

CARES Act Funding Plan

Introduction

In December 2019, a new coronavirus known as SARS-CoV-2 was first detected in Wuhan, Hubei Province, People's Republic of China, causing outbreaks of the coronavirus disease COVID-19 that has now spread globally. The first case was reported in the United States in January 2020. In March 2020, the World Health Organization declared the coronavirus outbreak a pandemic and President Trump declared the outbreak a national emergency. Montgomery County was included in the Presidential declaration for the Texas Covid-19 Pandemic (EM-3458) as of March 13, 2020.

Beginning March 12, 2020, Montgomery County, Texas Judge Mark Keough initiated a series of declarations gradually restricting gatherings and movement, and later business operations in Montgomery County, effecting many service jobs throughout the area. On March 27, 2020, Judge Keough issued a Stay At Home, Stop The Spread order for County residents, which ended on April 17, coinciding with a State-mandated phased gradual re-opening of businesses.

As a consequence, many local residents are facing economic challenges from the mass shutdown of businesses and lack of availability of traditional mainstream benefits. Congress passed the Coronavirus Aid, Relief and Economic Security Act (CARES Act) on March 27, 2020 in anticipation of addressing those financial needs. On April 21, 2020, Montgomery County Community Development was notified that it would receive \$2,416,459 in Round 1 CARES Act funding, called CDBG-CV and ESG-CV. Round 2 and Round 3 allocations are pending.

Plan Methodology and Needs Assessment

Although the county had not yet been notified of a CARES Act allocation, the Community Development staff began planning for potential receipt of funding as soon as the Act was passed and the general guidelines were released.

Step 1: Staff reviewed all available information regarding the intent of CARES Act funds, the requirements and restrictions on the funds, Waivers and Regulations imposed by HUD as the implementing body, policy and procedures. This training was conducted in the form of webinars, conference calls, and HUDExchange Memos as released.

Step 2: Staff assessed the need in the County.

- a. Staff designed a survey and identified a large group of nonprofits and churches to send the survey to. The survey was released on April 17 with a short turnaround deadline of April 22. Since the crisis was still emerging and it was unclear how long it would continue to rise, the survey focused more on food distribution. A copy of the survey is attached at Appendix 3.
- b. On May 1 the Department requested a map from the GIS department depicting zip codes with highest unemployment and highest poverty. The final version of this map was delivered on May 8. A copy of the map is attached at Appendix 2.
- c. The Department's Grant Coordinator attended virtual MCCARES meetings to gain feedback from various service agencies regarding need being seen in the four precincts.
- d. The Department's Director attended virtual meetings with various regional groups to coordinate and compare need, services, and service delivery methods.

- e. Departmental phones experienced a spike in calls requesting assistance, both from individuals and agencies.
- f. Emails were sent out to key agencies supporting large, specialized missions, including the Food Bank, Meals on Wheels and Tri-County Social Services, to ascertain need. All agencies responded.

Step 3: The Department Director requested Waivers from HUD to loosen restrictions on the funds and expedite getting the funds to the public.

Step 4: Staff gathered all available data and identified greatest need, rank ordered, and the geographic location of clusters of need, rank ordered. A strategy was devised for distribution of funds, preliminary guidelines for the use of the funds, and monitoring of expenditures. A timeline was created to expedite getting funds disseminated to the public.

Step 5: The Departmental Grants Coordinator wrote Guidelines and Emergency Recordkeeping Procedures for dissemination to selected agencies, once identified.

Step 6: The Department Director contacted City of Conroe to learn what the City planned to do with their allocation of CARES Act funding.

Results

1. The results of the survey sent to experts actively working with challenged residents showed little variation in the weighting of needs:

Assistance	Total Score	Weight	Rank
Rent	43	2.15	1
Utilities	53	2.52	2
Food	65	3.61	3
Prescriptions	82	4.30	4
Mortgage	72	4.50	5
Gasoline	92	4.84	6
Car Payment	88	5.50	7

CDBG-CV prohibits car payments, because cars are equipment. This form of assistance was eliminated. Agencies may use other funds for this needed assistance.

