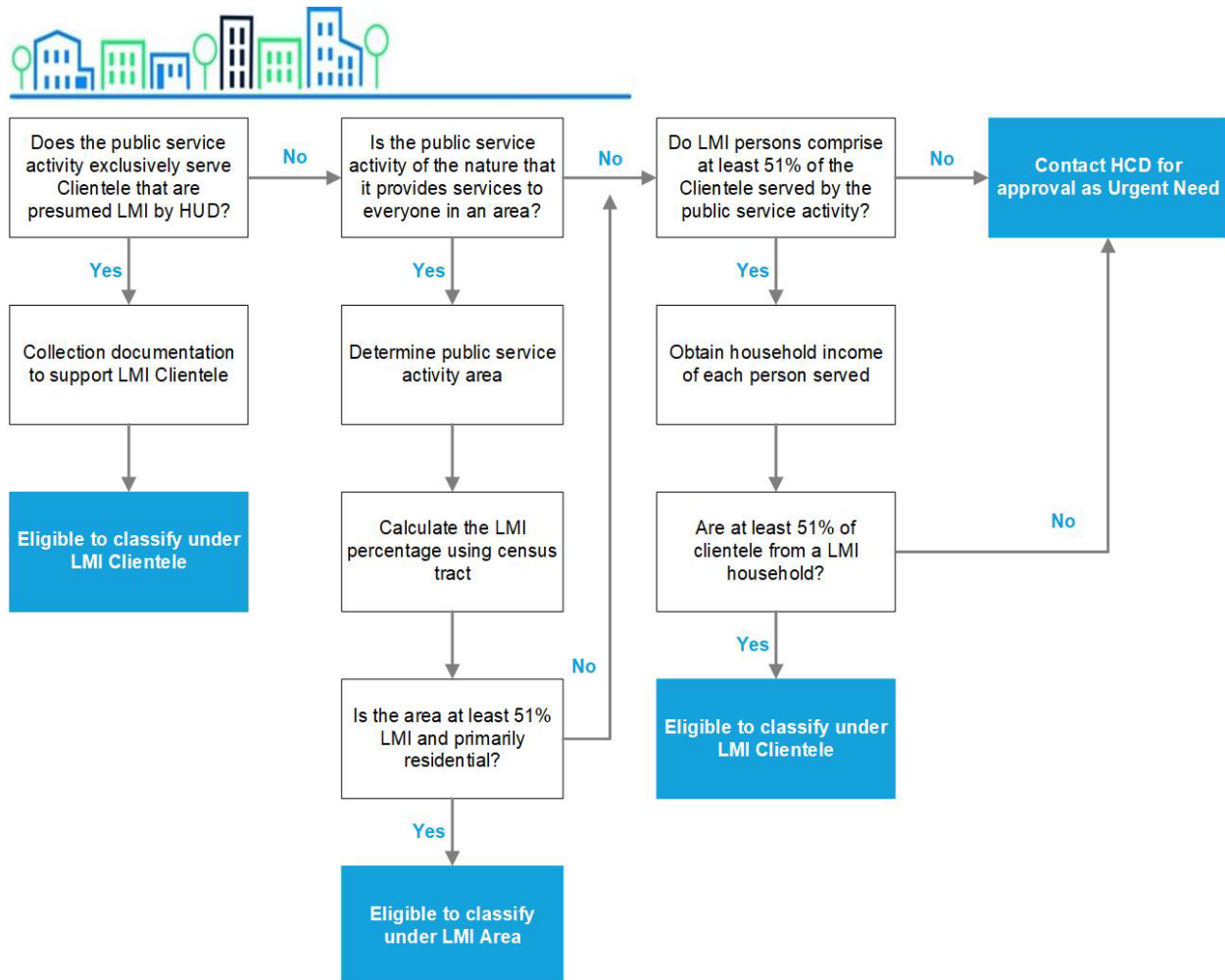# Public Services: National Objectives

## Public Services: Pathway to Selecting a National Objective for Public Service Program

There are multiple ways for public service activities to meet a national objective. However, some are easier, or require less documentation than others. The flowchart below provides a high-level sequencing of the easiest to the most complex ways to meet a national objective. Each grantee will choose the process(es) that is(are) applicable to their program. The following section includes sample standard operating procedures (SOP) and sample templates for documenting LM national objectives when providing assistance for public service programs.

# Standard Operating Procedures

## Section I: Meeting the Low Mod Limited Clientele – Presumed (LMC) National Objective

*Applicability: CDBG-CV and CDBG*

**(CDBG-CV ONLY): Initial step for public services: Is the award being provided for activities that prevent, prepare for, and respond to coronavirus?**

- If yes, document how the award is provided for activities that prevent, prepare for, and respond to coronavirus, and proceed with Step 1.

- If no, the project is not eligible under CDBG-CV.

