



Development  
Services Agency

# **Draft PY 2019 Coronavirus Aid, Relief, and Economic Security (CARES) Act Annual Action Plan Substantial Amendment –CDBG-CV Rounds 2 and 3 Funding**

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**November 2020**

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## **Introduction**

The U.S. Department of Housing and Urban Development (HUD) allocated supplemental funding through the Coronavirus Aid, Relief, and Economic Security (CARES) Act to the Ohio Development Services Agency (Development) on behalf of the state of Ohio to mitigate economic impacts caused by the COVID-19 pandemic. The state is required to prepare and submit a Substantial Amendment to its PY 2019 Annual Action Plan as part of the Five-Year Consolidated Plan to HUD, pursuant to regulations at 24 CFR 91.320, to access the Community Development Block Grant-CV (CDBG-CV) Program, Emergency Solutions Grant-CV (ESG-CV) Program and the Housing Opportunities for Persons with AIDS-CV (HOPWA-CV) Program. This substantial amendment captures the funding provided to Ohio as part of CDBG-CV Rounds 2 and 3 funding.

Development submitted Round 1 CDBG-CV and ESG-CV and the full amount allocated to Ohio under HOPWA-CV Program to HUD, which was approved as part of the first CARES Act Substantial Amendment. HUD awards funding from these programs to Development to the benefit of the state. Development's Office of Community Development (OCD) distributes these funds locally. The program and activities proposed as part of Rounds 2 and 3 CDBG-CV funding are described in detail below as part of this Draft PY 2019 CARES Act Annual Action Plan Substantial Amendment along with the proposed funding amounts.

## **Program Year (PY) 2019 Ohio Consolidated Plan Annual Action Plan Substantial Amendment (CARES Act) CDBG-CV Rounds 2 and 3 Public Hearing Notice and Comment Period**

The OCD applied for and received a waiver from HUD regarding the 30-day public comment period citizen participation requirement. Development notified the public of the hearings and comment period on the draft Substantial Amendment to the PY 2019 Annual Action Plan at least 10 days prior to the meetings through newsletters and posting on its website at [https://development.ohio.gov/cs/cs\\_ocp.htm](https://development.ohio.gov/cs/cs_ocp.htm).

Due to the COVID-19 pandemic, Development will allow interested parties to submit written testimony via email to [ocd@development.ohio.gov](mailto:ocd@development.ohio.gov) at any time during the public comment period between November 19, 2020, and November 27, 2020. Interested parties should submit comments via email by 11:59 p.m. on November 27, 2020. Questions regarding the plans or comment process should be directed to Ian Thomas at [Ian.Thomas@development.ohio.gov](mailto:Ian.Thomas@development.ohio.gov).

## **PY 2019 Annual Action Plan Substantial Amendment (CARES Act) CDBG-CV Rounds 2 and 3 Virtual Public Hearing Notice**

November 24, 2020

10:30 a.m.

Online: <https://ohio.webex.com/ohio/onstage/g.php?MTID=e5a7fba6e75197bb21755d973ef368175>

Phone: 1-408-418-9388, access code: 173 023 7132

## **Submission to HUD**

Following the PY 2019 CARES Act Annual Action Plan Substantial Amendment public comment period, the OCD will submit the final document via Integrated Disbursement Information and Information Systems (IDIS) to HUD for an expedited 15-day review period. The OCD will notify local communities, agencies, and organizations throughout the state when HUD approves the final PY 2019 CARES Act Annual Action Plan Substantial Amendment and provide information on how to access the approved amendment.

### **Expected Resources**

The federal CDBG-CV Rounds 2 and 3 resources allocated to the state from HUD as part of the CARES Act are listed below. The guidelines are described in detail in the next section.

\$ 37,526,997	Community Development Block Grant (CDBG-CV) Program – Round 2
\$ 18,311,567	Community Development Block Grant (CDBG-CV) Program – Round 3
\$ 55,838,564	Total Federal PY 2019 CARES Act CDBG-CV Funds addressed in this amendment

The previously approved PY 2019 AAP Substantial Amendment that includes the program descriptions associated with CDBG-CV Program – Round 1, ESG-CV Program – Round 1 and the HOPWA-CV Program funds can be accessed at <https://development.ohio.gov/files/cs/PY19CARESAct-SubstantialAmendment.pdf>.

# CDBG-CV COVID-19 Response Programs

## Emergency Housing Assistance Program

**Goal:** To utilize Community Development Block Grant funds from the CARES Act to serve Ohioans with essential rental, mortgage, and utility assistance resources.

**Total Funds Available:** Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Community Development Block Grant (CDBG-CV), Rounds 2 and 3.

