrecipients. Pursuant to section 102I of the HCD Act, one or more public agencies may be designated by the chief executive officer of a state to undertake activities assisted under this chapter. A state is responsible for ensuring that CDBG–CV funds are used in accordance with all program requirements. The use of interagency agreements, subrecipient agreements (including agreements with Indian tribes and designated public agencies, as described in section III.B.6.(b)(ii)) or contracts does not relieve the state of this responsibility. States are responsible for determining the adequacy of performance under subrecipient agreements and procured contracts, and for taking appropriate action when performance problems arise. State grantees continue to be responsible for civil rights, labor standards, and environmental protection requirements, for compliance with all applicable requirements, including conflict of interest provisions in 24 CFR 570.489(g) and (h).

The national objective criteria in 24 CFR 570.483 are modified by the following alternative requirement when states carry out activities directly: The state must fulfill all requirements that 570.483 imposes on units of general local government to demonstrate compliance with national objective criteria.

The recordkeeping requirements at 24 CFR 570.490(b) are waived when states carry out activities directly, and the following alternative requirement shall apply: The state shall establish and maintain such records as may be necessary to facilitate review and audit by HUD of the state’s administration of CDBG–CV funds, under 24 CFR 570.493. Consistent with applicable statutes, regulations, waivers and alternative requirements, and other Federal requirements, the content of records maintained by the state shall be sufficient to: (1) Enable HUD to make the applicable determinations described at 24 CFR 570.493; (2) make compliance

determinations for activities carried out directly; and (3) show how activities funded are consistent with the descriptions of activities proposed for funding in the CDBG–CV application. For fair housing and equal opportunity (FHEO) purposes, as applicable, such records shall include data on the race, ethnicity, and sex of persons who are applicants for, participants in, or beneficiaries of the activity.

The change of use of real property rule at 24 CFR 570.489(j) is modified to include instances when a state carries out activities directly. All references to “unit of general local government” shall be read as “state, unit of general local government (UGLG) or state subrecipient.”

To include instances when a state carries out activities directly, 24 CFR 570.492 is waived and the following alternative requirement applies: The state shall make reviews and audits, including on-site reviews of any subrecipients and local governments, as may be necessary or appropriate to meet the requirements of section 104I(2) of the HCD Act, as amended. In the case of noncompliance with these requirements, the state shall take such actions as may be appropriate to prevent a continuance of the deficiency, mitigate any adverse effects or consequences, and prevent a recurrence. The state shall establish remedies for noncompliance by any subrecipients or local governments.

To include instances when a state carries out activities directly in accordance with the waiver in this paragraph, 24 CFR 570.489(g) is modified to revise the requirement that “[t]he state shall establish requirements for procurement policies and procedures for units of general local government” so that it applies to “units of general local government and subrecipients.” To facilitate grant administration by adopting state-wide procurement policies, a state agency designated to oversee the use of all its CDBG–CV funds pursuant to section 102I of the HCD Act may impose its procurement requirements on all uses of CDBG–CV funds by the state, including by other state agencies that administer a portion of the CDBG–CV grants, so long as those requirements comply with 24 CFR 570.489(g).

III.B.6.(b)(ii) Use of Subrecipients by States (Including Nonprofits and Tribes). HUD is adopting the following alternative requirement that shall apply when states carry out activities directly: States carrying out activities through subrecipients must comply with 24 CFR 570.489(m) relating to monitoring and management of subrecipients. The

definition of subrecipient at 24 CFR 570.500(c) applies when states carry out activities through subrecipients, and the requirements of 24 CFR 570.489(g) (as modified by section III.B.6.(b)(i)) shall apply.

For purposes of this alternative requirement, the definition of subrecipients at 24 CFR 570.500I is modified to expressly include Indian tribes. Indian tribes that receive CDBG–CV funding from a state grantee must comply with the Indian Civil Rights Act (Title II of the Civil Rights Act of 1968, 25 U.S.C. 1301 *et seq.*). This conforming requirement is necessary because the state CDBG regulations do not anticipate states distributing funds through means other than a method of distribution to units of general local government.

III.B.6.(b)(iii) Activities Carried Out by States in Entitlement Areas. The provisions of 24 CFR 570.486(c) are waived to the extent that they allow States, either directly or through units of general local government, to use CDBG–CV funding for activities located in entitlement areas without contribution from the entitlement jurisdiction, consistent with the waiver and alternative requirements in sections III.B.6.(b)(i) and (ii). HUD is granting this waiver to facilitate and expedite the use of grant funds for consistency and ease of administration by granting the same geographic flexibilities to all allocations of CDBG–CV funds, since they will be administered under a single grant.