**Definition of Low to Moderate Limited Clientele:** An activity which benefits a limited clientele, at least 51 percent of whom are LMI persons.  In contrast to the area benefit category, it is not the LMI service area of the activity that determines whether the activity will qualify or not, but rather the **actual number of LMI persons** that benefit from the activity.

Activities in this category provide benefits to a specific group of persons rather than persons in an area. It may benefit persons without regard to their residence, or it may be an activity that provides a benefit to only particular persons within a specific area.

*Step 1: Determine if the public service activity meets LMI Limited Clientele qualifications.*

*Step 1A: Does the public service activity exclusively serve clientele that HUD generally considers LMI?*

Clientele that HUD generally considers LMI:
- Abused children;
- Elderly persons;
- Survivors of domestic violence;
- Persons experiencing houselessness;
- Adults meeting Bureau of Census' definition of severely disabled adults;
- Adults with functional illiteracy;
- Persons living with AIDS;
- Migrant farm workers.

If the public service activity exclusively serves clientele that HUD generally considers LMI, move to Step 2. If the public service does not provide a service that exclusively serves clientele that HUD generally considers LMI, move to determine if the public service activity meets LMI Area.

### *Step 2 - Conduct a duplication of benefits analysis*

Conduct a duplication of benefits analysis to determine if the subrecipient has received other funding from federal, state, local or private insurance to meet the same need, using the Duplication of Benefits Tracking Form and the Grantee's DOB Policy.

Reduce eligible award by any duplication of benefits to determine revised potential award amount.

### *Step 3: Organize your file documentation to meet LMC*

This documentation will differ based on how the public service activity meets the LMC qualifications.

1. ***Clientele based on presumed benefit:***
   If the facility exclusively serves clientele that HUD generally considers LMI, necessary documentation can include, but is not limited to:
   - Consumer information;
   - Photographs;
   - Product/service information; (products and services that clearly target the LMC clientele)
   - Marketing materials; (Flyers, brochures, digital ads that specifically targets the LMC)
   - Statistical data;
   - Public records;
   - Personal observations (write a narrative explaining what specific LMC will benefit from the public facility)

   **<u>Personal observations and photographs should be supported by at least one additional data source from the list above.</u>**

**Documentation Checklist**
- ☐ Documentation that clientele is presumed LMI
  - ☐ Consumer information, photographs, product/service information, marketing materials, statistical data, public records or personal observation
- ☐ Award Calculation, documentation of eligible uses of funds
- ☐ DOB calculation and verification
- ☐ Subrogation agreement

☐ Documentation for compliance with other applicable cross cutting requirements (e.g. Section 504 self-evaluation)
☐ Debarment check (https://sam.gov/content/exclusions)
☐ NEPA (Environmental Review)

# Section II: Meeting the Low Mod Area (LMA) National Objective

***Definition of Area Benefit:***

Public service benefits all residents in a particular service area, where at least 51 percent of the residents are LMI persons.

***Step 1: Determine if the service type meets qualifications***

***Does the program provide services that benefit all residents?***

- Examples of services that are provided to all residents of an area include:
    o School
    o Fire station services
    o Police station services
    o Health services available to everyone
    o Food services available to everyone

If the program provides a service that benefits all residents, move to the next step. If the program does not provide a service that benefits all residents, do not proceed with LM Area Benefit, and move to determine if the program meets a different National Objective.

***Step 2: Determine the Service Area***

Collect data on the program service area

***Step 2A: Obtain the census tract or census tracts of the areas that are served by the program***

1. Document your process for identifying the service area by compiling a service area memo indicating:
    a. The nature of the activity
        i. Consider: Some services can accommodate many customers at once and may serve as a hub to provide services (ex: library services that serve a large geographically remote region), while

some only accommodate a few customers at a time and may serve only specific residents based on the program focus or clientele.

ii. Document consideration of the service type and potential capacity to serve customers in the service area memo.

b. The location of the activity

i. Consider: Determine and use a logical rule of thumb to map the service area, ex: 10-minute walk to 10-minute drive or use a geographic distance, such as a ½ mile radius. Be sure to consider additional factors that may be relevant to determining the true service area. For example, distinctions between adjacent neighborhoods can create social, cultural, and/or economic barriers to usage that may not appear on maps.

ii. Use the physical location of the activity (i.e., the storefront), rather than something like a main office or P.O. box.

c. Any accessibility issues for the site

i. Consider things like:

1. A river or interstate highway that separates a neighborhood from a service location – this may mean that neighborhood is not in the service area.

2. Fees associated with the service, language barriers, and accessibility barriers for those with different abilities should be included in these considerations.

d. The availability of comparable activities.

i. The service area for your activity should not overlap with the service area of another similar program, (ex: two clinics or community centers within the same general area, two libraries, etc.)

