

**City of Visalia
Agenda Item Transmittal**

Meeting Date: 5/18/2020

Agenda Item Number (Assigned by City Clerk): 13.

Agenda Item Wording: 1) Public Hearing to receive public comment on the proposed use of U. S. Department of Housing and Urban Development (HUD), Community Development Block Grant, CARES Act (CDBG-CV) funding; 2) Approve amendments related to Citizens Participation Plan, CDBG and HOME funds; and 3) Provide authorization for "Regulatory Waivers" of Community Planning and Development (CPD), specifically (CDBG) and HOME Investment Partnership (HOME) Grant Programs in Response to the COVID-19 Pandemic

Deadline for Action: May 18, 2020

Submitting Department: Finance-Housing

Contact Name and Phone Number:
Rhonda Haynes, Housing Specialist, 713-4460; Rhonda.haynes@visalia.city
Melody Murch, Assistant Finance Director, 713-4379; Melody.murch@visalia.city
Renee Nagel, Finance Director, 713-4375; Renee.nagel@visalia.city

Department Recommendation: Staff recommends that City Council:

1. Hold a public hearing to receive comment on the proposed use of HUD CARES Act funding; and
2. Approve the proposed amendment to the Citizen Participation process; and
3. Approve and appropriate the 2019 annual Action Plan Amendment, in order to allocate the use of additional Community Development Block Grant Care Act (CBDG-CV) funding; and
4. Approve and appropriate the 2020 Action Plan Amendment, to direct additional HOME Program Income, up to \$100,000, if available and needed toward the HOME Tenant Based Rental Assistance Program (TBRA) to address the needs of the community to prevent the spread and mitigate the impacts caused by COVID-19; and
5. Approve use of Regulatory CDBG and HOME waivers submitted to HUD

Summary: As presented on at the May 7, 2020 Council Meeting, the CARES Act, which was passed by Congress on March 27, 2020, has specific sections that apply to HOME and CDBG programs, which the City receives on an annual basis. The recommended action tonight is necessary in order to use the HOME and CDBG waivers under the CARES Act and to use supplemental CDBG funds (CDBG-CV).

The CARES Act supports prevention, preparation for, and response to the community impacts of the COVID-19 pandemic; and identified additional funding for some programs, including

COUNCIL ACTION: Approved as Recommended

GC / PC 4-0
Rinke Absent MAY 18 2020

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CDBG. The City of Visalia will receive \$767,987 in additional funding referred to as CDBG-CV and can request waivers and flexibilities for both the HOME and CDBG programs as referenced within the Care Act letter, provided as Attachment 1. Both CDBG and HOME Waiver requests (Attachments 3 and 4) were submitted to HUD, and accepted.

Staff is submitting an amended 2019 and 2020 Annual Action Plan to include the CDBG-CV funding and amend its Citizen Participation Plan (Attachments 5 and 6) to include a 5-day comment period. In accordance with 24 CFR 91.05(c)(2) and subpart B of the federal regulations relative to citizen participation for Community Planning and Development Programs and applicable waivers which have been made available to those requirements through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) staff has submitted the regulatory waivers to HUD, which HUD has acknowledged.

Based on the eligible uses and need, the proposed use for the CDBG-CV funding is public service for food programs in the City of Visalia to help address food insecurities created by COVID-19 and to administer the program. A full budget is available in the Substantial Amendment.

Summary of 2019-20 Projected Additional Action Plan Funding

Revenue/Funding Description	Revenue	Allocation
	\$767,987	
CDBG-CV Public Services: Food Program		\$614,487
CDBG-CV Administration & Planning		\$153,500
Totals	\$767,987	\$767,987

Additionally, A 2020 HOME Action Plan Amendment is proposed directing up to \$100,000 in HOME Program Income, if available, and, if needed, toward the HOME Tenant Based Rental Assistance Program (TBRA). This \$100,000 referred to here is not CDBG-CV, nor additional HOME funds from HUD. The HOME PI are funds that the City is expected to receive from loan repayment of HOME funded activities. The City may receive \$450,000 in HOME PI, which was already programmed in the 2020 Action Plan. There is a possibility that the City may receive more than that amount in FY2020-2021, since it is an estimate. In that event, this approval will facilitate the use of, any funds above the \$450,000 up to an additional \$100,000 to be used toward the HOME TBRA, if needed to respond to COVID-19.

Summary of 2020-2021 Estimated Additional HOME PI Funding

Revenue/Funding Description	Est. Revenue 2020-21	Additional Estimated HOME PI	Total
Original Estimated HOME PI for other HOME programs	450K	\$0	\$450K
TBRA Pilot Program (Additional Home PI if available and needed)	\$0	100K	\$100K
Total HOME PI Estimated to be received for FY 20-21	\$450K	\$100K	\$550K

The 5-day comment period will begin on Wednesday, May 13, 2020, and concludes with the Public Hearing on May 18, 2020.

On May 7, 2020 Council took action to provide Staff with direction on moving forward with the CDBG-CV funds. As required by HUD, staff has provided the public with opportunity to comment on the proposed use of CDBG-CV funds by providing a public notice of a 5-day public comment period to review the draft documents, a survey and concluding with tonight's public hearing. Following Councils action tonight, staff will attach any public comment received during the 5-day comment period and tonight's public hearing and submit the final Draft documents to HUD.

Background Discussion: On March 27th, 2020, Congress passed The Coronavirus Aid, Relief and Economic Security Act (CARES Act) (Public Law 116-136) to directly address the impacts of the Novel Coronavirus and COVID-19. As part of the CARES Act, Congress appropriated \$5 billion to the U.S. Department of Housing and Urban Development (HUD) for allocation to cities and states through the Community Development Block Grant (CDBG) program. The \$5 billion is to be released in three tranches:

- \$2 billion will be distributed based on the FY20 allocation formula to entitlement, state, and insular area grantees
- \$1 billion will be distributed to states and insular areas "based on public health needs, risk of transmission of coronavirus, number of coronavirus cases compared to the national average, and economic and housing market disruptions, and other factors".
- \$2 billion will be distributed "directly to the State or unit of general local government, at the discretion of the Secretary, according to a formula based on factors to be determined by the Secretary, prioritizing risk of transmission of coronavirus, number of coronavirus cases compared to the national average, and economic and housing market disruptions resulting from coronavirus".

