



New Castle County

SUBSTANTIAL AMENDMENT TO FY 2019 ANNUAL ACTION PLAN FOR CARES ACT FUNDS CDBG and ESG

Overview/Objective

The federal CARES Act, P.L. 116-136, made available supplemental funding through the Community Development Block Grant (CDBG) Program. \$1,427,933 in CDBG-CV funds and \$690,366 in ESG-CV funds were allocated to New Castle County by the US Department of Housing and Urban Development (USHUD). New Castle County has also completed a Substantial Amendment to its CDBG FY 2019 Annual Action Plan, reprogramming \$250,000 to be added to the CDBG-CV Action Plan funding. This will result in a total budget of \$2,368,299.

Special USHUD waivers permits CDBG-CV funding to be utilized for public services and other activities that will prevent, prepare for, and respond to coronavirus. The broad flexible waivers will permit New Castle County to address the challenges facing the county.

Public Comment

The U.S. Department of Housing and Urban Development (HUD) granted several waivers to program procedure to expedite the use of these funds. These waivers included an ability to amend the Citizen Participation Plan and allow for a much shorter timeframe for public display, use of the internet to make the Substantial Amendment available to the public and use of virtual meetings to allow for input and comment. New Castle County advertised and made the Substantial Amendment available to the public on May 2, 2020 for a period of 5 days and held a virtual public hearing by (ZOOM, call in, etc.) on Thursday, May 7, 2020 at noon.

Rationale for amendment

The Coronavirus Aid, Relief, and Economic Security Act, (CARES Act) which was signed into law on March 27, 2020, provides funds through the CDBG, ESG and HOPWA programs. The CARES Act provides for allocations of funds to prevent, prepare for, and respond to coronavirus.

New Castle County has taken stock of local needs and the parameters of each of the programs and determined how the funds allocated will be used in this community. The following activities will be funded:

- Subsistence Payments (rental, utility and mortgage assistance)

- Hotel/Motel Vouchers
- Health Related Supportive Services
- Legal Services
- Emergency Shelter Projects: Operational Support/Essential Services & Expanded Staff
- Rapid Rehousing
- Administration

The four (4) main objectives of the New Castle County COVID response would be to:

- Encourage social distancing within the homeless populations by providing hotel vouchers for persons experiencing homelessness and provide shelter operation services such as purchasing equipment, supplies and materials necessary to carry-out a public service and provide sanitary conditions for persons experiencing homelessness.
- Prevent homelessness in the County by providing rental, mortgage and utility assistance to households “at risk” of homelessness and providing legal aid service to households facing eviction.
- Quickly move persons experiencing homelessness into permanent, safe and stable housing.
- Provide quality administration of federal programs.

1. COUNTY: Subsistence Payments: (rent/utilities/mortgage payments) -CDBG-CV

New Castle County residents have experienced significant financial hardship due to social distancing restrictions imposed in response to the COVID-19 public health emergency. The goal of the subsistence payments program would be to provide low-moderate income, qualifying households short term (no more than 3 months) rental and/or utility assistance, not to exceed \$1,500 per household.

Program Budget

New Castle County estimates serving 228 people with up to \$1,500 of subsistence payments with a total budget of \$342,346.39.

2. COUNTY: Hotel/Motel Vouchers -CDBG-CV

New Castle County has recognized the need to provide a safe, stable, temporary shelter for individuals who need non-congregate shelter accommodations.

Cognizant of the above outlined conditions, New Castle County will enter into an agreement with a subgrantee to provide hotel vouchers to provide shelter for these individuals. Several sources of funding will be secured for the cost of room rentals; supportive services (including case management, transportation, health services, legal services, etc.) and meals.

Program Budget

New Castle County estimates spending approximately \$100 per household (\$55 per room plus food and overhead services) X 250 people per night for approximately 20-30 nights with a total budget of \$731,218.33.

3. COUNTY: Health Related Supportive Services -CDBG-CV

New Castle County has recognized the need to provide health related supportive services to persons at risk of homelessness and those experiencing homelessness as a result of COVID-19. health services to address the physical health needs in the community including sanitation stations, mobile showers, and other materials and equipment needed to carry-out public services and provide sanitary environments and keep participants healthy.

Program Budget

New Castle County estimates spending approximately \$50,000, serving approximately 500 people.

4. COUNTY: Legal Services -CDBG-CV

New Castle County has recognized the need to provide legal aid services to persons at risk of homelessness and those experiencing homelessness as a result of COVID-19. Such services include legal services to provide legal aid to low- and moderate-income households facing evictions.

Program Budget

New Castle County estimates spending approximately \$100,000, serving approximately 100 people.

5. COUNTY: Emergency Shelter Projects: Operational Support/Essential Service & Expanded Staff-ESG-CV

New Castle County will also assist local non-profits providing emergency shelter services financial assistance for shelter operations including operational support, expanding staffing for shelter operations, cleaning supplies and other materials necessary to provide safe and stable temporary shelter.

Program Budget

New Castle County estimates the total cost for shelter operations will be \$372,797.64. An estimated total of 200 people will be served.

6. COUNTY: Rapid Rehousing -ESG-CV

New Castle County has also identified the need to rapidly rehouse homeless individuals and families in to permanent and safe housing. Rapid re-housing (RRH) assistance aims to help individuals or families who are homeless move as quickly as possible into permanent housing and achieve stability in that housing through a combination of rental assistance and supportive services. New Castle County will provide short-term and/or medium-term rental assistance, housing relocation and stabilization services and case management to qualifying households.

Program Budget

New Castle County will utilize \$248,531.76 to provide rapid rehousing to homeless households. An estimated total of 90 people will be served.

7. COUNTY: Program Administration -CDBG-CV; ESG-CV

In order to provide oversight and programmatic technical assistance to grantees, New Castle County will use the maximum allowed percentages for both CDBG-CV and ESG-CV to pay for program administration.

Program Budget

Total cost for Program Administration is \$354,623.20 (CDBG-CV \$285,586.60 and ESG-CV \$69,036.60).

8. CITY: Subsistence Payments: (rent/utilities/mortgage payments) -CDBG-CV

The City of Newark residents have experienced significant financial hardship due to social distancing restrictions imposed in response to the COVID-19 public health emergency. The goal of the subsistence payments program would be to provide low-moderate income, qualifying households short term (no more than 3 months) rental and/or utility assistance, not to exceed \$1,500 per household.

Program Budget

Newark estimates serving 78 people with up to \$1,500 of subsistence payments with a total budget of \$118,147.18.

9. CITY: Hotel/Motel Vouchers -CDBG-CV

The City of Newark has recognized the need to provide a safe, stable, temporary shelter for individuals who need non-congregate shelter accommodations.

Cognizant of the above outlined conditions, Newark will enter into an agreement with a subgrantee to provide hotel vouchers to provide shelter for these individuals.

Several sources of funding will be secured for the cost of room rentals; supportive services (including case management, transportation, health services, legal services, etc.) and meals.

Program Budget

Newark estimates spending approximately \$100 per household for 10-16 people per night for approximately 20-30 nights with a total budget of \$33,756.34.

10. CITY: Health Related Supportive Services -CDBG-CV

The City of Newark has recognized the need to provide health related supportive services to persons at risk of homelessness and those experiencing homelessness as a result of COVID-19. health services to address the physical health needs in the community including sanitation stations, mobile showers, and other materials and equipment needed to carry-out public services and provide sanitary environments and keep participants healthy.

Program Budget

Newark estimates spending approximately \$16,878.16, serving an estimated 168 people.