2. Using HUD's ArcGIS map, enter the address to determine the census tract(s) for the service location and other areas the program serves

3. Click in the map near the search result to open the data box. The census tract and block group can be found in the heading of the data box or within the data box.
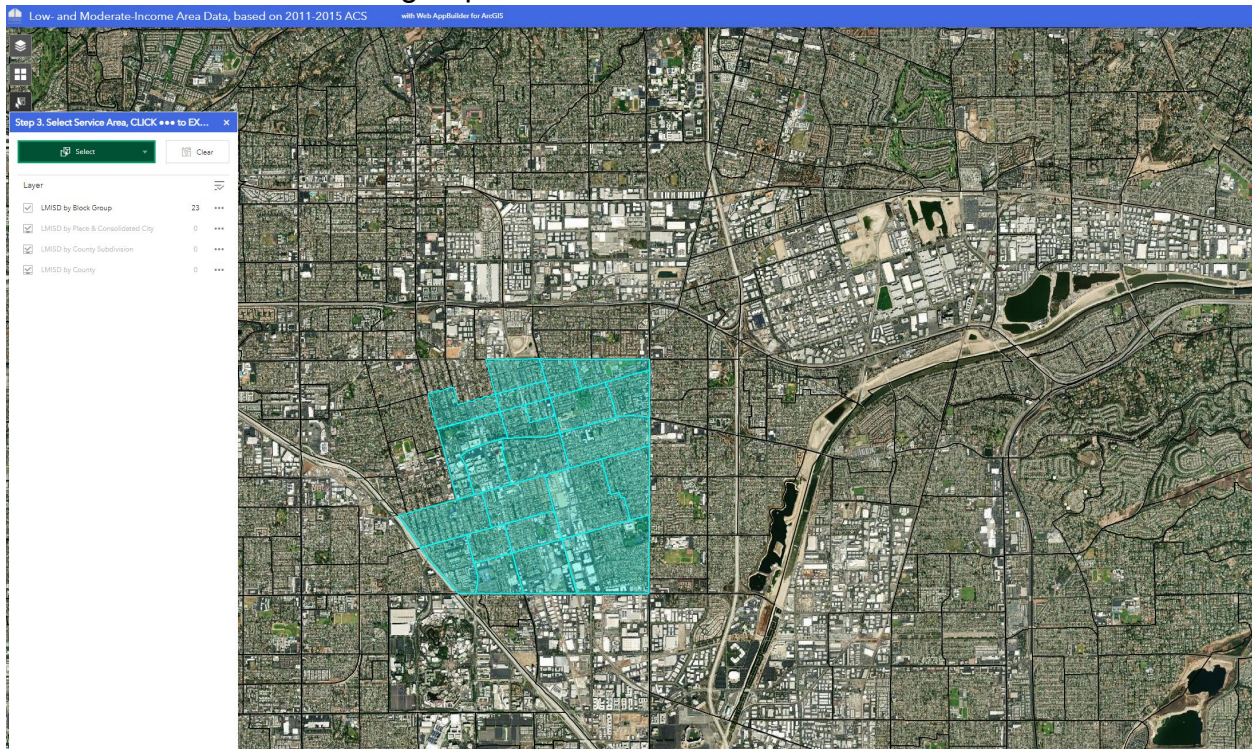
**Step 2B:** Use [HUD's Low and Moderate Income Summary Data](#) to determine the percentage of LMI persons residing in the service area census tract(s) and block groups.

1. Identify the service area in the HUD ArcGIS Map and export the data to view the LMI% for each block group in the service area.

2. Then in your excel sheet you will divide the LMI population of all the census blocks by the total population, generating an overall LMI percentage for the service area. For more on this process see a [resource here](). See guidance on making this calculation in excel below:

**Use the appropriate calculation:**

**LMI %** = (LMI Persons Geography A + LMI Persons Geography B + LMI Persons  Geography C…) ÷ (LMI Universe Geography A + LMI Universe Geography B + LMI Universe Geography C…)

If exporting the csv file to Excel, the overall LMI percentage function would be

=sum(lowmod)/sum(lowmod_univ)