The City of Visalia as an Entitlement Community is expected to receive \$767,987 in CDBG-CV funds in the first tranche. It is unknown how much, if any, will be received in the following tranches. The City must follow certain steps before using the CDBG-CV funds:

ACTIONS BY THE CITY:

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1. **Coordinate with state and local health authorities before undertaking any activity.**
2. Notify HUD by email *two calendar days* before the City anticipates using the waivers.
3. Provide summarized justifications for each waiver
4. MUST update program records to include written documentation of the specific conditions that justify the recipient's use of the waiver, consistent with the justifications and applicability provisions provided in the COVID-19 Waiver Memorandum. Provisions that are not specifically waived remain in full effect.
5. Have procedures in place to address duplication of services
6. Follow the City's Citizens Participation Plan (i.e. public noticing & comment period)
7. If the waivers or flexibilities will be requested, the City will need to amend:
 - a. Citizen's Participation Plan
 - b. 2019 Action Plan
 - c. 2020-2024 ConPlan
 - i. 20/21 Annual Action Plans (AP) and to describe the Methods of Distribution

ACTIVITY ELIGIBILITY:

- **Activity Must be directly related to Covid-19 (Prevention, preparation for or in response to)**
- Must be a new activity or increase in services
- Grant funds may not be used to pay costs if another source of financial assistance is available to pay that cost (Duplication of services)
- Must be an eligible CDBG activity that:
 - § Meets a National Objective;
 - § Serves Low/Mod Income households (LMI) (a minimum of 70% of the funding must benefit LMI Households)

In anticipation of the CDBG-CV funds, the City has consulted with state and local authorities as per HUD requirements to identify their needs before undertaking any activity. Staff has reached out to The Tulare County Health and Human Services Agency (HHSA) and Kaweah Delta Health Care District (KDHCD) which have responded with the following responses and recommendations:

KDHCD: Addressing the population that is experiencing homelessness, who are particularly vulnerable to COVID-19, was something considered to be a top priority. However they are currently unable to create a CDBG funded project as their attention right now is focused on managing the pandemic's current demands on their hospital.

HHSA- Public Health- The City of Visalia has reached out to Tulare County HHSA twice; however, HHSA has not been able to reply back as of today. They also have COVID funds and are undertaking many activities surrounding the current health crisis and it is understandable that their response may come later.

In both cases, any requests received could be funded with the third tranche of CARES funds. Staff is projecting additional funds in the third tranche.

CDBG WAIVERS

The CDBG waivers that are available include:

- Extension of the submission of the FY19 and FY20 Conplan/action plans. **August 16, 2021.**
- Suspension of the 15% expenditure cap on public services
- Allowance of a 5-day Public Hearing Notice/comment period
- Allowance of Virtual Meetings in lieu of in-person public hearings;
- Extends the CAPER due date from 90 days to 180 days after the close of a jurisdiction's program year.
- Additional program waivers may be available and would need to be requested on a case by case basis by the City, when necessary to expedite and facilitate the use of funds to prevent, prepare for, and respond to the Coronavirus.

Staff has submitted the 2020-2024 5-year Consolidated Plan to HUD by the normal deadline of May 15, 2020, therefore the first waiver will not need to be used, however all waivers have been received and accepted by HUD. Included herein is the CDBG regulatory waivers requested, submitted and accepted by HUD (Attachment 3 and 4)

*A list of CDBG-CV Eligible Activities to **PREVENT, PREPARE FOR, and RESPOND** to Covid-19 is included as attachment 2.*

HOME WAIVERS

HUD has also received and accepted the following HOME waivers:

Staff monitoring of Existing HOME Rental Projects

- Administration and Planning Cap allowed to increase from 10% to 25% for FY 2019 & FY 20
- Matching Contribution Requirements are removed for FY2020 and 2021.
 - Amending Consolidated Plan- HOME Certification:
 - § Gives authority to Visalia to allocate additional 2020 HOME PI funds (if available) to existing TBRA Program to provide additional rental assistance to Visalia's homeless population.
- Citizen Participation Reasonable Notice and Opportunity to Comment

TBRA Program Waivers for new and existing tenants

- Income Documentation (Self Certification for existing Rental properties; and HOME TBRA))
- On-Site Inspections of HOME-assisted Rental Housing
- Annual Inspection of Units Occupied by Recipients of HOME TBRA
- Term of Rental Assistance Contract
- Housing Quality Standards
- Income Determinations (TBRA-Specific Waiver)
- Tenant Selection and Targeted Assistance
- Eligible Tenant-based Rental Assistance Costs and Maximum TBRA Subsidy

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CHDO requirements

- CHDO Set-aside Requirement

Staff has requested the HOME waivers presented above, (Attachment 4) which will allow the City to address the urgent housing needs of its citizens due to the COVID-19 pandemic under the existing programs. There are no additional HOME grant funds; therefore, no new activities could be created at this time. However, Staff's recommendation is included herein to authorize a 2020 HOME Amendment to allow up to \$100,000 in HOME program income funding, if available, and if needed, toward the existing TBRA program.

Fiscal Impact: Appropriate \$763,879 in additional CDBG-CV funds to prevent, prepare, or respond to Covid-19. CDBG-CV CARES Act funds are to be received on a reimbursement basis.

Appropriate up to \$100,000 in HOME program Income toward the HOME TBRA program, if needed, and if available.

Prior Council Action:

- May 7, 2020: Council discussed the Cares Act funding and gave staff direction to prepare an amendment to the applicable ConPlan and Action Plans to move forward in the planning of the use of CDBG-CV funds.
- April of 2019 and 2020: Council approved the 2019 Action Plan, and 2020 ConPlan, which includes use of HOME funding.

Other: none

Committee/Commission Review and Action:

none

Alternatives: none

Attachments:

1. Attach 1- City of Visalia CARES Act Letter
2. Attach 2- Quick-Guide-CDBG-Infectious-Disease-Response- updated 4-6-2020
3. Attach 3- Visalia CDBG CAPER Waiver Request and Letter
4. Attach 4- Visalia HOME Waiver Request and Letter
5. Attach 5- Draft (2019) Substantial Amend May 2020 Citizens Participation Plan FY 2019-20
6. Attach 6- Draft (2020) Substantial Amend May 2020 Citizens Participation Plan FY 2020-21
7. Attach 7- DRAFT Substantial Amendment to 5-year ConPlan CPP 19-20 2020 CDBG HOME AP

Recommended Motion (and Alternative Motions if expected):
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Staff is requesting that City Council:
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1. Hold a public hearing to receive comment on the proposed use of HUD CARES Act funding; and
2. Approve amendment to the Citizen Participation process; and
3. Approve and Appropriate the 2019 annual Action Plan Amendment, in order to allocate the use of additional Community Development Block Grant Care Act (CBDG-CV) funding; and
4. Approve and Appropriate the 2020 Action Plan Amendment, to direct additional HOME Program Income, if available and needed toward the HOME Tenant Based Rental Assistance Program (TBRA) to address the needs of the community to prevent the spread and mitigate the impacts caused by COVID-19; and
5. Approve use of Regulatory CDBG and HOME waivers submitted to HUD

Copies of this report have been provided to:

Environmental Assessment Status

CEQA Review: This will be required on any new Project/Activity



ASSISTANT SECRETARY FOR
COMMUNITY PLANNING AND DEVELOPMENT

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

April 2, 2020

The Honorable Robert Link
Mayor of Visalia
220 N Santa Fe Street
Visalia, CA 93292

Dear Mayor Link:

I am pleased to inform you of a special allocation to your jurisdiction of Community Development Block Grant funds to be used to prevent, prepare for, and respond to the coronavirus (COVID-19). This allocation was authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, which was signed by President Trump on March 27, 2020, to respond to the growing effects of this historic public health crisis.

