



U.S. Department of Housing and Urban Development

# PLANNED USE OF CARES ACT FUNDING



Office of the Chief Financial Officer

**June 2020**

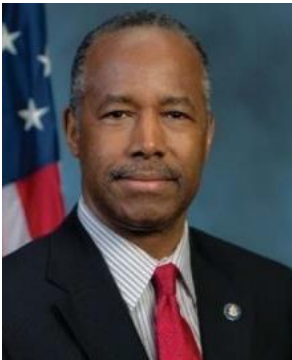
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## A MESSAGE FROM THE SECRETARY

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The Department of Housing and Urban Development is pleased to share our agency plan for use of Coronavirus Aid, Relief, and Economic Security (CARES) Act funding.

When the CARES Act was signed into law on March 27, 2020, the Department of Housing and Urban Development became the central Agency responsible for protecting America's housing needs: for renters, tribal communities, home buyers, for the elderly and the homeless.

As a member of the White House Coronavirus Task Force and as a physician, I know what COVID-19 can do to the human body and as well as the impact it can have on vulnerable communities. The last thing any of us wants is for Americans to lose their homes unnecessarily while we continue to fight this invisible enemy. If you're struggling, immediate help is available.

As the Secretary of HUD, I am proud that our Agency and our dedicated public servants are entrusted with providing \$12.4 Billion to our nation's most vulnerable citizens. In addition to providing funding to programs for the homeless, persons with AIDS, tribal programs, rental assistance, programs for the elderly and disabled, the CARES Act provides additional protections to the public related to eviction moratoriums.

President Trump believes that the US Government coronavirus response must be a whole-of-government approach. Throughout the coronavirus outbreaks, I've been inspired by communities' willingness to lend a helping hand to those in need. Our role, at HUD, is one piece of a mosaic. Together, we will stay in this fight and work to restore our nation's health and economic well-being.

Sincerely,

A handwritten signature in black ink, appearing to read "B. Carson", written over a horizontal line.

Benjamin S. Carson, Sr.



## COMMENTS FROM THE CHIEF FINANCIAL OFFICER



The HUD's Covered Funds Agency Plan ("Agency Plan") reflects HUD's approach to use covered funds and its plans to oversee the program with the goal to ensure timely and accurate allocation of funding.

We fully appreciate the responsibility of delivering an additional \$12.4 Billion, as directed by the Act, to support our nation's response to the coronavirus crisis. As HUD's Chief Financial Officer, I have established the HUD CARES Act Compliance Response Team or HCCRT, to drive program compliance and efficiency.

The HCCRT is an integrated team representing the Office of the Chief Financial Officer (OCFO), Office of the Chief Information Officer (OCIO), Programs and other key offices that will co-solution HUD's approach to the CARES Act. The HCCRT has developed a program plan to meet CARES Act requirements, coordinated quality and compliance reviews, and worked with programs to ensure timely allocation of funding.

As a result, our programs have already provided the initial waves of funding nationwide to help communities combat coronavirus and alleviate economic hardship.

In addition to managing the allocation of funding, HUD is supporting provisions of the Act related to protection against eviction. The CARES Act provides the borrower the option to suspend mortgage payment - called forbearance - for up to twelve months.

By quickly and efficiently funding vital housing and community development programs and by supporting the Act's protections against coronavirus-related evictions, the public servants at HUD are proud to play a role in this critical initiative.

Sincerely,

A handwritten signature in blue ink, appearing to read "I. Dennis".

Irving L. Dennis, CFO

# Executive Summary



“

President Trump has repeatedly said that combating coronavirus will take a whole-of-government response, and we are glad to see Congress come together and join in our efforts to provide relief for the American people. Since the outbreak, HUD has provided support for emergency shelters, helped FHA homeowners keep their homes, and worked with grantees to reallocate funding for medical needs. HUD will continue to help our country's most vulnerable citizens, and this additional support from Congress will help us fulfill the mission to defeat this invisible enemy. ”

SECRETARY BEN CARSON

## EXECUTIVE SUMMARY

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The Coronavirus Aid, Relief, and Economic Security Act (CARES Act or Act) was signed into law on March 27, 2020 to provide unprecedented stimulus to the American economy and support distressed businesses and individuals in the wake of the COVID-19 pandemic. The HUD's Covered Funds Agency Plan ("Agency Plan") reviews HUD's approach to use covered funds, its plans to oversee the program, and how it will communicate to the public.

### HUD'S RESPONSIBILITIES AND APPROACH

The CARES Act provided \$12.4 billion in additional FY2020 funding for HUD to provide additional resources to meet emerging needs, to support existing rental assistance programs, and to support capacity and oversight. Funding will support the following programs:

#### ***1. Community Planning and Development (CPD)- \$9.1 billion***

**The Community Development Block Grant has \$5 billion available** to prevent, prepare for, and respond to COVID-19. This includes up to \$10 million for capacity building and technical assistance. The funding is available until September 30, 2022.

**The Homeless Assistance Grants program has \$4 billion available** to prevent, prepare for, and respond to COVID-19. Funding provided from the Act supports individuals and families who are homeless or receiving homeless assistance and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts created by COVID-19 under the Emergency Solutions Grants (ESG) program. This includes up to 10 percent (or \$40 million) for capacity building and technical assistance. The funding is available until September 30, 2022.

**Housing Opportunities for Persons with AIDS (HOPWA) has \$65 million available** for carrying out its programs to maintain operations and for rental assistance, supportive services, and other necessary actions in order to prevent, prepare for, and respond to COVID-19. This includes up to 2 percent (or \$1.3 million) for capacity building and technical assistance. The funding is available until September 30, 2022.