**Margin of Error**

*The MOE does NOT provide an expanded range for compliance. For example, a service area of 50 percent LMI with a 2 percent MOE would still be 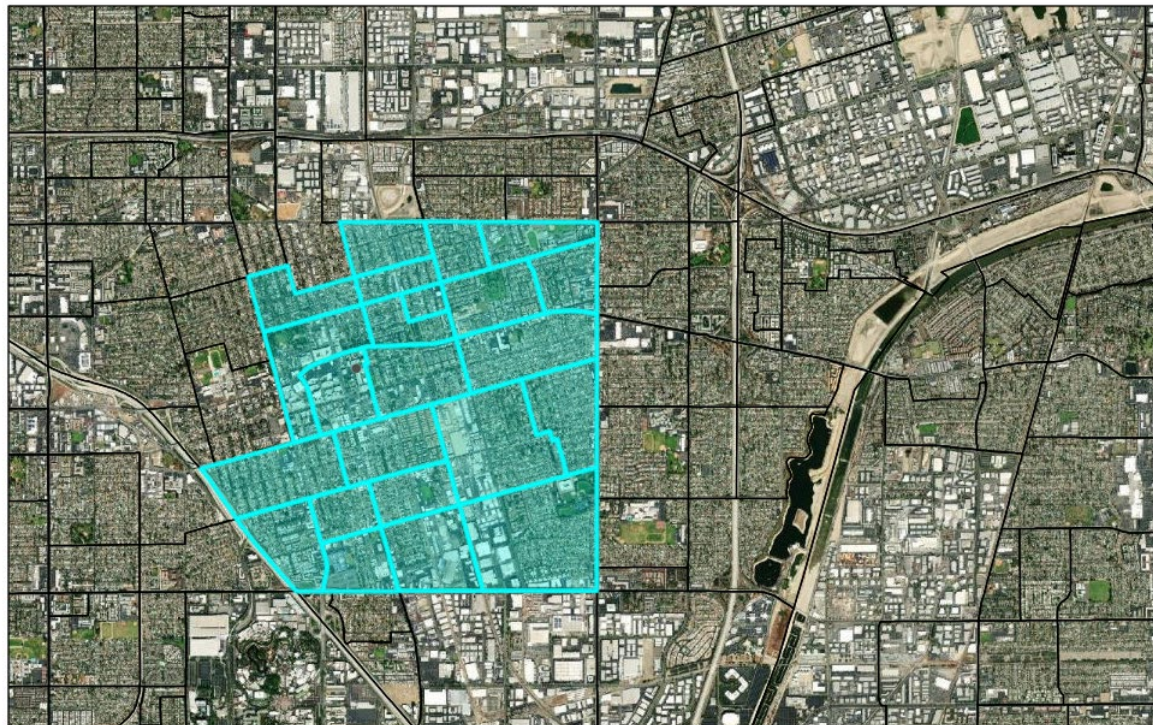just 50 percent LMI for compliance purposes. However, the 2 percent MOE would inform the grantee about the accuracy of the ACS data before undergoing the effort and cost of conducting a local income survey.* See CPD Notice 19-02 *for more details on using the margin of error.*