The CARES Act made available \$5 billion in Community Development Block Grant Coronavirus (CDBG-CV) funds. Of this amount, the Department is immediately allocating \$2 billion based on the fiscal year 2020 CDBG formula. The remaining \$3 billion shall be allocated based on needs using best available data, in the following tranches: \$1 billion shall be allocated to States and insular areas within 45 days of enactment of the CARES Act, and \$2 billion shall be distributed to states and local governments at the discretion of the Secretary. Up to \$10 million will be set aside for technical assistance. Given the immediate needs faced by our communities, the Department has announced the first allocation of funds. Your jurisdiction's allocation is \$767,987.

The CARES Act adds additional flexibility for both the CDBG-CV grant and, in some cases, for the annual FY2020 CDBG grants in these unprecedented times. The public comment period is reduced to not less than 5 days, grantees may use virtual public hearings when necessary for public health reasons, the public services cap is suspended during the emergency, and States and local governments may reimburse costs of eligible activities incurred for pandemic response regardless of the date.

In addition, the CARES Act authorizes the Secretary to grant waivers and alternative requirements of statutes and regulations the Secretary administers in connection with the use of CDBG-CV funds and fiscal year 2019 and 2020 CDBG funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). Waivers and alternative requirements can be granted when necessary to expedite and facilitate the use of funds to prevent, prepare for, and respond to coronavirus.

The Department is developing a notice that will further describe the CARES Act's provisions, a Quick Guide to the CARES Act flexibilities and other provisions, and other resources to enable swift implementation of CDBG-CV grants. As these become available, they will be

posted on HUD's website and distributed to grantees. The Department will also support grantees with technical assistance.

As you develop your plan for the use of these grant funds, we encourage you to consider approaches that prioritize the unique needs of low- and moderate-income persons and the development of partnerships between all levels of government and the private for-profit and non-profit sectors. You should coordinate with state and local health authorities before undertaking any activity to support state or local pandemic response. CDBG-CV grants will be subject to oversight, reporting, and requirements that each grantee have adequate procedures to prevent the duplication of benefits. HUD will provide guidance and technical assistance on DOB and regarding prevention of fraud, waste, and abuse and documenting the impact of this program for beneficiaries.

The Office of Community Planning and Development (CPD) is looking forward to working with you to successfully meet the urgent and complex challenges faced by our communities. If you or any member of your staff has questions, please contact your local CPD Field Office Director or CPDQuestionsAnswered@hud.gov.

Sincerely,



John Gibbs
Acting Assistant Secretary
for Community Planning and Development
U.S. Department of Housing and Urban Development

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Quick Guide to CDBG Eligible Activities to Support Coronavirus and Other Infectious Disease Response REVISED April 6, 2020

Grantees should coordinate with local health authorities before undertaking any activity to support state or local pandemic response. Grantees may use Community Development Block Grant (CDBG) funds for a range of eligible activities that prevent and respond to the spread of infectious diseases such as the coronavirus.

Examples of Eligible Activities to Support Coronavirus and Other Infectious Disease Response

<i>For more information, refer to applicable sections of the Housing and Community Development Act of 1974 (for State CDBG Grantees) and CDBG regulations (for Entitlement CDBG grantees).</i>	
Buildings and Improvements, Including Public Facilities	
Acquisition, construction, reconstruction, or installation of public works, facilities, and site or other improvements. <i>See section 105(a)(2) (42 U.S.C. 5305(a)(2)); 24 CFR 570.201(c).</i>	Construct a facility for testing, diagnosis, or treatment.
	Rehabilitate a community facility to establish an infectious disease treatment clinic.
	Acquire and rehabilitate, or construct, a group living facility that may be used to centralize patients undergoing treatment.
Rehabilitation of buildings and improvements (including interim assistance). <i>See section 105(a)(4) (42 U.S.C. 5305(a)(4)); 24 CFR 570.201(f); 570.202(b).</i>	Rehabilitate a commercial building or closed school building to establish an infectious disease treatment clinic, e.g., by replacing the HVAC system.
	Acquire, and quickly rehabilitate (if necessary) a motel or hotel building to expand capacity of hospitals to accommodate isolation of patients during recovery.
	Make interim improvements to private properties to enable an individual patient to remain quarantined on a temporary basis.
Assistance to Businesses, including Special Economic Development Assistance	
Provision of assistance to private, for-profit entities, when appropriate to carry out an economic development project. <i>See section 105(a)(17) (42 U.S.C. 5305(a)(17)); 24 CFR 570.203(b).</i>	Provide grants or loans to support new businesses or business expansion to create jobs and manufacture medical supplies necessary to respond to infectious disease.
	Avoid job loss caused by business closures related to social distancing by providing short-term working capital assistance to small businesses to enable retention of jobs held by low- and moderate-income persons.
Provision of assistance to microenterprises. <i>See section 105(a)(22) (42 U.S.C. 5305(a)(22)); 24 CFR 570.201(o).</i>	Provide technical assistance, grants, loans, and other financial assistance to establish, stabilize, and expand microenterprises that provide medical, food delivery, cleaning, and other services to support home health and quarantine.

Provision of New or Quantifiably Increased Public Services	
<p>Following enactment of the CARES Act¹, the public services cap² has no effect on CDBG-CV grants and no effect on FY 2019 and 2020 CDBG grant funds used for coronavirus efforts.</p> <p><i>See section 105(a)(8) (42 U.S.C. 5305(a)(8)); 24 CFR 570.201(e).</i></p>	Carry out job training to expand the pool of health care workers and technicians that are available to treat disease within a community.
	Provide testing, diagnosis or other services at a fixed or mobile location.
	Increase the capacity and availability of targeted health services for infectious disease response within existing health facilities.
	Provide equipment, supplies, and materials necessary to carry-out a public service.
	Deliver meals on wheels to quarantined individuals or individuals that need to maintain social distancing due to medical vulnerabilities.
Planning, Capacity Building, and Technical Assistance	
<p>States only: planning grants and planning only grants.</p> <p><i>See section 105(a)(12).</i></p>	Grant funds to units of general local government may be used for planning activities in conjunction with an activity, they may also be used for planning only as an activity. These activities must meet or demonstrate that they would meet a national objective. These activities are subject to the State's 20 percent administration, planning and technical assistance cap.
<p>States only: use a part of to support TA and capacity building.</p> <p><i>See section 106(d)(5) (42 U.S.C. 5306(d)(5)).</i></p>	Grant funds to units of general local government to hire technical assistance providers to deliver CDBG training to new subrecipients and local government departments that are administering CDBG funds for the first time to assist with infectious disease response. This activity is subject to the State's 3 percent administration, planning and technical assistance cap.
<p>Entitlement only: data gathering, studies, analysis, and preparation of plans and the identification of actions that will implement such plans. <i>See 24 CFR 570.205.</i></p>	Gather data and develop non-project specific emergency infectious disease response plans.

Planning Considerations

Infectious disease response conditions rapidly evolve and may require changes to the planned use of funds:

- CDBG grantees must amend their Consolidated Annual Action Plan (Con Plan) when there is a change to the allocation priorities or method of distribution of funds; an addition of an activity not described in the plan; or a change to the purpose, scope, location, or beneficiaries of an activity (24 CFR 91.505).
- If the changes meet the criteria for a “substantial amendment” in the grantee’s citizen participation plan, the grantee must follow its citizen participation process for amendments (24 CFR 91.105 and 91.115).
- Under the CARES Act, CDBG grantees may amend citizen participation and Con Plans concurrently in order to establish and implement expedited procedures with a comment period of no less than 5-days.

