

Community Development Block Grant Coronavirus (CDBG-CV) Program Overview



The Coronavirus Aid, Relief, and Economic Security (CARES) Act has appropriated \$5 billion in Community Development Block Grant - Coronavirus (CDBG-CV) funding nationwide to assist low-income families and most vulnerable citizens. The United States Department of Housing and Urban Development (HUD) has allocated \$3 billion of the \$5 billion appropriated by Congress.

Allocation of Funds

CDBG-CV Round 1 Allocations:

- **Distribution Formula:** HUD allocated the funds using the same allocation methodology as the FY 2020 CDBG Formula Allocation.¹
 - \$75 million was distributed directly to CDBG entitlement communities from HUD.
 - \$16.7 million was distributed to the state to administer in non-entitlement (small and rural) communities.

CDBG-CV Round 2 Allocations:

- **Distribution Formula:** HUD allocated the funds using a formula that resulted in strong targeting to areas with high proportions of low-income elderly, COVID-19 cases, and higher unemployment claim rates per capita.
 - \$63.1 million was distributed to the state for use in both entitlement and non-entitlement communities.

CDBG-CV Round 3 Allocations:

- **Distribution Formula:** HUD allocated the funds using a formula determined by HUD.²
 - \$110.6 million was distributed directly to CDBG entitlement communities from HUD.
 - \$20.2 million was distributed to the state to administer in non-entitlement (small and rural) communities.

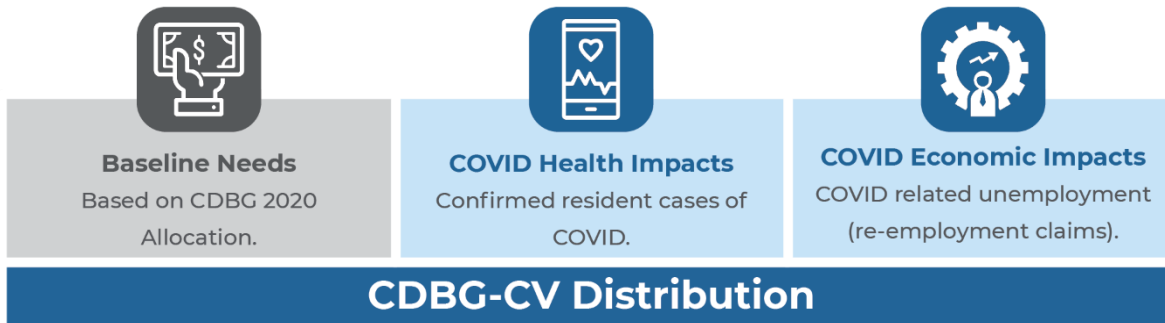
Florida's Total Allocation - \$285.6 million

- **DEO Administered - \$100 million**
 - DEO Administration Funds: \$5 million
 - DEO Training and Technical Assistance Funds: \$2 million
- **Local Government (Entitlement Communities) Administered - \$185.6 million**
 - HUD provided funding directly to entitlement communities to administer in Rounds 1 and 3.

¹ The regular allocation formula directs 70 percent of HUD funds (nationally) to entitlement communities and 30 percent to states and insular areas. Individual allocations are a function of population, people in poverty, and overcrowded housing units, with some adjustments for population growth lag and the number of housing units built before 1940.

² The formula considered transmission of coronavirus, number of coronavirus cases compared to the national average, and economic and housing market disruptions resulting from coronavirus.

Formula Distribution for Round 2 of CDBG-CV Funding



Of the \$100 million distributed to DEO, \$63.1 million was distributed to the state for use in both entitlement and non-entitlement communities. We developed a CDBG-CV allocation formula that acknowledges a baseline level of housing and community development needs and accounts for geographic differences in COVID impacts (both health-related and economic-related impacts). The DEO funding formula will determine the maximum amount of funds that can be applied for by each individual entitlement community or the non-entitlement communities as a whole.

DEO Formula Allocation Methodology

Round 2 funding will be distributed by a formula that acknowledges a baseline level of housing and community development needs and accounts for geographic differences in COVID impacts (both health-related and economic-related impacts). The formula will determine the maximum amount of funds that can be applied for by each individual entitlement community or the non-entitlement communities as a whole.

Baseline Needs:

- Uses HUD's CDBG 2020 distribution formula as an indicator of populations most vulnerable to housing and economic challenges generally.

COVID Health Impacts:

- Uses total confirmed resident cases of coronavirus to measure health impacts of COVID-19.

COVID Economic Impacts:

- Uses COVID-related unemployment claims to measure economic impacts of COVID-19.