| | A | B | C | D | E | F | G | H | I | J | K | L | M | N | O | P | Q | R | S | T | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | OBJECTID | GEOID | Source | geoname | Stusab | Countynar | State | County | Tract | Blckgrp | Low | Lowmod | Lmmi | Lowmodu | Lowmod_ | uclowmoc | ucLowmo | MOE_Low | MOE_ucLi | Shape__A | Sha |
| 2 | 21866 | 6.06E+10 | 2015ACS | Block Grou | CA | Orange Co | 6 | 59 | 86301 | 1 | 1070 | 1940 | 2410 | 2670 | 72.66 | 1940 | 72.66 | +/-23.45 | | 5.75E-05 | 0.0 |
| 3 | 21867 | 6.06E+10 | 2015ACS | Block Grou | CA | Orange Co | 6 | 59 | 86301 | 2 | 625 | 1090 | 1845 | 2435 | 44.76 | 1090 | 44.76 | +/-20.70 | | 4.43E-05 | 0.0 |
| 4 | 21868 | 6.06E+10 | 2015ACS | Block Grou | CA | Orange Co | 6 | 59 | 86301 | 3 | 885 | 1525 | 1740 | 1960 | 77.81 | 1525 | 77.81 | +/-23.42 | | 7.95E-05 | 0. |
| 5 | 21871 | 6.06E+10 | 2015ACS | Block Grou | CA | Orange Co | 6 | 59 | 86303 | 3 | 555 | 950 | 1200 | 1705 | 55.72 | 950 | 55.72 | +/-18.53 | | 0.000101 | 0.0 |
| 6 | 21887 | 6.06E+10 | 2015ACS | Block Grou | CA | Orange Co | 6 | 59 | 86405 | 1 | 710 | 1295 | 1445 | 1630 | 79.45 | 1295 | 79.45 | +/-24.54 | | 2.18E-05 | 0.0 |
| 7 | 21888 | 6.06E+10 | 2015ACS | Block Grou | CA | Orange Co | 6 | 59 | 86405 | 2 | 920 | 1540 | 1580 | 1635 | 94.19 | 1540 | 94.19 | +/-32.72 | | 2.8E-05 | 0.0 |
| 8 | 21889 | 6.06E+10 | 2015ACS | Block Grou | CA | Orange Co | 6 | 59 | 86405 | 3 | 1165 | 1855 | 2310 | 2450 | 75.71 | 1855 | 75.71 | +/-20.33 | | 3.98E-05 | C |
| 9 | 21890 | 6.06E+10 | 2015ACS | Block Grou | CA | Orange Co | 6 | 59 | 86405 | 4 | 1120 | 1635 | 1685 | 1845 | 88.62 | 1635 | 88.62 | +/-28.46 | | 2.93E-05 | C |
| 10 | 21899 | 6.06E+10 | 2015ACS | Block Grou | CA | Orange Co | 6 | 59 | 86501 | 2 | 705 | 930 | 1200 | 1690 | 55.03 | 930 | 55.03 | +/-21.72 | | 3.08E-05 | 0.0 |
| 11 | 21902 | 6.06E+10 | 2015ACS | Block Grou | CA | Orange Co | 6 | 59 | 86502 | 2 | 1510 | 1850 | 1850 | 1930 | 95.85 | 1850 | 95.85 | +/-23.73 | | 1.74E-05 | 0.0 |
| 12 | 21903 | 6.06E+10 | 2015ACS | Block Grou | CA | Orange Co | 6 | 59 | 86502 | 3 | 1340 | 2315 | 2445 | 2670 | 86.7 | 2315 | 86.7 | +/-16.10 | | 2.83E-05 | 0.0 |
| 13 | 21966 | 6.06E+10 | 2015ACS | Block Grou | CA | Orange Co | 6 | 59 | 87300 | 1 | 1040 | 1460 | 1460 | 1460 | 100 | 1460 | 100 | +/-39.66 | | 8.92E-06 | 0. |
| 14 | 21967 | 6.06E+10 | 2015ACS | Block Grou | CA | Orange Co | 6 | 59 | 87300 | 2 | 1800 | 2630 | 3465 | 3980 | 66.08 | 2615 | 65.7 | +/-23.49 | | 4.52E-05 | C |
| 15 | 21968 | 6.06E+10 | 2015ACS | Block Grou | CA | Orange Co | 6 | 59 | 87300 | 3 | 775 | 850 | 1085 | 1220 | 69.67 | 850 | 69.67 | +/-26.72 | | 3.35E-05 | 0.0 |
| 16 | 21969 | 6.06E+10 | 2015ACS | Block Grou | CA | Orange Co | 6 | 59 | 87300 | 4 | 410 | 930 | 1340 | 1530 | 60.78 | 930 | 60.78 | +/-22.61 | | 2.31E-05 | 0.0 |
| 17 | 21970 | 6.06E+10 | 2015ACS | Block Grou | CA | Orange Co | 6 | 59 | 87300 | 5 | 705 | 1165 | 1450 | 1570 | 74.2 | 1165 | 74.2 | +/-34.90 | | 4.78E-05 | 0. |
| 18 | 21971 | 6.06E+10 | 2015ACS | Block Grou | CA | Orange Co | 6 | 59 | 87401 | 1 | 340 | 695 | 1385 | 1990 | 34.92 | 695 | 34.92 | +/-13.92 | | 4.43E-05 | 0.0 |
| 19 | 21972 | 6.06E+10 | 2015ACS | Block Grou | CA | Orange Co | 6 | 59 | 87401 | 2 | 370 | 1200 | 1930 | 2230 | 53.81 | 1200 | 53.81 | +/-20.31 | | 5.48E-05 | 0.0 |
| 20 | 21975 | 6.06E+10 | 2015ACS | Block Grou | CA | Orange Co | 6 | 59 | 87404 | 1 | 2040 | 2540 | 2905 | 2930 | 86.69 | 2540 | 86.69 | +/-13.04 | | 2.85E-05 | 0.0 |
| 21 | 21976 | 6.06E+10 | 2015ACS | Block Grou | CA | Orange Co | 6 | 59 | 87404 | 2 | 340 | 735 | 945 | 1080 | 68.06 | 735 | 68.06 | +/-26.02 | | 2.18E-05 | 0.0 |
| 22 | 21977 | 6.06E+10 | 2015ACS | Block Grou | CA | Orange Co | 6 | 59 | 87405 | 1 | 935 | 1010 | 1375 | 1480 | 68.24 | 1010 | 68.24 | +/-28.65 | | 4.77E-05 | 0.0 |
| 23 | 21978 | 6.06E+10 | 2015ACS | Block Grou | CA | Orange Co | 6 | 59 | 87405 | 2 | 1400 | 1710 | 1745 | 1840 | 92.93 | 1710 | 92.93 | +/-27.07 | | 2.83E-05 | 0.0 |
| 24 | 21979 | 6.06E+10 | 2015ACS | Block Grou | CA | Orange Co | 6 | 59 | 87405 | 3 | 1910 | 2520 | 2740 | 2755 | 91.47 | 2520 | 91.47 | +/-17.50 | | 3.72E-05 | 0.0 |
| 25 | | | | | | | | | | | | | | | | | | | | | |
| 26 | | | | | | | | | | | | | | | | | | | | | |
| 27 | | | | | | | | | | | LMI population | 34370 | total population | 46685 | | | | | | | |
| 28 | | | | | | | | | | | | | | | | | | | | | |
| 29 | | | | | | | | | | | LMI% in service area | 0.736211 | | | | | | | | | |
| 30 | | | | | | | | | | | | | | | | | | | | | |
| 31 | | | | | | | | | | | | | | | | | | | | | |
| 32 | | | | | | | | | | | | | | | | | | | | | |

