



## Legislation Text

---

**File #:** 20-448, **Version:** 1

---

Update on the City's use of the Federal Housing and Urban Development Covid-19 CARES Act stimulus funding.

**Presenter:**

Steve Posey, HUD Program Manager, Community Development Division  
Peter Wysocki, Director, Planning & Community Development

**Summary:**

Earlier this year, the City received funding from the Dept. of Housing & Urban Development (HUD) as part of the CARES Act stimulus funds made available by the federal government to prevent, prepare for, and respond to the coronavirus. The City received \$1.8M in Community Development Block Grant (CDBG-CV) funds and \$887,124 in Emergency Solutions Grant (ESG-CV) funds in round 1 of the CARES Act, as well as an additional \$5M in ESG-CV funds in round 2.

Federal law requires that the funds primarily benefit low- to moderate-income households in our community. Since the passage of the CARES Act, Community Development staff have been working with local emergency responders, public health officials, shelter agencies, non-profit housing and human services providers, the Pikes Peak Continuum of Care, Pikes Peak United Way, and the philanthropic and faith communities to assess the needs of vulnerable households affected by CV19.

In anticipation of an outbreak of CV19 among the homeless population, CDD worked closely with the Pikes Peak Regional Office of Emergency Management, public health officials, and the Springs Rescue Mission to stand up and operate a homeless isolation shelter in the City Auditorium downtown. The facility provides testing, temporary shelter, and limited care for homeless individuals presenting with CV19 symptoms. CDD has set aside a portion of the City's ESG-CV funds to continue operation of the isolation shelter through the end of 2020.

A summary of calls received by the Pikes Peak United Way through the 211 Call Center, as well as a survey of the members of the Coalition of Homeless Assistance Providers, indicate that loss of income due to business restrictions and termination of federal assistance payments is likely to result in an ongoing need for rental subsidies, as well as assistance with utilities, food, and medical bills. Low-income renter households in the community have been particularly hard hit by the economic downturn created by the pandemic.

The first round of HUD CARES Act funding was made available to service providers through a competitive grant application process in June, 2020. A total of \$1M in CDBG-CV funds and \$400K in ESG-CV funds were made available. Grant recipients include shelter operators, housing providers, and social service agencies focused on meeting the needs of very-low and extremely-low income individuals and households affected by CV19. A full list of the awarded agencies can be found on

CDD's web page. The balance of the first round of ESG CV funding will be used to continue operation of the Homeless Isolation Shelter at the City Auditorium. The balance of the CDBG CV funding is being set aside for economic development activities that focus on job retention for businesses affected by reduced hours or shutdowns, as well as a small amount for program administration.

CDD expects to release another round of grant funding this fall that will make available the ESG-CV funds included in the second round of the CARES Act. CDD is collaborating with the Pikes Peak Continuum of Care to identify priority needs for the second round of ESG-CV funds. Homeless prevention, rapid re-housing, and shelter operations are likely to be the focus of the 2nd round of awards.

**Previous Council Action:**

None.

**Background:**

**Financial Implications:**

The HUD funds made available through the 1st & 2nd rounds of CARES Act funding will be included in a supplemental appropriation coming before City Council later this month.

**Board/Commission Recommendation:**

N/A

**Stakeholder Process:**

Community Development staff have been in close contact with local housing providers, the Pikes Peak Continuum of Care, the Pikes Peak United Way, the Apt. Association of So. Colorado, and the philanthropic and faith communities to assess the impacts of CV19 on low income households and to develop a coordinated strategy for providing assistance.

**Alternatives:**

This presentation is for informational purposes only.

**Proposed Motion:**

No action required.

NA.