#### ***2. Fair Housing and Equal Opportunity- \$2.5 million***

**Fair Housing and Equal Opportunities Activities has \$2.5 million available** for contracts, grants, and other assistance to address fair housing issues. This includes funding to educate the public on fair housing issues related to the COVID-19 pandemic, and the funding is available until September 30, 2021.

## EXECUTIVE SUMMARY, continued

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### **3. Housing- \$1.1 billion**

**Project-Based Rental Assistance has \$1 billion available** to prevent, prepare for, and respond to COVID-19. This includes maintaining normal operations and taking other actions as deemed necessary while the program is impacted by COVID-19. Funds may be used to provide assistance to owners or sponsors of properties in receipt of project-based assistance. Funding provided is available until it is expended.

**The Housing for the Elderly has \$50 million available** for carrying out its programs for owners or sponsors of properties receiving project-based assistance, and other necessary actions in order to prevent, prepare for, and respond to COVID-19, including \$10 million for service coordinators. Funding is available until September 30, 2023.

**Housing for Persons with Disabilities has \$15 million available** to prevent, prepare for, and respond to COVID-19. The allocation provides additional funds to maintain normal operations and take other necessary actions during the period that the program is impacted by COVID-19. The funding includes assistance to owners or sponsors of properties receiving project-based assistance. The funding is available until September 30, 2023.

### **4. Public and Indian Housing (PIH)- \$2.2 billion**

**Tenant-Based Rental Assistance has \$1.25 billion available** to prevent, prepare for, and respond to COVID-19 including to provide additional funds for public housing agencies to maintain normal operations and other necessary actions during the time the program is impacted by COVID-19. Funding is available until expended.

**The Public Housing Operating Fund has \$685 million available** to prevent, prepare for, and to respond to COVID-19, including to provide additional funds for public housing agencies to maintain normal operations and take other necessary actions during the period that the program is impacted by COVID-19. Funding is available until September 30, 2021.

**Native American Programs has \$300 million available** to prevent, prepare for, and respond to the COVID-19 for activities and assistance. \$200 million dollars is for Indian Housing Block Grants and \$100 million is for Indian Community Development Block Grants, and the funding is available until September 30, 2024.



# Budget Summary





## BUDGET SUMMARY

### Budget by Program and Program Office

Reporting requirements identified in the CARES Act indicate that by June 25th, 2020, HUD is required to submit a plan to the Pandemic Response Accountability Committee (PRAC) to describe how the agency will use covered funds (specifically, grants or loans in excess of \$150 thousand). The plan will be posted to the PRAC public website.

The table below illustrates CARES Funding for HUD by Program and Program Office.

*In thousands*

Office	Program	Budget Authority
Community Planning and Development	Community Development Block Grant	\$5,000,000
	Homeless Assistance Grants	\$4,000,000
	Housing Opportunities for Persons with AIDS	\$65,000
	<i>Subtotal</i>	\$9,065,000
Fair Housing and Equal Opportunity	Fair Housing and Equal Opportunity	\$2,500
	<i>Subtotal</i>	\$2,500
Housing	Project Based Rental Assistance	\$1,000,000
	Housing for the Elderly	\$50,000
	Housing for persons with Disabilities	\$15,000
	<i>Subtotal</i>	\$1,065,000
Public and Indian Housing	Tenant Based Rental Assistance	\$1,250,000
	Public Housing Operating Fund	\$685,000
	Native American Programs	\$300,000
	<i>Subtotal</i>	\$2,235,000
<b>Program Total</b>		<b>\$12,367,500</b>
Office of Inspector General and Administration	Administrative Support Offices	\$35,000
	Program Offices	\$15,000
	Office of the Inspector General	\$5,000
	<i>Subtotal</i>	\$55,000
<b>Total CARES Act Funding</b>		<b>\$12,422,500</b>

## Salaries and Expenses

**Administrative Support Offices:** \$35 million in funding provided to prevent, prepare for, and respond to COVID-19, for the Office of the Chief Financial Officer, including for Department-wide salaries and expenses, Information Technology purposes, and to support the Department's workforce in a telework environment.

**Program Offices:** \$15 million to prevent, prepare for, and respond to COVID-19: (1) \$5 million for the Office of Public and Indian Housing; and (2) \$10 million for the Office of Community Planning and Development.

**Office of the Inspector General:** \$5 million to prevent, prepare for, and respond to COVID-19. Funding supports conducting audits and investigations of projects and activities carried out with funds made available in this Act to the Department of Housing and Urban Development to prevent, prepare for, and respond to COVID-19.

*In thousands*

Salaries and Expenses	Program Office	Budget Authority
<b>Administrative Support Offices</b>	Office of the Chief Financial Officer	\$35,000
	<i>Subtotal</i>	\$35,000
<b>Program Offices</b>	Community and Planning Development	\$10,000
	Public and Indian Housing	\$5,000
	<i>Subtotal</i>	\$15,000
<b>Office of the Inspector General</b>	Office of the Inspector General	\$5,000
	<i>Subtotal</i>	\$5,000
<b>Salary and Expense Total</b>		<b>\$55,000</b>

# Governance and Program Coordination



## GOVERNANCE AND PROGRAM COORDINATION

To support the effective administration and oversight of HUD’s CARES-related programs, HUD has established the HUD CARES Act Compliance Response Team (HCCRT), under the direction of the Office of the Chief Financial Officer (OCFO). The HCCRT and OCFO will provide governance and oversight of Program activities and guidance to Covered Funds spending. The HCCRT is engaging with programs and offices to get input, share guidance, and manage overall program communications.