Resources

The Department has technical assistance providers that may be available to assist grantees in their implementation of CDBG funds for activities to prevent or respond to the spread of infectious disease. Please contact your local CPD Field Office Director to request technical assistance from HUD staff or a TA provider.

- Submit your questions to: CPDQuestionsAnswered@hud.gov
- Coronavirus (COVID-19) Information and Resources: <https://www.hud.gov/coronavirus>
- CPD Program Guidance and Training: <https://www.hudexchange.info/program-support/>

¹ On March 27, 2020, President Trump approved the Coronavirus Aid, Relief, and Economic Security Act (Public Law 116-136) (CARES Act). The CARES Act makes available \$5 billion in CDBG coronavirus response (CDBG-CV) funds to prevent, prepare for, and respond to coronavirus.

² Section 105(a)(8) of the HCD Act caps public service activities at 15 percent of most CDBG grants. Some grantees have a different percentage cap.



May 6, 2020

U. S. Department of Housing and Urban Development
Community Planning and Development Division-9AD
San Francisco Regional Office – Region
Attn: Armani D. Yarbrough
One Sansome Street, Suite 1200
San Francisco, CA 94104-4430

Re: Regulatory Waivers of Community Planning and Development Community Development Block Grant (CDBG) and CDBG-CV Program in Response to COVID-19 Pandemic.

To Whom It May Concern:

The City of Visalia, as a Participating Jurisdiction (PJ), is submitting a regulatory waiver request, pursuant to the authority provided under "The Coronavirus Aid, Relief and Economic Security Act (CARES Act), including, but not limited to authority under 24 CFR 5.110, the CARES Act which authorized HUD to grant waivers to the public notice, public comment, and citizen participation plan requirements found in 24 CFR 91.105(2) and (k) and 24 CFR 91.40, as referenced below:

The City will provide reasonable noticing and an opportunity to comment as authorized under regulatory waivers, allow amendments to the 2015 and 2020 Consolidated Plans, 2019 and 2020 Action Plans and submit the necessary SF424 forms and certifications related to CDBG-CV funding, which will allow for expedited disbursement and quick response to the needs of Visalia residents.

- Citizen Participation Public Comment Period for Consolidated Plan Amendment
- Citizen Participation Reasonable Notice and Opportunity to Comment
- Amendment to Consolidated Plan for use of CDBG-CV

The City of Visalia is prepared to submit its 2020-2024 ConPlan and 2020 Action Plan, however, HUD has provided Grantees with the extended deadline to August 16, 2021. This will allow the City the flexibility and/or option to submit beyond the May 15th deadline, prepare substantial amendments to recent annual action plans to identify the proposed use of all funds and how the funds will be used to prevent, prepare for, and respond to coronavirus.

- Deadline to Submit Consolidated Plans
- Local Housing Strategy- CDBG-CV

The CARES Act eliminates the CDBG law's 15% cap on the amount of a jurisdiction's grant (and any program income) that is **obligated** in a program year for "public services." The removal of the 15% cap applies not only to CDBG funds allocated from the \$5 billion appropriation from the CARES Act, but also to any FY19 and FY20 CDBG allocations. The Memorandum makes it clear that this provision is available immediately.

The City of Visalia provides public service funds to many of its non-profit agencies. Due to HUD's elimination of the fifteen percent (15%) cap, this will allow Visalia to use Community Development Block Grant Coronavirus Response Supplement (CDBG-CV) funding, to support the critical community needs related to the COVID-19 pandemic.

Public services include those for people experiencing homelessness or elderly people, and services related to employment, crime prevention, childcare, health, drug abuse, education, fair housing counseling, and energy conservation. CDBG funds may be used to pay for labor, supplies, and material as well as to operate and/or maintain the portion of a facility in which the public service is located. This includes the lease of a facility, equipment, and other property needed for the public service.

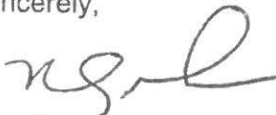
Additionally, the City has included the waiver related to submission of the 2020 CAPER, which is subject to the condition that within 180 days after the close of the program year, Visalia will submit its performance report.

- CAPER Submission to HUD (2020)

The waivers presented above, will allow the City to address the urgent housing needs of its citizens due to COVID-19 pandemic. The City is taking HUD's advice to amend or prepare its plans as soon as possible and not to wait for the pending Federal Register notice, which may provide additional waivers and alternative requirements. The City will amend its plans accordingly to any additional waivers and allocations. Further confirmation of the City's requested waivers are provided in the attached "Notification"

Should you have any questions regarding the requested CDBG and CAPER waivers, please contact me at the number listed below, or Melody Murch, Assistant Finance Director at (559) 713-4379.

Sincerely,



Randy Groom
City Manager
(559) 713-4332
Randy.groom@visalia.city

Attachment: CDBG & CAPER Waiver Form

Cc: Renee Nagel, Finance Director
Melody Murch, Assistant Finance Director
Rhonda Haynes, Housing Specialist
Claudia Calderon, Housing Specialist

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Utilization of Waivers of Community Planning and Development (CPD) Grant Program, Consolidated Plan Requirements and Community Development Block Grant (CDBG) Requirements in Response to COVID-19 Pandemic

Waiver Process and Recordkeeping Requirements:

In absence of a HUD prepared CDBG waiver, the City has prepared this template. This template allows the City of Visalia to inform HUD of its intention to utilize statutory suspensions and/or regulatory waivers of CDBG provisions identified in:

- HUD's April 09, 2020 Memoranda: *All Fiscal Year 2020 and 2019 CDBG and CDBG-CV Grantees*;
- HUD's April 09, 2020, Memoranda: *CARES Act Flexibilities for CDBG Funds Used to Support; And, Availability of Waivers of Community Planning and Development (CPD) Grant Program and Consolidated Plan Requirements to Prevent the Spread of COVID-19 and Mitigate Economic Impacts Caused by COVID-19.*
- HUD's April 29, 2020, Memoranda: *Availability of a Waiver and Alternate Requirement for the Consolidated Annual Performance and Evaluation Report (Performance Report) for Community Planning and Development (CPD) Grant Programs in Response to the Spread of Coronavirus*

The Coronavirus Aid, Relief and Economic Security Act (CARES Act) (Public Law 116-136) makes available \$5 billion in supplemental Community Development Block Grant (CDBG) funding for grants to prevent, prepare for, and respond to coronavirus (CDBG-CV grants). Additionally, the CARES Act provides CDBG grantees with flexibilities that make it easier to use CDBG-CV grants and fiscal years 2019 and 2020 CDBG Grants for coronavirus response and authorizes HUD to grant waivers and alternative requirements.

The City will provide document for the implementation of the waivers and suspensions in program and project files.