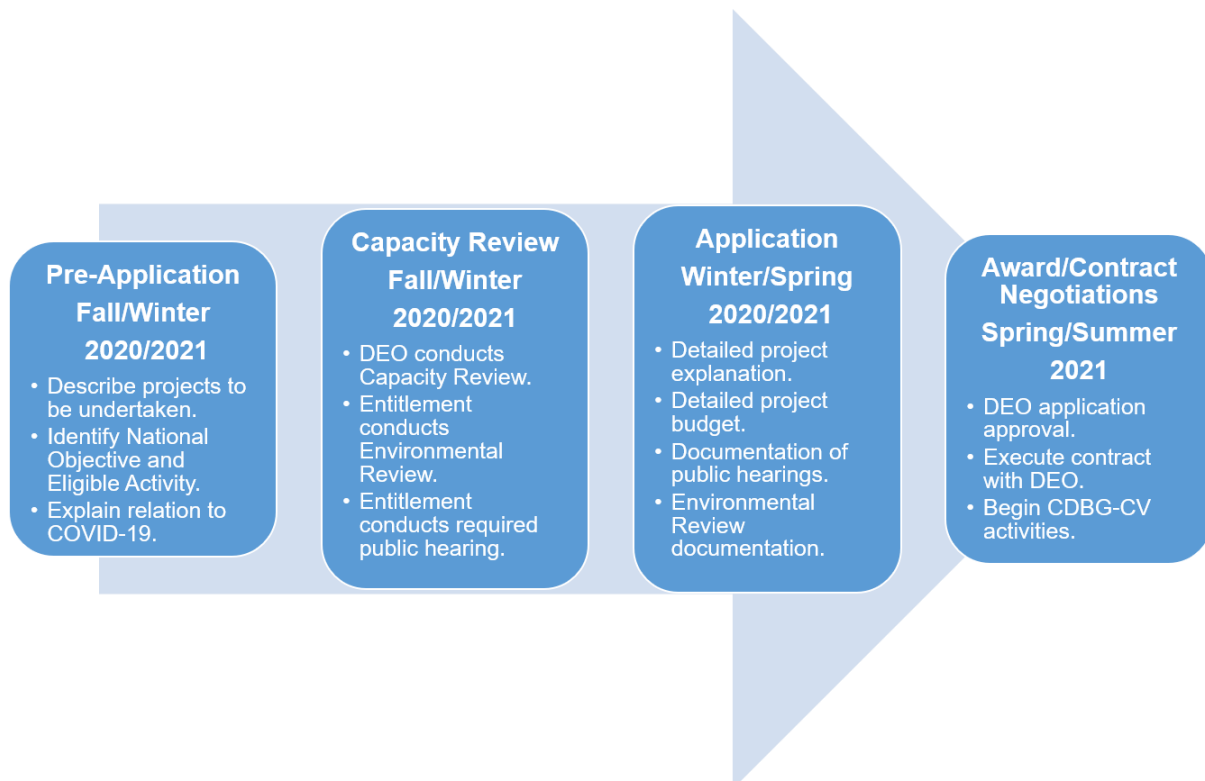
CDBG-CV Programs

Program Requirements:

- **Eligible Activities:** Acquisition; Public Improvements; Public Facilities; Business Assistance; Microenterprise Assistance; Public Services; Planning; and Broadband Planning and Public Infrastructure.
- **COVID-19 Tie:** Under the CARES Act, funding is available through the Community Development Block Grant Program for activities which prevent, prepare for, and respond to the coronavirus pandemic.
- **National Objective:** Each activity funded by CDBG must meet one of the following HUD required National Objectives:
 - Provide benefit to low- and moderate-income (LMI) persons.
 - Prevent or eliminate slum or blight conditions.
 - Address urgent community development needs, which pose a serious and immediate threat to the health or welfare of the community for which other funding is not available.

Entitlement Community Program:

- Eligible Applicants:
 - Eligible applicants include HUD entitlement communities that are encouraged to coordinate with local governments and subrecipient agencies within their jurisdiction.
- Ineligible Applicants:
 - Counties – population in unincorporated area less than 200,000.
 - Cities – population less than 50,000.
 - No special entitlement status.
 - Small communities that opt to participate in an Entitlement Program.
- Funds will be awarded for eligible activities following a needs and capacity review for eligible activities approved by DEO, up to the amount of the entitlement community's allocation.



Non-Entitlement Community Program:

- Eligible Applicants:
 - Counties – population in unincorporated area less than 200,000.
 - Cities – population less than 50,000.
 - No special entitlement status or have officially opted out of the entitlement program.
- Competitive application process for eligible non-entitlement communities.
- The Non-Entitlement Community Program will be funded through:
 - (1) the CDBG-CV Round One allocation (\$16.7 million);
 - (2) the CDBG-CV Round Two allocation based on the formula distribution;
 - (3) the CDBG-CV Round Three allocation (\$20.2 million); and
 - (4) supplemented with additional funds, based on need, available through the Small Cities CDBG program.