This section defines a governance structure and identifies the personnel responsible for the oversight and management of the CARES compliance activities and Covered Funds spending. Specific personnel are granted authority under this structure to conduct and direct activities. This governance system is used to ensure that all parties contributing have a chain of support to interact with to properly execute compliance activities.

To achieve the goals and objectives set forth in the CARES Act, HUD’s activity is predicated on engagement with HUD stakeholders and collaborative and joint execution across the Department. Specifically, the HCCRT, OFCO, Programs and HUD personnel will have responsibility for ensuring the goals and objectives are embedded in HUD operations.

### Stakeholders

Stakeholder Group	Stakeholder Group Description	Roles & Responsibilities
<b>HCCRT Steering Committee</b>	The HCCRT Steering Committee is comprised of the Chief Financial Officer (CFO), the FHA Commissioner, the Chief Information Officer (CIO), the Deputy CFO, General Counsel, and the Assistant Secretary for Administration	<ul style="list-style-type: none"> <li>• Govern the HCCRT and provide oversight of the programs</li> <li>• Review and Approve changes</li> <li>• Show visible commitment and support.</li> </ul>
<b>HCCRT Leadership Team</b>	The HCCRT Leadership Team is comprised of the Lead HCCRT Program Manager, the backup HCCRT Program Manager, the Chief Technology Officer, the Risk Lead, and the Data Lead.	<ul style="list-style-type: none"> <li>• Provide day-to-day management of the program</li> <li>• Confirm strategic priorities are carried out Department wide</li> <li>• Monitor progress against the program plan</li> </ul>
<b>Program Offices</b>	The Program Offices are comprised of program offices impacted by the CARES ACT	<ul style="list-style-type: none"> <li>• Execute CARES requirements as outlined in legislation; meeting compliance and reporting deadlines</li> <li>• Serve as a liaison to the HCCRT Team</li> </ul>



# Communications Plan



## COMMUNICATIONS PLAN

Central to HUD's strategy for maximizing the impact of covered funds is clear, consistent, and timely communication with public housing authorities (PHAs), homeless services providers (HSPs), property owners, lenders, and grantees. HUD has established clear intra-agency communication tools and external communication tools to help support the process of confirming eligibility and accessing funds for both staff and funding recipients and sub-recipients.

### Use of Communications Tools

- **Digital Communications:** HUD has employed the use of Teleconferencing, SharePoint sites, FAQs, and email communications to provide ongoing support for sharing eligibility requirements for funding access. HUD's website, available to the general public for viewing, serve as a primary resource for communications with grantees, funding recipients and sub-recipients.
- **Microsoft Teams:** The agency has deployed Microsoft Teams to help support intra-agency communication across headquarters, program offices, and field offices around the country responsible for supporting vulnerable populations. The use of Microsoft Teams has helped to train staff, conduct meetings to provide critical updates in policy and legislation and to build teaming relationships virtually across the agency.

#### Spotlight: ONAP CodeTalk Website

*The Office of Native American Program's website, CodeTalk, is named to recognize CodeTalkers in the Native American community that served with honor and distinction. The website provides a central hub for the latest updates to grantees on CARES Act funding availability, grant applications, and eligibility requirements. The site includes frequently asked questions, application forms, and other resources including the legislative announcements and memos from Secretary Carson.*

### Execution Support

CARES Act execution requires highly coordinated, internal agency stakeholder communications to share the latest guidelines for distributing funding to recipients. Examples of these guidelines include legislative requirements, government oversight group requirements, and timeline requirements as determined by the agency leadership. To best provide this support, HUD's Office of the Chief Financial Officer established the HUD CARES Compliance and Response Team (HCCRT) to coordinate communications that share updates on key requirements with program offices that received CARES Act funding.



# Planned Use of Funds by Program



## 1. COMMUNITY PLANNING AND DEVELOPMENT (CPD)

The Office of Community Planning and Development (CPD) seeks to develop viable communities by promoting an integrated approach that provides decent housing, a suitable living environment, and expand economic opportunities for low-and moderate-income persons. The primary means towards this end is the development of partnerships among all levels of government and the private sector, including for-profit and non-profit organizations.

CPD will apply CARES Act Covered Funds to the following Programs:

- Community Development Fund
- Homeless Assistance Grant
- Housing Opportunities for Persons with AIDS

**CARES Act Funding**  
**\$9.065 Billion**



### COMMUNITY DEVELOPMENT FUND

**CARES Act Funding**  
**\$5.0 Billion**

Community development activities build stronger and more resilient communities. To support community development, activities are identified by states and local governments through the Consolidated Plan and Annual Action Plan process in conjunction with consultation with stakeholders and citizen participation. Activities may address needs such as infrastructure, economic development projects, public facilities installation, community centers, housing rehabilitation, public services, clearance/acquisition, microenterprise assistance, code enforcement, homeowner assistance, etc. A tenet of the Community Development Block Grant (CDBG) statute is that Federal support for community development can encourage systematic and sustained action by state and local governments to meet local objectives.

#### Approach

The Coronavirus Aid, Relief and Economic Security Act (CARES Act) (Public Law 116-136) made available \$5 billion in supplemental CDBG funding for grants to prevent, prepare for, and respond to COVID-19 (CDBG-CV grants). Grantees may use CDBG-CV funds for a range of eligible activities that prevent and respond to the spread of infectious diseases. On April 6, 2020, HUD published a “Quick Guide to CDBG Eligible Activities to Support COVID-19 and Other Infectious Disease Response” which provided examples of eligible CDBG-CV uses which could address the COVID-19 pandemic.

