



# PROPOSED AMENDMENTS TO HUD ACTION PLAN, CONSOLIDATED PLAN & PARTICIPATION PLAN

NEIGHBORHOOD HOUSING &  
COMMUNITY DEVELOPMENT

# Why Is The City Of Austin Amending Its U.S. Department Of Housing And Urban Development (HUD) Plans?

- The federal government adopted the Coronavirus Aid, Relief and Economic Security, or CARES Act, in April of 2020, which provides additional funding to be deployed through HUD programs to respond to the impacts of COVID-19
- Amending the current year Action Plan and the corresponding Consolidated Plan is the fastest way to deploy the additional funds to respond to the impacts of COVID-19
- Jurisdictions must submit amended plans to HUD to receive the funding



# Consolidated Plan & Action Plan Amendment Process

FY 2019-24  
Consolidated Plan  
and FY 2019-20  
Action Plan

- Approved by HUD in fall 2019

Amend FY 2019-24  
Consolidated Plan and FY  
2019-20 Action Plan

- To include CARES Act funding

Submit  
Amendments to  
HUD

- Upon approval by HUD, begin the process of implementing programs to mitigate the economic effects of COVID-19



# CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY (CARES) ACT OF 2020

The CARES Act provided funding to respond to the impacts of the coronavirus to be deployed by HUD through three programs:

1. Community Development Block Grant coronavirus response (CDBG-CV)
2. Emergency Solutions Grant (ESG-CV)
3. Housing Opportunities for Persons with AIDS (HOPWA-CV)



# Eligible Uses of HUD CARES Act Funding by Program

<b>Community Development Block Grant-CV</b>	May be used to cover or reimburse costs to prevent, prepare for, and respond to coronavirus, regardless of the date on which such costs were incurred, when those costs comply with CDBG requirements.	\$4.6M
<b>Emergency Solutions Grant-CV</b>	Prevent the spread of COVID-19, Provide additional support to individuals and families eligible for Continuum of Care or ESG assistance who are economically impacted by COVID-19	\$2.4M
<b>Housing Opportunities for Persons With AIDS-CV</b>	Prevent the spread of COVID-19, Provide additional support to individuals and families eligible for Continuum of Care or HOPWA assistance who are economically impacted by COVID-19	\$272,000



# How The Cares Act Funding Proposals Were Informed

Community input  
through SpeakUp  
Austin survey and  
public hearing

Calls to 211 regarding  
needs for services

Unemployment data  
analysis

Review of other  
funding sources to  
align eligible source of  
funds with  
community need

City of Austin Economic  
Recovery Core  
Directors Panel



# UNITED WAY 211 calls In Travis County

APRIL 1 - 15, 2020

Need	Volume of 211 Calls
Rent Payment Assistance	1938
Food Pantries	1028
Electric Service Payment Assistance	553
COVID-19 Control	527
Undesignated Temporary Financial Assistance * COVID-19	139
Water Service Payment Assistance	139
COVID-19 Diagnostic Tests	128
State Unemployment Insurance * COVID-19	122
Food Stamps/SNAP Applications	120
Gas Service Payment Assistance	114



# COVID-19 Impact & The Fragility Of Childcare

- According to Workforce Solutions Capital Area, **68%** of the childcare programs that contract for subsidized childcare are **closed**.
- Approximately **50%** of all licensed childcare programs in Travis County are **closed**.
- Nationally, only **3%** of the first round of PPP and SBA loans went to the sector that includes childcare (educational services businesses), indicating that many of these closures, without government financial support, may be permanent.
- There are currently only **1, 469** childcare seats available for essential workers in Austin/Travis County. (Per 5/12/20 report from Workforce Solutions Capital Area).
- It is estimated that **54%** of childcare supply may be lost - a **loss** of more than **480,000** child care seats.
- Prior to the COVID-19 crisis, there was only 1 spot for every 2.71 children in Texas. Without investment, there may be only 1 spot for every 5.9 children.



# Small Business And Creative Community Needs

## Loan Loss Reserve

**Small Businesses hit hard** according to a study by the Downtown Austin Alliance (closed 4/19/20):

- 65% of downtown businesses had suspended business or closed completely due to the pandemic, with 86% of reporting businesses stating that their revenue had dropped 76-100% since public health restrictions had been imposed.
- The loan loss reserve is recommended to offset losses of the Economic Injury Bridge Loan Program, which has now stopped accepting inquiries.