Low- and Moderate-Income Data, based on 2011-2015 ACS 5-year Estimates



8/11/2021, 4:13:08 PM

⬜ LMISD by Block Group

1:48,149

0    0.33    0.65              1.3 mi

0    0.5    1              2 km

Maxar

U.S. Department of Housing and Urban Development, Web AppBuilder for Maxar |

3.  If the percentage of persons residing in the service area census tract(s) is 51% or above, then move forward with the LM Area Benefit National Objective. If the percentage is below 51%, then do not proceed with LMI Area and determine if the program meets a different National Objective.

Note: If the service area is the entire city, then check HUD's data set to determine if the city is within HUD's upper quartile waiver.

The census tract is the preferred method for this program. However, a survey can also be used to determine the service area's percentage of LMI persons. HCD must approve the use of the survey methodology prior to the start of the survey.

***Step 3 – Only for entitlement areas where service area census data does not equal 51% LMI and the entitlement area is an "exception grantee":***

HUD defines "exception grantee" as areas with unusually high incomes.  For these grantees, the low/moderate income threshold is less than 51%.  The link below will take you to the listing of 2021 exception grantees and their low/mod thresholds.  For these

communities, the LM Area benefit threshold will be lower than 51%. It will be the value shown in the "Top Quartile" column here for your corresponding area.

Keep in mind, if you are using this calculation, it only applies to entitlement areas and you will still need to identify your service area.

More info here: https://www.hudexchange.info/programs/acs-low-mod-summary-data/acs-low-mod-summary-data-exception-grantees/

***Step 4 – Organize your documentation to meet LM Area Benefit, which should include:***

1. A map clearly showing the boundaries of the activity area
   o HUD's ArcGIS map
   o Google map
2. Action taken by program to define the boundaries, including an explanation of the basis for determining the boundaries
   o HUD's Low- and Moderate-Income Summary Data
3. A chart listing of all the census tracts/block groups included in the service area, including both the total universe and low/mod population with a total calculation for the service area low mod percentage. (See above example for reference.)
4. Documentation that the area is predominantly residential
   o Land use map
   o Google map if clearly shows housing as the predominant land use.
   o Other acceptable documentation of land use

Make sure the documentation is easy to follow and clear so that you can address any questions should they come up in the future.

***Additional Documentation Checklist***

- ☐ Explanation of determining the service area boundaries
- ☐ Service area map
- ☐ HUD LMISD of service area census tract(s) and block groups
- ☐ Documentation that service area is predominantly residential

# Section III: Meeting the Low Mod Limited Clientele (LMC) National Objective

***Applicability: CDBG-CV and CDBG***

**(CDBG-CV ONLY): Initial step for public services: Is the award being provided for activities that prevent, prepare for, and respond to coronavirus?**

- If yes, document how the award is provided for activities that prevent, prepare for, and respond to coronavirus, and proceed with Step 1.

- If no, the project is not eligible under CDBG-CV.

**Definition of Low to Moderate Limited Clientele:** An activity which benefits a limited clientele, at least 51 percent of whom are LMI persons. In contrast to the area benefit category, it is not the LMI service area of the activity that determines whether the activity will qualify or not, but rather the **actual number of LMI persons** that benefit from the activity.

Activities in this category provide benefits to a specific group of persons rather than persons in an area. It may benefit persons without regard to their residence, or it may be an activity that provides a benefit to only particular persons within a specific area.

*Step 1: Determine if the public service activity meets LMI Limited Clientele qualifications*.

*Step 1A: Is the public service activity of such a nature and in such location where the clientele will be primarily LMI persons?*

Examples include:
- PPE equipment to all residents of a particular residential area

If the public service activity is of such a nature and is located in an area where clientele will be mostly LMI move to Step 2. If the public service activity will NOT be of such a nature and is NOT located in an area where clientele will be mostly LMI, see if the public service activity fits other qualifications below.

*Step 1B: Do LMI persons comprise at least 51% of the clientele served by the public service activity?*

1. Verify that the subrecipient has income documentation for each person served. Income documentation support should include the person's household size and income and race/ethnicity. If the information is not readily available, the organization will need to collect this information from each person served using the LMI Household Certification form.

If LMI persons comprise at least 51% of the clientele served by the public service activity, move to the next step. If LMI persons do not comprise at least 51% of the clientele served by the public service, the LMC National Objective does not fit the activity. Move to determine if the program meets a different National Objective.