Click here to access the document: [CDBG Infectious Disease Response Guide](#)



CDBG-CV funding is expected to positively impact affected communities through activities that expand the capacity and availability of targeted health services for infectious disease response; provide for health facility and housing options to maintain social distancing due to medical vulnerabilities; help residents to avoid job loss caused by business closures and to make medical, food delivery, cleaning, and other services available to support home health and quarantine. Further, these funds are expected to support creation of new jobs while also providing for the manufacture of medical supplies necessary to respond to infectious disease, expanding the capacity of hospitals, and other facilities to provide for testing, diagnosis or treatment; and expanding the pool of health care workers and technicians that are available to treat disease within a community.

Up to \$10 million of the available funds is for capacity building and technical assistance. Organizations providing technical assistance may use the supplemental funds for products, trainings, and direct capacity building activities to achieve the purpose and goals of the CARES Act. Specific technical assistance may include: emergency planning, rehousing, and support services strategies to ensure the safety of the public and persons supported under the CDBG program.

## HOMELESS ASSISTANCE GRANTS

Homelessness assistance programs provide funding to States and local governments and nonprofit providers to serve individuals and families across the United States who are affected by or at-risk of homelessness.

**CARES Act Funding**  
**\$4.0 Billion**

### Approach

The additional funding for Emergency Solutions Grants (ESG) recipients provides funding for emergency shelter and other crisis response activities, as well as rapid re-housing and homelessness prevention assistance. Recipients will develop prevention and other emergency housing programs that meet locally defined needs, prioritizing households most in need of this assistance. Recipients will also develop and implement strategies within the community's public health response system that respond to the immediate crisis needs of individuals and families who are experiencing homelessness or at risk of homelessness.

HUD expects the additional ESG funding provided through the CARES Act to mitigate the health and economic impact of COVID-19 among some of the nation's most vulnerable individuals and families. These funds will help communities implement infection control protocols to limit the spread of the virus among people experiencing homelessness, especially those in unsheltered and congregate shelter settings. The funds will also provide resources to housing programs that will most certainly see an increase in requests for assistance because of the economic downturn created by the pandemic response. Providers will use these funds to prevent individuals and families from becoming homeless and to mitigate the impact of COVID-19 by rehousing those who are homeless.

\$40 million of the available funds will be used for capacity building and technical assistance. Organizations providing technical assistance may use the supplemental funds for products, trainings, and direct technical assistance and capacity activities that help ESG grantees prevent, prepare for, and respond to COVID-19 pandemic. Specific technical assistance may include: emergency planning, rehousing, and support services strategies to ensure the safety of the public and persons supported under the ESG program.

## HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA)

**CARES Act Funding**  
**\$65 Million**

The Housing Opportunities for Persons With AIDS (HOPWA) program is the only Federal program dedicated to the housing needs of people living with HIV/AIDS. Under the HOPWA program, HUD makes grants to local communities, States, and nonprofit organizations for activities that benefit low-income persons living with HIV/AIDS and their families. The assistance provided by the HOPWA program helps ensure that the most vulnerable persons living with HIV/AIDS gain and maintain housing, along with access to medical and other supports required to manage HIV and achieve optimal health outcomes.

### Approach

The Department has distributed \$65 million in supplemental grant funding for the HOPWA program in the following manner:

- \$53.7 million has been allocated to formula grantees using the same data elements from the statutory allocation formula used to determine FY 2020 HOPWA formula allocations.
- \$10 million in additional one-time, non-renewable funding has been allocated to HOPWA permanent supportive housing competitive grantees in a manner proportionate to their existing grants.
- \$1.3 million in funding has been awarded to increase prior awards made to existing HOPWA technical assistance (HOPWA TA) providers to provide an immediate increase in capacity building and TA available to grantees.

The supplemental grant funds authorized under the CARES Act are to be used by HOPWA grantees as additional funding to maintain operations, and for rental assistance, supportive services, and other necessary actions, in order to prevent, prepare for, and respond to COVID-19. These funds may be used to provide all eligible HOPWA activities so long as these funds are used for activities that are consistent with grantees' community needs for COVID-19 preparedness and response. The CARES Act also made funds from the 2020 bill available for the same expanded purposes.

The Department anticipates that grantees will use the supplemental grant funds authorized under the CARES Act for activities such as:

- Stays at hotels, motels, or other locations to self-isolate, quarantine, or provide other infection control for HOPWA-eligible individuals or their family members;
- Short-term, rent, mortgage, and utility assistance (up to 24 months) to prevent homelessness for eligible households facing economic impacts or health challenges due to COVID-19;
- Providing transportation services for eligible households to access medical care, supplies, and food or to commute to places of employment;
- Assisting HOPWA-eligible households in accessing essential services and supplies such as food, medications, medical care, personal protective equipment (PPE) and information;
- Providing nutrition services for eligible households in the form of food banks, groceries, and meal deliveries;
- Educating assisted households on ways to reduce the risk of contracting or spreading COVID-19 to others; and
- Costs related to infection control measures such as cleaning and disinfectant supplies, gloves, PPE, and other safety-related supplies for staff and assisted households.

The HOPWA TA funding provided under the CARES Act will be used for the development of webinars, resource guides, and other materials to assist grantees in administering the supplemental grant funds and implementing activities related to COVID-19 preparedness and response. Grantees will also have the opportunity to request and receive individualized HOPWA TA to assist in the effective implementation of the supplemental grant funds.