## Artist Education Program

**Local creatives** according to a national study by Americans for the Arts (updated as of 5/4/20):

Financial losses to nonprofit arts organizations are estimated to be \$4.98 billion, to date. They have also lost \$208 million in admissions due to cancelled events, resulting in a \$6.6 billion loss in event-related spending by audiences (restaurants, lodging, retail). The economic impact of these losses is \$1.9 billion in lost government revenue and 328,000 jobs no longer being supported. Findings are based on 11,000 survey responses. ([Survey Dashboard.](#))

- 95% cancelled events.
- 66% expect this crisis to have a “severe” impact on their organization.
- 29% reduced artistic workforce.
- 24% reduced staff (42% are “likely” to reduce staff).
- 10% are “not confident” that they will survive the COVID-19 pandemic (a potential loss of 12,000 organizations).
- *And yet, 65% are delivering artistic content to raise community spirits and morale.*

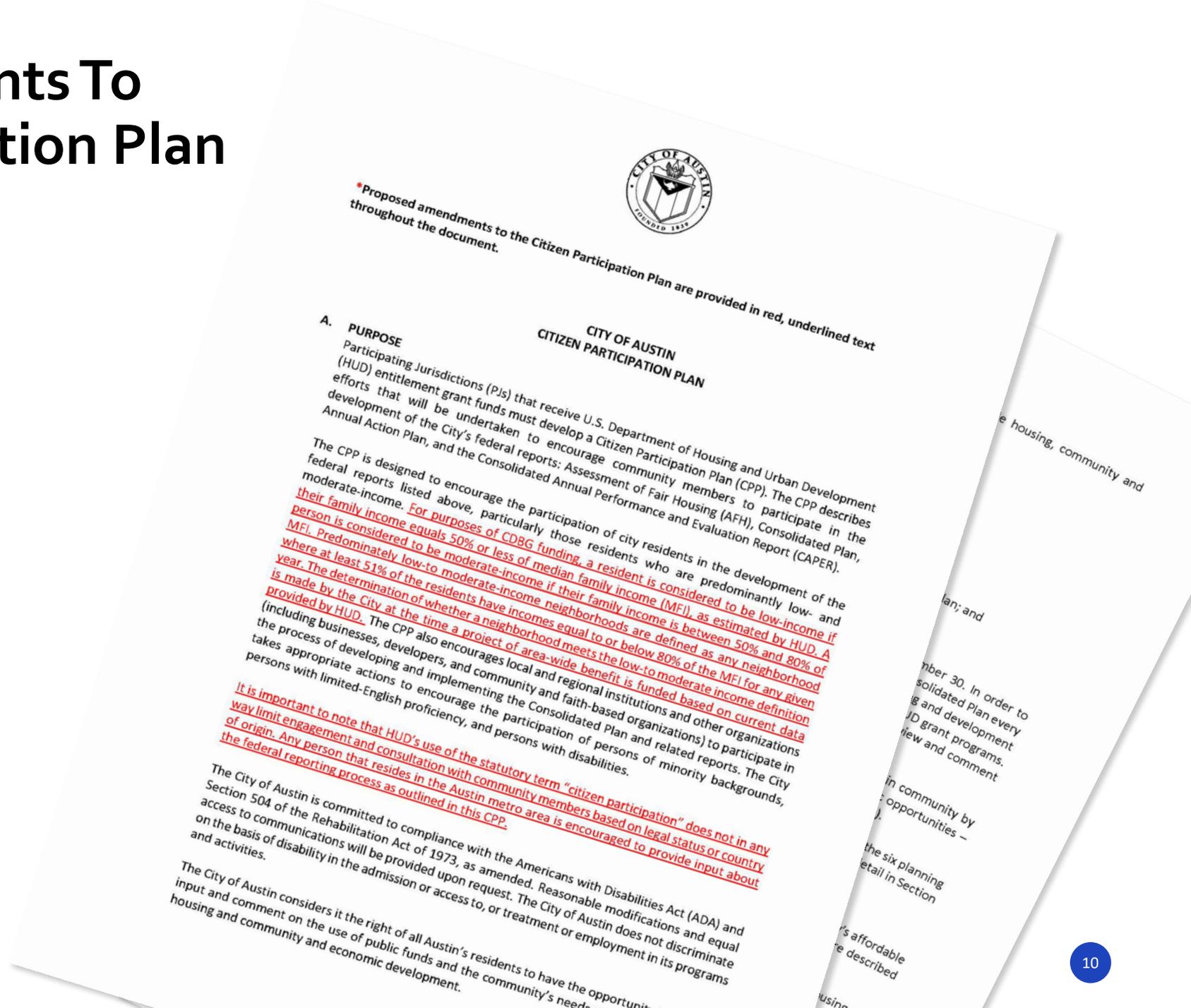
\* Most of Austin's creatives fall between low and moderately low-income strata; estimated economic loss of SXSW cancellation alone is \$360M. HOT-funded Cultural Funding for FY21 is anticipated to be 40 – 75% less than in years past.