National waivers, moratoriums and other assistance programs address delinquent mortgage payments. In addition, it takes much longer to repossess a house than to evict a renter, giving owners more time to get back to work and get caught up. This form of assistance was eliminated.

Agency surveys did not indicate a severe shortage of food. The problem was a shortage of volunteers to distribute food. Food has been a popular donation item throughout the pandemic. Preliminary information regarding Round 2 CDBG-CV indicates a strong bias toward funding food distribution, specifically to elderly and children in poverty. Large scale food assistance was deferred to future anticipated Rounds of funding.

Experience with past disaster funding has proven that assistance with gasoline is extremely difficult to monitor and extremely easy to abuse. This form of assistance was eliminated.

Staff determined that Rent, Utilities and Prescriptions were the primary form of assistance most needed and most amendable to fast deployment in the community.

2. CDBG-CV and ESG-CV funds must 1) directly address hardship created by the Coronavirus, and 2) be restricted to persons at or below 80% Area Median Income and 50% Area Median Income, respectively. Since funds are limited, the map provided by GIS shows exactly where these two requirements intersect to the highest degree, and informs the targeting of resources to areas hardest hit.

East County (roughly, Precinct 4) has the greatest need.

West County (roughly, Precinct 2) has the second greatest need.

North County (roughly, Conroe and Willis) has concentrated need.

South County (roughly, Precinct 3) has need primarily outside of The Woodlands.

3. In order to assist the broadest cross-section of eligible residents, funding should go to generalist agencies and not agencies which serve special populations only. Special needs persons would not be precluded from assistance, neither would general residents be excluded from assistance.

4. Time is of the Essence.

- a. With social distancing still a wise course of action, funds should not be concentrated in a single agency due to slower processing times.
- b. Due to the lack of public transportation, funds needed to be made easily accessible throughout the county.
- c. The number of agencies should be limited such that each has a meaningful amount of assistance to provide.
- d. Because of the fast transmission and expenditure of the funds and the amount of oversight, accounting and monitoring required, Staff determined no more than six subrecipients should be considered.
- e. For maximum flexibility, funding should go to at least one agency serving each geographic area of the county, plus at least one agency capable of providing countywide gap service.

5. Assistance should be sufficient to be meaningful. The period of depleted income encompasses approximately two months. HUD permits up to three months of individual assistance, however Staff determined that up to two months would be meaningful, cover the period of sequestration, and allow funds to touch more households in need. Less than two months may not be sufficient to forestall eviction. **A cap of \$2500 per household** was determined as follows:

A. Average rent for a 2 br apartment	\$1100	x	2	\$2200
B. Average utility for a 2 br apartment	\$ 100	x	2	\$ 200
C. Prescription assistance	\$ 50	x	2	<u>\$ 100</u>
Total Per Household For 2 Months				\$2500

6. ESG-CV

- a. ESG funds should only be granted to agencies with both HMIS capability and ESG experience.
- b. No funds will be used for development of HMIS programs.
- c. Sheltering is not a priority at this time.
- d. Funds should primarily be spent on Homelessness Prevention and Rapid Re-Housing.

All files must show a signed guarantee from the landlord that eviction will not occur despite receipt of assistance funds.

Funding Proposal

CDBG-CV Public Services:

Society of Samaritans	West County	\$ 265,000.00
Society of Saint Vincent de Paul	Central/North County	\$ 265,000.00
Interfaith of the Woodlands	South County	\$ 265,000.00
Mission NorthEast	East County	\$ 422,988.00
Community Assistance Center	County Wide	\$ 422,988.00
CDBG-CV Public Services Subtotal:		\$1,640,976.00

CDBG-CV funding must be used to assist households with less than or equal to 80% area median income (AMI) within Montgomery County Texas.

These funds are for **up to two months** of rental assistance, utility assistance, and/or prescription assistance. These funds are for people who were impacted by Covid and is not to exceed **\$2,500 per household**. We anticipate lower funded agencies will assist at least 106 households and the larger funded agencies will assist at least 170 households.

