

Ohio Development Services Agency

Webinar Presentation – Wednesday, May 6, 2020 CDBG Funding and Program Strategies Q&A

Would mental health counseling case management etc. be eligible as a Public Service activity?

Yes, it would be eligible, but tying it to a CDBG national objective is where there's going to be a challenge. We would want to work with our local government grantee to see if those services are going to be provided to a group like severely disabled adults or elderly adults or domestic violence victims or if it's a project where beneficiaries would have to be income qualified in order to receive assistance, but the activity is eligible.

Would you go over the types of agreement formats to use with providers?

We're actually working on some guidance now because historically the office has not done a lot of public service projects. We're working at guidance on a sub-recipient agreement or sub-recipient relationship and for example, we would make a grant award to a local government, CDBG funds are required to flow through a local government grantee, and that grantee would then enter into a sub-recipient agreement with a local services provider – that agreement would include things like how all the money is going to be paid out, what kind of performance measures and milestones that public service providers going to have to meet, what kind of oversight, monitoring, and reporting requirements that sub-recipients going to need to provide the local government. There are some pretty specific guidelines in the code of federal regulations on what agreements like that should look like, but we're working a policy notice to be able to provide more specific guidance to our communities.

Does a household have to be three months behind in order to get 3 months of assistance? If they are one month behind can we assist them for three months?

They do not have to be three months behind in order to get assistance. In fact, they don't have to be behind at all. The key is just making sure that (1) the household qualifies as low and moderate income and (2) that you're making payment directly to the provider whether it's a utility company or whether it's a landlord or a mortgage company.

Has the June 17th deadline date for the PY20 allocation grants been changed or delayed?

We're going to keep the June 17th deadline. There was a lot of internal conversation about whether it was beneficial to postpone that date for 30 to 60 days. And the reason that we've decided not to move the deadline back is because the allocation funds are a crucial source of programming for these local governments. If we were to delay the application deadline that would also delay our issuance of grant agreements and we need to get that money out to communities as soon as possible so they can start using it for these projects.

When will ODSA/OCDC release the allocation of the CDBG-CV funds?

We are currently working through our Consolidated Plan Amendment; that's our first step in being able to access dollars – submitting the amended plan to HUD and getting that approved. We're also waiting on HUD to issue the Federal Register Notice that has the specific requirements for the CDBG-CV money. We're not going to be able to design a program or an application until the federal government puts out its requirements. So those are really the two things we're waiting on right now. We are in the process of collecting feedback from stakeholders on how that money should be spent to help us design programs,

but until we get the Federal Register Notice and an approved Consolidated Plan Amendment, we cannot design a program or put out an application NOFA.

Will entitlements be able to access any of the funds from the states-only pot?

We don't know – it's likely the answer will be yes, but we do not know and part of it is waiting on the HUD Federal Register Notice. We understand there will be separate notices for each of these three tranches of supplemental block grant funding and it may be a while before we have access to the guidelines.

Can any of the CDBG-CV funds through the state be used for economic development?

We do not intend to use any of those funds for economic development. We have an economic development program that's part of our 2020 Consolidated Plan. There is still access to the standard economic development program that we administer. We also have around \$20 million in Statewide local revolving loan fund accounts and so our Economic Development approach is really to work with communities to use that \$20 million that they have access to already as the fastest and most responsive money for business assistance. And look at what our standard economic development program can do secondly.

To receive rental assistance, does it have to be COVID-related as to why they are behind and what proof would be needed?

For the 2019 and 2020 allocation programs – that is communities that have current allocation programs and want to amend in an emergency monthly housing payment program with their current allocation, 2020 grantees that are applying for that activity in their June 17th application, or communities using revolving loan fund money (which they can get a waiver to do that), it does not have to be COVID-19 related. The only caveat comes in – any expenditures over 15% that go to a public service activity have to show a tie back to COVID-19. However, historically the percentage of funding the State spends on public service activities is nowhere close to 15%, so communities doing emergency monthly housing payments are not going to have to tie it back to COVID-19. However, if we do start to get close to that 15% cap or it is money that is coming through the CARES Act and not through our allocation programming, those funds will have to be tied back to COVID-19 and as far as documentation goes, we're going to put out some specific guidelines regarding job loss or an economic impact. Documentation like pay stubs from January – March, then nothing from April – June, it's a pretty easy connection to be able to show that they've either been furloughed or laid off or they've lost employment.

Will the CDBG deadline currently set June 17th be pushed back?

No. June 17th is the application deadline for 2020 Allocation Critical Infrastructure Round 1 and Neighborhood Revitalization.