

CDBG funds & COVID-19 response

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IOWA
economic development

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CDBG COVID-19 response program

- » Program was rolled out in late March 2020.
- » Program funded under the state's annual CDBG allocation (funded under Opportunities & Threats program)
- » Program available to cities/ counties for assist with new or expanded public services in response to COVID-19.
- » Program guidance & application instructions can be found here:
https://www.iowaeconomicdevelopment.com/UserDocs/news/cdbg_covid_032020.pdf

CDBG COVID-19 response program

- » Requests for PPE are not considered under this program. Cities/ counties should check with Iowa Homeland Security as the state recently received \$44 million from FEMA.
- » Requests for equipment to allow staff to work remotely are not eligible under the program.
- » To date, IEDA has made 46 awards totaling \$1.49 million. A list of awards can be found here:
<https://www.iowaeconomicdevelopment.com/asp/general/dynamicpage.aspx?id=204>

CDBG COVID-19 response program

- » Examples of project funded include meal delivery/ food pantry services, expanded day care services, purchase of mobile hot spots for students.
- » Approximately \$1 million remaining in this program.
- » No deadline established. Applications will be accepted and reviewed as funds are available.

CDBG-CV Supplemental Allocation

- » The Federal CARES Act, signed on March 27, included \$5 billion for the CDBG program.
- » Iowa will receive an additional \$14.6 million in CDBG funds to assist communities with responding to COVID-19 pandemic.
- » IEDA does not know when these funds will be distributed.
- » We are in need of guidance from HUD on several areas before we can finalize any plan to utilize these funds.

CDBG-CV Supplemental Allocation

- » IEDA is waiting for HUD to:
 - Provide guidance on how states are to amend their CDBG Action Plans to accommodate for these funds.
 - Issue a Federal Register notice outlining what program waivers HUD will consider allowing for this allocation and how to apply for such waivers.
 - Provide guidance on duplication of benefits & how that will apply to this allocation

- » Duplication of benefits, as described in the Stafford Act applies to this supplemental CDBG allocation.

- » Stafford Act states that *“federal agencies that provide disaster assistance to assure that people, businesses, or other entities do not receive financial assistance that duplicates any part of their disaster loss covered by insurance or another source.”*

CDBG-CV Supplemental Allocation

- » Duplication of benefits requirements has applied to CDBG Disaster Recovery allocations but never to the regular CDBG program.
- » This requirement means that IEDA will have to take into account any and all financial assistance awarded to an entity/ individual before providing any CDBG assistance.
- » Without HUD guidance on how to handle duplication of benefits, we are unsure how this requirement will impact IEDA programs.

CDBG-CV Supplemental Allocation

- » We are unsure of the timing on HUD guidance but are hearing it will be “soon.”
- » IEDA will prepare an amendment to the CDBG Action Plan, which will be available for review on the IEDA website.
- » Plan amendment will describe activities we plan to fund with our CDBG-CV allocation.
- » Activities likely to be based around public service activities, but we will need to see HUD guidance.

Questions?

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