### WELCOME

### SDHDA and GOED Public Meeting December 21, 2020

Agenda

Welcome and Overview

Amended 2019 Annual Action Plan

Community Development Block Grant

**Emergency Solutions Grants** 

# **Meeting Purpose**

- Amendment to 2019 Annual Action Plan to include Cares Act funding
- Waiver allows modified public comment process and abbreviated comment period
- Citizen Participation Plan- amended May 2020 for COVID-19 Amendments

Per the CARES Act, South Dakota has received an allocation of \$8,076,969 of special Community Development Block Grant (CDBG) Program funds to be used to prevent, prepare for, and respond to the coronavirus pandemic (COVID-19). The additional funding is referred to as CDBG-CV funding.

#### **Proposed Changes:**

With additional funding and program waivers and variances, the Governor's Office of Economic Development (GOED) is modifying process for which the CDBG-CV funds will be allocated as outlined below:

- CDBG-CV funding will not require a local match.
- CDBG-CV funds will be distributed from two separate programs. Of the \$8,076,969 of CDBG funds anticipated to be received by the State, two million one hundred eighty seventyeight hundred thousand dollars (\$2,180,781) for Entitlement District for Public Facilities, the remaining allocation available for distribution through the Community Projects Account.

#### **Proposed Changes Continued:**

 The CDBG-CV applications must be used to prevent, prepare for, and respond to coronavirus.

Ceilings. There is a maximum of \$2,000,000 per grant application for project costs plus an additional \$20,000 of funding for project administration for a total maximum ceiling of \$2,020,000. Application cycle is open until all funds are obligated.

**Contact Information:** 

LaJena R. Gruis, CDBG Program Manager Governor's Office of Economic Development 711 East Wells Ave. Pierre, SD 57501 Phone (605)773-4633 LaJena.Gruis@sdgoed.com

- CARES Act South Dakota received a secondround allocation of \$5,554,958 of ESG-CV
- Program funds to be used to prevent, prepare for, and respond to the coronavirus pandemic (COVID-19) among individuals and families who are homeless or receiving homeless assistance and to support additional homeless assistance and homelessness prevention activities to mitigate the impact of COVID-19.
- Additional funds are referred to as ESG-CV funding.
- Program waivers & variances, SDHDA will be modifying the administration of the ESG-CV funds as it relates to the process and award of funds.

Funding Levels: Allocated in two separate application rounds:

#### First Application Round

- Application deadline of January 29, 2021
- Total funding available \$4,166,218 which does include up to 10% for program administration
- One million dollars (\$1,000,000) of the \$4,166,218 funding will be set aside for applicants providing ESG services to tribal communities
- A minimum of 5% of funding will be available to agencies for program administration

#### Second Application Round

- Application deadline of February 26, 2021
- Total funding available \$1,388,740, which does include up to 10% for program administration
- Applicants must be located in or provide services in three targeted geographic areas of Cheyenne River Reservation, Pine Ridge Reservation or Pierre & Surrounding areas (within 100 miles of Pierre)
- A minimum of 5% of funding will be available to agencies for program administration

VALUES AND GUIDING PRINCIPLES – For the second allocation of ESG-CV funding, SDHDA will prioritize programs that:

- Address the disproportionate impacts that homelessness and COVID-19 have on communities of color and other vulnerable populations as determined by data assessment.
- Center and engage those with lived experience of homelessness and communities most impacted by COVID-19 in creating effective approaches to reducing and ending homelessness.
- Are culturally responsive, culturally specific and led by those who reflect the populations served.
- Initiate or enhance partnerships and collaborations that include traditionally marginalized groups in program planning and implementation.
- Are actively engaged in or seek to build partnerships with Tribal Nations in addressing homelessness among Native Americans, in tribal communities and within Tribal Nation land.

The ESG-CV Program variances and waivers:

- Full ESG-CV Notice can be found on HUD Exchange at ESG-CV NOTICE - 8-31-20 CLEAN (hud.gov). Please note that additional guidance from HUD will be ongoing and there may be program modifications, even after the ESG funds have been awarded to sub-recipients.
- Assistance eligibility is extended to very low income individuals defined as 50% AMI, (as determined by HUD) at risk of homelessness.
- Funding can be used to cover or reimburse allowable costs related to coronavirus response including costs incurred before enactment of the legislation. We are allowing pre-award costs back to March 13, 2020.
- Regular procurement standards can be waived in procuring goods and services in coronavirus response.
- Grantees may use 10% of funds for administrative costs SDHDA will allocate a minimum of 5% to subrecipients.
  - Match requirements do not apply to this allocation of funds.

The ESG-CV Program variances and waivers (continued):

- Temporary emergency shelters are eligible expenses including property leases, temporary structures, and other activities, and minimum period of use standards do not apply. Funds for this category must be utilized by January 31, 2022.
- Environmental review standards do not apply in utilizing temporary emergency shelters.
- Additional activities available under CARES Act funding: Temporary Emergency Shelter, Training for infectious disease prevention & mitigation, Hazard Pay, Handwashing Stations and Portable Bathrooms, Landlord Incentives and Volunteer Incentives; these activities are allowed expenses outside of the program's 10% administrative cap.
- Short-Term and Medium-Term Rental Assistance under Round 2 of the ESG-CV funding medium-term rental assistance is defined as "more than 3 months but not more than 12 months".
- HUD is permitted to waive regulations or statutes in program implementation necessary to facilitate coronavirus response (except for fair housing, nondiscrimination, labor standards, and environmental unless otherwise previously noted).

- Emergency Shelter funds must be expended by January 31, 2022
- Temporary Emergency Shelter funds must be expended by January 31, 2022
  - Renovation or rehabilitation of a building used for emergency shelter
  - Operating expenses of the emergency shelter
- Street Outreach
- Rapid Re-Housing and Homelessness Prevention
  - Security Deposit
  - Rental Assistance up to 12 months + up to 6 months of rental arrears
  - Utility Assistance including up to 6 months of utility arrears

Homeless Management Information System (HMIS) Administration

**ELIGIBLE APPLICANTS** – Non-profits, units of local government, housing agencies or redevelopment commissions

Applicants must have established standard accounting practices including internal controls, fiscal accounting procedures and cost allocation plans, and be able to track agency program budgets by revenue sources and expenses.

**EXPENDITURE DEADLINES** – The overall deadline for expending first and second allocations is September 30, 2022. The following requirements are incorporated:

- HUD may recapture up to 20 percent of a recipient's total award, if the recipient has not expended at least 20 percent of that ward by September 30, 2021.
- HUD may recapture up to 80percent of a recipient's total award, if the recipient has not expended at least 80 percent of that award by March 31, 2022.

SDHDA reserves the right to review a subrecipient's balance of funds quarterly and reallocate unused funds if the subrecipient is not meeting the expenditure requirements above.

### **ESG Contact Information**

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## Comments

Comments are due by 5:00 PM (CT) December 24, 2020

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### Wrap Up

### **Questions?**

### Thank you for attending!