

EXECUTIVE SUMMARY

DRAFT SUBSTANTIAL AMENDMENT TO THE FY 2019-2020 ANNUAL ACTION PLAN TO ADD COMMUNITY DEVELOPMENT BLOCK GRANT – CORONAVIRUS (CDBG-CV) FUNDS

The Nassau County Office of Community Development (OCD) is the overall administrative agent for the Federal Community Development Block Grant (CDBG) Program, HOME Investment Partnerships (HOME) Program, and the Emergency Solutions Grant (ESG) Program, funded through the Federal U.S. Department of Housing & Urban Development (HUD). These programs are intended to support the goals of providing decent housing, providing a suitable living environment and expanding economic opportunities for low and moderate income people.

On March 27, 2020 the United States Congress passed The Coronavirus Aid, Relief, and Economic Security (“CARES”) Act (H.R. 748). The bill provided \$5 billion for CDBG to rapidly respond to the coronavirus pandemic (COVID-19) and the economic and housing impacts caused by it, including activities to prevent, prepare for, and respond to COVID-19.

Nassau County will receive \$12,775,244 in CARES Act funding including \$8,525,089 in Community Development Block Grant – Coronavirus (CDBG–CV) funding and \$4,250,155 in Emergency Solutions Grant – Coronavirus (ESG-CV) funding. A Substantial Amendment to the FY 2019-2020 Annual Action Plan is required by the U.S. Department of Housing and Urban Development (HUD) to report on the activities the OCD will fund with these additional resources. Usually a thirty (30) day public comment period is required for an action plan amendment, however, HUD has waived this requirement provided that no less than five days are provided for public comments on each substantial amendment to expedite the use of this funding.

The CDBG-CV funds allocated under the CARES Act may be used for a range of eligible activities that prevent and respond to the spread of infectious diseases such as COVID-19. The proposed activities must meet the three National Objectives as required by CDBG regulations:

- Benefit low-and-moderate income persons,
- Aid in the prevention or elimination of slums or blight, and
- Meet an urgent need.

For the past several months, the Office of Community Development has been engaged in the process of gathering input from a diverse group of stakeholders in preparation of its Five-Year Consolidated Plan. With the advent of COVID-19 and its impact, OCD expanded these discussions to gain insight into the unmet needs specific to the pandemic. The Action Plan Amendment was developed to address these stated needs.

County OCD staff is recommending allocating the CDBG-CV funds as follows:

| Project Title | Description | Allocation |
|---|---|-----------------------|
| PUBLIC SERVICES | | \$7,545,089.00 |
| Food Banks (05W) | Eligible costs include: Staff costs for collecting & distributing food and PPEs to primarily low/mod income clientele. Funds may also be used to purchase related equipment such as shelving, commercial refrigerators and ovens and vehicles dedicated to the collection and delivery of food and provisions. | \$1,000,000.00 |
| Health Services (05M) | Staff costs for administering health screenings for low/mod income persons, purchase of PPEs, and equipment needed to provide services such as handheld computers. Costs of providing PC stations at low income housing developments for tele-health screenings are also eligible costs. | \$600,000.00 |
| Mental Health (05O) & Substance Abuse (05F) | Staff costs for administering mental health screenings and mental health and substance abuse counseling for low/mod income persons. Funds may also be used to purchase of PPEs for staff and clients and equipment needed to perform screenings. | \$600,000.00 |
| Employment Training (05H) | Staff costs for administering employment training services primarily for low and moderate income persons. Programs may be directed to un- or underemployed, or to assist recently incarcerated individuals with their re-entry into the community. | \$200,000.00 |
| Child Care Services (05L) | Short-term childcare service aimed to assist parents enrolled in employment or educational certificate type courses. | \$200,000.00 |
| Tenant/Landlord Counseling (05K) & Legal Services (05C) | Staff costs for legal assistance including those the mediation of landlord-tenant disputes with the goal of avoiding eviction. | \$100,000.00 |
| Other Public Services Eligible under the CDBG Program | Costs related to carrying out CDBG-eligible public services to a primarily low and moderate income population. | \$345,089.00 |
| | | |
| Economic Development Fund | Funds to be used to assist private for-profit businesses. Businesses must demonstrate that funds are needed to either retain or create jobs, at least 51% of which are or will be available to or held by members of low and moderate income households. Program design criteria and eligible business are subject to any program waivers that may be issued by HUD for COVID-19 funds. | \$2,000,000.00 |
| | | |
| Public Facility Improvement Projects | Construction or rehabilitation of public facilities in low/mod income areas that will result in long term benefit to the community. | \$2,500,000.00 |
| | | |
| OCD Administration | General program management, oversight, and monitoring of the CDBG-CV Program. | \$250,000.00 |
| OCD Project Delivery | Nassau County OCD direct delivery of services, including environmental reviews for CDBG-CV projects. | \$80,000.00 |
| Planning | Costs of implementing planning studies including comprehensive plans, and plans related to community development, transportation, land use, environmental, housing, zoning, etc. Funds may also be used to review and establish proper reporting mechanisms financial oversight of | \$650,000.00 |
| GRAND TOTAL | | \$8,525,089.00 |

County OCD staff is recommending allocating the ESG-CV funds as follows:

| Project Title | Description | Allocation |
|--|---|-----------------------|
| Homeless Prevention | ESG funds may be used to provide housing relocation and stabilization services and short- and/or medium-term rental assistance necessary to prevent an individual or family from moving into an emergency shelter or other unstable housing. Program may assist with rent and utility arrears for clients who demonstrate ability to resume payments. | \$1,475,000.00 |
| Emergency Shelter Operations & Services | Funds to be allocated to non-profit emergency shelter providers certified by NC DSS via a formula that considers the number of shelter rooms. | |
| Emergency Shelter Operations & Services | Funds may be used for renovation of emergency shelter facilities to comply with COVID-19 concerns and the operation of those facilities, as well as services for the residents (including case management, child care, education, employment assistance and job training, legal, mental health, substance abuse treatment, transportation, and services for special populations). Eligible costs also include the purchase of PPEs for shelter staff and residents. | \$2,000,000.00 |
| OCD Administration | General program management, oversight, and monitoring of the ESG-CV Program. May also be used to reimburse other County Depts. For staff time dedicated to administering ESG-CV Program and for outside financial oversight and planning related to the Program. | \$425,015.00 |
| ESG Project Delivery - Homeless Prevention Program | Nassau County OCD & DSS direct delivery of services, including client in-take, eligibility review, & environmental reviews for ESG-CV HP Program. | \$350,140.00 |
| GRAND TOTAL | | \$4,250,155.00 |
| Total CV Allocations | | \$12,775,244 |

For the purpose of an expedited use of the CDBG-CV funding and to allow for funds to be utilized to best address the impact that COVID-19 has had on the health and economy of local municipalities, the CARES Act eliminates the cap on the amount of funds a grantee can spend on public services, removes the requirement to hold in-person public hearings in order to comply with national and local social distancing requirements and limitations on public gatherings, and allows grantees to be reimbursed for COVID-19 response activities regardless of the date the costs were incurred.

Public Review

Pursuant to HUD regulations, the County’s Citizen Participation Plan and current HUD waivers for grant programs and consolidated plan requirements in response to COVID-19, OCD staff will publish a 5-day comment period and virtual public hearing regarding the use of these funds. Public comments and the Nassau County Legislature’s allocation recommendations will be included in the Substantial Amendment to the FY 2019-2020 Annual Action Plan that will be submitted to HUD.