**Eligible Applicants:** The State of Ohio will directly administer the program and allocate the funds to the 47 Community Action Agencies (CAA) that serve all 88 Ohio counties.

**Award Amounts:** Funds will be allocated by county proportionally, based on the most recent low- and moderate-income data made available by HUD. Development may use other factors (e.g. unemployment claims) and community needs documented in the application to adjust allocations when appropriate.

**Program Design:** Each CAA will be required to submit a grant application to receive funds. The grant application will outline the needs the community is experiencing based on the public health emergency in the rent, mortgage, and utility assistance categories. The grant application will include a budget and scope of work as well as indicate how the CAA will coordinate with other providers in the community to ensure clients can receive services conveniently. The CAA will describe how they will administer the CDBG-CV Emergency Housing Assistance Program within the allowable categories based on the needs identified. The grantee will also provide a projected number of unduplicated households to be served within each category during the grant period.

**Grant Administration:** A maximum of 3% of the total grant amount may be used for general administration, environmental review, audit and close-out.

**Activity Delivery Costs:** CAAs may use up to 15% of the project award for activity delivery costs (ADC). ADC include carrying out activities identified in the application, income qualifying beneficiaries and reviewing duplication of benefits documentation that can be attributed to delivering services to a specific household.

### **Eligible Activities:**

- ***Rental Assistance:*** Assistance may be provided on behalf of the households that pay rent and have received an eviction or late notice from their landlord or are homeless or experiencing imminent homelessness and moving to a new residence. Up to six consecutive months of rental arrears and fees back to April 1, 2020 may be paid. Rental assistance for those with an eviction or late notice may also be provided to cover their rent until the program ends on December 30, 2021. The grantee must pay the landlord directly and have verification of ownership and verification of accepting funds. The landlord must also agree not to evict the client after receiving funds for the past due arrearages.

Households that are homeless or will be imminently homeless may be provided up to six consecutive months of assistance including deposit assistance and monthly assistance until the program ends on December 30, 2021. A household is considered homeless if they are currently residing in a temporary emergency shelter or other location not meant for human habitation (i.e. a vehicle). The grantee must verify the homeless status in the client file. A household is considered imminently homeless if they are living in a situation that is temporary and cannot reside there any longer (i.e. couch surfing).

- ***Mortgage Assistance:*** A household that has been unable to pay their mortgage and has verification of past due payment are eligible for up to six consecutive payments to be made to the lender (payment, taxes, and insurance). Households are eligible for assistance for past due amounts back to April 1, 2020 and their current mortgage payments until the program ends on December 30, 2021.

- **Utility Assistance:** Households that have been disconnected, are in threat of disconnection or are behind on their utility bills can receive up to six consecutive months of payment assistance for each utility during the program to allow the household to become current with their utility bill.

Households are eligible for utility bill assistance for past due amounts back to April 1, 2020 and current utility payments until the program ends on December 30, 2021. Payments will be paid directly to the utility.

#### **Eligible Beneficiaries:**

Program assistance is limited to individuals or household that qualify as low- or moderate-income as defined by 24 CFR 570.3. In addition, the individual or household must substantiate that the need for rental, mortgage, and/or utility assistance is a direct result of the impacts of the COVID-19 pandemic.

#### **Duplication of Benefits**

The grantee must verify the client has not received additional rent, mortgage, or utility payment assistance from another source for the time period they are requesting assistance to prevent any duplication of benefits as required by section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5155) and in accordance with section 1210 of the Disaster Recovery Reform Act of 2018 (division D of Public Law 115–254; 132 Stat. 3442), which amended section 312 of the Robert T. 2 Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5155). OCD will require each grantee to have procedures in place to prevent the duplication of benefits when it provides financial assistance with CDBG-CV funds. Grant funds may not be used to pay for a particular cost if another source of financial assistance is available to fully pay for that same cost.

#### **Application Review for Eligibility:**

- Funds are in emergency response to the COVID-19 pandemic and/or to address long-term COVID-19 impacts.
- Funds are needed as determined by community needs analysis.
- Agency capacity and performance to implement program in a time effective manner.

**Program Period:** The program year will begin January 1, 2021. Grantees must complete their program according to the following deadlines for a one-year grant:

- (1) All activities must be completed by the end of the 12<sup>th</sup> month, as determined by the work completion date identified in the grant agreement;
- (2) All drawdown requests must be submitted to the OCD within one month of the work completion deadline;
- (3) All funds must be disbursed and expended, and a final performance report must be submitted to OCD within two months of the work completion deadline.

**Reduction of Grant Request:** OCD reserves the right to award grants at amounts lower than requested.

**Application Submission:** The Emergency Housing Assistance application submission deadline is 11:59 p.m. on December 2, 2020.