III.B.6.(b)(iv) Use of the “upper quartile” or “exception criteria” for LMI area benefit activities. Section 105(c)(2)(A) of the HCD Act authorizes HUD to permit an exception to the LMI area benefit national objective criteria that are normally satisfied when at least 51 percent of the population of an area are persons of low and moderate income. HUD is clarifying how this “exception criteria” applies when State CDBG–CV grantees carry out activities in entitlement jurisdictions as authorized by section III.B.6.(b)(iii). If the area in which the activity is carried out would benefit from the “exception criteria” that permit a grantee to use a percentage less than 51 percent to qualify activities under the LMI area benefit criteria, those exception criteria apply to the use of CDBG–CV funds by a state the same way that they apply to the use of CDBG funds by the entitlement grantee in the same area. CDBG–CV grantees are required to use the most recent data available in implementing the exception criteria. For more information on the data set, please visit <https://www.hudexchange.info/programs/acs-low-mod-summary-data/>

acs-low-mod-summary-data-exception-grantees/.

III.B.6.(b)(v) Elimination of State Administrative Match. To expedite the use of CDBG–CV funds, HUD is waiving the requirement for matching state administrative funds, subject to the requirements of section III.B.6.(b)(vi) below. Requiring states to match administrative funds may considerably slow down the expenditure of CDBG–CV funds in states struggling to accurately project and adjust their budgets given the challenges caused by coronavirus. The requirements at 42 U.S.C. 5306(d)(3)(A) and 24 CFR 570.489(a) are waived to the extent necessary to eliminate the state match requirement for general administrative costs.

III.B.6.(b)(vi) Cap on State Administrative Costs and Technical Assistance. Pursuant to 24 CFR 570.489(a)(3)(iii), a state and its funded units of general local government and subrecipients are, in aggregate, permitted to expend no more than 20 percent of the CDBG–CV grant for planning, management, and administrative costs. Under 42 U.S.C. 5306(d)(5) and (6) and 24 CFR 570.489(a)(1) a state may not directly use more than \$100,000 plus 3 percent of its annual grant for administrative and technical assistance costs combined. HUD is waiving 42 U.S.C. 5306(d)(5) and (6) and 24 CFR 570.489(a)(1) and establishing an alternative requirement that a state may use up to 7 percent of its CDBG–CV grant combined for general administration and technical assistance costs; of that 7 percent, a state may use up to 5 percent of CDBG–CV funds for general administration costs and up to 2 percent of the grant for technical assistance activities. The remainder of the amount may be used by units of general local government for administrative and technical assistance costs, provided that a state and its funded units of general local government and subrecipients expend no more than 20 percent of the CDBG–CV grant for planning, management, and administrative costs. A grantee must meet this alternative requirement over the life of its grant, as amended to incorporate additional allocations of CDBG–CV funds.

CDBG–CV grant funds shall not be used to pay planning and program administrative costs allocable to another grant under the CDBG annual formula program; however, CDBG–CV funds may be used to pay costs that benefit both the CDBG–CV grant and another CDBG award and can be distributed

between the grants in proportions that may be reasonably approximated.

III.B.6.(b)(vii) Procurement. Except as described in section III.B.6. to accommodate states acting directly, this notice does not modify procurement requirements at 24 CFR 570.489(g) for state grantees. As discussed above, the local procurement policies and procedures that apply to the use of annual formula CDBG grant funds may not be nimble enough to accommodate this urgent need to quickly procure goods and services necessary to carry out eligible activities. HUD recommends that CDBG–CV grantees review their existing procurement policies to explore the potential use of state or local waiver authority and emergency procedures that may expedite procurement processes.

Additionally, if the grantee plans to use CDBG–CV grants to carry out eligible activities that satisfy non-Federal cost share requirements under section 105(a)(9) of the HCD Act, the grantee should consider modifying procurement policies to authorize grantees to use procurement policies and procedures of the agencies paying the Federal cost share of the activity, to the extent that those policies and procedures are consistent with the procurement requirements on the use of CDBG–CV funds. Modifying procurement policies to allow the use of procurement requirements imposed by other Federal grants is easier for state grantees, but entitlement grantees that anticipate use of a substantial amount of CDBG–CV funds to satisfy non-Federal cost share may also be able to adopt a similar provision where the other Federal granting agency imposes the procurement requirements in 2 CFR part 200.

III.B.6.(c) Rules for Entitlements, Insular Areas, and Nonentitlement Hawaii Counties

III.B.6.(c)(i) Administrative and Planning Cost Caps. To expedite the use of grant funds, HUD is waiving requirements of 24 CFR 570.200(g) that are inconsistent with the treatment of program income in section III.B.6.(a) and the treatment of CDBG–CV funds as a standalone grant. The following alternative requirement applies to grants subject to subpart D (entitlement grants and grants to the nonentitlement counties of the State of Hawaii): No more than 20 percent of the total CDBG–CV grant shall be expended for planning and program administrative costs, as defined in 24 CFR 570.205 and 24 CFR 570.206, respectively. There is no program year obligation test for planning and administrative costs of

CDBG–CV grants. Additionally, CDBG–CV funds shall not be included in the compliance determination of the program year obligation test applicable to annual formula CDBG funds. Additionally, program income, regardless of the source funding of the activity that generated the income, shall be included in the compliance determination of the administrative and planning cost cap applicable to annual formula CDBG grants and program income, separately from CDBG–CV funds.