## 2. FAIR HOUSING AND EQUAL OPPORTUNITY (FHEO)

The mission of the Office of Fair Housing and Equal Opportunity (FHEO) is to eliminate housing discrimination, promote economic opportunity, and achieve diverse, inclusive communities by leading the nation in the enforcement, administration, development, and public understanding of federal fair housing policies and laws.

FHEO will apply CARES Act Covered Funds to the following Programs:

- Fair Housing Activities

### Approach

Under the CARES Act, Fair Housing Programs received funds for the Fair Housing Assistance Program (FHAP) and the Fair Housing Initiatives Program (FHIP). HUD provides FHAP funding annually on a non-competitive basis to state and local agencies that administer fair housing laws that provide rights, remedies, and procedures that are substantially equivalent to those provided by the federal Fair Housing Act. The FHAP is a partnership between the federal government and state and local agencies to provide protection to the public against discrimination in housing. FHAP agencies investigate complaints alleging violations of their own state and local fair housing laws, take enforcement actions in appropriate cases, and perform education and outreach to housing providers and the public regarding fair housing rights and responsibilities.

The CARES Act provides \$1.5 million in FHAP funding to support special enforcement efforts and partnership activities that address fair housing issues related to the coronavirus. FHIP provides funds to eligible organizations through competitive grants under three initiatives to carry out enforcement activities and education and outreach to prevent or eliminate discriminatory housing practices and inform individuals of their rights and responsibilities under the Fair Housing Act.

FHAP Funds may be utilized for a number of purposes including, but not limited to: partnering with grassroots, faith-based or other community-based organizations to conduct COVID-19 related education and outreach; procurement and/or development of up-to-date or advanced technology to develop/conduct COVID-19 related education and outreach using on-line platforms, social media, etc.; procurement of technology assets for program execution in a 100% remote environment as a result of COVID-19; contracting with qualified organizations to conduct COVID-19 related fair housing testing in appropriate cases; hiring temporary staff specifically to address any increase in COVID-19 related fair housing complaints or to address a general backlog of fair housing complaints due to the interruption of normal work processes caused by COVID-19; or establishment of hotlines or websites for COVID-19 related fair housing issues.

**CARES Act Funding**  
**\$2.5 Million**





The CARES Act also provides \$1 million to the Fair Housing Initiatives Program (FHIP) Education and Outreach Initiative (EOI) to make competitive grants to fair housing organizations to create and disseminate fair housing education and outreach materials related to the COVID-19 pandemic.

FHIP funding will support national/regional media and educational campaigns to inform individuals (particularly the elderly, those with disabilities, and other affected protected classes) and housing providers and financiers (landlords, property managers, lenders, etc.) of their fair housing rights and responsibilities under the Fair Housing Act during the COVID-19 pandemic. Materials developed under this campaign will be disseminated through a variety of media outlets as well as to a host of non-profits and fair housing organizations in other COVID-19 affected areas to allow for widespread outreach of the materials.

During this national emergency, HUD wants to remind housing providers and the public of important federal fair housing laws that protect persons from discrimination, including harassment and intimidation in housing and related services on the basis of race, color, religion, national origin, sex, familial status and disability. HUD recognizes that persons with disabilities, including those who are older and have underlying medical conditions, are vulnerable and at high risk for a severe, life-threatening response to COVID-19. These persons may face unique fair housing and civil rights issues in their fair housing related services. Housing providers are required to make reasonable accommodations that may be necessary to deliver housing and services to persons with disabilities affecting major life activities. In addition, HUD wants to prevent discrimination and harassment against people who, because of racial profiling, are perceived to be associated with this disease.

### 3. HOUSING

The Office of Housing plays a vital role for the nation's homebuyers, homeowners, renters, and communities through its nationally administered programs. It includes the Federal Housing Administration (FHA), the largest mortgage insurer in the world.

Housing will apply CARES Act Covered Funds to the following Programs:

- Project Based Rental Assistance
- Housing for the Elderly
- Housing for Persons with Disabilities

**CARES Act Funding**  
**\$1.065 Billion**



#### **PROJECT BASED RENTAL ASSISTANCE**

**CARES Act Funding**  
**\$1.0 Billion**

Project-based rental assistance provides critical affordable housing stock to low-income families across the country. This type of rental assistance allows tenants to live in an affordable unit and pay rent based upon their income. Project-based rental assistance, such as project-based Section 8 rental assistance, can be paired with units in HUD multifamily mortgage programs to provide a deeper level of affordability. With project-based rental assistance, a private for-profit or non-profit owner enters into a contract with HUD to provide affordable units.

#### **Approach**

**SUPPLEMENTAL RENTAL SUBSIDIES, \$1 billion:** To provide emergency supplemental funding to approximately 17,300 properties assisted with project-based Section 8 rental assistance contracts.

\$800 million of the CARES Act funding, together with regular FY 2020 appropriations, will provide increased subsidy payments for existing rental assistance agreements to offset decreased tenant rent payments resulting from reduced tenant income. Approximately \$180 million of the CARES Act funding may also be used to address critical funding needs for properties experiencing exceptional operating cost increases and financial hardship as a direct result of COVID-19. Collectively, these resources will help preserve Section 8 housing as decent, safe, and sanitary and mitigate the risk of owner defaults. More than 5,500 PBRA properties have FHA insured mortgages and many others have financing through state housing agencies.

Additionally, \$10 million of the CARES Act funding may be allocated for Section 8 Moderate Rehabilitation programs administered by local Public Housing Authorities.

