

Introduction

In addition to the 2020 Fiscal Year allocation of Community Block Grant (CDBG), Emergency Solutions Grant (ESG) and HOME Investment Partnership (HOME), the U.S. Department of Housing and Urban Development (HUD) has provided the County with an allocation of CDBG Coronavirus (CDBG-CV) and ESG Coronavirus (ESG-CV) to address funding gaps in its ability to prevent, prepare for and prevent COVID-19. The Redevelopment Authority continues to receive guidance from HUD regarding the additional funding provided through the CARES Act.

During the past few weeks, Redevelopment Authority staff have been communicating with HUD; landlords of affordable and market rate housing; non-profit service providers and public facilities; economic development organizations; municipalities; the City of Lancaster; and other counties in our region. Based on the current guidance and the information, data and analysis of current needs and other available resources, a substantial change amendment to the 2016-2020 Consolidated Plan and 2019 Annual Action Plan will be submitted to HUD.

Activities

Emergency Rental Assistance and Public Services: **\$774,064 CDBG-CV**

To provide temporary relief and support for those who have been furloughed, experienced a reduction of pay or have been laid off due to COVID-19, an emergency rental assistance program would be established to provide up to 3 months of assistance to income qualified individuals and families. Under CDBG regulations, the funding can be used for this limited period to address an emergency need. The funds will be used for direct rental payments to eligible tenants with incomes within 80% of area median income (AMI). Due to various CDBG restrictions on income and eligible expenses, the Redevelopment Authority will continue discussions and coordination with the Lancaster CARES Fund to address gaps such as funds for food, utility payments and perhaps tenants making more than the 80% AMI threshold for the CDBG Program.

Other areas that this funding could assist with is to assist our low-moderate income public service providers with the necessary equipment and supplies to make sure their organization can respond to client needs in a way that prevents the spread of COVID-19.

Public Facilities: **\$600,000 CDBG-CV**

CDBG-CV funding would support physical improvement needs at shelters and community hubs that provide food, counseling and other services to low-to-moderate income individuals affected by COVID-10. This may include improvements to maintain safe working conditions, or expanding or new public facilities, such as temporary or permanent shelter.

Homeless Prevention and Extended Shelter Operations: **\$854,500 ESG-CV**

ESG-CV funding would go to ongoing operational support for the homeless shelters, rapid rehousing as well as the eviction prevention program.

The Redevelopment Authority has developed a budget and will continue to monitor the need for changes in coordination with LanCo MyHome and City of Lancaster to provide services and housing for individuals in shelters or immediately at risk of becoming homeless.

Economic Development: **\$350,000 CDBG-CV**

A set aside for a supporting small or microenterprise businesses is proposed for CDBG-CV funds. The Redevelopment Authority is collaborating with the Economic Development Company (EDC) in figuring out the gaps that might exist for businesses that qualify for CDBG funding. This may include technical assistance to navigate other loan programs or funding to help small business meet CDC guidance and social distancing measures. Additionally, it could be used for small business loans for working capital when no other federal sources are available.