CDBG–CV grant funds shall not be used to pay planning and program administrative costs allocable to another grant under the CDBG annual formula program; however, CDBG–CV funds may be used to pay costs that benefit both the CDBG–CV grant and another CDBG award and can be distributed between the grants in proportions that may be reasonably approximated.

III.B.6.(d) Compliance With Environmental Review Requirements

III.B.6.(d)(i) Overview of Environmental Review Requirements. Environmental regulations at 24 CFR 58.22 prohibit CDBG grantees, a recipient, and any other participant in the development process from committing HUD or non-HUD funds to a project until the environmental compliance review process has been successfully completed or until receipt of the Authority to Use Grant Funds, if applicable. In addition, neither a recipient nor any participant in the development process may commit non-HUD funds on or undertake an activity or project if the activity or project would have an adverse environmental impact or limit the choice of reasonable alternatives. Therefore, it is very important for grantees to begin and complete any required environmental compliance review as soon as possible. Grantees are urged to contact their Field Environmental Officer for more information about environmental review requirements.

III.B.6.(d)(ii) Clarifying note on the process for environmental release of funds when a State carries out activities directly. Usually, a state distributes CDBG funds to local governments and takes on HUD's role in receiving environmental certifications from the grant recipients and approving releases of funds. Under the waiver and alternative requirement in paragraph III.B.6.(b), HUD will allow a State CDBG–CV grantee to carry out activities directly in addition to distributing funds to subrecipients. Thus, per 24 CFR 58.4, when a state carries out activities directly, the state must submit the

Certification and Request for Release of Funds to HUD for approval.

III.B.6.(d)(iii) Clarifying note on emergency environmental review procedures. HUD's environmental review regulations in 24 CFR part 58 include two provisions that may be relevant to environmental review procedures for activities to prevent, prepare for, and respond to coronavirus. The first is 24 CFR 58.34(a)(10), which provides an exemption for certain activities undertaken in response to a national or locally declared public health emergency. Except for the applicable requirements of 24 CFR 58.6, a responsible entity does not have to comply with the requirements of part 58 or undertake any environmental review, consultation or other action under NEPA and the other provisions of law or authorities cited in 24 CFR 58.5 for exempt activities or projects consisting solely of exempt activities. Exempt activities include assistance for temporary or permanent improvements that do not alter environmental conditions and are limited to protection, repair, or restoration activities necessary only to control or arrest the effects from imminent threats to public safety.

The second is a streamlined public notice and comment period in the regulation at 24 CFR 58.33, which may apply in some cases for emergency activities undertaken to prevent, prepare for, and respond to coronavirus. The application of these two provisions following a presidentially-declared or locally-declared public health emergency is discussed in the Notice, *Guidance on conducting environmental review pursuant to 24 Part 58 for activities undertaken in response to the public health emergency as a result of COVID-19* posted at <https://www.hud.gov/sites/dfiles/OCHCO/documents/2020-07cpdn.pdf>.

III.B.6.(e) Compliance With Labor Laws

CDBG–CV grants are subject to the Davis-Bacon prevailing wage requirements imposed by section 110(a) of the HCD Act. HUD cannot waive this or other labor laws. Under regulations of the Department of Labor (DOL) at 29 CFR 1.6(g), where Federal assistance is not approved prior to contract award (or the beginning of construction if there is no contract award), Davis-Bacon wage rates apply retroactively to the beginning of construction and must be incorporated retroactively in the contract specifications. However, if there is no evidence that the owner intended to apply for the CDBG–CV assistance prior to the contract award or the start of the construction, HUD may request that DOL allow prospective,

rather than retroactive, application of the Davis-Bacon wage rates. DOL may allow prospective application of Davis-Bacon requirements where it finds that it is necessary and proper in the public interest to prevent injustice or undue hardship and it finds no intent to apply for the federal assistance before contract award or the start of construction. The CDBG–CV Grantee should contact a HUD Labor Relations Specialist if such a situation arises.

III.B.6.(f) Relationship to Section 108 Loan Guarantees

Under the Section 108 Loan Guarantee Program, CDBG grantees can borrow up to five times their most recent CDBG grant by issuing federally guaranteed notes. To ensure that CDBG–CV funds are used for the purposes authorized by the CARES Act, HUD is issuing the following alternative requirement to sections 108(b) and (c) of the HCD Act (42 U.S.C. 5308(c)): CDBG–CV funds shall not be factored into a grantee's Section 108 borrowing authority.

