

CARES Act Community Development Block Grant (CDBG-CV) Overview

What are CARES Act CDBG-CV funds? The federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act) has allocated supplemental CDBG Coronavirus (CDBG-CV) funds to the state CDBG program at Commerce.

Who will receive CDBG-CV funds from Commerce? The initial \$7.7M CDBG-CV1 allocation is granted to <u>CDBG</u> <u>nonentitlement city and county governments</u> (cities with less than 50,000 population and not part of a CDBG entitlement urban county CDBG program; and counties with less than 200,000 in population excluding entitlement cities).

The second \$23M CDBG-CV2 allocation is granted to eligible, CDBG entitlement and nonentitlement city and county governments based on COVID-19 factors prioritized by HUD, the state and local governments.

What can CDBG-CV fund? CDBG-CV1 grants fund CDBG public services and local microenterprise assistance programs; and public health, emergency response, or temporary housing facilities that address COVID-19 impacts, and grant administration. All CDBG funded activities must benefit low- and moderate-income (LMI) persons or meet the CDBG urgent need national objective criteria.

How do eligible cities and counties apply for CDBG-CV funds? They submit an application describing proposed uses of funds and how federal requirements are met. The CDBG-CV1 ZoomGrants online application and guidance materials will be available at <u>www.commerce.wa.gov/CDBG</u> after the state submits its CARES Act Action Plan Amendment for HUD approval. CDBG-CV2 planning is just beginning.

What is the maximum grant amount? Grant amounts are in the applicable CDBG-CV Fund Distribution list. In addition, CDBG-CV1 incentive funds are available for nonentitlement city/county consortiums in the following grant options table.

The state is to distribute CARES Act CDBG-CV funds to city and county governments for activities that prevent, prepare for, and respond to the coronavirus.

-U.S. Department of Housing and Urban Development

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CDBG-CV1 Grant Options Table

CDBG- CV1 Grant Option	Grantee Recipient	Consortium	Service Area	Entity providing assistance to service area residents, or managing project	Total CDBG-CV1 Award
A	City	No	Single city	City grantee or a subrecipient serving city area	Up to \$13 per city LMI population*
В	County	No	Single county	County grantee or a subrecipient serving county area	County population formula amount**
С	County or City	Yes	2 or more counties and cities	County or City grantee, or a subrecipient serving the combined areas	Combined county population formula amounts**, PLUS \$13 per city LMI population*, PLUS \$1,000 for each consortium city or county (not including grant recipient)

* City amount = \$13 per LMI population based on HUD LMI percentage or CDBG approved income survey ** County amount = \$3M distributed based on population (including nonentitlement cities), with a minimum of \$8,000 for counties under 5,000 population

How did Commerce determine how much CDBG-CV1 funds each city and county could apply for and the priority activities? The population-based approach distributes funds equitably across the state, supports local/regional services and assistance programs, builds on local grant administration capacity, allows flexibility to respond to state and local priorities, and targets funds towards activities that benefit persons with low- and moderate-incomes impacted by COVID-19.

How do people or businesses impacted by COVID-19 access the assistance? CDBG-funded services and programs may be offered directly by the local government CDBG recipient, or they may pass the funds to a subrecipient service provider. So contact your local government, <u>community action program</u>, or <u>associate development organization</u> to learn if CDBG-funded assistance or other resources are available, and the eligibility criteria.

When do the funds begin and end? CDBG-CV funds may reimburse allowable costs incurred by the grantee recipient or subrecipient for approved activities related to COVID-19 beginning March 27, 2020 (CARES Act authorization date). The funds must be expended in a timely manner to address immediate needs. The grantee recipient's CDBG-CV contract will establish the end date, which could extend to June 30, 2022.