

COUNTY OF MILWAUKEE
Inter-Office Communication

DATE: November 13, 2020

TO: Marcelia Nicholson, Chairwoman - Milwaukee County Board of Supervisors

FROM: Shakita LaGrant McClain, Director, Department of Health and Human Services
Prepared by James Mathy, Housing Administrator, Housing Division

SUBJECT: **Report from the Director, Department of Health and Human Services (DHHS), requesting approval to allocate additional Community Development Block Grant (CDBG) COVID funding**

Background

In September, the Housing Division was awarded additional Community Development Block Grant – Coronavirus (CDBG-CV) funding as part of a nationwide allocation to rapidly respond to COVID-19. This funding was included in the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act. In May, the County Board approved a spending plan for an initial allocation of \$992,237 in CDBG-CV funding under File No. 20-353. The second allocation of \$966,350 is now available for immediate use. The cumulative amount totals \$1,958,587.

Discussion

CDBG COVID follows the general guidelines of previous funding but does allow for increased flexibility to allow municipalities to rapidly use the funds to meet local need. Examples of increased flexibility from prior awards are:

- Flexibility in reporting with Annual Plans
- Elimination of the 15 percent cap on Public Service funding
- Allowance for grantees to recoup costs to prevent, prevent, prepare for, and respond to coronavirus, regardless of the date on which such costs were incurred when those costs comply with CDBG requirements.

Milwaukee County has already been actively involved in the COVID response where it can be reimbursed for previous expenses. In partnership with the City of Milwaukee Health Department, Milwaukee County opened an isolation facility at Clare Hall, a vacant convent in St. Francis that is owned by the Catholic Archdiocese. This facility has been housing individuals who are COVID positive or symptomatic on the first floor of the facility and medically fragile individuals who cannot socially isolate on the third floor because they do not have a housing option to do so. Although there is not a charge for the use of the facility, there are significant costs for maintenance, cleaning, and security for this location. Additional CDBG funds are being recommended as general CARES Act

dollars need to be utilized in 2020. It is the expectation that Clare Hall will need to remain open well into 2021 as it is the community's only COVID isolation facility.

As part of its response to the pandemic, the DHHS Division of Aging has delivered meals to over 500 seniors in 2020. Typically, older adults would dine at a congregate meal site, but due to COVID, meals are being delivered to their homes. A portion of this CDBG allocation will partially fund this program in 2021.

One of the potential uses for CDBG COVID funds is to provide loans to small businesses. Milwaukee County has historically dedicated CDBG funds annually for Microbusiness Loans to assist in the startup of new businesses. DHHS is recommending an additional investment in CDBG COVID funds to assist small businesses in retaining existing employees during a period where business have shut down and have been unable to obtain loans from other sources.

Unlike Milwaukee County's CARES Act Coronavirus Relief Fund (CRF) of \$77.4 million, the CDBG-CV funding does not need to be spent by December 30, 2020 and instead, spending can occur over the next five years.

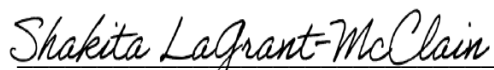
Recommendation

It is recommended that the Milwaukee County Board of Supervisors authorize the Director, Department of Health and Human Services, or her designee to make the following allocations of additional 2020 Community Development Block Grant COVID funds:

COVID Isolation Facility Expenses:	\$323,090
Division of Aging Meal Delivery:	\$250,000
Small Business Loans:	\$200,000
Administration (20 percent):	<u>\$193,260</u>
Total Allocation:	\$966,350

Fiscal Impact

A fiscal note form is attached.



Shakita LaGrant McClain, Director
Department of Health and Human Services

cc: County Executive David Crowley
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