A grantee may use CDBG–CV funds to make a direct payment of principal, interest, or any fees due under a Section 108 note only if the use of funds is to prevent, prepare for, and respond to coronavirus. The necessity of such use shall be documented by the grantee or the subrecipient that provided the assistance (e.g., if Section 108 funds were used by the grantee to provide assistance to a for-profit business in the form of a loan and the business is unable to make a payment due to the reduction in revenue caused by coronavirus, any restructuring of that loan must be supported by modification to loan documents that document the relationship to coronavirus). When CDBG–CV funds are used to subsidize or replace principal, interest, or fees due under a loan previously made with guaranteed loan funds as part of an activity to assist a for-profit or a subrecipient, and the CDBG–CV assistance is necessary to respond to the impact of coronavirus (e.g., a third-party business borrower whose loan is the intended source for repayment of a Section 108 loan is not collecting sufficient revenue due to local public health conditions), the documentation that the original assisted activity satisfies national objective criteria shall be sufficient to demonstrate that the use of the guaranteed loan funds and the additional CDBG–CV assistance meet a CDBG national objective.

This alternative requirement does not limit the Secretary's authority under section 108I of the HCD Act.

III.B.7. Period of Performance, Timeliness, and Closeout

III.B.7.(a) Period of Performance

CDBG–CV grantees must expend all CDBG–CV funds (including CDBG–CV funds from additional allocations that are obligated by HUD through amendments to the grant agreement) within the 6-year period of performance established by the CDBG–CV grant agreement. HUD is imposing this period of performance to ensure the use of CDBG–CV funds to prevent, prepare for, and respond to coronavirus. The CDBG regulations at 24 CFR 570.200(k) and 24 CFR 570.480(h) permit HUD to establish a period for expenditure and performance in a grant agreement that is shorter than the normal 8-year period. HUD is exercising its authority to establish a 6-year period of performance and expenditure deadline in the CDBG–CV grant agreement. Grant funds are not available for expenditure after the period of performance. In addition, to further ensure the expedited use of the funds, HUD is imposing an alternative requirement that each grantee must expend at least 80 percent of all CDBG–CV funds (including CDBG–CV funds from additional allocations that are obligated by HUD through amendments to the grant agreement) no later than the end of the third year of the period of performance established by the CDBG–CV grant agreement. If this three-year requirement is not met, and evidence meeting the criteria for extension described in section III.B.7.(c) below is not provided, an amount equivalent to the difference between the total amount expended at the end of the third year and 80 percent of all CDBG–CV funds will be recaptured from the CDBG–CV grant.

III.B.7.(b) Timeliness

CDBG–CV grants are available for limited purposes under the CARES Act. They are subject to a shortened period of performance. Under section III.B.6.(a), program income generated by the use of CDBG–CV funds is treated as program income to a grantee's annual formula CDBG program. For these reasons, HUD is waiving to the extent necessary to allow HUD to determine that every grantee has circumstances beyond its reasonable control the timely performance enforcement actions found at 24 CFR 570.902 (entitlement timely expenditure), and 24 CFR 570.494 (state timely distribution). CDBG–CV funds will not be included in determining compliance with the requirements of 24 CFR 570.902 and 570.494. However, as program income to the grantees' annual formula CDBG programs, income

generated from CDBG–CV activities will be included in timely expenditure compliance determinations for each entitlement grantee's annual formula CDBG program. Grantees should consider the potential effects of additional program income to compliance with timeliness requirements applicable to their annual formula CDBG grant program when they select and design CDBG–CV assisted activities.

III.B.7.(c) Closeout

To facilitate the use of grant funds in a timely manner, HUD is waiving the CDBG closeout regulations at 24 CFR 570.509 for grantees subject to entitlement regulations and imposing an alternative requirement that HUD will close out grants in accordance with grant closeout requirements of 2 CFR 200.343. This approach is consistent with the state regulation at 24 CFR 570.489(o). This will help all grantees to expend grant funds within a short timeframe designed to maximize the ability of CDBG–CV funds to prevent, prepare for, and respond to coronavirus. Grantees subject to this alternative requirement must submit all financial, performance, and other reports as required by 24 CFR 91.520.

In general, HUD expects all grantees to comply with all grant requirements and fully close out a grant at the end of the period of performance. However, HUD recognizes that there are many things that could disrupt a grantee's intended timeline for activity completion: Litigation, disasters, limited construction seasons due to weather, or other extenuating circumstances. Therefore, HUD may authorize an extension of the three-year expenditure requirement or the overall period of performance if the grantee provides evidence of such extenuating circumstances that would warrant the extension and that they could demonstrate they would meet all program requirements within the extended expenditure period or period of performance.

