

HUD Programs and COVID-19 Webinar – Questions and Answers

If a live response during the five-day comment period is not required, is a public hearing required.

Referring to ESG funds – a five-day public comment period is not required; a public hearing would not be required for ESG alone. For CDBG and/or CDBG-CV, a public hearing based on your amended Citizen Participation Plan for COVID-19 response for a substantial amendment is required with the shorten comment period and expedited notice and opportunity to comment provisions after you submit a waiver request.

How long will it take for approval of the action plan amendments based on receipt by HUD?

HUD anticipates that they will act quickly – within 10 – 12 days. The timing is going to depend on the details within the plan itself. HUD has a checklist that they use to review the plan which obviously starts with - is it technically complete? HUD will not “approve” them in IDIS because they will be subject to multiple revisions. It will be submitted and reviewed but it will be open for the grantee to make changes as necessary, including if that is adding Round 2 dollars. Just a note, HUD does not have the funding yet, so if something is submitted and it’s taking a little longer, it might be because HUD doesn’t have the funding yet reserved. Do not wait to submit your amendments.

Are the submittals to be in IDIS as well as the email address indicated (in the presentation slides)?

They must primarily be in IDIS; the email as indicated is a backup that you can send it directly to the HUD CPD offices, but it has to be submitted in IDIS.

Regarding the SF424 forms – are these considered revisions, are there different funding numbers and/or titles for these revisions?

There will be new forms for the 424 and 424D. Use the same ones that you use for CDBG and HOPWA; the 424D for ESG will be different. Those will be need to be submitted separately for the CV funds even if you put that in with your 2020 plan.

Regarding duplication of benefits if a duplication exist, but the dollars have been expended already. Does this duplication of benefit? Is this a duplication of benefits or is there no longer a duplication of benefits?

Stay tuned – more details on duplication of benefits will be coming and specifically expressed within the CPD notice. Logically it can be inferred that if those dollars are not available, then it would not be a duplication – the effort is to make sure that parties don't double dip, which is all levels of parties. And, that there is a due diligence process on determining what other dollars were available, therefore if a party received those other dollars and/or was eligible for those dollars. So if the case is that the money existed, the person was eligible, but all the dollars are expended, then logically it would not be a duplication of benefit and therefore the person can receive assistance through CDBG.

And you would want to document what you reviewed – “document, document, document”.

As a clarification, is the Consolidated Plan submission extension only for fiscal year 2020 submissions for Con Plans that run 2020 through 2025 or does this include Con Plans that run 2021 through 2026?

It's going to be the FY 2020 - 2024 Consolidated Plan can be postponed in its submission and you need to let the field office know that you intend to postpone the submission of your 2020 - 2024 Consolidated Plan within it, which is your 2020 Action Plan. If you really want to postpone – you need to let us know that it's postponed. The subsequent question is it the 2021 - 2026 Consolidated Plan and FY21 Annual Action plan that is postponed? On a normal basis, the 2021 drop-dead date is the same date, which is August 16, 2021. So irrespective of your actual program year start date, the statutory deadline to submit it is August 16th of the year in which that plan has to be submitted and those dollars have to be appropriated. Only the 2020 – 2024 has been extended by the CARES Act until August 16, 2021.

With regard to approval of a waiver, the question is – so we do not need approval of our waiver as long as we submit it and said the date we were making it effective?

That's pretty much correct. We are receiving them. We are reviewing them, but we do not have to approve them because the CARES Act and the secretary's signature is what makes the waiver available and effective so you basically are informing HUD of your intent to use that.

As we monitor our mailbox and see waiver requests that are not responsive to what has been provided through the waiver notice including timing such as you're submitting it tomorrow, but you want it to use it last week (example); obviously, that's not appropriate to the authorization given to the waiver. So in that instance, you may receive a response that that's not a permissive and you need to submit an appropriate one. The provisions for the waivers are so expressed, field office doesn't have the authority to individually approve them. They have been approved by the CARES Act and by the secretary.

When will grant agreements be issued after approval of the amendments?

Within days as long as the amendment has everything in it that's needed; the key point is to make sure everything is correct and everything is there. And then once we have the money, it won't take very long to get the grant agreements out. We still have to go through Congressional release, but it's going to be a streamlined process.

Verification of the email address to submit amendments and highlighted – CPD_COVID-19AmendmentCOL@hud.gov.

That is correct.

If no waiver has been issued for CDBG programming, do we still need to submit one for the public comment period and reasonable notice and opportunity to comment?

Yes.

Where should the CDBG-CV funding be added to the SF424 form – in the federal row or the other row?

The other row.

Regarding duplication of funds, is that federal funds or any type of funds cannot be duplicated?

