

**ADDENDUM 1**  
**COVID19 SPECIAL HUD ALLOCATION**  
**CDBG –CV and ESG –CV funds**

**Issued 6-22-20**

This addendum serves to notify all bidders of the answers to submitted questions.

1. Could a supportive housing agency apply for homeless prevention assistance to help their own tenants pay back rent owed due? Many have lost hours or their jobs completely due to COVID and are not able to meet rent thus jeopardizing their future housing

ESG regulations explain Homeless Prevention funds as assistance necessary to prevent an individual or family from moving to an emergency shelter, a place not meant for human habitation, or another place described in the homeless definition. ESG regulations state costs of homelessness prevention are only eligible to the extent that the assistance is necessary to help the program participant regain stability in their current housing or move into other permanent housing and achieve stability in that housing. Eligible costs include rental assistance and rental arrears, therefore an agency must show how the homeless prevention assistance is directly related to tenants not being able to work during the pandemic. CDBG funds may also provide assistance for rent that has not been paid due to COVID-19.

2. Are purchases like computer devices etc allowed? Are they able to pay for participant costs for events/devices for their programs?

The current regulations state that if CDBG funds are used to acquire real or personal property, that the property must be for a specific purpose to accomplish a CDBG activity. Therefore, if an organization needed to equip their workers by purchasing computers, software, wireless resources or other technology to enable their staff work remotely due to the COVID-19 pandemic, that might be considered an eligible cost. If an agency wanted to purchase computer devices as part of an education program or job training program that may be eligible. If an organization wanted to use CDBG funds to purchase computers to give to program recipients, it would depend on the policies the agencies have in place to track and monitor the devices.

3. What is meant by housing services under the Public Service category. Please give an example.

Providing case management to people who are in supportive housing units, or providing housing counseling.

4. Could you please describe the geographic scope? For example, what of recipients of services could be outside the Duluth area, such as another neighboring city or across the bridge?

The geographic scope of these funds is limited to serving people, businesses, etc. that are within City of Duluth limits. For example, proposals serving individuals or families must show that program users have an address or generally reside in the City of Duluth. St. Louis County and Superior, WI have also received funds from the CARES act and have potential to serve community members outside of Duluth.

5. If a big part of the application proposal is about distributing information and doing direct community engagement, which of the 7 categories would that fall under. And if another aspect of the proposal is about convening organizations working to respond to C19, which of the 7 categories would that fall under?

Proposals that focus on distributing information and/or community engagement would most likely fall under the public services activity category. Proposals with this as a primary focus need to serve at least 51% LMI populations and be able to track the race and income demographics of the individuals they are engaging with or distributing information to. As for convening organizations working to response to COVID-19, that may be considered technical assistance to nonprofit entities (see 24 CFR Section 570.201 (p)). These proposals will need to be reviewed for eligibility on a case by case basis.

6. Can agencies/organizations submit multiple RFPs?

Yes, organizations are allowed to submit multiple RFPs. In addition, organizations are required to submit separate RFPs for projects that address more than one funding category.

7. Could a collaborative of health care organizations and nonprofits apply to secure a technology platform, "Aunt Bertha" that would connect residents and patients to SDOH such as food and shelter resources?

Yes, a technology platform that allows people to connect to or access providers that would meet their basic needs would count as providing a public service. This would be eligible as long as the majority of users or beneficiaries of the platform meet HUD low and moderate income guidelines

8. With your timeline, would it be possible for the City to do some match-making as proposals come in? I do think that to Jodi's question, it might be good to fit in access to landlord tenant support, too. Match making on the digital inclusion effort would help, too.

The City can facilitate connecting organizations who wish to find others thinking about similar projects. If you are looking for collaborators, please send a brief and general description of your project idea or the community need you are looking to address to [bvantassel@duluthmn.gov](mailto:bvantassel@duluthmn.gov) and the City will make connections among any organizations that send similar ideas.

9. In the Public Services category, do you have any specific ideas of what's allowable? Or are you leaving that up to us?

Please review HUD guidance on eligible public service categories:

<https://www.hudexchange.info/sites/onecpd/assets/File/Basically-CDBG-State-Chapter-7-Public-Services.pdf>

Please note that section 7.2 Public Services Cap is not applicable to these CDBG-CV funds, but the rest of the document is applicable.

10. Is there a maximum amount for a CDBG-CV or ESG-CV request?

There is no maximum limit for a request, but the request must be directly connected to the COVID-19 pandemic and be cost reasonable.