The completed template will be emailed to the attention of Kimberly Nash, CPD Director, to: CPD_COVID-19WaiverSFO@HUD.gov

Required Information (complete all fields):

Participating Jurisdiction: <u>City of Visalia</u>
Requestor Name and Title: <u>Randy Groom, City Manager</u>
Phone Number: <u>(559) 713-4332</u> E-mail: <u>Randy.groom@visalia.city</u>
Declared-disaster area(s) where the waivers will be used: <u>City of Visalia, city limits (within jurisdiction)</u>
Participating Jurisdiction: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

PJ Utilization of Current available CDBG Waivers and Program Flexibilities:

The PJ elects to apply the following statutory suspensions, regulatory waivers or flexibility (check all that apply) to its CDBG program in response to the COVID-19 pandemic:

I. Citizens Participation and Public Hearings for Consolidated Plans (including Action Plans)

1.	<u>Citizen Participation Public Comment Period for Consolidated Plan Amendment</u> Citations: 24 CFR 91.105(c)(2) and (k), 24 CFR 91.115(c)(2) and (i) and 24 CFR 91.401	<input checked="" type="checkbox"/>
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Explanation: A CPD grantee may amend an approved consolidated plan in accordance with 24 CFR 91.505. Substantial amendments to the consolidated plan are subject to the citizen participation process in the grantee’s citizen participation plan. The citizen participation plan must provide citizens with 30 days to comment on substantial amendments.

Justification: Given the need to expedite actions to respond to COVID-19, HUD waives 24 CFR 91.105(c)(2) and (k), 91.115(c)(2) and (i) as specified below, in order to balance the need to respond quickly to the growing spread and effects of COVID-19 with the statutory requirement to provide reasonable notice and opportunity for citizens to comment on substantial amendments concerning the proposed uses of CDBG, HOME, HTF, HOPWA or ESG funds.

Applicability: This 30-day minimum for the required public comment period is waived for substantial amendments, provided that no less than 5 days are provided for public comments on each substantial amendment. The waiver is available through the end of the recipient’s 2020 program year. Any recipient wishing to undertake further amendments to prior year plans following the 2020 program year can do so during the development of its FY 2021 Annual Action Plan.

Described Program Flexibility: Provides that grantees may amend citizen participation plans to establish expedited procedures to draft, propose, or amend consolidated plans. Expedited procedures must include notice and reasonable opportunity to comment of no less than 5 days. The 5-day period can run concurrently for comments on the action plan amendment and amended citizen participation plans. In-person public hearings are not required. Grantees may meet public hearing requirements with virtual public hearings if: 1) national/local health authorities recommend social distancing and limiting public gatherings for public health reasons; and 2) virtual hearings provide reasonable notification and access for citizens in accordance with the grantee’s certifications, timely responses from local officials to all citizen questions and issues, and public access to all questions and responses.

2.	<u>Citizen Participation Reasonable Notice and Opportunity to Comment</u> Citations: 24 CFR 91.105(c)(2) and (k) (Local governments), 24 CFR 91.115 (c)(2) and (i) and 24 CFR 91.401 (Consortia)	<input checked="" type="checkbox"/>
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As noted above, the regulations at 24 CFR 91.105 (for local governments) and 91.115 (for States) set forth the citizen participation plan requirements for recipients. For substantial amendments to the consolidated plan, the regulations require the recipient to follow its citizen participation plan to provide citizens with reasonable notice and opportunity to comment. The citizen participation plan must state how reasonable notice and opportunity to comment will be given.

Justification: HUD recognizes the efforts to contain COVID-19 require limiting public

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<p>gatherings, such as those often used to obtain citizen participation, and that there is a need to respond quickly to the growing spread and effects of COVID-19. Therefore, HUD waives 24 CFR 91.105(c)(2) and (k), 24 CFR 91.115(c)(2) and (i) and 24 CFR 91.401 as specified below to allow these grantees to determine what constitutes reasonable notice and opportunity to comment given their circumstances</p> <p>Applicability: This authority is in effect through the end of the 2020 program year.</p>		
3.	<p><u>Amendment to Consolidated Plan- for use of CDBG-CV</u> Citations:24 CFR 91.505</p>	<input checked="" type="checkbox"/>
<p>The Department is also waiving 24 CFR 91.505 to facilitate the use of the CDBG-CV funds to the extent necessary to require submission of the substantial amendment to HUD for review in accordance with 24 CFR 91.500.</p> <p><u>To receive a CDBG-CV grant, a grantee must also submit a SF- 424, SF-424D and the certifications at 24 CFR 91.225(a) and (b) or 24 CFR 91.325(a) and (b).</u></p>		
4.	<p><u>Deadline to Submit Consolidated Plans (including Annual Action Plans)</u> Citations:24 CFR 91.15</p>	<input checked="" type="checkbox"/>
<p>Extends the deadline for grantees to submit action plans and other updates to their consolidated plans submissions for fiscal years 2019* and 2020 to August 16, 2021. Without extension, the deadline for fiscal year 2020 grants would be August 16, 2020, in accordance with section 116(b) of the HCD Act and 24 CFR 91.15. *The deadline for fiscal year 2019 passed on August 16, 2019 (plans due then have been submitted).</p>		
5.	<p><u>Local Housing Strategy-CDBG-CV</u> Citations:24 CFR 91.220 and 91.320</p>	<input checked="" type="checkbox"/>
<p>To expedite grantees' use of CDBG-CV funds, HUD is waiving the requirements at 42 U.S.C. 12705(a)(2) to the extent it requires updates to the housing and homeless needs assessment, housing market analysis, and strategic plan and 24 CFR 91.220 and 91.320 to the extent the action plan is limited to a specific program year to permit grantees to <u>prepare substantial amendments to their most recent annual action plan, including their 2019 annual action plan.</u> <u>Grantees must identify the proposed use of all funds and how the funds will be used to prevent, prepare for, and respond to coronavirus.</u></p> <p>Described Program Flexibility: Provides Grantee with the flexibility to amend its 2019 annual action plan. However, Grantee must identify the proposed use and how the funds will prevent, prepare for, and respond to coronavirus.</p>		
6	<p><u>15% Public Service Activities-Cap</u> Citations: Section 105 (a)(8) of the HCD Act and 24 CFR 570.201 (e)</p>	<input checked="" type="checkbox"/>
<p>Eliminates the 15 percent cap on the amount of grant funds that can be used for public services activities.</p> <p><i>Following enactment, the cap in section 105(a)(8) of the HCD Act and 24 CFR 570.201(e) has no effect on CDBG-CV grants and no effect on FY 2019 and 2020 CDBG grant funds used for coronavirus efforts.</i></p> <p>Described Program Flexibility: Provides that HUD uncaps the percentage of CDBG funding</p>		

for public services to prevent, prepare for, and respond to coronavirus. However, the provision relates to new or quantifiable increase to public services related to COVID-19 pandemic.

