

United States Senate

WASHINGTON, DC 20510

July 21, 2020

The Honorable Ben Carson
Secretary
U.S. Department of Housing and Urban Development
451 7th Street, NW
Washington, D.C. 20410

Dear Secretary Carson,

I write with regard to the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) program, which supports community development activities to provide affordable housing, infrastructure development and anti-poverty programs in communities in need. As many families and individuals find themselves in an uncertain financial situation as a result of the COVID-19 pandemic, it is critical that the supplemental CDBG funding recently authorized and appropriated by Congress be immediately disbursed to assist individuals, families and communities suffering as a result of the COVID-19 pandemic.

As part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Congress included a supplemental appropriation of \$5 billion for the CDBG program, essential funding that will better equip states, counties and cities in their response to the economic and housing impact of the COVID-19 pandemic. This funding, referred to as CDBG-CV, will support the expansion of community health facilities, child care centers, food banks and senior services in vulnerable communities. Therefore, I urge HUD to swiftly approve grantee supplemental amendment requests once they have been received and release CDBG-CV funds to grantees as soon as possible. I also request that HUD issue guidance promptly on the permissible uses of CDBG-CV funds so that grantees can put them to use quickly and effectively once they have been released by HUD.

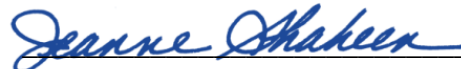
Additionally, under current guidance, local governments in non-entitlement communities that do not receive CDBG funds directly are charged with applying to the statewide agency that administers those funds. A municipality can also apply for these funds on behalf of a local non-profit agency. In New Hampshire, the Community Development Finance Agency (CDFA) administers the statewide CDBG program. Currently, non-profit organizations in non-entitlement communities are required to work through their local government to apply for CDBG-CV funds from CDFA. Unfortunately, many of New Hampshire's municipalities have been heavily burdened due to their response to the COVID-19 pandemic and are facing significant administrative challenges. Many municipalities simply do not have the capacity at this time to support local non-profits in applying for CDBG-CV funds. Therefore, I request that HUD issue a temporary waiver to allow non-profit organizations to apply directly to statewide grantees like the CDFA without needing to go through their local government to access CDBG-CV funds.

Non-profits and social service agencies on the frontlines of the COVID-19 health emergency are in need of immediate relief. Requiring these organizations to first apply to their local government, rather than working directly with the CDFA, is an unnecessary step that delays these critical funds from getting to those organizations who are positioned to help the most vulnerable communities. Eliminating this time consuming step will allow for these critical CDBG-CV funds to be more effective in meeting community needs and help reduce administrative burdens on municipalities struggling to combat COVID-19. It is essential that any waiver issued to address this concern does not diminish a municipality's eligibility for CDBG-CV funds should they choose to apply independently. Both municipalities and non-profit agencies should have timely access to CDBG-CV funds as they respond to the pandemic.

As the devastating economic and housing impacts of the COVID-19 pandemic continue unabated, it is more important than ever that vulnerable communities in New Hampshire and across the country have access to support for affordable housing, health care facilities and senior services. These services are especially important as New Hampshire's moratorium on evictions has been lifted and expanded federal unemployment insurance is set to expire on July 31st, 2020. The services supported by CDBG-CV funds are crucial to helping our communities through this pandemic. I urge HUD to ensure CDBG-CV funds and similar resources are disbursed as soon as possible.

Thank you for your attention to this matter.

Sincerely,



Jeanne Shaheen
United States Senator