ESG-CV Public Services:

Community Assistance Center	County Wide	\$ 775,483.00
Rapid Rehousing & Homelessness Prevention		\$ 697,935.00
Administrative		\$ 77,548.00
ESG-CV Public Services Subtotal:		\$ 775,483.00

ESG-CV funding must be used to assist households at less than or equal to 50% area median income (AMI) within Montgomery County Texas, and utilize the homeless management information system (HMIS).

These funds are for rapid rehousing (RRH) and homelessness prevention (HP). Allowable costs include rental application fees, security deposits, short term rental assistance, utility deposits, utility payments, moving costs, and rental arrears. There is a total of \$697,935.00 available for these costs. Assistance per household is capped at **\$2,500**, and must have been affected by Covid.

In addition to the RRH and HP monies there are admin funds made available for a total of \$77,548.00. These funds can be used to hire and pay for the salaries and benefits of case manager(s).

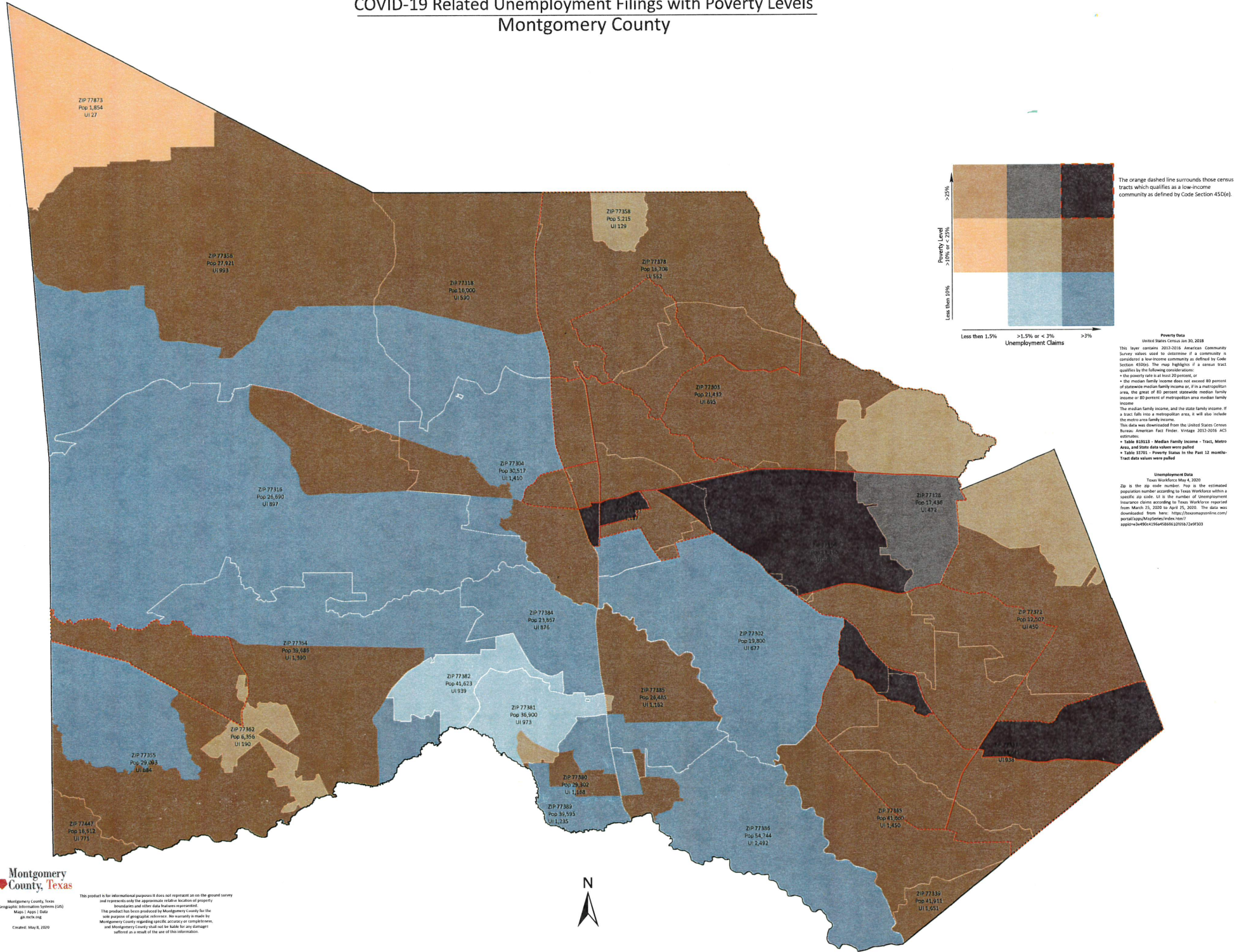
TOTAL ROUND ONE CARES ACT FUNDING **\$2,416,459.00**