HUD may consider, in closing out CDBG–CV grants, any requirements that remain applicable after closeout. These may include authority for HUD to monitor the recipient's compliance and performance after the closeout of the award with respect to requirements that are applicable after closeout, and HUD may take findings of noncompliance into account, with the closeout process, as unsatisfactory performance of the recipient, in the consideration of any future grant made under title I of the HCD Act. Examples of requirements that may survive closeout include: (i)

Closeout costs (e.g., audit costs) and costs resulting from contingent liabilities described in the closeout agreement; (ii) use of real property assisted with CDBG funds in accordance with program regulations; (iii) taking measures that are adequate to enforce and implement mandatory flood insurance coverage requirements; and (iv) other provisions included in the grant closeout agreement.

III.B.8. Reporting

The reporting requirements that apply to the use of annual formula CDBG grants also apply to CDBG—CV grants. Section 104I of the HCD Act requires that the Secretary shall, at least on an annual basis, make such reviews and audits as may be necessary or appropriate to determine whether the grantee has carried out its activities in a timely manner, whether the grantee's activities and certifications are carried out in accordance with the requirements and the primary objectives of the HCD Act and other applicable laws, and whether the grantee has the continuing capacity to carry out those activities in a timely manner.

III.B.8.(a) General Reporting Requirements

Reporting requirements for CDBG—CV grantees can be found at 42 U.S.C. 12708(a), 24 CFR 91.520, 24 CFR 570.507 (entitlement), 24 CFR 570.440(j) (insular areas), and 24 CFR 570.491 (state).

III.B.8.(b) Additional CARES Act Reporting

Section 15011 of the CARES Act requires that recipients of \$150,000 or more of CARES Act funding submit, not later than 10 days after the end of each calendar quarter, a report containing: Information regarding the amount of funds received; the amount of funds obligated or expended for each project or activity; a detailed list of all such projects or activities, including a description of the project or activity; and detailed information on any subcontracts or subgrants awarded by the recipient. As outlined in OMB memorandum M–20–21, *Implementation Guidance for Supplemental Funding in Response to the Coronavirus Disease (COVID–19)* (available at <https://www.whitehouse.gov/wp-content/uploads/2020/04/Implementation-Guidance-for-Supplemental-Funding-Provided-in-Response.pdf>), existing reporting requirements are anticipated to meet the requirements of Section 15011, but the content and format for this reporting is still under development

and will need to be reviewed against current program practices. The Department will work in coordination with OMB to ensure that this requirement can be fulfilled by recipients of CARES Act funding in a manner that utilizes to the greatest extent possible existing reporting streams, providing the necessary transparency and accountability with minimal additional burden. If additional reporting is necessary, further advice or technical assistance will be provided by the Department.

III.B.9. Duplication of Benefits

The CARES Act requires HUD to ensure that there are adequate procedures in place to prevent any duplication of benefits as required by section 312 of the Stafford Act, as amended by section 1210 of the Disaster Recovery Reform Act of 2018 (division D of Public Law 115–254; 42 U.S.C. 5121 *et seq.*).

Duplication of benefits occurs when Federal financial assistance is provided to a person or entity through a program to address losses resulting from a Federally-declared emergency or disaster, and the person or entity has received (or would receive, by acting reasonably to obtain available assistance) financial assistance for the same costs from any other source (including insurance), and the total amount received exceeds the total need for those costs.

A grantee is required to develop and maintain adequate procedures to prevent a duplication of benefits that address (individually or collectively) each activity or program. A grantee's policies and procedures are not adequate unless they include, at a minimum: (1) A requirement that any person or entity receiving CDBG—CV assistance (including subrecipients and direct beneficiaries) must agree to repay assistance that is determined to be duplicative; and (2) a method of assessing whether the use of CDBG—CV funds will duplicate financial assistance that is already received or is likely to be received by acting reasonably to evaluate need and the resources available to meet that need.

Most CARES Act assistance programs have more limited durations for availability of assistance or a more limited scope of eligible activities or entities than does CDBG—CV. HUD strongly encourages each CDBG—CV grantee to become familiar with the range of available assistance and uses and apply its more flexible CDBG—CV assistance to unmet needs or to gaps, with special attention to the coronavirus

response, prevention, or preparation needs of LMI persons.

HUD will provide advice and technical assistance to grantees to facilitate compliance with this requirement.

III.B.10 Citizenship Requirements

Please note that the U.S. Department of Homeland Security, U.S. Citizenship and Immigration Services provides that the Immigration Reform and Control Act, 8 U.S.C. 1324a *et seq.* prohibits employers from hiring and employing an individual for employment in the U.S. knowing that the individual is not authorized with respect to such employment. This generally applicable law also applies to CDBG grantees and their subrecipients and/or contractors/subcontractors (including relating to employees recruited under Section 3). For more information, please see <https://www.uscis.gov/i-9-central/form-i-9-resources/handbook-for-employers-m-274/10-why-employers-must-verify-employment-authorization-and-identity-of-new-employees> and <https://www.uscis.gov/i-9-central/legal-requirements-and-enforcement>.

