The following includes questions and responses asked on the April 16, 2020 webinar, "Accessing PA's Share of Federal Stimulus Funds for Affordable Housing, Homeless Assistance, and Community Development." The questions are listed in the order that they were asked. Each answer shows the speaker who answered that particular question. Here is a link the recording of the full webinar: <u>https://housingalliancepa.org/webinar-accessing-pas-share-of-federal-stimulus-funds-for-affordable-housing-homeless-assistance-and-community-development-4-16-20/</u>

For Ed - for the second CDBG \$2B tranche, are the HUD guidelines out yet, and have any awards been made so far?	Of that amount, allocations of \$2 billion were announced on April 1. This portion of the \$5 billion is to be distributed to states and entitlement jurisdictions using the same statutory formula used to distribute the "regular", annual FY20 CDBG allocations. Congress directed that this money is to go out within 30 days of enactment – which it did.
	Ed interprets the CARES Act text that suggests that this extra \$2 billion must be used to address coronavirus-related needs. Therefore advocates will have to work hard to get as much as possible of this new extra resource used to address coronavirus-related housing and homeless needs Ed Gramlich, NLIHC
	Also, Kathy Possinger, Director of the Center for Community and Housing Development, Pennsylvania Department of Community Planning and Economic Development, stated that Pennsylvania thinks the Act does require the \$2 billion first allocation to be used to address needs arising from the coronavirus pandemic. We all anxiously await official guidance from CPD. – Kathy Possinger, DCED

any idea when regs will be out on using CDBG for rental assistance	Full regulations are forthcoming from HUD. In the meantime, here is a resource from the Housing Alliance on Using CDBG for Rental Assistance: <u>https://housingalliancepa.org/wp-</u> <u>content/uploads/2020/04/CDBG-Resources-COVID-19-</u> <u>2020-04-09.pdf</u> - <i>HAPA</i>
Mike: local governments are being told by their Regional HUD Office that this emergency CDBG allocation CANNOT be used for rental assistance. How do we advocate to make sure this is clarified/correct?	24 CFR § 570.207 - Ineligible activities (4) Income payments. The general rule is that CDBG funds may not be used for income payments. For purposes of the CDBG program, "income payments" means a series of subsistence- type grant payments made to an individual or family for items such as food, clothing, housing (rent or mortgage), or utilities, but excludes emergency grant payments made over a period of up to three consecutive months to the provider of such items or services on behalf of an individual or family. https://coscda.org/wp-content/uploads/2019/10/ADDED- Use-of-CDBG-Funds-for-Transitional-Housing-Services- Including-for-Opioid-Addiction.pdf - Mike Wallace, NLC

Can CDBG be used for common space sterilization and cleaning in LIHTC and HOME properties after positive virus cases have been identified?	Keep in mind I am no longer a CDBG "expert", but it is not clear to me that this would be an eligible activity. The closest it could be in my estimation is as a "public service" in the context of health care. But, I think what is meant by "health care" is a full-blown service such as treating people. I suggest asking the CPD staffer for Pennsylvania the pandemic is an unusual situation and maybe HUD can be more flexible <i>Ed Gramlich, NLIHC</i>
	I would agree with Ed. While CDBG funds can be used for administrative support to the HOME program and support affordable housing, the activity they are describing does not meet that requirement. This activity should be covered in the rental development's ongoing operation/maintenance reserve and common space maintenance. If they have a specific question about how to maintain and pay these costs out of their existing budget they should contact PHFA on LIHTC or PennHomes and their HOME PJ with a specific HOME inquiry - <i>Kathy Possinger, DCED</i>

Our local Community Action provides rental assistance, however	I don't know. Calculate 400% FPL, is it under 80% AMI? If
their funding will not allow them to fund more than 200% of the	not, then no you couldn't use CDBG and have it count as
Federal Poverty Guidelines. They are asking if we can partner with	LMI. But, as I said on the webinar, 30% of a jurisdiction's
them for 200-400% FPL. Is that possible with our LMI requirements?	CDBG allocation does not have to meet LMI. The other has
(Utilizing CDBG funding)	to either meet "slums and blight" test, or "urgent need"
	test. The latter might be a way to do it; but "urgent need"
	was envisioned to address small-scale disasters (not FEMA
	disasters). Ask CPD Pennsylvania office if the pandemic
	meets the test. As a forever low income advocate I can't in
	good conscience encourage you to do that there are far
	too many ELI people who are desperate for help Ed
	Gramlich, NLIHC
	CDBG direct assistance is capped at 80% of Area Median
	Income. I cannot say how that translates to the FPL
	specifically. The CAA must contact their local CDBG
	administrator for the most up to date income guidelines and
	ensure beneficiaries meet the appropriate HUD income
	qualifications. (CDBG funds may not be used to provide on-
	going income payments such as rent or mortgage, however
	there are two exceptions (1) income payments provided as
	a loan; or (2) income payments that are emergency in
	nature and do not exceed three consecutive months
	Kathy Possinger, DCED