Community Development is not retaining Admin funds for implementing this grant.

APPENDIX 1 FY 2020 Area Median Income Limits

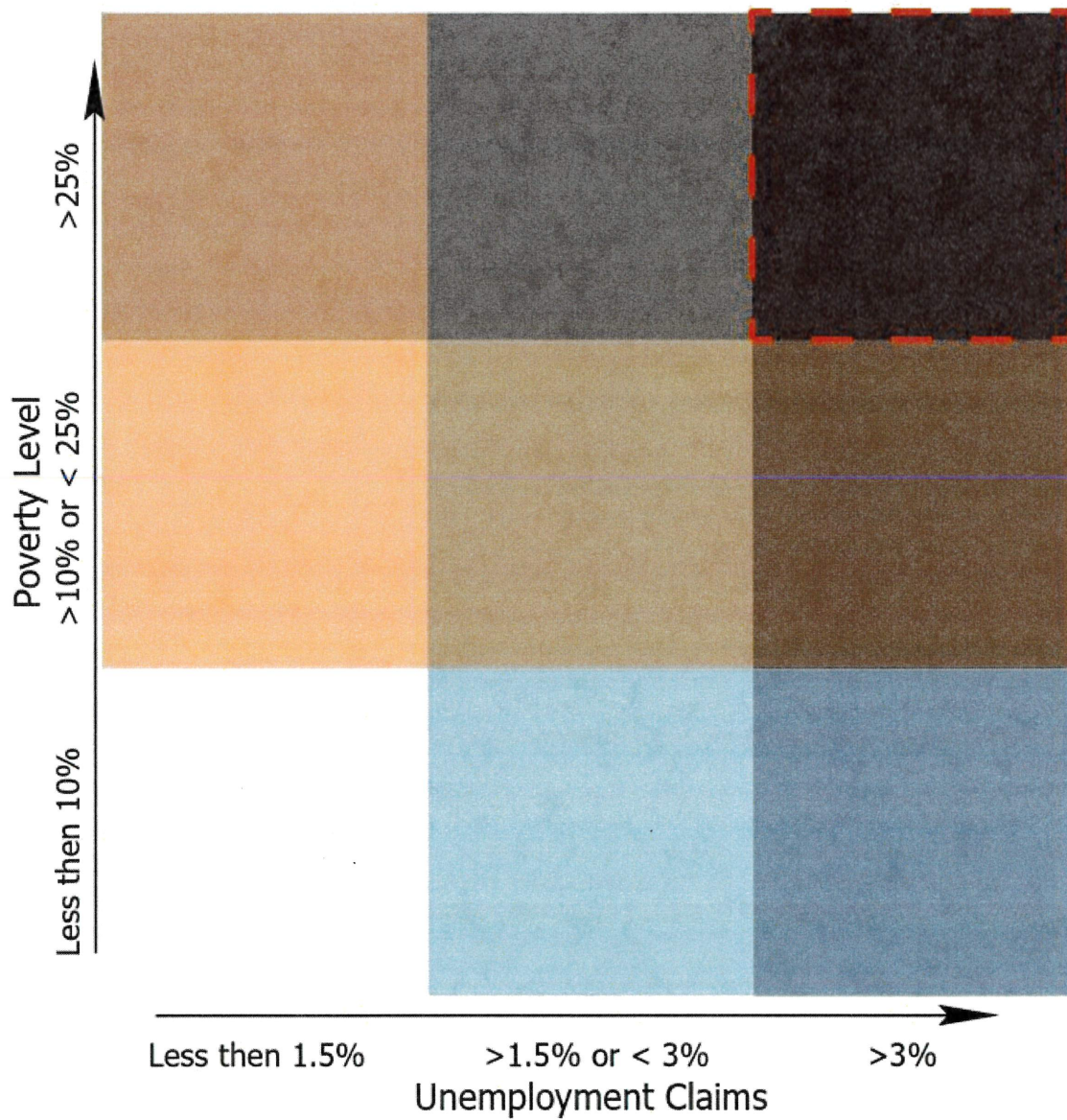
FY 2020 Income Limit Area	Median Family Income Explanation	FY 2020 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Houston-The Woodlands-Sugar Land, TX HUD Metro FMR Area	\$78,800	Very Low (50%) Income Limits (\$) Explanation	27,600	31,550	35,500	39,400	42,600	45,750	48,900	52,050
		Extremely Low Income Limits (\$)* Explanation	16,600	18,950	21,720	26,200	30,680	35,160	39,640	44,120
		Low (80%) Income Limits (\$) Explanation	44,150	50,450	56,750	63,050	68,100	73,150	78,200	83,250