That specificity will probably be announced as a part of the Federal Register; the Stafford Act specifically identifies it as Federal. However, again, the CPD notice will split that hair on if it's other public dollars

should not include private dollars, but to the extent that other public dollars may be included in that duplication of benefit review, that specificity will be identified by the program office with the CPD notice.

There are current Federal Register notices as well as the Stafford Act already identifies it as well as the CDBG Disaster Recovery (which is DR grants) – it's already within those grants and there's some guidance on DOB as well, so for anyone that wants to become more familiar, research those elements but reserve final action in your policies and procedures until you get the CPD notice which will identify exactly how it will be implemented by the program office which is the office of Block Grant Assistance and SNAPS which will cover the ESG dollars.

CDBG funds may not replace local or state government support for a public service activity; per the regulations, HUD may grant an exception if it determines a local government is no longer able to fund a public service for reasons beyond its control. Does HUD expect to grant waivers to this provision due to COVID-19?

It's reasonable and will be covered by the CPD notice. That regulation is acknowledged and identified and obviously the diversion of dollars to other activities particularly that wouldn't otherwise be eligible or that has a higher pressing need could have been diverted by local government. Believe this will be covered directly by the CPD notice. Any unanswered questions are forwarded to the HUD program offices; these questions are being reviewed as a part of putting together the notice. Questions can be asked at CPDQuestionsAnswered@HUD.gov as well as at the AAQ, which is on the HUD Exchange. Then sometimes we call those hair-splitting questions, but those detailed program questions can be asked directly to the program office and answered as well as will be found within the CPD notice.

County administrators or city managers have always signed the SF424 - are you now saying it needs to be the mayor?

It is always supposed to be a chief elected official. And, it can be digital this year.

Should the award amount on the SF424 be CDBG and CDBG-CV funding added together?

No, we have separate SF424 for your regular CDBG 2020 allocation and your CV allocation for each funding source.

So if you are only a CDBG grantee, you're going to be turning in two SF424 – one for CDBG, one for CDBG-CV, and 424Ds. If you have ESG, HOPWA, CDBG – you're going to be turning six SF424's and for six 424Ds. And, the only difference is if a community did receive Round 2 or Round 3 funds then the particular SF424 for that CV program is going to be amended to add the additional round of dollars. So instead of sending six; you would resubmit the CV SF424, but you will add the second round of dollars to it.

If we are amending our FY 19 plan, is there a list we can access of all the sections that need amending?

Please see the uploaded document under Learning Resources – Webinar – “What is to be included in the CARES Act Amendment.” It includes bullet points were you need to concentrate your efforts.

If a live response during the five-day comment period is not required, is a public hearing required?

Only applicable to the ESG program CV funds and since they don't have to go out for public comment, they would not have to have a public hearing. In that instance, all they do is provide public notification only – do not have to provide public comment for the ESG-CV dollars. However, if the ESG-CV dollars is in the amendment that has the CDBG-CV dollars, then you still provide notice on the ESG-CV dollars, but it'll still go out for public hearing because the CDBG-CV dollars are in that same amendment. So you're not necessarily engaging the public for public comment on the ESG dollars, but you are engaging the public for comments on the CDBG-CV dollars that's in that same amendment.

If amending the 2019 plan, how should grantees setup ESG projects. ESG is one project and one activity – should the CV dollars be added to the existing 2019 ESG project or should the new project be created?

That's where we're going to get future guidance – so you're just going to have to hold off on that. We're going to hold off on the answering that completely until we get the guidance that's coming out on how to setup and fund ESG-CV activities. You can send in your amendment and all the provisions to the amendment. This question deals more with how to fund the activity in IDIS, so you can submit the amendment – HUD can review the amendment, approve the amendment, but HUD will be receiving further guidance on how to set the activities up in IDIS.

Can CDBG-CV funds be used to cover operational costs for jurisdiction?

General conduct the government has never been eligible. It's not eligible now. Caution: ensuring that you are funding an activity not specifically in entity. If the activity is a public service activity and the jurisdiction is conducting the activity, then that activity can be funded and the unit of local government can utilize the dollars internally to conduct the activity or can reimburse themselves if they have already conducted the activity. You cannot use CDBG dollars for the general conduct of government – it has never been eligible and is not eligible under this program – and you have to be very careful to ensure that you're funding an activity not an entity for an eligible activity.

When will detailed guidance be issued regarding econ planning suite requirements for ESG CV funds?

Available now on the HUD Exchange. You do not have to wait on the CPD notices to submit your amendments.

Has the new SF424D for ESG-CV been issued? If not, when will it be issued and where can grantees find it?

