



Date: June 5, 2020
To: Housing and Human Services Advisory Board
From: Teresa Gillotti, Director Office of Community & Economic Development

Subject: CARES Act funding for Housing, Human Services and Direct Assistance

Background: The Federal CARES act provides funding to support housing, human services and low-income residents through federal and state formula allocation grants that flow through the Office of Community and Economic Development (OCED). Below is a summary of funding amounts, how funding is expected to be directed, and approval processes, along with status of approval. Note: if needs shift in the community, there is the potential to move funds to other eligible activities that meet the target population. So this summary is reflective of our planning as of June 5, 2020.

Housing and Urban Development Funds:

The CARES act provided multiple ways of funding, the first round included a formula allocation to local jurisdictions through Community Development Block Grant (CDBG-CV) and Emergency Solutions Grant (ESG-CV)

Approval Bodies: Federal allocations are distributed from HUD to the Washtenaw Urban County – comprised of 20 member jurisdictions. The two approval bodies are the Washtenaw Urban County and the Washtenaw County Board of commissioners. ESG funds implementation strategy is done through the Continuum of Care (CoC) Funding review Team.

Funding focus:

CDBG-CV

Rent/mortgage/utility assistance to low-moderate income residents	\$760,778	Maximum of 3 months of funding to households at or below 80% AMI
Expanded Shelter related to COVID-19 response	\$253,593	Currently expected to cover additional SAWC costs. Can also be used for 25% FEMA match
Administration	\$253,593	Maximum 20% - OCED staff are responsible for meeting HUD requirements for all, contract management and monitoring.
Total:	\$1,267,964	

ESG-CV funds

Shelter expansion, diversion and eviction prevention, Rapid Rehousing and housing support services	\$604,799	Tentatively planning to use for Rapid Rehousing including rental assistance and support of 2 case managers
Administration	\$38,604	Minimum 6% admin funds - OCED staff are responsible for meeting HUD requirements

		for all, contract management and monitoring.
Total:	\$643,403	

2020 Annual HUD allocation (non-CARES funding)

CDBG

COVID-19 response	\$116,655	In the 2020 Annual Action plan – funding was set aside in the public service category in case additional funding is needed for the above categories or other eligible activities in response to the pandemic
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The CDBG-CV and ESG CV funds were approved by the Washtenaw Urban County on April 28, 2020 and the Washtenaw County Board of Commissioners on May 6, 2020.

The 2020 Annual Action plan was approved by the Washtenaw Urban County at the May 6, 2020 meeting, and is pending approval by the Washtenaw County Board of Commissioners on June 3, 2020

Next steps:

- The CDBG-CV and ESG-CV funds were approved by HUD on May 29, 2020. Staff will be working on implementation planning (see below).
- The 2020 Action plan approval is expected in August or early September.

MSHDA Emergency Solutions Grant (MESG)

Part of the HUD allocation is an allocation to states, including ESG funds. MSHDA plans to pass those funds through to local Continuum of Care leads through their Notice of Funding Availability (NOFA) process. MSHDA has notified our CoC that our allocation amount is \$843,265, and have recently announced the NOFA process including the deadline of June 19, 2020. These funds will be available for homelessness services and our current plans are to fund Rapid Rehousing (case management and rent assistance), support from Legal Services related to the moratoria including sessions to teach community members and residents about their housing rights, etc. A draft budget is provided below.

Homelessness Prevention	\$608,712	Includes rental and utility assistance, as well as support from Legal Services
Rapid Rehousing	\$162,876	Family case management
Administration	\$71,677	Limiting admin costs, to allow partner agencies to also receive admin support for service delivery.
Total:	\$843,265	

Approving body: The Continuum of Care Funding Review Team will solicit applications/proposals and make recommendations for approval by the Continuum of Care Board. The existing blanket resolution approval from the Board of Commissioners would apply to this additional formula allocation grant.



Next steps: We are in the process of submitting the application and starting the Request for Information from the homeless providers in the community.

Department of Health and Human Services

As the Community Action Agency for the County, the formula allocation grants for Community Services Block Grant (CSBG) pass through the state (Bureau of Community Action and Economic Opportunity (BCAEO) and then to OCED. These funds are intended for poverty-alleviation broadly, and are generally directed to programs for low-income individuals. The CSBG-CV funds are being planned as follows:

Direct Assistance to Residents impacted by COVID-19.	\$319,000	Funding currently flows through Barrier Busters unmet needs fund to provide assistance with housing, utilities, food assistance, funeral expenses, and other unmet needs due to COVID-19. These funds are for households at 200% of the Federal Poverty Level. Depending on efficacy – funding could also flow through partner agencies.
Contract for broader/systems planning for CARES funds	\$30,000	Contract with Corporation for Supportive Housing to assist with planning and implementation to meet ranged goals for supporting residents with an eye to broader housing/homeless system changes
Contracted services	\$200,000	\$200,000 to support social service agencies continuing to provide essential services
Salaries/CAP/Other	\$253,491	
Total:	\$802,491	

Approving body: Similar to the other grants, staff received the allocation amount, and had to quickly prepare the application for formal approval. The Community Action Board received an update on the activities included in the CSBG-CV application at their May 27, 2020 meeting. Final approval is expected in early June, but pre-approval for eligible expenses was provided to all agencies back to March 1, 2020. The existing blanket resolution approval from the Board of Commissioners would apply to this additional formula allocation grant.

Next steps:

- \$100,000 of direct assistance funding is available and being utilized through the Barrier Busters unmet needs fund. X agencies and x new BB have been trained on that process.
- Staff will be working on implementation planning (see below).

FEMA -

FEMA's Emergency Food and Shelter Program received CARES funding. This funding goes directly to grantees with minimal funding to OCED for administration of the local FEMA EFSP board and for handling the application and approval process.

Organization	CARES funding	
Ozone House	\$ 4,914	Youth Shelter
Shelter Association of Washtenaw County	\$ 14,285	Individual Shelter
The Salvation Army	\$ 26,192	Family Shelter
SOS Community Services	\$ 12,192	Family Shelter
Domestic Violence Project	\$ 14,132	Safe House Shelter
Interfaith Hospitality Network	\$ 9,344	Family Shelter
Food Gatherers	\$ 80,114	Emergency Food for Shelters
Washtenaw County Government (OCED)	\$ 2,425	Admin

Implementation planning

While much of the CARES act funding is targeted to direct assistance particular related to maintaining or securing housing, the funds have various requirements that will need to be carefully considered for implementation.

For example, all Emergency Solutions Grants (ESG), use the current definition of homelessness. While some of the funds can be used for diversion and prevention (for those not defined as homeless per HUD), there are limitations on the populations those funds can serve. Likewise, each funding source has different income limits:

- CSBG – 200 % FPL
- MESG – 30% AMI
- HESG – 50% AMI
- CDBG – 80% AMI

While some funds are being deployed through Barrier Busters and to expand the Rapid Rehousing, Diversion, Eviction Prevention, and Rental Assistance programs to meet immediate needs to help individuals maintain and secure housing (and hopefully reduce the number needing individual shelter), additional planning will be necessary to layer and braid the funding to meet broader and longer term goals to assist individuals and families to achieve and sustain permanent housing. To achieve this, both in the immediate, short and long term, OCED will be engaging the Corporation for Supportive Housing (CSH) to assist in this process.

The planning effort is intended to address immediate needs including concerns about eviction moratoria expiring in June and August, while also holding back some funding to address potential resurgence in fall/winter. While some additional federal funding is expected, we are working to include system planning in our response planning, in collaboration with community partners and residents, we want to make sure the housing and prevention strategies are grounded in Racial Equity