

CDBG Program Update

Vol.20-02, June 2020

This periodic update provides the latest news from the Office of Block Grant Assistance.

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All Programs

HUD Allocates More Than \$75 Million in Fourth Wave of CARES Act Funding to Assist People Living with Disabilities

May 18, 2020: HUD announced nearly \$77 million in a fourth wave of Coronavirus Aid, Relief, and Economic Security (CARES) Act funding, supporting up to 8,300 additional vouchers. Provided through HUD's Section 811 Mainstream Housing Choice Voucher Program, this wave of relief funds will provide affordable housing to non-elderly people living with disabilities.



View a complete list of all the state and local CARES Act voucher amounts.

CFPB, FHFA, and HUD Launch Joint Mortgage and Housing Assistance Website for Americans Impacted by COVID-19

May 18, 2020: To ensure homeowners and renters have the most up to date and accurate housing assistance information during the COVID-19 National Emergency, the Consumer Financial Protection Bureau (CFPB), Federal Housing Finance Agency (FHFA), and HUD launched the new **Mortgage and Housing Assistance website**.

HUD Issues New CARES Act Mortgage Payment Relief for FHA Single Family Homeowners

April 1, 2020: HUD announced a tailored set of mortgage payment relief options for single family homeowners with FHA-insured mortgages who are experiencing financial hardship as a result of the COVID-19 National Emergency. Also included is an extension period for seniors with Home Equity Conversion Mortgages. For borrowers with a financial hardship that makes them unable to pay their mortgage due to the COVID-19 National Emergency, mortgage servicers must extend deferred or reduced mortgage payment options - called forbearance - for up to six months, and must provide an additional six months of forbearance if requested by the borrower. This mandate implements provisions contained in the landmark CARES Act which was signed into law on March 27, 2020.

View the **CARES Act Mortgage Relief** press release.

HUD Publishes Methodology for Round 2 Allocations of CDBG-CV CARES Act Funds

HUD published the Methodology for Round 2 Allocations of CDBG CARES Act Funds (CDBG-CV). This document describes the methodology for allocating the second round of CDBG-CV funding.

- View the Methodology for Round 2 Allocations of CDBG-CV CARES Act Funds
- View the CPD CARES Act Allocations

In May 2020, OBGA **posted Q&As** to provide guidance on how the temporary moratorium on evictions imposed by the CARES Act applies to certain dwelling units assisted by CDBG loans (including Section 108 guaranteed loans), Neighborhood Stabilization Program (NSP) loans, and CDBG-Disaster Recovery (CDBG-DR) loans. Section 4024 of the CARES Act imposes a temporary moratorium on evictions on certain properties through July 24, 2020.

View the CDBG Programs COVID-19 Grantee Guidance page on HUD.gov.

Dun and Bradstreet Numbering System (DUNS) Numbers

Reminder: All CPD grantees must ensure they maintain active Dun and Bradstreet Numbering System (DUNS) numbers in the System for Award Management (SAM) system. Entities must have an active and unexpired DUNS number before execution of grant agreements to avoid delays in the obligation of funds- which will delay your ability to drawdown funds in the Integrated Disbursement and Information System (IDIS). Grantees are required to maintain an active SAM registration by re-activating their DUNS number annually in the SAM system for the entire drawdown period of their grants. DUNS numbers can be registered and renewed each year at on the **SAM website**.

Using CDBG for Disaster Response and Recovery

The **Using CDBG for Disaster Response and Recovery Webinar** provides helpful information on how CDBG can and cannot be used and also clarifies how CDBG-DR gets authorized. Disasters strike more communities than many people realize. It is important for communities to be prepared.

Activities to consider:

Interim assistance

This provides for neighborhood cleanups

Graffiti removal

Rehabilitation of businesses

Commercial/Industrial rehab also can be helpful

CDBG State Program

State CDBG Timely Expenditure Reports Posted - Data as of May 31, 2020

These reports provide data and charts to support CDBG State, Insular Area, and Hawaii Non-Entitlement grantees in meeting program expenditure requirements.

View the Reports.

Section 108 Loan Guarantee Program

In March 2020, the Financial Management Division updated the borrowing capacity numbers for CDBG Entitlement Communities and States looking to pursue a Section 108 guaranteed loan.

The Current Availability of Section 108 Financing document, available on the HUD Exchange, provides information on existing borrowing capacity for CDBG Entitlement Communities and States looking to apply for Section 108 guaranteed loans. (Non-entitlement communities can apply with their State's support.) These borrowing capacity calculations are based on the FY 2020 CDBG grant awards as well as grantees' outstanding Section 108 guaranteed loans and commitments as of February 2020.

In April 2020, the Financial Management Division **posted a list of questions and answers** that describe actions that can be taken by HUD and communities to assist business borrowers experiencing economic distress as a result of coronavirus. Many communities used Section 108 funds to make loans to businesses undertaking economic development projects. Some of these businesses are experiencing reductions in revenue due to the economic impact of coronavirus and are now requesting relief, e.g.,

forbearance on their payment obligations under their loans. Since repayments of the business loans are the intended source for repayment of the Section 108 loans, the ability of a community to grant relief to a business borrower may depend on the relief HUD can provide the community on the Section 108 loan.

Office of Block Grant Assistance Programs and Systems

CDBG | CDBG Entitlement | CDBG State | CDBG-DR | NSP | Section 108

IDIS | DRGR | eCon Planning Suite



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