II. Other Regulatory Waiver

1.	<u>CAPER submission to HUD</u> Citations: 24 CFR 91.520 (a)	<input checked="" type="checkbox"/>
<p>Requirement: The Consolidated Annual Performance and Evaluation Report (performance report) submission to HUD within 90-days after the close of a jurisdiction’s program year. Citations: 24 CFR 91.520(a).</p> <p>Explanation: The regulation at 24 CFR 91.520(a) requires each grantee to submit a performance report to HUD within 90 days after the close of the grantee's program year.</p> <p>Justification: Under the authority at 24 CFR 91.600, HUD is authorized to waive this requirement when a determination of good cause is made and supported by documentation. Given the outbreak of the coronavirus known as SARS-CoV-2 and the extenuating circumstances placed on state and local governments, and citizens, HUD has determined that there is good cause for waiving this provision. The extenuating circumstances and administrative strain supporting this waiver are well-documented in the broad public news coverage related to the outbreak.</p> <p>Applicability: The requirement that grantees submit a performance report within 90 days after the close of a jurisdiction’s program year is waived, subject to the condition that within 180 days after the close of a jurisdiction’s program year the jurisdiction shall submit its performance report.</p> <p>Flexibility: As Acting Assistant Secretary for Community Planning and Development, I have determined that there is good cause to waive the following regulatory requirement, subject to the condition that grantees comply with the following modified requirement <u>for the program year 2020</u></p>		



April 27, 2020

U. S. Department of Housing and Urban Development
Community Planning and Development Division-9AD
San Francisco Regional Office – Region
Attn: Armani D. Yarbrough
One Sansome Street, Suite 1200
San Francisco, CA 94104-4430

Re: Regulatory Waivers of Community Planning and Development HOME Grant Program in Response to COVID-19 Pandemic

To Whom It May Concern:

The City of Visalia, as a Participating Jurisdiction (PJ), is submitting a regulatory waiver request, pursuant to the authority provided in 24 CFR 5.110, waiving HOME regulatory requirements as it relates to allowing administration costs up to 25% of FY 2019 & 2020 allocations, including program income for administrative and planning costs; reducing the match requirement to zero (0%) applicable to HOME expenditures between October 1, 2019 and September 30, 2021. Although the City has included within its 2015 ConPlan, that the HOME TBRA program is an essential element, the City is including within this waiver, specifically to identify the option to increase funding toward the City's HOME TBRA program through a HOME 2019 Action Plan amendment, therein confirming HOME certification that the HOME TBRA program is an essential element, including the 2019 FY. The City will provide reasonable noticing and an opportunity to comment as authorized under regulatory waivers, which will allow the ability to respond quickly to the housing needs of Visalia residents.

- 10% Administration and Planning Cap
- Matching Contribution Requirements
- Consolidation Plan- HOME Certification (To add 2019 HOME PI to existing TBRA)
- Citizen Participation Reasonable Notice and Opportunity to Comment

The City of Visalia has provided HOME funding toward affordable rental housing projects, which includes ongoing monitoring of income, rent and unit inspections. Additionally, the City has an existing HOME TBRA program which also requires oversight and monitoring of income, rent, lease and unit inspections (new and annual), therefore, the City has also included the following waivers:

- Income Documentation (Self Certification for existing Rental properties; and HOME TBRA))
- On-Site Inspections of HOME-assisted Rental Housing
- Annual Inspection of Units Occupied by Recipients of HOME TBRA
- Term of Rental Assistance Contract
- Housing Quality Standards
- Income Determinations (TBRA-Specific Waiver)

To allow for greater flexibility within the City's HOME TBRA program, the City is including waivers related to tenant selection, targeting assistance in anticipation of the urgent need created by the pandemic. The City's TBRA program currently targets Visalia's homeless population, with income at or below 60% AMI. Allowing greater flexibility, the City would include "At-Risk", of homelessness, allowing 10% of the participants to have income up to 80% AMI due to the COVID-19 pandemic.

Additionally, allowing the City to cover 100% of the monthly rent, and utilities, including the elimination of the establishing the utility allowances for different types and sizes of units for Visalia's TBRA program, will assist families who are experiencing financial hardship (new and existing participants), due to the loss or reduction in income due to the COVID-19 pandemic. The following waivers applicable are:

- Tenant Selection and Targeted Assistance
- Eligible Tenant-based Rental Assistance Costs and Maximum TBRA Subsidy

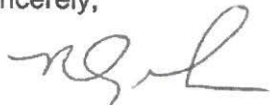
The City of Visalia is working with its non-profit partner for the use of HOME-CHDO funding toward the development of an 80 unit multi-story rental unit project. Due to the substantial funding necessary to bring a project to fruition, grant opportunities, such as Tax Credits are necessary, as well as other grant opportunities, to assist in filling the gap, in addition to HOME funding. Although the project will provide necessary affordable rental housing, including housing for Visalia's homeless population, the 15% set aside requirement may place additional constraints with the obligation to use HOME funding expeditiously, toward owned, developed or sponsored CHDO projects. Therefore, due to COVID-19 the potential for delays, but also the ability to have flexibility with the set aside CHDO funding toward HOME TBRA, the City is including in its waiver request, the suspension of the CHDO set-aside, reducing the years 2017, 2018, 2019 and 2020 allocations to zero percent. The specific waiver requested is:

- CHDO Set-aside Requirement

The waivers presented above, will allow the City to address the urgent housing needs of its citizens due to COVID-19 pandemic. Further confirmation of the City's requested waivers are provided in the attached "Notification"

Should you have any questions regarding the requested HOME waivers, please contact me at the number listed below, or Melody Murch, Assistant Finance Director at (559) 713-4379.

Sincerely,



Randy Groom
City Manager
(559) 713-4332
Randy.groom@visalia.city

Attachment: HOME Waiver Form

Cc: Renee Nagel, Finance Director
Melody Murch, Assistant Finance Director
Rhonda Haynes, Housing Specialist
Claudia Calderon, Housing Specialist

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Notification Template: Utilization of Waivers and Suspensions of HOME Program Requirements and HOME-Assisted Tenant-Based Rental Assistance (TBRA) for Emergency and Short-Term Assistance in Response to COVID-19 Pandemic

Waiver Process and Recordkeeping Requirements:

This template allows a Participating Jurisdiction (PJ) to inform HUD of its intention to utilize statutory suspensions and regulatory waivers of HOME provisions identified in HUD's April 10, 2020 Memoranda: *Availability of Waivers and Suspensions of the HOME Program Requirements in Response to COVID -19 Pandemic*, and *Suspensions and Waivers to Facilitate Use of HOME-Assisted Tenant-Based Rental Assistance (TBRA) for Emergency and Short-term Assistance in Response to COVID-19 Pandemic*.

The PJ must document implementation of the waivers and suspensions in program and project files.

