

Item Title: Accept and Appropriate Additional Federal Community Development Block Grant (CDBG-CV) Fund Allocation under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and Amend the 2020-2021 Housing Action Plan

Specific Action Requested:
That the Board of Commissioners:

- 1. Accepts and appropriates the additional allocation of \$1,619,695 in Federal CDBG-CV grant funds to the Housing and Community Revitalization Special Revenue Fund to prevent, prepare for, and respond to the coronavirus (COVID-19);**
- 2. Amends the 2020-2021 Wake County Annual Action Plan; and**
- 3. Authorizes the Chair to sign documents necessary to submit to HUD, appropriate funds, and to carry out activities described in the Amendment.**

Item Summary:

Purpose: In accordance with the North Carolina Local Government Budget and Fiscal Control Act, the Board of Commissioners must approve all amendments that increase the budget for a fund. The Board of Commissioners approves all substantial amendments to Wake County Action Plan submitted to HUD.

Background: On April 2, 2020, HUD announced the first round of special allocations of funds under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), to respond to the growing effects of the historic public health crisis. The Board of Commissioners appropriated \$2,018,246 in CARES Act on May 4, 2020. The Board appropriated a second round of funding of \$1,709,995 in July 2020.

On September 11, 2020, HUD announced its third round of CARES Act funding for CDBG. This Board action appropriates Wake County's allocation of \$1,619,965. HUD requires Wake County to advertise and receive public input on how funds will be used. Staff conducted this process and seeks the Board's approval to amend the Housing Action Plan to satisfy HUD planning requirements and allow the County to commit the funds. Grant funds will be used to assist individuals and families with housing needs due to the economic impacts of COVID. Eligible activities may include providing temporary financial assistance to renters and homeowners who, as a result of the financial hardships caused by COVID-19, are struggling to meet their monthly rental or mortgage obligations; affordable housing development; and community services.

The Board of Commissioners has approved the Substantial Amendment to the Annual Action Plans to integrate the first and second rounds of CARES Act funding for housing related services responding to COVID-19, with the remainder of the Action Plan still in effect.

Board Goal: This Board action complements housing affordability initiatives in the Social and Economic Vitality goal area.

Fiscal Impact: The County will receive an additional \$1,619,695 in Federal grant funds from HUD under the CARES Act. The funds will be budgeted in the Housing and Community Revitalization Special Revenue Fund. There is no matching requirement.

Additional Information:

Prior Approvals

The Annual Action Plans describe the way Wake County Housing Affordability and Community Revitalization will use funds from HUD to help meet the housing and community development needs of low-moderate income families.

1. On May 4, 2020, the Board of Commissioners approved the FY 2020-2021 Action Plan for the upcoming fiscal year. The FY 2020-2021 Action Plan incorporated the Wake County COVID-19 Strategic Plan for Housing. The Strategic Plan aims to minimize the effects of COVID-19 on homeless and precariously housed Wake County residents, while maximizing opportunities for positive long-term outcomes. The plan addresses the highest priorities, maximizing the number of individuals who are stably housed. Seven distinct components are used to properly address this crisis for housing and housing related services.
2. On May 4, 2020, the Board of Commissioners accepted and appropriated \$2,018,246 in CARES Act funding for housing related services.
3. On May 26, 2020, the Board of Commissioners approved a Substantial Amendment to the 2019-2020 Action Plan which integrated the first round of CARES Act funding for housing related services responding to COVID-19, with the remainder of the Action Plan still in effect.
4. On September 8, 2020 the Board of Commissioners approved a Substantial Amendment to the 2020-2021 Action Plan which integrated the second round of CARES Act funding for housing related services responding to COVID-19, with the remainder of the Action Plan still in effect.

Proposed Activities for Third CDBG Allocation

This October 19, 2020 proposed Substantial Amendment to the 2020-2021 Action Plan incorporates the third round of federal CARES Act funds to Wake County's housing related services responding to COVID-19 crisis. No other amendments in the 2020-2021 Action Plan are being proposed. Substantial plan amendments, related to the CARES

Act, require public notice, a public comment period of no less than 5-days, and Board of Commissioners approval.

The additional CARES Act program funding proposed below, is to prevent the spread of COVID-19 and to facilitate assistance to eligible communities and households economically impacted by COVID-19. COVID-19 response activities may include providing temporary financial assistance to renters and homeowners who, as a result of the financial hardships caused by COVID-19, are struggling to meet their monthly rental or mortgage obligations; affordable housing development; and community services.

Community input was considered in the development of this plan. While it is difficult to reach everyone under the current time constraints, numerous individual and group conversations were held with housing service providers, community advocates and faith leaders the week of April 20, 2020. This plan addresses the majority of the concerns that the broader community brought forth in the time available. The Housing Department has continued to engage the community in dialogue as we all work together to meet the needs of our most vulnerable.

The department has consulted with service and housing providers to obtain information on community needs related to COVID-19 and has published a notice to solicit general public comments through October 15th. A 10-day public notice for the amendment was published in The Carolinian, The News & Observer, Que Pasa, and the Wake County website. The public comment period began October 5, 2020 and continued through October 15, 2020.

Round 1 Program Funding (BOC Approved)

FFY	Funding Activity Name	Activity Type	Amount
2019	CDBG-CV	COVID-19 Rapid Response	\$ 1,258,790
2019	ESG-CV	COVID-19 Homeless Response	626,800
2019	HOPWA-CV	COVID-19 Supportive/Assistance Response	132,656
Total			\$ 2,018,246

Round 2 Program Funding (BOC Approved)

FFY	Funding Activity Name	Activity Type	Amount
2020	ESG-CV	COVID-19 Homeless Response	\$ 1,709,995
Total			\$ 1,709,995

Round 3 Program Funding (Proposed)

FFY	Funding Activity Name	Activity Type	Amount
2020	CDBG-CV	COVID-19 Rapid Response	\$ 1,619,695
Total			\$ 1,619,695

Total CARES Act funding allocated to Wake County through HUD is \$5,347,936.

Attachments:

1. US HUD Award Letter
2. Public Notice
3. Budget Memo: FY 2021 Housing and Community Revitalization Special Revenue Fund