



Agenda Item Summary

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Submitted By

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Agenda Item Title

Overview of the CDBG CARES (Community Development Block Grant Coronavirus Aid, Relief, and Economic Security) Act Funding

Overview

The Village was awarded \$980,107 in CDBG CARES Act funding.

Anticipated Future Actions/Commitments

The Village Board will approve the Award of CDBG CARES Act funding for Village services that support low- and moderate-income residents impacted by the COVID-19 pandemic and via grant agreements to Oak Park not-for-profits organizations service low- and moderate-income residents.

Report

As a result of the recent federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, the Village received \$980,107 in CDBG funding from US Department of Housing and Urban Development (HUD) to prevent, prepare for, and respond to COVID-19 and provide assistance to income eligible residents and businesses economically impacted by COVID-19. The Village has received a number of inquiries following the announcement of funding and the staff recommends that funds be disbursed into three categories:

1. Assist low- and moderate-income (LMI) households with rent, mortgage and/or utility assistance for no more than three months through the Village and Housing Forward existing program;
2. Provide business assistance to create and retain jobs for employees that are LMI. Business may not have received PPP and have fewer than 10 employee; and
3. Assist LMI persons with Public Services with a priority for food security for individuals that prevent, prepare for, and respond to COVID-19. The CDBG regulations allow the use of grant funds for a wide range of non-profit organizational activities, including, but not limited to: employment services; crime prevention; services to assist at-risk children and families; health services; substance abuse services; fair housing counseling and outreach; education programs; energy conservation; services for senior citizens; services for homeless persons; services to assist victims of domestic violence; and services to assist persons with disabilities.

The Village has identified groups that would be able to manage inquiries and disbursements for each of these categories: Housing Forward, Village Business License staff, and Oak Park-area non-profits, respectively.

In an effort to get our villagers needed funds as quickly as possible, staff has been communicating with the

Community Development Citizen Advisory Commission (CDCAC) Chair Stephen Morales. Since virtual meetings are not allowed at this time when the Village Hall is closed, Village staff, with the support of Chair Morales, is recommending that funding disbursement decisions be delegated to the Village Board with staff recommendation. Village staff will report to CDCAC the requests from local non-profits and final disbursement decisions.

On Wednesday, April 22, 2020, the Village publicly announced in the Wednesday Journal the the grant funding under the CDBG CARES Act. The announcement included a revised Citizens Participation Plan that provides for a 5 day comment period instead of a 30 day comment period and states that the CDCAC may not be involved with the special CARES Act allocation decision process. Additionally, the Village posted a notice of substantial amendment to its Program Year 2019 Action Plan to announce the CDGB CARES Act funding. Staff will review any comments received during the five (5) day comment period (April 23-27, 2020) for the Citizen Participation Plan and substantial amendment to our Program Year 2019 funding levels. Upon receipt of official HUD notice that the funding is available for disbursement, the Village will release a notice of funding availability to the community with all application details. Non-profits will be able to apply for funding during this time. After applications are submitted, staff will review and hopefully by mid-May, provide the Village Board with the recommendations for the non-profit CARES Act disbursement for its review. The timing is dependent on HUD's notice of release of funding availability. Staff has already been in contact with local non-profits to discuss their needs due to COVID-19 disease.

The new process will not impact the Program Year 2020 CDBG Allocation process. The CDCAC will review those funding recommendations once commission meetings start again.

The Village can keep up to 20% of the CARES funds for its staff expenses in administering the program. However in the interest of getting funding out to the community staff is recommending a smaller percentage of 12%. These funds will reimburse the Village for all staff time needed to administer the program including the small business program. Staff recommends the following draft budget for the CDBG CARES Act funds:

Administrative expenses - staff time	\$118,000
Rent/mortgage assistance	\$400,000
Job Retention	\$300,000
Other Public Services	\$162,107

Alternatives

Request additional information.