The completed template should be emailed to the attention of Kimberly Nash, CPD Director, to: CPD_COVID-19WaiverSFO@HUD.gov

Required Information (complete all fields):

Participating Jurisdiction: <u>City of Visalia</u>
Requestor Name and Title: <u>Randy Groom, City Manager</u>
Phone Number: <u>(559) 713-4332</u> E-mail: <u>Randy.groom@visalia.city</u>
Declared-disaster area(s) where the waivers will be used: <u>City of Visalia, city limits (within jurisdiction)</u>
Member of a HOME Consortium: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

PJ Utilization of HOME Waiver Flexibilities:

The PJ elects to apply the following statutory suspensions and regulatory waivers (check all that apply) to its HOME program in response to the COVID-19 pandemic:

I. **Statutory Suspensions and Regulatory Waivers Available Only to Participating Jurisdictions with Major Disaster Areas as a Result of COVID-19**

1.	<u>10% Administration and Planning Cap</u> Citations: Section 212(c) of NAHA and 24 CFR 92.207	☒
This suspension is required to provide the PJ adequate funds to pay for the increased cost of administering HOME-related activities to address the effects of COVID-19, including attempt to prevent the spread of the virus. These provisions are suspended to enable the PJ to expend up to 25 percent of its FY 2019 and FY 2020 allocations and program income received for administrative and planning costs.		
2.	<u>CHDO Set-aside Requirement</u> Citations: Section 231 of NAHA and 24 CFR 92.300(a)(1)	☒

The suspension and waiver are required to relieve the PJ of requirements that may impede the obligation and use of funds to expeditiously assist families affected by the COVID-19 pandemic. Suspension of the CHDO set-aside will immediately make additional HOME funds available for activities such as tenant-based rental assistance for which CHDO set-aside funds cannot be used. The CHDO set-aside requirement is reduced to zero percent for the fiscal year 2017, 2018, 2019, and 2020 allocations of State and local PJs.

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| 3. | <u>Limits and Conditions on CHDO Operating Expense Assistance</u>
Citations: Section 212(g) and 234(b) of NAHA; 24 CFR 92.208 and 24 CFR 92.300 (e) and (f) | <input type="checkbox"/> |
|-----------|---|--------------------------|

PJs are permitted to provide up to 10% of FY 2019 and FY 2020 HOME allocations as operating assistance to CHDOs and to permit a CHDO to receive funding to fill operating budget shortfalls, even if the amount exceeds the higher of \$50,000 or 50% of the CHDO's annual operating budget. PJs will not be required to include a provision in the written agreement with the CHDO that the CHDO is expected to receive CHDO set-aside funds within 24 months of receiving the additional operating assistance, as required in 24 CFR 92.300(e).

A CHDO receiving increased operating assistance must use the assistance to maintain organizational capacity during the COVID-19 pandemic. CHDOs may receive increased operating assistance under these suspensions and waivers through June 30, 2021.

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| 4. | <u>Matching Contribution Requirements</u>
Citations: 24 CFR 92.218 and 92.222(b) | <input checked="" type="checkbox"/> |
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The matching requirement for PJs in areas covered by a major disaster declaration is reduced by 100 percent for FY 2020 and FY 2021. This match reduction applies to funds expended between October 1, 2019 and September 30, 2021.

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| 5. | <u>Consolidated Plan – HOME Certification, Analysis of Local Market Conditions, and Citizen Participation</u>
Citations: Section 212(a)(3)(A)(i) of NAHA and 24 CFR 92.209(b) 24 CFR 91.105 (c)(2) and (k), 24 CFR 91.215(b)(1) and (e) and 24 CFR 91.225(d)(1) (Local governments); 24 CFR 91.115(c)(2) and (i), 24 CFR 91.315(b)(1) and (e) and 24 CFR 91.325(d)(1) (States); 24 CFR 91.401, 24 CFR 91.415 and 24 CFR 91.425 (2)(i) (Consortia); and 24 CFR 91.235(e) and 24 CFR 92.61 (Insular Areas) | <input checked="" type="checkbox"/> |
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This suspension will eliminate: 1) the requirement for PJs to amend their Consolidated Plans to include or revise an analysis of local market conditions before implementing a TBRA program; and 2) the requirement that PJs certify that the use of HOME funds for TBRA is an essential element of the Consolidated Plan and that it has conducted an analysis of local needs. PJs can amend their Annual Action Plan to reflect the use of HOME funds for TBRA.

This suspension and regulatory waiver is applicable to a PJ's current 5-year Consolidated Plan and any Consolidated/Action Plans being amended to reprogram funds to TBRA to address housing needs related to the COVID-19 pandemic.

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6.	<u>Tenant Selection and Targeted Assistance</u> Citations: Section 212(a)(3)(A)(ii) of NAHA, 24 CFR 92.209(c) and 24 CFR 92.64(a) (Insular Areas)	<input checked="" type="checkbox"/>
<p>This suspension will eliminate the need for PJs to develop or revise written tenant selection criteria and allows PJs assist individuals requiring immediate housing assistance as a result of the COVID-19 pandemic. However, a PJ should document its criteria for selecting individuals and families to be assisted by the TBRA program. The statutory suspension and regulatory waiver are in effect from April 10, 2020 through December 31, 2020.</p>		

II. Regulatory Waivers Available to All Participating Jurisdictions

1.	<u>Citizen Participation Reasonable Notice and Opportunity to Comment</u> Citations: 24 CFR 91.105(c)(2) and (k) (Local governments), 24 CFR 91.115(c)(2) and (i) (States), and 24 CFR 91.235(e) (Insular areas), and 24 CFR 91.401 (Consortia)	<input checked="" type="checkbox"/>
<p>This waiver will permit PJs amending their plans as a result of the COVID-19 pandemic to reduce the comment period to 5 days. This waiver applies to any approved Annual Action Plan being amended to address immediate housing needs related to the COVID-19 pandemic, including but not limited to reprogramming funds to TBRA. This waiver is in effect for any necessary substantial amendments to FY 2020 and earlier consolidated plans or action plans.</p>		
2.	<u>Income Documentation</u> Citations: 24 CFR 92.203(a)(1) and (2), 24 CFR 92.64(a) (Insular Areas)	<input checked="" type="checkbox"/>
<p>This waiver permits the PJ to use self-certification of income to determine eligibility for HOME assistance of persons requiring emergency assistance related to COVID-19. The waiver applies to individuals and families that have lost employment or income either permanently or temporarily due to the COVID-19 pandemic and who are applying for admission to a HOME rental unit or a HOME tenant-based rental assistance program. This waiver also applies to homeless individuals and families who are applying for admission to a HOME rental unit or a HOME tenant-based rental assistance program. The PJ must arrange to conduct on-site rent and income reviews within 90 days after the waiver period, March 31, 2021. This waiver remains in effect through December 31, 2020.</p>		
3.	<u>On-Site Inspections of HOME-assisted Rental Housing</u> Citations: 24 CFR 92.504(d)(1)(ii) and 24 CFR 92.64(a) (Insular Areas)	<input checked="" type="checkbox"/>
<p>This waiver extends the timeframe for PJs to perform on-going periodic inspections and on-site reviews to determine a HOME rental project's compliance with property standards and rent and income requirements. The waiver is applicable to ongoing periodic inspections and does not waive the requirement to perform initial inspections of rental properties upon completion of construction or rehabilitation. Within 120 days of the end of this waiver period, by April 30, 2021, PJs must physically inspect units that would have been subject to on-going inspections during the waiver period. The waiver is also applicable to on-site reviews to determine a HOME rental project's compliance with rent and income requirements if the project owner is unable to make documentation available electronically. The waiver is in effect through December 31, 2020.</p>		