Yes, it was issued and listed on the HUD exchange.

Should I proceed with the submission of the Caper even though I plan on amending my 2019 AAP?

If a grantee is ready to submit their 2019 Caper and even though they want to amend their 2019 plan with CARES Act money, you can still submit that Caper – there is nothing that would prohibit them from doing that. However, they can also enjoy the waiver for it being extended for another 90 days for a total of 180 days. That relief is both a relief for the grantee, but it's also relief for HUD staff as well who have to conduct that Caper review. Once you have turned in a Caper of a particular program year, you may still have dollars from that year that are unspent. Those dollars tend to be then reported in the next succeeding Caper because its money spent during the next program year.

So in this instance, they can submit that Caper particularly if they know that they're going to have the CARES Act dollars added to their 2020 plan or they can utilize the relief given right now to not release that Caper this particularly if they're going to add the CV dollars to their 2019 plan. CV dollars will have to be reported on at some point.

So if they already have their Capers substantially complete and it's almost ready to be submitted; they could submit it.

Where can I find the template for the amendment?

If they're referring to the COC Amendment, then the template is on the HUD Exchange; if they're referring to their Action Plan Amendment, then you create that yourself with narrative using language used in the advertisement to the public for public comment, and the particular AP sections and others that will be updated in the econ planning suite – formally submit your amendment in the econ planning suite in IDIS. There will be additional guidance given on what exact forms to use to add money, beneficiaries and activities.

When will the CPD notice regarding eligible uses of and flexibilities associated with CDBG CV funds be issued?

The flexibilities have already been issued. One of the links that's in the back of the PowerPoint presentation deals with the flexibilities; another one deals with the eligibilities. Because the CV dollars is built on the existing CDBG platform chassis or program guidelines, then there are no new eligibility activities under CDBG. So the existing published guidelines between the eligible uses for CDBG and the flexibilities shows how the dollars can be used – both of those links are within this PowerPoint. They are on the open web and can be accessed. And the notice that comes out is going to give guidance as we have given on how the dollars can be used how they can be accessed, the conditions on the dollars and things of that nature. It will probably go into eligibility details as it relates to if you want to fund this – what is the eligible activity? What is the national objective to be used for that activity, but there are no new eligible activities for CDBG.

What will the CFDA number be for the CDBG-CV funds?

We're still waiting on that information. Some of the CFDA numbers will be the same as they have been for your regular formula allocations, and some may be different.

If we are amending our 2019 Action Plan, how does that affect the availability of administrative funding in regards to the amount you can spend per program year? We wouldn't be able to use that funding during the 2020 program year.

That's why the flexibility is given as to what year you want to add the dollars to – you'll have an additional 20% boost as it relates to the CV dollars – that's part of the award itself.

If a grantee has already expended close to their 20%, and therefore, need their New Year dollars to continue to operate irrespective of CV, then the grantee will probably want to add the CV dollars to their FY20 plan.

I have submitted to AAQ and the COVID Q&A, some of them weeks ago, and have yet to be answered.

You should send them to HUD's program office – the HUD office leads or directors have indicated they will make sure to get an answer.

FEMA is invoking the DOB, saying that they cannot pay for things that other resources can cover. How do we get out of this circular process?

The CPD Notice. It is an intentional element that has been identified and will be responded to as a part of the notice because they have their own provision. In some instances one department takes the lead; in other instances the other department takes the lead so far as which money is first and then which money is gap-filler. So the CPD Notice will straighten that issue out.

Is the administration cap for CDBG-CV capped at 20%?

Yes. Unless otherwise indicated as a part of the CPD Notice.

Can we still take 20% of CDBG-CV for admin?

Yes.

Do we have to wait to submit our fiscal year 2019 Action Plans substantial amendment until the CFDA number is known?

No, HUD will allow it to be edited or corrected in the IDIS module because it won't be closed. If as a part of our review process it is either missing or inaccurate then that's a technical element that can be corrected. We won't reject the amendment because it is not present. HUD may toggle it back to the grantee once the CFDA numbers are known.

Can CDBG be used for cost of housing homeless persons during this time?

Pause – until we have final and more details. That would depend on what the eligible activity is for – if it was under a public service and a public service entity. Then that may be a public service that can be used. Obviously that is similar to a TBRA type of use, but that question would have to be asked individually to HUD and to CPD Questions Answered to get a particular answer on that.

One of the things not normally used for CDBG is what's known to be suggested by most grantees to help citizens is subsistence payments – emergency cash assistance payments – and that has been identified as a potential use for up to three months of either rent or utility arrears in order to help impacted households. This should be another one that will get special attention as a part of the CPD Notice.