<ul> <li>Hi - I'm in the SWPA area. One of my consumers has been approved for a subsidized apartment and applied for and was approved for funding for first month's rent and security deposit, which was sent out to the landlord.</li> <li>The day he was scheduled for his lease signing everything shut down and the appointment was cancelled. At this point he's been staying with a friend, but currently the landlord isn't rescheduling anything until May.</li> <li>I've tried calling to see if there are any other arrangements that can be made, but there's been no response at their phone number. Can anyone suggest anything to try to get this consumer into that apartment?</li> </ul>	The best option is to reach out to local entities to help resolve. You can also seek legal asssitance at <u>https://palegalaid.net/</u> - HAPA
Where can we find this resource from NLC re: CDBG funding for rental assistance?	https://housingalliancepa.org/wp- content/uploads/2020/04/CARES-Act Guidance Mayors- Governors 04152020.pdf
if the landlord lives in the property with the tenant (duplex or triplex) would landlord have any access to the assistance available to landlords? Also if the tenant is only paid by SSI or SSD are they eligible for any supports from the CARES act?	If the jurisdiction creates a rental assistance program, the landlord could request CDBG rental assistance for the tenant if the tenant's income is less than 80% AMI. At this time there is not additional funding but the state will receive a relief fund that is separate from any of these sources. It remains to be seen what that money will be used for Ed Gramlich, NLIHC

Can you provide a link to the CDBG Cares Act Guidance?	There won't be CDBG-CV regs; there will be CPD Notices FAQs, or other sub-regulatory guidance. – Ed Gramlich, NLIHC
	This is what is available on the HUD web site now. HUD: Quick Guide to CDBG Eligible Activities to Support Coronavirus and Other Infectious Disease Response Updated April 6- <u>https://files.hudexchange.info/resources/documents/Quick-Guide-CDBG-Infectious-Disease-Response.pdf</u>
	CARES Act Flexibilities for CDBG Funds Used to Support Coronavirus Response and plan amendment waiver - <u>https://www.naceda.org/assets/CARES-Act-Flexibilities-</u> <u>CDBG-Funds-Used-Support-Coronavirus-Response.pdf -</u> <u>HAPA</u>
In order to access ESG, do you need to already be receiving it?	The state, county & city recipients of the formula grants will remain the same. Individual organizations that already receive ESG are the ones most likely to see their contracts expanded, but all organizations that are serving homeless folks or people at risk of homelessness should engage their local officials to ask for resources. These are flexible dollars that can be invested quickly to expand the COVID response strategy <i>Ed Gramlich, NLIHC</i>
If ESG is providing Homelessness Prevention/ At Risk of Homelessness funding, wouldn't this conflict with using CDBG funds for the same thing (i.e., rental asssistance)? Disaster dollars must be last resort with no alternative.	It is likely that the humanitarian needs related to homelessness will dramatically exceed the available amount of ESG funds <i>Ed Gramlich, NLIHC</i>

FOr Jerry: are you aware of any jurisdictions using ESG funds for housing for inmates released early from jail/prisons as a result of COVID-19? It seems as though it would be a could fit.	It's definitely an eligible expense, since nearly all returning citizens would either qualify as homeless or below 50% AMI. I haven't heard of this use in my conversations with field partners, but will monitor for that use <i>Jerry Jones, NAEH</i>
We've heard that 70% of CDBG has to serve low-income residents. What about residents who were not low-income, but have since experienced loss of or reduced incomes?	As I said on the webinar, 30% of a jurisdiction's CDBG allocation does not have to meet LMI. The other has to either meet "slums and blight" test, or "urgent need" test. The latter might be a way to do it; but "urgent need" was envisioned to address small-scale disasters (not FEMA disasters). Ask CPD Pennsylvania office if the pandemic meets the test. As a forever low income advocate I can't in good conscience encourage you to do that there are far too many ELI people who are desparate for help Ed Gramlich, NLIHC
Will these new funds flow out to each County (as CDBG already does)?	Yes, the current CDBG juristictions are how the funds will be distributed HAPA
Thank you to all the speakers here today. Its so incredibly important that we work in the immediate to help individuals stay in their homes and help landlords. In doing so we prevent a major collapse that could spiral out of control. This is of course the major consideration in the short and medium term. But a long term approach assumes that WE will move-out of crisis and work on rebuilding econcomies. Especially at the local level this can be dificult as multipliers and other positive feedback loops tend to be smaller. Will CDBG or any of the other funds discussed here tody be able to be used for economic development activities?	Here are the recommendations from NLC and NLIHC regarding all uses of CDBG funding: <u>https://housingalliancepa.org/wp-</u> <u>content/uploads/2020/04/CARES-Act_Guidance_Mayors-</u> <u>Governors_04152020.pdf</u>
Will we be able to purchase rental property with this funding?	CDBG money is always eligible for acquisition as long as the rental property is ultimately used so that at least 50% of the occupants are low-income <i>Ed Gramlich, NLIHC</i>