4.	<p><u>Annual Inspection of Units Occupied by Recipients of HOME TBRA</u> Citations: 24 CFR 92.504(d)(1)(iii); 24 CFR 92.209(i) requirement for annual re-inspections, and 24 CFR 92.64(a) (Insular Areas)</p>	☒
<p>This waiver is applicable to annual HQS inspections and annual HQS re-inspections required to occur from April 10, 2020 through December 31, 2020. PJs shall make reasonable efforts to address any tenant-reported health and safety issues during the waiver period. PJs must inspect units that would have been subject to HQS inspections during the waiver period by April 30, 2021.</p>		
5.	<p><u>Four-Year Project Completion Requirement</u> Citations: 24 CFR 92.205(e)(2) and 24 CFR 92.64(a) (Insular Areas)</p>	☐
<p>This waiver provides additional time to permit completion of HOME-assisted projects that may be delayed as a result of the impact of COVID-19 on project timelines. This waiver applies to projects for which the 4-year project completion deadline will occur on or after April 10, 2020. The completion deadlines for covered projects are extended to December 31, 2020.</p>		
6.	<p><u>Nine-Month Deadline for Sale of Homebuyer</u> Citations: 24 CFR 92.254(a)(3) and 24 CFR 92.64(a) (Insular Areas)</p>	☐
<p>This waiver applies to projects for which the 9-month homebuyer sale deadline occurs on or after April 10, 2020 and extends the deadline for those projects to December 31, 2020. This waiver does not apply to the remaining requirements of the regulation, including that a homebuyer must receive housing counseling, and that a PJ must determine eligibility of a family by including the income of all persons living in the housing.</p>		
7.	<p><u>Use of HOME Funds for Operating Reserves for Troubled HOME Projects</u> Citations: 24 CFR 92.210(a) and (b) and 24 CFR 92.64(a) (Insular Areas)</p>	☐
<p>The waiver applies to HOME-assisted rental projects currently within the period of affordability established in the HOME written agreement. PJs will not be required to obtain HUD approval or execute a memorandum of agreement with HUD before providing this assistance. PJs may only exercise this waiver authority when the project owner agrees to several requirements and other actions are taken by the PJ, as listed in the April 10, 2020 Memorandum <i>Availability of Waivers and Suspensions of the HOME Program Requirements in Response to COVID -19 Pandemic</i>. By June 30, 2021 the PJ must examine the project financial records. Refer to the Memorandum for guidance on complying with this regulatory waiver. The waiver is effective through December 31, 2020.</p>		
8.	<p><u>Timeframe for a Participating Jurisdiction's Response to Findings of Noncompliance</u> Citations: 24 CFR 92.551(b)(1) and 24 CFR 92.64(a) (Insular Areas)</p>	☐
<p>The waiver applies to all findings of HOME regulatory noncompliance from April 10, 2020 through December 31, 2020. (HUD may also, upon request by the PJ, extend time periods imposed prior to April 10, 2020.)</p>		

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9.	<u>Rent Reasonableness</u> Citations: 24 CFR 92.209(f) and 24 CFR 92.64(a) (Insular Areas)	<input type="checkbox"/>
<p>Through this waiver, PJs can provide immediate rental assistance to individuals and families seeking housing and assist individuals and families that have housing but are experiencing reduced or lost wages, without requiring an assessment of rents charged for comparable unassisted rental units. This waiver is applicable to TBRA provided to individuals and tenant households experiencing financial hardship because of a reduction or loss of income. This waiver includes renter households with rents that exceed a PJ's established rent reasonableness standard.</p> <p>PJs using this waiver authority must execute a rental assistance contract with the owner or tenant. This requirement is waived from April 10, 2020 through December 31, 2020.</p>		
10.	<u>Eligible TBRA Costs and Maximum TBRA Subsidy</u> Citations: 24 CFR 92.209(a) and (h) and 24 CFR 92.64(a) (Insular Areas)	<input checked="" type="checkbox"/>
<p>This waiver allows PJs pay the full cost of monthly utilities in addition to rental assistance and security deposit payments for new and existing TBRA families affected by the COVID-19 pandemic. PJs may provide up to 100 percent subsidy for rent, security deposit payments, and utility bills paid by tenants affected by a reduction or loss of income from the COVID-19 pandemic. The waiver also eliminates the need for the PJ to establish utility allowances for different types and sizes of units for its TBRA program, which eliminates a significant administrative burden.</p> <p>PJs using this waiver authority must execute a rental assistance contract with the owner or tenant for a term mutually agreed upon by all parties, but not to exceed the December 31, 2020, waiver period. The PJ may make utility payments directly to the tenant or utility company based on utility bills submitted for the assisted unit, either by mail or electronically. This requirement is waived through December 31, 2020.</p>		
11.	<u>Term of Rental Assistance Contract</u> Citations: 24 CFR 209(e) and 24 CFR 92.64(a) (Insular Areas)	<input checked="" type="checkbox"/>
<p>This waiver eliminates the requirement that the rental assistance contract must begin on the first day of the term of lease. The PJ's requirement to execute a rental assistance contract with the owner or tenant is not waived. PJs using this waiver authority must execute a rental assistance contract with the owner or tenant for a term mutually agreed upon by all parties, but not to exceed the December 31, 2020, waiver period. This requirement is waived through December 31, 2020.</p>		
12.	<u>Tenant Protections – Lease</u> Citations: 24 CFR 92.209(g) and 24 CFR 92.64(a) (Insular Areas)	<input type="checkbox"/>
<p>This waiver permits PJs to assist individuals currently housed but facing financial hardship, where tenants are already housed and an executed lease is already in place. PJs using this waiver authority are required to execute a rental assistance contract with the tenant for a term mutually agreed upon by all parties, but not to exceed the waiver period. PJs must still comply with all VAWA requirements contained in 24 CFR 92.359 by including, at a</p>		

minimum, a lease addendum that addresses all VAWA requirements. This requirement is waived through December 31, 2020.

13.	<u>Housing Quality Standards</u> Citations: 24 CFR 92.209(i) and 24 CFR 92.64(a) (Insular Areas)	<input checked="" type="checkbox"/>
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This waiver will permit the PJ to rapidly house or assist individuals experiencing financial hardship due to the COVID-19 pandemic without requiring an initial HQS inspection. The lead-safe housing requirements of 24 CFR part 35, subpart M, made applicable to units leased by recipients of HOME TBRA by the HOME regulation at 24 CFR 92.355, cannot be waived and units built before 1978 must undergo visual evaluation and paint repair in accordance with 24 CFR Part 35, subpart M.

PJs using this waiver authority must establish procedures to minimize the risk that tenants are in housing that does not meet HQS, as well as procedures for conducting physical inspections by April 30, 2021 following the end of the December 31, 2020, waiver period.

14.	<u>Income Determinations (TBRA-Specific Waiver)</u> Citations: 24 CFR 92.203(a)(2) and 24 CFR 92.64(a) (Insular Areas)	<input checked="" type="checkbox"/>
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This waiver will permit PJs to obtain a written statement of the amount of the family's anticipated annual income and household size, along with a certification that the information is complete and accurate. This waiver is applicable to TBRA provided in response to the COVID-19 pandemic to individuals or families experiencing financial hardship.

The PJ must ensure that the tenant's self-certification indicates how the tenant's financial situation has changed, (i.e., job loss or reduced wages), and includes all income, including any unemployment or emergency benefits received by the tenant as a result of the pandemic, but excluding stimulus payments. The PJ must include tenant income certifications in each project file. This requirement is waived through December 31, 2020.