



OFFICE OF HOUSING

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-8000

July 8, 2020

MEMORANDUM FOR: Owners/Management Agents of Multifamily Properties and Other Entities Administering Service Coordination and Congregate Housing Services Grants

ATTENTION: Multifamily Regional Directors
Regional and Satellite Office Asset Management Division Directors

FROM: Tobias Halliday, Director, Office of Asset Management and Portfolio Oversight (OAMPO), HTG

SUBJECT: Update on Allocation of Funding from the CARES Act for Service Coordination and Congregate Housing Services

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (P.L. 116-136) provides up to \$10 million of additional appropriations for service coordination and renewal of congregate housing services grants. The purpose of the funding is to prevent, prepare for, and respond to coronavirus, including to maintain normal operations and take other necessary actions during the period that the programs are impacted by coronavirus.

HUD has begun executing the funding actions necessary to provide the supplemental appropriations to approximately 1,600 properties with grants previously awarded through the NOFA process under the Service Coordinators in Multifamily Housing (SCMF) program and the Congregate Housing Services Program (CHSP). Each SCMF and CHSP grant with an approved extension for the calendar year 2020 grant cycle will be eligible for a one-time supplement of CARES Act funding in an amount that is directly proportionate to the 2020 grantee budget approved by HUD. The supplemental awards are preliminarily estimated to be equivalent to 9 percent of each grantee SCMF and/or CHSP 2020 program operating budget.

HUD Grant Specialists will prepare a Notice of Award (NOA) within Grant Solutions for acceptance by the grantee. Once NOAs are issued, HUD will require a response from the grantee within 5 business days in order to proceed quickly to the next phase of the multi-step funding process. Should a grantee not anticipate eligible cost increases during the 2020 performance period and determine to decline the supplemental funds, amounts will be recaptured by HUD and reallocated for other CARES Act purposes. Grantees who accept the award will have the opportunity later in the process to indicate if only a portion of the funds are needed. Increased grantee expenditures must support program activities during the period that the properties served by grantees are impacted by COVID-19, which is identified in this case as the period between March 27, 2020, through December 31, 2020.

Section 15011 of the CARES Act requires monthly reporting on activities by recipients who

receive more than \$150,000 in funding. While no SCMF or CHSP grant amendment is anticipated to exceed this threshold, a small percentage of properties assisted under Multifamily Housing programs (primarily large Section 8 properties) may surpass the threshold when grant amounts are considered together with CARES Act allocations made for housing assistance payments. The Department will work in coordination with OMB to ensure this reporting requirement can be fulfilled by recipients of CARES Act funding, where required, in a manner that utilizes, to the greatest extent possible, existing reporting streams, providing the necessary transparency and accountability with minimal additional burden.

Additional detailed guidance on eligible expenses, documentation, and reporting will be provided to owners by their Grant Specialist within the next 30 days. Grantees should contact their assigned Grant Specialist with any questions regarding CARES Act funds.