If the 70/30 LMI expenditure requirement is still in place for CDBG, how can 100% of a funding allocation be used for Public Services (regardless of the type of eligible activity)? Wouldn't this waiver only provide for up to 30% Public Service expenditure so that the 70% is still able to be met?	A jurisdiction is free to spend 100% for low income people. The 70% is a minimum. I would like nothing more that to have 100% benefit LMI people. 100% could be spent for public services, especially if it is for short-term rental assisstance and utility assistance Ed Gramlich, NLIHC
Will accessing these assistance for immigrants affect their immigration status?	As I said on the webinar, experts at the National Immigration Law Center and National Housing Law Project assure us that using CDBG or ESG will not affect someone's immigration status. Advocates should reassure immigrants. - Ed Gramlich, NLIHC
Do you have any information to share about unemployment compensation for sole proprietors?	We did not discuss unemployment on this call, but you can see the PA guidelines for UE here: <u>https://www.media.pa.gov/Pages/Labor-and-Industry-</u> <u>Details.aspx?newsid=450</u> - HAPA
HUD waivers related to the HOME Program permit temporary self- certification of income eligibility with follow up income verification within 90 days after the waiver. Will similar waivers be forthcoming for the CDBG Program?	One can only hope! We anxiously await CDBG waivers. I am always on the look out. As soon as CDBG waivers are out I will summarize the most important ones in NLIHC's Monday Memo to Memberes which is sent to members and also available for free on NLIHC website, nlihc.org It usually gets posted after noon or 1 pm <i>Ed Gramlich, NLIHC</i>

When you say that CDBG can pay for hotel/motel acquisition, does that include individual hotel rooms for homeless individuals per night? Also, is there any indication of when the COVID-19 CDBG regs will come out? Are they anticipated to provide significantly more flexibility?	First, there won't be CDBG-CV regs; there will be CPD Notices FAQs, or other sub-regulatory guidance. I am not sure if paying for individual rooms for homeless people per night would meet the "rental assistance" category. Perhaps as a general "public service" activitiy for assisting homeless people? I am guessing the CARES Act ESG money might be a better fit. I am not an ESG expert. But it seems both pots of CARES Act ESG could meet this need, especially the first \$1 billion and second \$1 billion Ed Gramlich, NLIHC
	CDBG could be used for hotel/motel acquisition in the event that an entire property were offered for sale on the market and a community wanted to use it for affordable housing. Some motels will undoubtedly go out of business during the economic downturn, so these investments might make sense in some places. In terms of nightly hotel rentals, states should use their FEMA resources first. California is a national model for this approach with its Project Roomkey: <u>https://www.gov.ca.gov/2020/04/03/at-newly-converted-</u> <u>motel-governor-newsom-launches-project-roomkey-a-first-</u> <u>in-the-nation-initiative-to-secure-hotel-motel-rooms-to-</u> <u>protect-homeless-individuals-from-covid-19/</u> In the event that FEMA resources aren't available (which generally go to state governments), communities should use their new ESG funding for hotel rentals. This strategy can create space to reduce density in shelters and provide isolation for those who are sick, medically vulnerable, or awaiting test results <i>Jerry Jones, NAEH</i>