Subrecipients may be able to use proxy income data to determine whether at least 51% of the participants are LMI (e.g., free and reduced lunch metrics if funding food programs to students), but subrecipients should reach out to their Grant Administrator or HCD Representative prior to using proxy income, race and/or ethnicity data.

### Step 2 - Conduct a duplication of benefits analysis

Conduct a duplication of benefits analysis to determine if the subrecipient has received other funding from federal, state, local or private insurance to meet the same need, using the Duplication of Benefits Tracking Form and the Grantee's DOB Policy.

Reduce eligible award by any duplication of benefits to determine revised potential award amount.

### Step 3: Organize your file documentation to meet LMC

This documentation will differ based on how the public service activity meets the LMC qualifications.

1. ***LMI persons make up at least 51% of the clientele:***

    Documentation differs based on whether the activities provide a direct or indirect benefit. This documentation is needed even if the activity is exclusively for LMI persons.

    *Direct benefit:*
    - Verifiable source documentation (for example, income tax) for all persons over 18 in a household receiving benefits.

    *Indirect benefit*
    - Completed self-certification Household LMI form from all persons receiving benefits

    For both direct and indirect benefits, the subrecipient should retain a project file containing information on race, ethnicity, family size and household income of each participants/user, with numbers and percentages of clientele having incomes above and below the CDBG Income Limits. Documentation from individual participants/users do not have to be submitted, but they should be maintained.

2. ***Clientele based on public service activity and location:***

    If the public service activity will be of such a nature that it will primarily serve LMI persons and is located in an area where clientele will be mostly LMI, necessary documentation must describe how the nature and location of the activity

establishes that it will be used predominately by low to moderate income persons, which can include, but is not limited to:

- Consumer information;
- Photographs;
- Product/service information; (products and services that clearly target the LMC)
- Marketing materials; (flyers, brochures, digital ads that specifically target the LMC Clientele)
- Statistical data;
- Public records;
- Personal observation (write a detailed narrative that explains the nature and the location of the facility establishes it will be used predominately by low to moderate income persons)

**Personal observations and photographs should be supported by at least one additional data source from the list above**.

**Documentation Checklist**
- ☐ Documentation that clientele is at least 51% LMI
  - ☐ Direct benefit: Source documentation for income (e.g., tax returns)
  - ☐ Indirect benefit: Self-certification forms
  - ☐ Consumer information, photographs, product/service information, marketing materials, statistical data, public records or personal observation (for clientele based on activity and location)
- ☐ Award Calculation, documentation of eligible uses of funds
- ☐ DOB calculation and verification
- ☐ Subrogation agreement
- ☐ Documentation for compliance with other applicable cross cutting requirements (e.g., Environmental Review, Section 504 self-evaluation, etc.)
- ☐ Debarment check (SAM.gov)
- ☐ Unique Entity Identifier (UEI) if applicable

# Section IV: Urgent Need for CDBG-CV

*Step 1 - Work with your HCD Representative to obtain approval to use Urgent Need*

Grantees must receive prior approval from HCD before they can assign any public facility projects to urgent need. **Grantees should reach out to their Grant Administrators and/or HCD Representatives to initiate a discussion around whether their public facility project will meet the national objective of Urgent Need. A contract amendment may be required to change an activity to this national objective.** Grantees may request the use of urgent need under the following general circumstances:

1. The grantee has identified an urgent public facility need **prior to award approval** and would like to fund the project because it will demonstrably prevent, prepare for, and respond to coronavirus.

*Step 2 - Conduct a duplication of benefits analysis*

Conduct a duplication of benefits analysis to determine if the public facility as received other funding from federal, state, local or private insurance to meet the same need, using the Duplication of Benefits Tracking Form and the Grantee's DOB Policy (sample policy is here as a word document under the files tab).

Reduce eligible award by any duplication of benefits to determine revised potential award amount.

*Required Documentation for Urgent Need*

☐ **Subrecipient/Award Recipient's certification** (e.g. Board Resolution) that the activity is (1) designed to alleviate existing conditions created by COVID-19; (2) those existing conditions pose a serious and immediate threat to the health or welfare of the community and are of recent origin or recently became urgent; and (3) that the subrecipient/award recipient is unable to finance the activity on its own, and that other sources of funds are not available

o To meet #2, a subrecipient/award recipient may certify that the activity is designed to alleviate existing conditions which pose a serious and immediate threat to the health or welfare of the community within 18 months following a date determined by one of the following three methods:

- Referral to a U.S. Department of Health and Human Services issued press release declaring a public health emergency for the entire United States found at https://www.hhs.gov/about/ news/2020/01/31/secretary-azardeclares-public-health-emergency-us2019-novel-coronavirus.html. The declaration was retroactive to January 27, 2020;

- Referral to the President's declaration of the ongoing Coronavirus Disease 2019 (COVID–19) pandemic as an emergency of sufficient severity and magnitude to warrant an emergency declaration for all states, tribes,

territories, and the District of Columbia pursuant to section 501(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121–5207 (the "Stafford Act"). (The President subsequently approved additional major disaster declarations for states); or

- Referral to the effective date of a grantee's own local or state emergency declaration.