IV. Fiscal Year 2019 and Fiscal Year 2020 CDBG Grants

IV.A. General Requirements

Except as described in this notice or other applicable waivers and alternative requirements, the statutory and regulatory provisions governing the CDBG program apply to fiscal year 2019 and 2020 CDBG grants, including regulations at 24 CFR part 570 subpart I (states), 24 CFR part 570 subparts A, C, D, E, J, K, and O (entitlements), and 24 CFR subpart F (insular areas and Hawaii counties).

IV.B. Flexibilities, Waivers, and Alternative Requirements

The following rules, waivers, and alternative requirements apply to fiscal year 2019 and 2020 CDBG grants. These include statutory authorities included in the CARES Act and other waivers and alternative requirements or clarifications that HUD is making for fiscal year 2019 and 2020 grants.

IV.B.1. Timeliness

Because of the coronavirus many local governments are operating under extenuating circumstances and may need additional time for certain administrative requirements, HUD is suspending for fiscal year 2020 all corrective actions, sanctions, and informal consultations for timeliness effective January 21, 2020. Grantees are advised that this suspension does not eliminate the timely expenditure

requirements set forth in 24 CFR 570.902 (entitlements). HUD will continue to run expenditure reports and will continue to notify grantees of deficiencies.

Based on government restrictions, closures, shelter-in-place orders, and social distancing guidance related to coronavirus, HUD has determined that all entitlement grantees have factors beyond their reasonable control that, to HUD's satisfaction, impact the carrying out of CDBG-assisted activities in a timely manner. As a result, HUD has determined that corrective actions related to timeliness are not appropriate at this time. HUD will monitor changing conditions. Before the end of the fiscal year, HUD will determine whether to extend this suspension for all or a portion of fiscal year 2021. HUD may consider regional and local conditions when determining when to begin scheduling informal consultations.

IV.B.2. Consolidated Plan, Citizen Participation, and CAPER

IV.B.2.(a) Expedited Citizen Participation and Virtual Hearings

Section III.B.4.(a) of section III apply to all fiscal year 2019 and 2020 annual formula CDBG grants, regardless of the use of funds. This section describes the program flexibilities provided by the CARES Act related to Expedited Citizen Participation and Virtual Hearings. Where this section refers to CDBG–CV funds, it shall apply equally to fiscal years 2019 and 2020 CDBG grants.

IV.B.2.(b). Deadline To Submit Consolidated Plans and FY 2020 Annual Action Plans

The deadline for grantees to submit action plans and other updates to their consolidated plans submissions for fiscal years 2019 and 2020 to include CDBG–CV funds is August 16, 2021.

IV.B.2.(c) CAPER Extension

On May 7, 2020, Acting Assistant Secretary John Gibbs issued a memorandum to all Community Planning and Development Field Office Directors, Deputy Directors and Program Managers with the subject "Availability of a Waiver and Alternate Requirement for the Consolidated Annual Performance and Evaluation Report (Performance Report) for Community Planning and Development (CPD) Grant Programs in Response to the Spread of Coronavirus." This memorandum authorized a waiver of the regulatory requirement at 24 CFR 91.520(a) that grantees submit a performance report known as the Consolidated Annual Performance and Evaluation Report (CAPER) within 90 days of the end of

a jurisdiction's program year. The waiver was granted under HUD's regulatory waiver authority at 24 CFR 5.110 and 24 CFR 91.600. Under this memorandum, for program year 2019 CAPERs, the requirement that grantees submit a performance report within 90 days after the close of a jurisdiction's program year is waived, subject to the condition that within 180 days after the close of a jurisdiction's program year the jurisdiction shall submit its performance report.

IV.B.2.(d) Other Consolidated Planning Waivers

HUD is temporarily waiving the requirement for consistency with the consolidated plan (requirements at 42 U.S.C. 12706 and 24 CFR 91.325(a)(5) and 91.225(a)(5)) when fiscal year 2019 and 2020 CDBG funds are used to prevent, prepare for, and respond to coronavirus, because grantees may not have considered the needs associated with this special purpose funding when developing their current consolidated plan strategic plan and needs assessment. In conjunction, HUD is temporarily waiving 42 U.S.C. 5304(e) to the extent that it would require HUD to annually review grantee performance under the consistency criteria. These waivers apply only until the grantee submits its next full (3–5 year) consolidated plan due after the 2020 program year.

HUD is imposing a related alternative requirement. The regulations at 24 CFR 91.225(b)(5) (entitlements) and 24 CFR 91.325(b)(5) (states) require grantees to certify that the housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan portion of the consolidated plan. Under this alternative requirement, grantees are not required to carry out the portions of their fiscal year 2019 and 2020 annual formula CDBG grants that are used to prevent, prepare for, and respond to coronavirus in a manner consistent with the certifications in 24 CFR 91.225(b)(5) and 24 CFR 91.325(b)(5), because HUD has changed the requirement related to consistency.