## HOUSING FOR THE ELDERLY

**CARES Act Funding**  
**\$50 Million**

The Housing for the Elderly program helps expand the supply of affordable housing with supportive services for the elderly. It provides very low-income elderly individuals with options that allow them to live independently but in an environment that provides support activities such as cleaning, cooking, transportation, etc. The program is similar to Supportive Housing for Persons with Disabilities.

### Approach

**SUPPLEMENTAL RENTAL SUBSIDIES, \$40 million:**

To provide emergency supplemental funding to elderly housing property owners currently assisted with project-based rental assistance contracts authorized under Section 202. To the extent tenant incomes and required rental payments decrease, HUD will accordingly increase monthly rental subsidy payments to owners, thereby allowing property rent receipts to remain consistent. A portion of CARES rental assistance funding may also be used to address critical funding needs for properties experiencing exceptional operating cost increases and financial hardship as a direct result of COVID-19.

**SERVICE COORDINATORS/CONGREGATE HOUSING (CARES ACT), \$10 million:**

To provide emergency supplemental funding to support the continuation and enhancement of grant-funded service coordinator and Congregate Housing Services Programs in the context of COVID-19.

## HOUSING FOR PERSONS WITH DISABILITIES

**CARES Act Funding**  
**\$15 Million**

The Housing for Persons with Disabilities program provides funding to develop and subsidize rental housing with the availability of supportive services for very low- and extremely low-income adults with disabilities. The Section 811 program allows persons with disabilities to live as independently as possible in the community by subsidizing rental housing opportunities which provide access to appropriate supportive services.

### **Approach**

SUPPLEMENTAL RENTAL SUBSIDIES, \$15 million: To provide emergency supplemental funding for multifamily housing properties currently assisted with project-based rental assistance contracts. HUD will accordingly increase monthly rental subsidy payments to owners, thereby allowing property rent receipts to remain consistent, to the extent that incomes and required rental payments decrease. A portion of CARES rental assistance funding may also be used to address critical funding needs for properties experiencing exceptional operating cost increases and financial hardship as a direct result of COVID-19



## 4. PUBLIC AND INDIAN HOUSING (PIH)

The role of the Office of Public and Indian Housing is to ensure safe, decent, and affordable housing; create opportunities for residents' self-sufficiency and economic independence; and assure fiscal integrity by all program participants.

PIH will apply CARES Act Covered Funds to the following Programs:

- Tenant Based Rental Assistance
- Public Housing Operating Fund
- Native American Programs

**CARES Act Funding**  
**\$2.235 Billion**



## TENANT BASED RENTAL ASSISTANCE

The Tenant-Based Rental Assistance (TBRA), heretofore referred to as the Housing Choice Voucher (HCV) Program, is the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments. The participant is free to choose any housing that meets the requirements of the program and is not limited to units located in subsidized housing projects. The HCV Program is administered locally by public housing agencies (PHAs).

**CARES Act Funding**  
**\$1.25 Billion**

### Approach

**ADMINISTRATIVE FEES, \$850 million:** The CARES Act Administrative Fees will allow PHAs to enhance their systems and HCV operations to ensure they can establish new and alternate lines of communication with program participants to include, but not limited to, minimizing in person visits to the offices. These funds will ensure that PHA essential employees and contractors are working in safe environments, ensuring PPE and supplies are available, will enhance systems so employees can telework, and will ensure PHAs can continue to advertise the program with new landlords and retain those already participating. Additionally, these funds will assist PHAs in normalizing their HCV program operations to secure safe, decent, and sanitary housing to program participants.

The Administrative Fee funding is available to PHAs for the following purposes:

- Procuring cleaning supplies and/or services to maintain safe and sanitary HCV units, including common areas of PHA-owned Project Based Voucher (PBV) projects.
- Relocation of participating families to health units or other designated units for testing, hospitalization, or quarantine, or transportation to these locations to limit the exposure that could be caused by using mass transportation.

- Additional costs to supportive services vendors incurred due to COVID-19.
- Costs to retain or increase owner participation in the HCV Program, such as incentive costs (e.g. the PHA offers owner an incentive payment to participate in recognition of added difficulties of making units available for HCV families to rent while stay-at-home orders or social distancing practices are in effect).
- Costs for providing childcare for the children of PHA staff that would not have otherwise been incurred (e.g. children at home due to school closings, PHA staff are working outside regular work schedules, etc.).
- Costs associated with the delivery of goods, including food and medical supplies that comply with the Centers for Disease Control requirements, to program participants. Public health-related security costs to enforce orders to shelter-in-place, stay-at-home orders or visitor-restriction policies for PHA owned PBV projects.
- Administration costs associated with the implementation of COVID-19-related activities that are not eligible HCV administrative costs (e.g., paying overtime to staff to carry-out these COVID-19-related activities).
- Other costs either directly or indirectly related to COVID-19 as determined eligible on a case-by-case basis at the Secretary's discretion.
- List of eligible costs will be updated periodically and shared with PHAs electronically and posted in the Office of Housing Voucher Programs' website.

HOUSING ASSISTANCE PAYMENTS (HAP), \$400 million: The CARES Act HAP funding will provide additional resources to PHAs administering the HCV and Mainstream Programs to respond to higher program costs due to COVID-19, including but not limited to reduced tenant incomes and disruptions in the rental market. More importantly, the HAP funds will assist PHAs in preventing termination of assistance to those most in need, including Mainstream Program participants. These HAP funds will assist PHAs in preventing termination of assistance to those most in need, including persons with disabilities assisted by the Mainstream Voucher Program.