COVID-19 Related Unemployment Filings with Poverty Levels Montgomery County



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The orange dashed line surrounds those census tracts which qualifies as a low-income community as defined by Code Section 45D(e).

COVID-19 Related Unemployment Filings with Poverty Levels
Montgomery County
Legend Reference Data

Poverty Data

United States Census Jan 30, 2018

This layer contains 2012-2016 American Community Survey values used to determine if a community is considered a low-income community as defined by Code Section 45D(e).

The map highlights if a census tract qualifies by the following considerations:

- the poverty rate is at least 20 percent, or
- the median family income does not exceed 80 percent of statewide median family income or, if in a metropolitan area, the great of 80 percent statewide median family income or 80 percent of metropolitan area median family income The median family income, and the state family income. If a tract falls into a metropolitan area, it will also include the metro area family income.

This data was downloaded from the United States Census Bureau American Fact Finder. Vintage 2012-2016 ACS estimates:

- Table B19113 - Median Family Income - Tract, Metro Area, and State data values were pulled
- Table S1701 - Poverty Status in the Past 12 months- Tract data values were pulled

Unemployment Data

Texas Workforce May 4, 2020

Zip is the zip code number. Pop is the estimated population number according to Texas Workforce within a specific zip code. UI is the number of Unemployment Insurance claims according to Texas Workforce reported from March 25, 2020 to April 25, 2020. The data was downloaded from here:

<https://texasmapsonline.com/portal/apps/MapSeries/index.html?appid=e3e490c4196a45868610f65b72e9f303>

Appendix 3 Survey of Nonprofits



Covid-19 Agency Survey

1. What is the name of your Agency/Organization?

2. Which precinct do you primarily serve?

- ☐ Precinct One
- ☐ Precinct Two
- ☐ Precinct Three
- ☐ Precinct Four

3. Would you need to hire additional temporary staff to manage additional funding?

- ☐ Yes
- ☐ No

4. Are your services mobile or expandable to multiple locations in the County?

- ☐ Yes
- ☐ No

5. Age of clients most frequently served (check all that apply)

- ☐ 0-17 Children
- ☐ 18-64 Adults
- ☐ 65 and older Elderly

6. What family demographic do you serve most often?

- | | |
|---|---|
| <input type="checkbox"/> Families with small children | <input type="checkbox"/> Single Parent families |
| <input type="checkbox"/> Families with no children | <input type="checkbox"/> Individuals |
| <input type="checkbox"/> Families with older children | |

7. Have you ever received assistance from any of these sources?

☐ CDBG

☐ HUD

☐ CDBG-DR

☐ FEMA

☐ ESG

☐ None of the above

8. On average, how many households per day are you currently providing food for?

9. Do you maintain an adequate supply of food to distribute or do you need more food?

☐ We have enough food to distribute.