IV.B.3. Flexibilities That Apply to Coronavirus-Related Activities

The following flexibilities apply to all fiscal year 2019 and 2020 CDBG grants when those grants are used for activities to prevent, prepare for, and respond to coronavirus.

IV.B.3.(a) Calculation of the Public Services Cap. As described in paragraph III.B.5.(f)(iii), following enactment of the CARES Act, the public services cap described in section 105(a)(8) of the

HCD Act and 24 CFR 570.201(e) has no effect on assistance available to the grantee for fiscal years 2019 and 2020, including the program income that would normally be included in the grantee's calculation of the program income cap for fiscal years 2019 or 2020, when the grantee uses CDBG grant funds to prevent, prepare for, and respond to coronavirus. For fiscal years 2019 and 2020, the cap shall still be calculated and shall apply to public service activities carried out for activities that do not prevent, prepare for, and respond to coronavirus. Additionally, CDBG–CV grant funds shall not be included in the public service cap compliance determination which is applicable to annual formula CDBG funds used for activities not related to coronavirus.

Program income generated by the use of CDBG–CV grants is considered program income to the grantee's annual formula CDBG program, as discussed in section III.B.6.(a).

The public services cap imposed by section 105(a)(8) of the HCD Act applies to "the amount of any assistance to a unit of general local government (or in the case of nonentitled communities not more than 15 per centum statewide) under this title *including program income*" (emphasis added). The CARES Act provision that removes the public services cap applies to all "activities to prevent, prepare for, and respond to coronavirus" for the CDBG–CV grants and fiscal year 2019 and 2020 annual formula CDBG grants. The activities for grants are described in each grantee's annual action plan required by 24 CFR 91.220 (entitlements), 24 CFR 91.320 (states), or 24 CFR 570.440 and 24 CFR 91.235 (insular areas). In these regulations, the activities for grants include activities carried out with grant funds and program income expected to be made available. Therefore, removing the cap in section 105(a)(8) of the HCD Act for activities to prevent, prepare for, and respond to coronavirus also removes the public services cap on the use of the program income, and removes the corresponding regulatory cap in 24 CFR 570.201(e) (entitlements) for CDBG–CV funds and fiscal year 2019 and 2020 funds used to prevent, prepare for, and respond to coronavirus.

Program income generated by the use of CDBG–CV grants is considered program income to the grantee's annual formula CDBG program, as discussed in section III.B.6.(a). Additionally, program income, regardless of the source funding of the activity that generated the income, shall be included in the compliance determination of the public service cap applicable to the annual

formula CDBG grants and program income, separately from CDBG–CV funds. For purposes of calculating the public services cap, the treatment of program income generated by the CDBG–CV grant and received (*i.e.*, documented in IDIS) by the annual formula CDBG program shall be considered as any other program income received by the annual formula CDBG program.

IV.B.3.(b) Provisions in Section III that apply to Coronavirus-Related Activities. The following provisions in Section III apply to the use of fiscal year 2019 and 2020 CDBG funds for activities to prevent, prepare for, and respond to coronavirus; these provisions shall also apply to the use of Section 108 guaranteed loan funds when they are used together with fiscal year 2019 and 2020 CDBG funds for activities to prevent, prepare for, and respond to coronavirus. Where these paragraphs refer to CDBG–CV funds, they shall apply equally to fiscal years 2019 and 2020 CDBG grants.

- III.B.5.(d)(i) Use of Urgent Need National Objective.
- III.B.5.(d)(ii) Modification of Location-Based Presumption of LMI Benefit for Job Creation and Retention National Objective Criteria.
- III.B.5.(d)(iii) LMI Job Creation and Retention Records.
- III.B.5.(e)(i) Elimination of Aggregate Public Benefit Test.
- III.B.5.(e)(ii) Modification of Individual Public Benefit Standards.
- III.B.5.(f)(i) Extension of Emergency Payments.
- III.B.5.(f)(ii) Opportunity Zones and Related Flexibilities for Economic Development.
- III.B.5.(f)(iii) Public Services Cap.
- III.B.5.(f)(iv) Other Public Services Considerations.
- III.B.5.(f)(v) Clarification on Application of Cost Principles.
- III.B.6.(d)(iii) Clarifying note on emergency environmental review procedures.
- III.B.9. Duplication of Benefits (applies for programs and activities with annual formula CDBG funds when the grantee uses these funds to carry out programs to respond to losses caused by disasters and emergencies).
- III.B.10. Citizenship Requirements.