☐**Records** showing grant funds were used to prevent, prepare for, and respond to coronavirus

☐ **Duplication of Benefits support documentation**

- Determine the eligible amount, based on grantee eligible uses of funds

  - Calculate the potential eligible amount of assistance for the business, based on the eligible expenses allowed under the grantee program policies.

- Conduct a duplication of benefits analysis

  - Conduct a duplication of benefits analysis to determine if the business has received other funding from federal, state, local or private insurance to meet the same need, using the Duplication of Benefits Tracking Form. Reduce eligible award by any duplication of benefits to determine revised potential award amount.

# Public Services: Eligible Activities

Eligible activities for Public Service programs are the same for CDBG-CV and CDBG programs and are further described in Chapter 2 of the Grants Management Manual. These eligible activities include:

- Public Services (Sec. 105(a)(8))

| Primary Activities That Can Be Used to Prevent, Prepare for, and Respond to Coronavirus in the Community Development Block Grant Program | | |
|---|---|---|
| Several eligible public services may be funded with CDBG-CV. For CDBG-CV and FY 2019 and 2020 annual CDBG grants, the 15 percent cap has been lifted for public services that prevent, prepare for, or respond to coronavirus. CDBG-CV funds may only be used for those public service activities that are new or that represent a quantifiable increase above the level of an existing service that has been provided by or on behalf of the unit of general local government (through funds raised by the unit or received by the unit from the state in which it is located) in the 12 calendar months before the submission of the action plan. | | |
| **Eligible Uses** | **Examples** | **Other Details** |
| ***Emergency Grant Payments*** | <ul><li>Subsistence payments to help prevent a family from being evicted and/or losing their home due to nonpayment of their rent or mortgage.</li><li>Assist families with other essential costs, such as food, clothing, and utilities.</li></ul> | <ul><li>Emergency payments may cover a series of up to six consecutive months of assistance for a household to help with rent, mortgage, utilities, and/or other subsistence support.</li><li>Payment must be made to the provider (e.g., landlord, lender or utility company) on behalf of an individual or family.</li><li>Emergency grant payments cannot duplicate other assistance the tenant receives for the same time period and purpose.</li><li>The period of eligibility for emergency payments begins</li></ul> |

| | | when the payment is made, regardless of when the unpaid balance began. If a household is one or more months behind on their housing-related payments, the grantee may cover some or all of the households' past due rent within the first month of assistance, and then provide an additional five consecutive months of assistance to exhaust the six-month period of eligibility.<br>• The date of the first payment also begins the 100-day grace period before a visual lead-based paint inspection is required. |
|---|---|---|
| ***Housing Counseling*** | • Rental Housing Counseling. Housing counseling agencies can assist clients with the following topics for tenants, for example: finding and identifying housing, including affordable options; supporting clients through identification of the myriad of rental assistance available in the community; understanding fair housing laws and support with complaints; supporting tenants with tenant/landlord tenant laws and lease terms; and helping with reasonable accommodation and modification requests for persons with disabilities. | • Must be provided to clients in need of assistance with their housing situation as a result of COVID-19. Housing counseling agencies are working across the country to provide clients with supports amid the pandemic. |

| | | |
|---|---|---|
| | • Mortgage Forbearance and Delinquency Housing Counseling. Housing counseling can also assist existing homeowners with resolving or preventing mortgage delinquency or default, for example: foreclosure prevention strategies, loss mitigation, budgeting and credit, restructuring debt, obtaining re-certification for mortgage subsidy, and establishing reinstatement plans. | |
| *Food Banks* | • Providing food, toiletries and other personal care items to families. | • May qualify as LMA if the food bank is in and primarily service a community in which at least 51% of the population is LMI. |
| *Personal Protective Equipment* | • Providing personal protective equipment, or PPE, is an eligible CDBG-CV public service activity. | • Depending upon how grantees structure delivery of the activity, it could meet the requirements of LMC, LMA, or Urgent Need national objectives.<br><br>• If grantees use the LMC national objective, PPE recipients must confirm they are in an eligible presumed benefit category or are otherwise low-income and that there is no duplication of benefits.<br><br>• To meet the LMA national objective, grantees must define a primarily residential service area that is at least 51 percent LMI, and PPE supplies must be |

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| | | available to all residents of the area. |
| | | • For Urgent Need, grantees should document how the service will alleviate existing conditions that pose an immediate threat to the health or welfare of the community, that the condition is of recent origin (within the last 18 months), grantee is unable to finance the activity on its own, and other sources of funding are not available. |
| | | • Grantee should also review the extensive discussion and guidance on recordkeeping methods to meet the Urgent Need national objective in the CDBG-CV Notice (see page 51465). |