

City of Raleigh
Substantial Amendment to the FY 2020-2021 Annual Action Plan
and the 2021-2025 Consolidated Plan

The Coronavirus Aid, Relief, and Economic Security (CARES) Act was created on March 27, 2020, to respond to the growing effects of this historic public health crisis. In response to COVID-19, the US Congress has authorized the US Department of Housing and Urban Development (HUD) to provide supplemental Emergency Solutions Grant (ESG) and Community Development Block Grant (CDBG) funding to entitlement communities such as Raleigh. The second and final round of funding for this purpose is CDBG-CV3 (cities were not eligible for CDBG-CV2).

CDBG-CV3 should be used to **prevent, prepare for, and respond to the impacts of COVID-19**. HUD has informed the City that it is providing **\$2,672,436** in CDBG in supplemental allocations to Raleigh. HUD has already approved the City's use of **\$3,503,113** in ESG-CV2.

As required, the City is amending its FY 2020-2021 Annual Action Plan and 2021-2025 Consolidated Plan to incorporate the additional CARES Act CDBG-CV3 funding as shown below.

CDBG-CV3

The City intends to use the majority of CDBG funding on additional nonprofit grants and/or emergency shelter renovation and expansion. The focus will be on services that are benefitting low-income (including vulnerable groups sometimes left out of benefiting from emergency spending programs, such as immigrants) residents that are experiencing hunger, housing challenges, loss of wages or work, or other issues due to the coronavirus. The following activities represent possible uses for the funds.

Anticipated uses of CDBG-CV3 resources will primarily be provision of new or quantifiably increased Public Services and/or Public Facilities such as:

- Homelessness Prevention for up to 6 consecutive months (e.g. rent and utilities, including arrears);
- Mortgage Assistance for up to 6 consecutive months, a maximum 5 consecutive months of which may be arrears (i.e., unpaid rent and/or utility bills);
- Service delivery costs associated with the stated activities.

The chart below depicts the proposed allocations for the activities related to both funding sources. A Notice of Funding Availability (NOFA) process will be used to solicit providers who can serve the targeted populations using the activities listed below.

Intended Uses of CDBG-CV3	Amount
Homelessness Prevention for up to 6 consecutive months (e.g. rent and utilities, including arrears) Mortgage Assistance for up to 6 consecutive months Emergency Shelter Renovation and/or Expansion Service delivery costs (salary+fringe per hour per staff person) associated with the above activities	\$2,137,949
City Administration/Planning (up to 20%)	\$ 534,487
Total CDBG-CV3	\$2,672,436