IV.B.4. Provisions That Do Not Apply to FY 19 and FY 20 Grants

Waivers and alternative requirements and other provisions in the following paragraphs of Section III do *not* apply to fiscal year 2019 CDBG Grants and fiscal year 2020 CDBG grants:

- III.A. Allocations of CDBG–CV Funds

- III.B.1. General Grant Requirements
 - III.B.2. Responsible Use of CARES Act Funds
 - III.B.3. Overview of Process to Receive CDBG–CV Grants
 - III.B.4.(b) CDBG–CV Application Content and Submission
 - III.B.5.(a) Use of Funds for CARES Act Purposes
 - III.B.5.(b) Reimbursements
 - III.B.5.(c) Terms and Conditions Made Applicable by the CARES Act
 - III.B.5.(d)(iv) Overall Benefit to LMI Persons.
 - III.B.6.(a) Program Income
 - III.B.6.(b) Rules Applicable to State CDBG–CV Grants
 - III.B.6.(c) Rules for Entitlements, Insular Areas, and Nonentitlement Hawaii Counties
 - III.B.6.(d)(ii) Clarifying note on the process for environmental release of funds when a state carries out activities directly.
 - III.B.6.(e) Compliance with Labor Laws
 - III.B.6.(f) Relationship to Section 108 Loan Guarantees
 - III.B.7. Period of Performance, Timeliness, and Closeout
 - III.B.8. Reporting
- Paperwork Reduction Act:* The information collection requirements in this notice have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520) and assigned OMB Control Number 2506–0085. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.
- Catalog of Federal Domestic Assistance:* The Catalog of Federal Domestic Assistance numbers for the CDBG–CV grants under the CARES Act are: 14.218 (Community Development Block Grants/Entitlement Grants); 14.225 (Community Development Block Grants/Special Purpose Grants/Insular Areas); and 14.228 (Community Development Block Grants/State’s Program and Non-Entitlement Grants in Hawaii) (formerly CDBG Grant/Small Cities Program).

Environmental Impact: A Finding of No Significant Impact (FONSI) with respect to the environment has been made in accordance with HUD regulations at 24 CFR part 50, which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available for inspection at HUD’s Funding Opportunities web page at: <https://www.hud.gov/grants/>. The FONSI is available for public inspection

between 8 a.m. and 5 p.m. weekdays in the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street SW, Room 10276, Washington, DC 20410–0500. Due to security measures at the HUD Headquarters building, an advance appointment to review the docket file must be scheduled by calling the Regulations Division at 202–708–3055 (this is not a toll-free number). Hearing- or speech-impaired individuals may access this number through TTY by calling the Federal Relay Service at 800–877–8339 (this is a toll-free number).

John Gibbs,

Assistant Secretary for Community Planning and Development.

[FR Doc. 2020–18242 Filed 8–19–20; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF THE INTERIOR

[FWS–R4–ES–2020–N106;
FVHC98220410150–XXX–FF04H00000]

Louisiana Trustee Implementation Group Deepwater Horizon Oil Spill Draft Restoration Plan and Environmental Assessment #7: Wetlands, Coastal, and Nearshore Habitats; and Birds

AGENCY: Department of the Interior.

ACTION: Notice of availability; request for public comments.

SUMMARY: In accordance with the Oil Pollution Act of 1990 (OPA); the National Environmental Policy Act of 1969 (NEPA); the Final Programmatic Damage Assessment Restoration Plan and Final Programmatic Environmental Impact Statement (Final PDARP/PEIS) and Record of Decision; and the Consent Decree, the federal and state natural resource trustee agencies for the Louisiana Trustee Implementation Group (LA TIG) have prepared the *Louisiana Trustee Implementation Group Draft Restoration Plan #7 and Environmental Assessment: Wetlands, Coastal and Nearshore Habitats; and Birds* (RP/EA #7). In the Draft RP/EA #7, the LA TIG proposes projects to help restore bird habitat and marshes injured as a result of the *Deepwater Horizon* (DWH) oil spill in the Louisiana Restoration Area under the “Wetlands, Coastal and Nearshore Habitats” and “Birds” restoration types described in the Final PDARP/PEIS. The approximate cost to implement the LA TIG’s proposed project with five preferred alternatives is \$234,100,000. We invite public comments on the Draft RP/EA #7.

EXHIBIT "D-1"

City of Roseville CDBG-CV
 Duplication of Benefits

Organization Name: AMI Housing, Inc
 Contact Name: Jennifer Price, CEO

Indicate all funds received for the proposed activity including, federal, State or local government programs since March 1, 2020.

Proposed Use of Funds	Proposed Source of Funds							Totals
	Roseville CDBG-CV (2022-23)	Other Assistance: ESG CV round 1	Other Assistance: CDBG - CV3 (2021-22)	Other Assistance: Homekey	Other Assistance: (explain below)	Other Assistance: (explain below)	Paid from Organization's own funds	
COVID Rental Assistance	\$200,000.00	\$125,000.00	\$250,000.00					\$575,000.00
								\$0.00
								\$0.00
								\$0.00
								\$0.00
								\$0.00
								\$0.00
Totals	\$200,000.00	\$125,000.00	\$250,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$575,000.00

Notes/Explanation: \$49,495.60 ROSEVILLE CDBG-CV 2021-22