We've heard that 70% of CDBG has to serve low-income residents. What about residents who were not low-income, but have since experienced loss of or reduced incomes?	As I said on the webinar, 30% of a jurisdiction's CDBG allocation does not have to meet LMI. The other has to either meet "slums and blight" test, or "urgent need" test. The latter might be a way to do it; but "urgent need" was envisioned to address small-scale disasters (not FEMA disasters). Ask CPD Pennsylvania office if the pandemic meets the test. As a forever low income advocate I can't in good conscience encourage you to do that there are far too many ELI people who are desparate for help Ed Gramlich, NLIHC
Kathy: Will Act 179 apply to the remaining 3/5 of CDBG money that is not going out according to the federal CDBG formula?	Yes, and DCED will be working to help juristictions to adjust their plans in order to accomodate these new uses Kathy Possinger, DCED
Can ESG or CDBG be used as 25% match for FEMA 75% reimbursement?	In general CDBG can be used to match other federal programs (except HOME), as long as it still meets low- income benefit test. But I'm no longer a CDBG expert, so check with HUD CPD officials for Pennsylvania before you proceed Ed Gramlich, NLIHC
does the current moratorium on evictions extend to "non-renewal" of leases. While on this webinar, I just received a text from a case manager - individual case manager is working with has a lease which expires the end of this month (April 2020). LL does not want to re- new lease as LL wants to sell property. The tenant would have an extremely difficult time, right now, to find another unit as most LL's are not showing/renting new units. So, are LL's able to non-renew leases at this point, or does the moratorium on evictions extend to these type of situations? Thank you!!	First, this is a legal issue, so reach out to pro bono attorney, or if tenant is low income legal services. I am afraid the landlord might be able to choose to not renew the lease. What a Snidely Wiplash! The landlord will have dfficulty selling right now too. Maybe try to get a short-term lease? For more information on legal assistance in PA go to <u>https://palegalaid.net/</u> - <i>Ed Gramlich, NLIHC</i>

Kathy, what are the expected priority allocations for ESG?	DCED is allowing communities to address the local needs and priorities resulting from the pandemic. All activities must either prepare for, respond to or prevent the spread of the coronavirus. The program guidelines will be released later this week - <i>Kathy Possinger, DCED</i>
How can landlords apply for any of these programs you mentioned?	Landlords should connect with the jurisdictions receiving funds Kathy Possinger, DCED
Will the additional CARES Act CDBG funding be eligible through LMI national objective or Urgent Need, or both?	I am assuming the most common method will be LMI. The original intent of Urgent Need was for small-scale disasters (non-FEMA scale). As a life-long low income advocate I'd hate to see CDBG money not be used to benefit LMI people, especially ELI people where the need is greatest Ed Gramlich, NLIHC
There is a great concern that we will see a greater number of properties which fall into disrepair as a result of the pandemic and thereby threaten to pull already on-the-edge neighborhoods down with them. Can any of the CARE funds be used to remediate properties in disrepair?	The first \$2 billion CDBG-CV can be used in any way regular CDBG can, which includes housing repair as long as it meets low-income test. The second wave of \$1 billion wll be sent via a new formula; that migh entail more narrow eligible uses, but it is too soon to know. Likewise with the last \$2 billion <i>Ed Gramlich, NLIHC</i>
Heard that there was no USDA Rural Housing funds in CARES Act. Is this true? Also, are there efforts to include USDA Rural Housing funds in future COVID-19 legislation? Some PA organizations and consumers tap into 502/504 programs plus some PHAs tap into Rural Housing funds which require community matching funds. Tx.	Here are provisions that were provided to USDA for Rural Housing that are in the CARES Act: <u>https://www.rd.usda.gov/sites/default/files/USDA_COVID-</u> <u>19 Fed_Rural_Resource_Guide.pdf</u> - <i>HAPA</i>
Where are the rulse listed for filing against a tenant after moratorium. 150 Days will be way too long to not be paid. Mortgage assistance is only 90 days for borrowers.	There are currently no rules in place for after the moratoria expire. NLIHC is advocating for more regulation about that in future relief bills at the Federal Level HAPA

Is there a waiver for citizens review for ESG	From HUD: Availability of Waivers of CPD Grant Program and Consolidated Plan Requirements to Prevent the Spread of COVID-19 and Mitigate Economic Impacts Caused by COVID-19 for CoC, ESG, and HOPWA - <u>https://www.hudexchange.info/resource/6007/availability- of-waivers-of-community-cpd-grant-program-and- consolidated-plan-requirements-to-prevent-the-spread-of- covid19-and-mitigate-economic-impacts-caused-by- <u>covid19/</u> - HAPA</u>
Can ESG funding programed for Shelter be reallocated to cover motel hotel to depopulate shelters	Yes, ESG can be used for hotel and motel rooms: "Shelter Operations, including maintenance, rent, repair, security, fuel, equipment, insurance, utilities, food, furnishings, and supplies necessary for the operation of the emergency shelter. Where no appropriate emergency shelter is available for a homeless family or individual, eligible costs may also include a hotel or motel voucher for that family or individual." <u>https://www.hudexchange.info/programs/esg/esg-</u> <u>requirements/</u> - <i>Ed Gramlich, NLIHC</i>
Question for Kathy:You may have discussed this but I missed it. Can you describe what/if any DCED ESG CARES funding will be available to Entitlements?	For HUD entitlements ESG CARES funds may only be requested for Rapid Rehousing and Homelessness Prevention activities - Kathy Possinger, DCED

