



CARES Act CPD Flexibilities

- Provides funds to enable grantees to prevent, prepare for and respond to COVID-19 and related economic downturn and recovery.
- Provides programmatic flexibilities for CV funding and FY19 & FY20.
- Authorizes waivers and alternatives for program operations
- Requires CDBG-CV grantees to prevent the duplication of benefits.
 - HUD will publish a Federal Register notice describing the requirements for each CV grants.
- CV Funds must be expended by 9/30/2022, submission of FY20 Con Plans extended until 8/16/2021; CAPERS submission period 180 days

CARES Act CPD Flexibilities

- CARES Act suspends public services limitation for CDBG-CV, FY2020 and FY2019 grants
- For FY19 and 20 grants, all amounts over 15% must be to prepare, prevent, or respond to coronavirus.
- Public services and capacity building do not include general conduct of government/general operating for subrecipients,
- Focus on funding the activity, not the entity to avoid non-compliance.
- Grantees may use CDBG-CV grant funds to cover or reimburse costs to prevent, prepare for, and respond to coronavirus regardless of the date when those costs were incurred & must comply with CDBG requirements.
- Grantees may amend citizen participation plans to establish procedures to draft, propose, or amend consolidated plans with expedited procedures and reduce public comment period to 5 days

CARES Act CPD Waivers 4/1, 4/10, 4/29

-  Continuum of Care (CoC) Program
-  Emergency Solutions Grant (ESG) Program
-  Housing Opportunities for Persons with AIDS (HOPWA) Program
-  Consolidated Plan Requirements

CoC Program Waivers

The following waivers are available for the CoC Program:

- 1 Fair Market Rent for Individual Units and Leasing Costs
24 CFR 578.46(b)(2)
- 2 Disability Documentation for Permanent Supportive Housing (PSH)
24 CFR 578.103(a) and 578.103(a)(4)(i)(B)
- 3 Limit on Eligible Housing Search and Counseling Services
24 CFR 578.53(d) and 578.53(e)(8)(i)(B)
- 4 Permanent Housing-Rapid Re-housing Monthly Case Management
24 CFR 578.37(a)(1)(i)(F)
- 5 Housing Quality Standards (HQS) – Initial Physical Inspection of Unit
24 CFR 578.75(b)(1)
- 6 HQS – Re-Inspection of Units
24 CFR 578.75(b)(2)
- 7 One Year Lease Requirement, Definition of Permanent Housing
24 CFR 578.3 and 578.51(i)(1)

ESG Program Waivers

The following waivers are available for the ESG Program:

- 10 HMIS Lead Activities
24 CFR 578.107(a)(2)
- 11 Re-Evaluations for Homelessness Prevention Assistance
24 CFR 578.401(b)
- 12 Housing Stability Case Management
24 CFR 578.401(e)
- 13 Restriction of Rental Assistance to Units with Rent at or Below FMR
24 CFR 578.106(c)(1)

Consolidated Plan Waivers

The following waivers are available for Consolidated Plan requirements:

- 8 Citizen Participation Public Comment Period for Consolidated Plan Amendment
24 CFR 91.105(c)(2) and (k); 24 CFR 91.115(c)(2) and (j); 24 CFR 91.401
- 9 Citizen Participation Reasonable Notice and Opportunity to Comment
24 CFR 91.105(c)(2) and (k); 24 CFR 91.115(c)(2) and (j); 24 CFR 91.401

CAPER 24 CFR 91.520 (a) extends deadline to submit from 90 to 180 days

HOME Program Waivers

Statutory Suspensions and Regulatory Waivers Available Only to Major Disaster Areas

- 1. 10% Administration and Planning Cap
- 2. CHDO Set-aside Requirement
- 3. Limits and Conditions on CHDO Operating Expense Assistance
- 4. Matching Contribution Requirements