The HAP funding is available to PHAs for the following purposes:

- PHAs that experience a significant increase in voucher per-unit costs (PUC) due to extraordinary circumstances, or
- PHAs that despite taking reasonable cost saving measures, as determined by the Secretary, would otherwise be required to terminate rental assistance for families as a result of insufficient funding (Shortfall Prevention).

## **PUBLIC HOUSING OPERATING FUND (OpFund)**

**CARES Act Funding**  
**\$685 Million**

The Operating Fund program delivers funding to approximately 3,000 PHAs, 6,500 public housing developments, and assistance to 900 thousand low-income families. The program is a subsidy to fill the gap between operating expenses and rents collected for low rent housing units. The program provides funding to public housing authorities for management, maintenance, and resident services, and subsidizes utility cost and energy conservation measures.

### **Approach**

Funds will be used to maintain normal operating levels and some capital expenses. Expenditures will fall under the broad categories of preventing, preparing, and responding to COVID-19.

The program expects the financial support provided to public housing authorities will enhance PHAs' efforts for continued operation of safe, sanitary, and decent housing for public housing residents and staff. It is anticipated that the funding will improve PHAs' ability to prepare, prevent, and respond to the COVID-19 pandemic, consequently:

- The incidents of infections among public housing staff and public housing resident families will be reduced.
- PHAs will be better able to withstand the economic and financial impacts on their operations.
- Children will be better able to continue educational progress and development.
- After the pandemic, the expectation is that recovery will be shorter than would otherwise be the case but for the supplemental funding.

### **Uses of funds for preparing for COVID-19:**

- Creation or update of infectious disease outbreak plan;
- Sourcing and purchasing personal protective equipment for PHA staff;
- Coordination with providers of services needed to support PHA staff;
- Childcare costs for residents so they can continue to work and childcare costs for staff performing essential functions (as defined at the state/local level) to the extent they would not have been incurred otherwise;
- Other reasonable expenses related to preparing for COVID-19.

### **Uses of funds for preventing COVID-19:**

- Costs related to maintaining adequate social distancing, including modifying or limiting access to communal spaces, increasing service hours to prevent crowding in waiting areas, or any other costs incurred to ensure adequate distance among staff and residents;
- Costs of delivering supplies so that staff or residents can shelter in place, thereby reducing exposure to the greatest number of people;

- Direct costs related to limiting the spread of the COVID-19, including travel costs for testing, or other preventive health measures related to COVID-19;
- Expenses of isolating people suspected of being exposed or those at high-risk of serious complications if infected (e.g., elderly residents, and residents with underlying conditions);
- Costs of protecting residents (particularly high-risk residents) from exposure created by interaction with PHA staff and vice versa;
- Payment of salaries of PHA staff unable to work because of COVID-19 public health restrictions (e.g., office management staff who cannot go into the office and cannot perform work remotely or payment of full salaries of PHA staff forced to work part-time because of lack of childcare);
- Other reasonable expenses related to preventing the spread of COVID-19.

### **Uses of funds for responding to COVID-19**

- Expenses of caring for PHA staff and residents who have tested positive, but do not require immediate hospitalization, etc.
- Expenses to safely transport residents/staff in need of medical attention;
- Expenses incurred because of COVID-19 restrictions impacting PHA operations (e.g., paying for transportation expenses for PHA staff who rely on public transit that is no longer available);
- Costs to facilitate and coordinate with local schools and local governments receiving funds from the Department of Education for the education of students in public housing households: Internet connection infrastructure; and Tablets or other low-cost computers for students.
- Other reasonable expenses incurred while responding to the COVID-19.

## NATIVE AMERICAN PROGRAMS

The Office of Native American Programs (ONAP) is working tirelessly to support all our Tribal housing partners as we deal with the impact of COVID-19 as a Nation. ONAP's focus is to ensure one of HUD's top priorities – the safety and security of Native American families, Tribal housing staff, and Indian Country residents.

**CARES Act Funding**  
**\$300 Million**

### Approach

The CARES Act included funds for the following two existing programs: the Indian Housing Block Grant (IHBG) program and the Indian Community Development Block Grant (ICDBG) program. The IHBG program is a formula grant that provides a range of affordable housing activities on Indian reservations and Indian areas. Eligible IHBG recipients are federally recognized Indian tribes or their tribally designated housing entity (TDHE), and a limited number of State-recognized tribes. The ICDBG program provides eligible grantees with direct grants for use in creating viable communities for primarily low- and moderate-income American Indian and Alaska Native persons. Annually, single purpose grants are awarded on a competitive basis and a limited amount of imminent threat (IT) funds, which are grants intended to alleviate or remove imminent threats to health or safety, are allocated on a first-come, first-served basis for qualifying events. Eligible ICDBG recipients are Indian tribes and Tribal organizations that meet the criteria provided in ICDBG regulations.

The CARES Act included \$200 million for the IHBG program (IHBG-CARES) and \$100 million for ICDBG (ICDBG-CARES) imminent threat funding. Consistent with the CARES Act, grant recipients under both programs are required to use the funds to prevent, prepare for, and respond to COVID-19, including under the IHBG-CARES program, activities to maintain normal operations and fund eligible affordable housing activities under the Native American Housing Assistance and Self-Determination Act of 1996 during the period the program is impacted by the COVID-19 pandemic.

Some of the affordable housing activities ordinarily covered under these programs include housing development, housing assistance, housing services, crime prevention and safety, and activities that help solve affordable housing problems. As examples, grant recipients are using the funds to:

- Set up additional water stations in remote parts of reservations in Arizona and New Mexico to reduce person-to-person contact at the limited number of existing stations
- Pay peoples' rent while they are laid off due to stay-at-home directives
- Pay the costs for activities ordinarily covered by the rents that housing authorities are not collecting.