Will DCED allow non entitlement communities to use CDBG for rental assistance	CDBG funds may not be used to provide on-going income payments such as rent or mortgage, however there are two exceptions (1) income payments provided as a loan; or (2) income payments that are emergency in nature and do not exceed three consecutive months. When meeting these very specific requirements, DCED will allow rental assistance activities that are eligible and meet a national objective. Units of local government will identify local priorities for use of funds and assistance must be made through a 3rd party. In all cases of assistance through CDBG Cares funds, duplication of benefit must be evaluated <i>Kathy Possinger,</i> <i>DCED</i>
FEMA is telling us in PA that they must be tapped as absolute last resort	Noah on NLIHC staff says to overcome FEMA resistance FEMA needs to get pressure from state disaster mangement agency and govennor. Noah said this is typcal FEMA behavior <i>Ed Gramlich, NLIHC</i>
Our local Community Action provides rental assistance, however their funding will not allow them to fund more than 200% of the Federal Poverty Guidelines. They are asking if we can partner with them for 200-400% FPL. Is that possible with our LMI requirements?	I don't know. Calculate 400% FPL, is it under 80% AMI? If not, then no you couldn't use CDBG and have it count as LMI. But, as I said on the webinar, 30% of a jurisdiction's CDBG allocation does not have to meet LMI. The other has to either meet "slums and blight" test, or "urgent need" test. The latter might be a way to do it; but "urgent need" was envisioned to address small-scale disasters (not FEMA disasters). Ask CPD Pennsylvania office if the pandemic meets the test. As a forever low income advocate I can't in good conscience encourage you to do that there are far too many ELI people who are desparate for help Ed Gramlich, NLIHC

We've heard that 70% of CDBG has to serve low-income residents. What about residents who were not low-income, but have since experienced loss of or reduced incomes?	As I said on the webinar, 30% of a jurisdiction's CDBG allocation does not have to meet LMI. The other has to either meet "slums and blight" test, or "urgent need" test. The latter might be a way to do it; but "urgent need" was envisioned to address small-scale disasters (not FEMA disasters). Ask CPD Pennsylvania office if the pandemic meets the test. As a forever low income advocate I can't in good conscience encourage you to do that there are far too many ELI people who are desparate for help <i>Ed</i> <i>Gramlich, NLIHC</i>
any designation for homeless youth?	The CARES Act provides an additional \$25 million for the Runaway and Homeless Youth Act (RHYA), providing "that such amounts shall be used to supplement, not supplant, existing funds and shall be available without regard to matching requirements." There are no set-asides or special designations for homeless youth in the \$4 billion ESG allocation Jerry Jones, NAEH
HUD waivers related to the HOME Program permit temporary self- certification of income eligibility with follow up income verification within 90 days after the waiver. Will similar waivers be forthcoming for the CDBG Program?	One can only hope! We anxiously await CDBG waivers. I am always on the look out. As soon as CDBG waivers are out I will summarize the most important ones in NLIHC's Monday Memo to Memberes which is sent to members and also available for free on NLIHC website, nlihc.org It usually gets posted after noon or 1 pm <i>Ed Gramlich, NLIHC</i>
What is going to happen with the post office funding? Many of our people rely on the mail for their checks.	This is outside of the scope of the expertise on this call.

My understanding is that USDA Rual Housing didn't receive additional funding via CARES Act. Can you comment if this is correct? Will there be efforts to include USDA Rural Housing funds in upcoming COVID-19- legislation? A number of PA community organizations and consumers tap into 502/504 funds plus some PHAs tap into USDA Rural Housing funds which require a community match. Thanks.	Here are provisions that were provided to USDA for Rural Housing that are in the CARES Act: <u>https://www.rd.usda.gov/sites/default/files/USDA_COVID-</u> <u>19 Fed_Rural_Resource_Guide.pdf</u> - HAPA
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