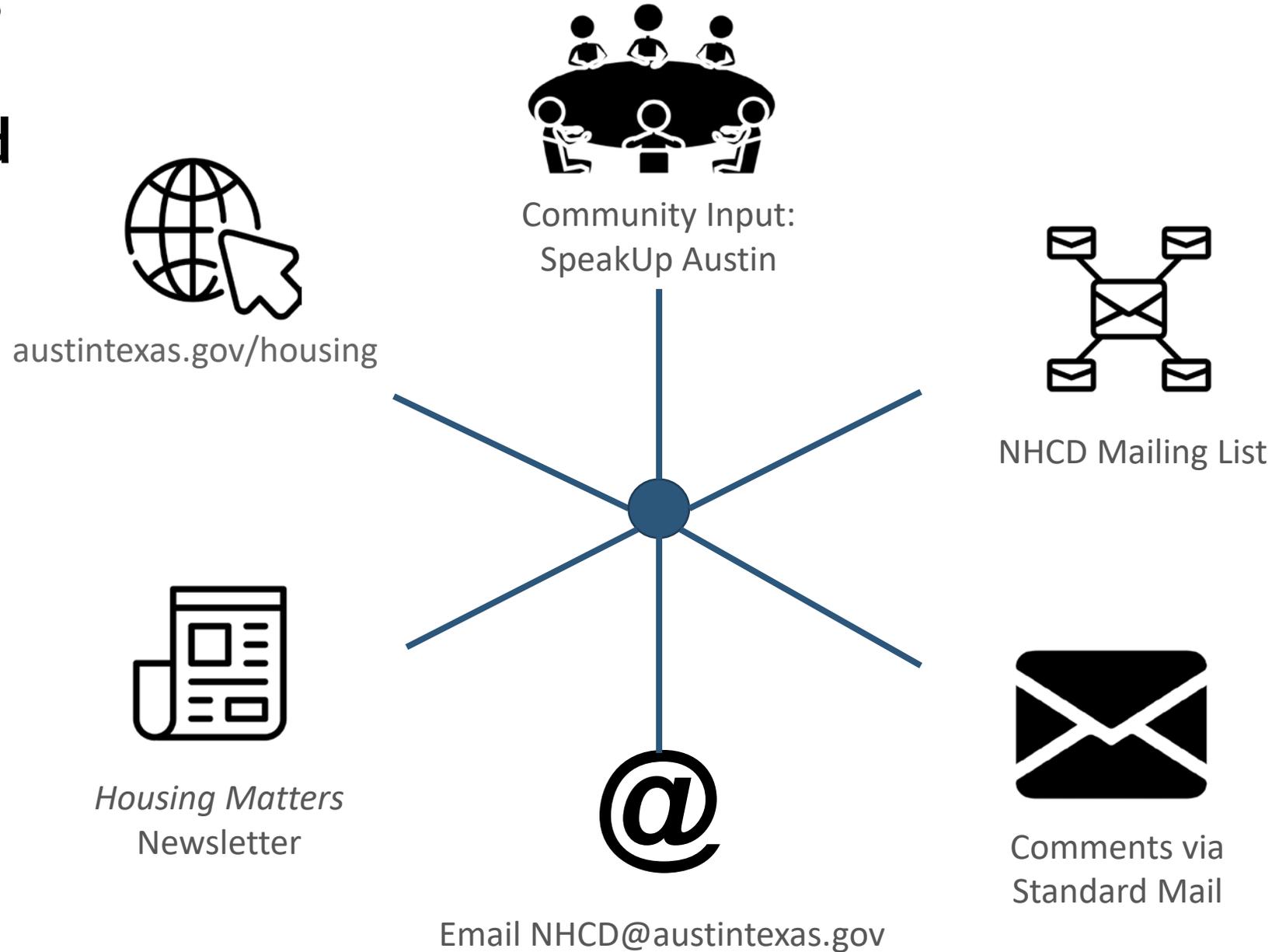
# Proposed Amendments To The Citizen Participation Plan

➤ Addition of Disaster Response and Recovery Section

➤ Additional Regulatory Provisions Provided by HUD



# Opportunities To Engage & Stay Informed





# QUESTIONS?

Neighborhood Housing &  
Community Development