# Budget by Program



# BUDGET FOR EACH FUNDED PROGRAM

IN THOUSANDS

OFFICE	ACCOUNT	PROGRAM	BUDGET AUTHORITY
COMMUNITY PLANNING AND DEVELOPMENT	COMMUNITY DEVELOPMENT FUND	COMMUNITY DEVELOPMENT BLOCK GRANT (CARES ACT)	4,990,000
		TECHNICAL ASSISTANCE (CARES ACT)	10,000
	SUBTOTAL		<b>5,000,000</b>
	HOMELESS ASSISTANCE GRANTS	EMERGENCY SOLUTIONS GRANTS (CARES ACT)	3,960,000
		TECHNICAL ASSISTANCE (CARES ACT)	40,000
	SUBTOTAL		<b>4,000,000</b>
	HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS	COMPETITIVE GRANTS (CARES ACT)	10,000
		FORMULA GRANTS (CARES ACT)	53,700
		TECHNICAL ASSISTANCE (CARES ACT)	1,300
	SUBTOTAL		<b>65,000</b>
<b>SUBTOTAL</b>		<b>9,065,000</b>	
FAIR HOUSING AND EQUAL OPPORTUNITY	FAIR HOUSING ACTIVITIES	FAIR HOUSING ASSISTANCE PROGRAM – SPECIAL ENFORCEMENT EFFORTS AND PARTNERSHIP ACTIVITIES (CARES ACT)	1,500
		FAIR HOUSING INITIATIVES PROGRAM – EDUCATION AND OUTREACH (CARES ACT)	1,000
	SUBTOTAL		<b>2,500</b>
<b>SUBTOTAL</b>		<b>2,500</b>	
HOUSING	PROJECT-BASED RENTAL ASSISTANCE	CONTRACT RENEWAL- CARES ACT	1,000,000
		SUBTOTAL	<b>1,000,000</b>
	HOUSING FOR THE ELDERLY	SERVICE COORDINATORS/ CONGREGATE HOUSING (CARES ACT)	10,000
		ELDERLY PRAC/SPRAC RENEWALS/AMENDMENTS (CARES ACT)	40,000
	SUBTOTAL		<b>50,000</b>
HOUSING FOR PERSONS WITH DISABILITIES	DISABILITIES PRAC/PAC RENEWAL/AMENDMENT (CARES ACT)	15,000	
SUBTOTAL		<b>15,000</b>	
<b>SUBTOTAL</b>		<b>1,065,000</b>	
PUBLIC AND INDIAN HOUSING	TENANT-BASED RENTAL ASSISTANCE	ADMINISTRATIVE FEES (CARES ACT)	850,000
		CONTRACT RENEWALS (CARES ACT)	400,000
	SUBTOTAL		<b>1,250,000</b>
	PUBLIC HOUSING OPERATING FUND	OPERATING SUBSIDIES (CARES ACT)	685,000
		SUBTOTAL	<b>685,000</b>
	NATIVE AMERICAN PROGRAMS	INDIAN HOUSING BLOCK GRANTS (CARES ACT)	200,000
		INDIAN COMMUNITY DEVELOPMENT BLOCK GRANT (CARES ACT)	100,000
SUBTOTAL		<b>300,000</b>	
<b>SUBTOTAL</b>		<b>2,235,000</b>	
<b>GRAND TOTAL</b>		<b>12,367,500</b>	

Note: An additional \$55M is provided for the Office of the Inspector General, Management and Administration.

# Additional Information





For more information, visit: <https://www.hud.gov/coronavirus>

Responding to COVID-19 requires a comprehensive approach. The volume of information can be overwhelming, so HUD has collected specific information for the public, renters, homeowners, program participants, grantees, and lenders available at this web site.

Home / Coronavirus

# Coronavirus (COVID-19)

HOW TO PREPARE AND PROTECT YOURSELF | WHAT TO DO IF YOU THINK YOU ARE SICK

The Centers for Disease Control and Prevention (CDC) offers the most up-to-date information on COVID-19. For updates from CDC, please visit the [Coronavirus website](#).

- [The President's Coronavirus Guidelines](#)
- [Opening Up America Again Guidelines](#)

**SPECIFIC RESOURCES FOR...**

- [Homeless Programs >](#)
- [HOPWA Programs >](#)
- [Public Housing Agencies >](#)
- [Multifamily Property Owners >](#)
- [Homeowners >](#)
- [Renters >](#)
- [Native Americans >](#)
- [FHA Lenders and Office of Housing Program Participants >](#)
- [Grantees >](#)

**RESOURCES FOR HUD EMPLOYEES**

If you are a HUD employee, please read the below information that can help answer your work-related questions. If you need immediate assistance, please contact your direct supervisor:

- [Message from the Secretary \(March 4, 2020\)](#)
- [Q&A on Human Resources Flexibilities and Authorities for Coronavirus Disease 2019 \(COVID-19\)](#)
- [OPM Guidance on Coronavirus Disease 2019 \(COVID-19\)](#)

**NEIGHBORS HELPING NEIGHBORS >**

For more information on forbearances, evictions, and waivers related matters related to COVID-19, please see the links below:

<https://www.hud.gov> - [Forbearance](#)

<https://www.hud.gov> - [Foreclosures and Evictions Mortgagee Letter](#)

<https://www.hud.gov> - [Waivers](#)



[www.hud.gov](http://www.hud.gov)