☐ We need more food and have the space to store it.

☐ Other (please specify)

10. If you answered more food, is it due to lack of funds or availability of food?

☐ Lack of funding

☐ Lack of available food

☐ N/A

☐ Other (please specify)

11. Do you need additional personnel to help distribute food?

☐ Yes

☐ No

12. Prioritize the most requested needs below in order from greatest to least.



Utilities



Food



Rent



Mortgage



Car Payment



Medication



Gasoline

13. Do you see a gap in services for any minority or underserved groups who have any special needs?

☐ Yes

☐ No

14. If so, who and what?

15. If so, how would you provide outreach to them?

16. Geographically speaking, what area(s) do you see the most need in the county?

17. Can your organization provide quarantine housing? If so, how?

- | | |
|---|---|
| <input type="checkbox"/> Yes, we can provide hotel vouchers | <input type="checkbox"/> No |
| <input type="checkbox"/> Yes, we can provide funding for temporary apartments | <input type="checkbox"/> Yes, we can provide temporary housing for people who need a 14 day quarantine. (Covid-19 Negative) |
| <input type="checkbox"/> Yes, we have shelter bed space available | <input type="checkbox"/> Yes, we can provide temporary housing for people who need a 14 day quarantine. (Covid-19 Positive) |
| <input type="checkbox"/> Other (please specify) | |

18. Please provide your additional comments/suggestions/concerns here:

Appendix 4 Guidelines and Emergency Recordkeeping Procedures



CARE PROGRAM GUIDELINES

(Coronavirus Aid for Rent and Expenses)

CDBG-CV

The CARE (Coronavirus Aid for Rent and Expenses) Program was created to assist low-income households that have experienced a verifiable loss of income due to the impacts of COVID-19, by providing rent and/or utility payments to prevent eviction and homelessness as a result of the pandemic crisis.

- **On March 12, 2020** Montgomery County Judge Mark Keough made the first of many declarations related to the national pandemic, Covid-19.
- **On March 18, 2020** the impact of Covid-19 effected many Montgomery County businesses across the entire county. On this day, Judge Keough ordered all restaurants to cease all on-site dining. All bars, gyms, clubs, movie theatres and amusement type businesses were ordered to close immediately with no hope in sight.
- **On March 26, 2020** Judge Keough, following guidance from Governor Greg Abbot, issued a declaration closing all hair and nail salons, spas, massage and tattoo parlors and any cosmetic businesses. Child care centers were only permitted to provide care for children of health care and other essential workers as directed by the CDC.
- **On March 27, 2020** Judge Keough issued the Montgomery County Stay Home/ Stop the Spread order for all non-essential workers and implemented a curfew. All places of worship were ordered to be conducted via video or drive-in only.

These declarations have had a great impact on the Montgomery County economy, its residents, business and schools. The Stay Home/ Stop the Spread order was lifted on April 17, 2020 along with the county curfew. Residents are hesitant to return to work as the Texas Governor has slowly begun to reopen select businesses.

Montgomery County residents are eligible to apply for assistance for rent, utilities and certain prescription medications. Assistance will be capped at \$2500 per household.

Demand for this program is extremely high, so it is extremely important applicants gather all required documentation before starting the application, and all required fields of the application for all household members (all those living in your house or apartment) are completed. An incomplete application will be rejected and applicants will be required to reapply.

Required Document List: (Applicant must provide copies of each)

Proof of Covid-19 Impact: (Example: Unemployment, New/Increased Child Care Expenses, Furlough, Layoff or Reduction of Work Hours)

Government Issued ID for all adult household members

Social Security Cards for adults listed on lease

Bank statements (checking AND savings account) for 6 consecutive months for each adult household member

Proof of income or proof of loss of income for all adults (Pre-Covid 19)

Or Proof of enrollment in a federal program (See Eligibility Section)

Proof of occupancy for all household members (ie- signed, current lease agreement with all household members names)

Name, mailing address and phone number of landlord

Late or Eviction notice from landlord/utility company

Utility bills (electricity, gas, and water) including name of company, mailing address, phone number and account number

Prescription information from pharmacy, clinic or physician

Additional documents may be requested by your case worker

Recommended Non-contact application process: www.zoom.com

Documents may be submitted electronically or through a drop box on site.