Regulatory Waivers Available to All Participating Jurisdictions

- 1. Citizen Participation Reasonable Notice and Opportunity to Comment
- 2. Income Documentation
- 3. On-Site Inspections of HOME-assisted Rental Housing
- 4. Annual Inspection of Units Occupied by Recipients of HOME TBRA
- 5. Four-Year Project Completion Requirement
- 6. Nine-Month Deadline for Sale of Homebuyer Units
- 7. Use of HOME Funds for Operating Reserves for Troubled HOME Projects
- 8. Timeframe for a Participating Jurisdiction's Response to Findings of Noncompliance

Submitting and Documenting Waivers

- Recipients wishing to utilize any of the waivers provided should **notify their local CPD Director, by email**, of their intent to utilize a specific waiver **two days** before they anticipate using the flexibility.
- Grantees are strongly encouraged to establish a set of **emergency policies and procedures** for use during the COVID situation. This should outline the waivers they are utilizing and describe the records they will maintain to support those waivers.
- The suggested documentation contained in this presentation **may be electronic**. **COVID-19** Emergency Policies and Procedures should be created and source documentation must be maintained.
- Grantees that desire to use a waiver must use suggested format.
- Submit waiver request to CPD_COVID-19WaiverCOL@hud.gov
- Submit amendments: CPD_COVID-19AmendmentCOL@hud.gov
- Include the FO email on Environmental notices for public comment and submit all environmental documents: CPD_COVID-19OEECOL@hud.gov

CARES Act CPD Grant agreement process

Grantees have three options:

1. Amend most recently approved 2019 AAP
 2. Amend 2020 AAP (if already approved or past its 45-day statutory review period)
 3. Submit for CARES funds together with original 2020 plan
- **Grantee must choose either 2019 or 2020 plan for CV funds, and stick with it through all tranches**

Amending 2019 plan

- Fastest way to get money, easiest way to track all CV funding
- Once submitted, must use this FY19 amendment for all CARES funds.
- 5-day public comment (if Waiver notification) & expedited notice.
- CPP must be amended, simultaneous with notice of amended uses.
- New SF-424 & New SF-424D for each program. CDBG, ESG, HOPWA
- Newly signed certifications for each program: ESG-CV certification will have updated.
- ESG-CV only requires public notice, but no public comment.
- CPD Notices will be published for each program with IDIS instructions
- IDIS Projects setup addressing CARES fund usage
- HUD review process for amendments will be expedited.

Submitting or Amending FY2020 Con Plan

- Statutory timeline (45 days) for review and issuance of grant.
- All components of FY20 plan must be substantially complete to submit. If incomplete, will be submit back for correct, restart review.
- 5-day public comment (CARES Act); CPP must be amended for 5 days
- New SF-424 & New SF-424D for each program. CDBG, ESG, HOPWA
- Newly signed certifications for each program: ESG-CV will have updated.
- HUD review procedures differ for FY20 full plan versus amended.
- ESG-CV submission requires ONLY public notification.
- IDIS Projects setup addressing CARES fund usage.

Q&A and Links: Please register for HUD List serves

- <https://www.documentcloud.org/documents/6819239-FINAL-FINAL-CARES-ACT.html>
- <https://files.hudexchange.info/resources/documents/Quick-Guide-CDBG-Infectious-Disease-Response.pdf>
- <https://files.hudexchange.info/resources/documents/Eviction-Moratorium-Impact-on-ESG-and-CoC-Programs.pdf>
- https://www.hud.gov/sites/dfiles/CPD/documents/COVID-19_Mega_Waiver_03-31-2020.pdf
- <https://www.hudexchange.info/programs/cdbg/disease/>
- <https://www.hudexchange.info/resource/6018/cares-act-flexibilities-for-cdbg-funds-used-to-support-coronavirus-response/>
- <https://www.hudexchange.info/news/hud-issues-memoranda-on-suspensions-and-waivers-for-home-program-covid-19-response/>