Clients should fax, mail or email documents to case workers.

Clients can take photos of documents with their cell phone and text or email the documents to their case workers by phone.

Applicants who are selected will be sent an email requesting required documents. These documents **must be submitted within 24 hours** of the request. Failure to provide the documents within the required timeframe will result in a lost opportunity to receive this emergency rental assistance payment.

Exemptions:

If you already receive rental assistance from a program such as HUD, HOME, COC, Section 8 Voucher holders, VASH Voucher holders, you are not eligible.

If you live in a home which is owned by a relative or family member you are not eligible.

If you already received Covid-19 Cares Act assistance from another program you are not eligible.

If you were not current on your rent before March 31, 2020 you are not eligible. Utility Deposits or Rental Deposits will not be paid.

If you do not owe money for April or May 2020 rent you are not eligible to apply.

If the Tenant is not on good financial terms with their landlords for other lease terms, (ex. Destruction of property) the Tenant is not eligible for funding and the Landlord is not required to waive those other defaults.

Telephone (landline), Cell Phone, and Internet services are not eligible for payment.

Narcotic prescriptions will not be filled/refilled. Restrictions apply.

If you need assistance with your mortgage, contact the mortgage company directly for assistance with Covid relief. (Example: payment plan or loan modification) This funding is for renters only.

Eligibility:

Combined household income must be low-moderate according to Federal Income Guidelines. Pre-Covid 19 income must have been below 80% AMI (Area Median Income). See attached chart.

Applicants are presumed low income if they can affirm a qualifying household member is currently participating in any of these federal programs:

Medicaid, SNAP, WIC, TANF, Head Start or Early Head Start, LIHEAP, CEAP, SSI, or Disability (Applicants must provide current documents)

Applicants must be residents of Montgomery County with a current Texas lease. Renters, homeowners and landlords of single family homes and multi-family dwellings may apply. Rent must have been current on March 31, 2020 to be eligible for assistance.

Applicants requesting utility assistance must provide utility bills in their name (or a qualifying household member or landlord).

Disbursement of Funds:

Funds will be distributed directly to participating landlords/property management companies /utility companies. Landlords/Utility companies must agree to accept payment from non-profit agency on behalf of applicant. Landlords and Tenants must agree on a payment plan for any remaining balance owed after rental assistance is paid. Landlord will agree not to evict Tenant during the term of payment plan for lack of payment. This does not include destruction of property and other applicable reasons for eviction. Applicants will not receive funds directly. Assistance will be capped at \$2500 per household for rent assistance and utility assistance. Funds are disbursed on a first come-first served basis and not every applicant will receive funding. This is a voluntary program.

Landlords must agree to waive any late fees or penalties for April and/or May 2020. Applicants are ineligible for this assistance if they have late fees, interest, or other issues with their Landlord not including unpaid rent balances for April or May.

Application information shall include:

Name, address, phone number, name of apt complex, name of landlord/property management company with their contact info.

Number of permanent household members. Demographic information for all.

Do you owe late fees and/or penalties? If so, how much do you owe? Explain.

Last date of employment? Job title? Employer? Salary?

Current bank/savings account balance?

Do you receive child support? If yes, how much/how often?

Do you pay for someone to care for your child so you can go to work/school?

Is any part of your residence used for business purposes? If yes, explain.

FY 2020 Income Limit Area	Median Family Income Explanation	FY 2020 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Houston-The Woodlands-Sugar Land, TX HUD Metro FMR Area	\$78,800	Very Low (50%) Income Limits (\$) Explanation	27,600	31,550	35,500	39,400	42,600	45,750	48,900	52,050
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		Low (80%) Income Limits (\$) Explanation	44,150	50,450	56,750	63,050	68,100	73,150	78,200	83,250

Montgomery County, Texas recognizes the Fair Housing Act of 1968 including Title VI of the Civil Rights Act and prohibits discrimination against any applicant, household member, landlord or any other person because of race, color, religion, national origin, sex, familial status, disability, or any other specific classes protected by applicable laws.



Emergency Recordkeeping Policy and Guidelines

Covid-19

Proper records management helps assure efficient and effective administration of programs, minimizes costs, fulfills legal responsibilities, provides an adequate audit trail, and records the history and of a program.

The objectives of Emergency Recordkeeping are:

To establish responsibilities and requirements for developing, implementing and maintaining an efficient and effective, HUD-compliant records management program; and to establish an essential recordkeeping program that identifies, protects, and provides reasonable access to records necessary to ensure eligibility of Montgomery County grant activities in the event of a locally declared disaster, emergency or health crisis.

Requirements:

During an emergency, documentation impacted by the emergency situation can be difficult to obtain and submit to grantees, subrecipients, agencies and other organizations who offer emergency relief. Every effort to ensure the collection of documentation should be prioritized in the order listed below. Montgomery County Community Development (MCCD) has established these policies and guidelines in order to effectively and safely procure the most necessary documents to determine eligibility for FEMA, HUD, CDBG, ESG, HOME and other federal programs in the event of a locally declared disaster, emergency, or health crisis. MCCD recommends the following types of documentation (in order of importance) to be sufficient during such event when residents are applying for emergency assistance:

- ◆ Identification (State ID, birth certificate, passport, etc.)
- ◆ Proof of Income (Employment, Child Support, Social Security, etc.)
 - or Proof of Enrollment in a federal program (SNAP, Medicaid, Disability, TANF, etc.)
- ◆ Proof of Residency (Lease/Mortgage, Utility bills, Property Tax Records, etc.)
- ◆ Proof of Homelessness (Shelter letter, HMIS records, eviction record, affidavit, etc.)

Applicants can often obtain most documentation above by logging in online to the proper websites. This includes verifying proof of residency for homeowners at www.mctx.org through the Appraisal District, Tax Office and County Clerk's webpage. Proof of income can often be obtained by a client online through the Social Security office, Attorney General's Office or an employer's website. Bank statements can often be obtained by the client via the banks website. Most federal aid programs can be accessed online by the client to show proof of enrollment.

Determination of Emergency Situation:

Montgomery County will determine when an Emergency Situation occurs. The announcement, made by the County Judge will trigger the date of determination. Any local, state or federal declaration related to weather, a health crisis or other major emergency can prompt an Emergency Situation in Montgomery County. During the emergency, agencies will make best efforts, given the emergency, to procure applicant documents and maintain applicant records with the impacted types of documentation. This will include any guidance issued by HUD and/or CDBG related to the current emergency. Agencies will record in the client's file steps taken of all attempts to collect documentation for each applicant. This may include detailed case notes, letters, emails, etc. More than one attempt to collect the required documentation should be made, notated in the client file, dated and signed by the Case Manager.

Implementation of Emergency Recordkeeping Order will begin with the announcement by Dr. Joanne Ducharme, Director of Montgomery County Community Development. This determination will be published on the Montgomery County Community Development website until the date the Emergency Situation has ended. This determination will also be shared electronically to the participating subrecipients, agencies and organizations.

Montgomery County will determine when the Emergency Situation has ended. All documents not collected during the Emergency Situation will be collected by Case Managers at this time in order to complete program eligibility requirements. Should proper documentation not be procured at this point, staff will explain why in the client file.



Emergency Recordkeeping Order

In accordance with the Montgomery County Emergency Recordkeeping protocol, the determination of an Emergency for purposes of implementing this protocol is outlined below.

Description of Emergency Situation:

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Name and Title of Authorizing Official: Joanne Ducharme, Director of Community Development

Signature:

Date:

Description of Recordkeeping Policies and Procedures Impacted by the Emergency:

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Description of best efforts that will be used to maintain records for impacted policies and procedures:

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Cessation of Emergency Situation

Name and Title of Authorizing Official: Joanne Ducharme, Director of Community Development

Signature:

Date: