

April 17, 2020

Council Meeting of April 21, 2020
Subject: CDBG/CARES Grant Funds – Agewell
Services, Meals on Wheels

The Honorable Mayor
and
Members of the City Council

Ladies and Gentlemen:

The City of Norton Shores has been granted \$83,261 in Community Development Block Grant (CDBG) funds through the Coronavirus Aid Relief and Economic Security Act (CARES) to assist the community in responding to the COVID-19 pandemic.

Specific eligible costs include funding for Meals on Wheels type programs to assist those who are quarantined or need to maintain social distancing due to medical vulnerabilities. The senior population of the city, numbering almost 7,500, are at high risk to contract the virus. Agewell Services, who provides Meals on Wheels, is experiencing an unprecedented demand for service and is running low on funding. Therefore, staff is recommending that \$42,000 of CDBG/CARES funding be awarded to the organization. This amount of funding will provide approximately 39 more Norton Shores' seniors with home delivery and approximately 270 seniors during three days of curbside meal service.

Attached is a resolution awarding the grant funding for City Council's consideration.

Respectfully submitted,



Mark C. Meyers
City Administrator

/ss
Attachments

RESOLUTION

WHEREAS, the City received additional Community Development Block Grant (CDBG) funds through the Coronavirus Aid Relief and Economic Security Act (CARES) to assist the City in addressing service delivery required of the COVID-19 pandemic; and

WHEREAS, the Meals on Wheels program is an eligible expense and the need is increasing during the State of Michigan Stay Home, Stay Safe Executive Order; and

WHEREAS, Agewell Services provides Meals on Wheels to our residents and is experiencing an unprecedented demand and funding shortfall; and

WHEREAS, \$42,000 would provide 39 additional Norton Shores' senior citizens with home delivery as well as approximately 90 seniors with curbside service per day for three days;

NOW, THEREFORE, BE IT RESOLVED that a \$42,000 grant is approved to provide home delivery to Norton Shores senior residences and curbside delivery through the Meals on Wheels program.

At a regular meeting of the Norton Shores City Council, held remotely on the 21st day of April 2020, the foregoing resolution was moved for adoption by Council Member _____. The motion was supported by Council Member _____.

Ayes:

Nays:

Resolution declared adopted/denied.

Shelly Stibitz, City Clerk



Internal Memo

April 17, 2020

TO: Mark C. Meyers, City Administrator

FROM: Anthony Chandler, Director of Administrative Services

SUBJECT: Coronavirus Aid, Relief, and Economic Security Act (CARES Act)

On March 27, 2020, the CARES Act was signed into law providing much needed assistance to communities as they work to combat COVID-19. As part of the CARES Act allocation, the Department of Housing and Urban Development (HUD) is receiving \$3 billion to assist our most vulnerable citizens. HUD is making a portion of the \$3 billion allocation available to communities through the Community Development Block Grant (CDBG) and Norton Shores has been awarded \$83,261.

On April 6, 2020, HUD made available a quick guide that explains the eligible activities utilizing the CARES Act funding to support any response to the COVID-19 outbreak.

Categories for eligibility include:

- Public Facilities Buildings and Improvements
- Assistance to Businesses, including Economic Development Assistance
- Provision to Increase Public Services
- Planning, Capacity Building, and Technical Assistance

The Meals on Wheels program is specifically identified as an eligible expense under the Increase to Public Services category and staff has contacted Agewell Services to determine if this program would benefit from the CARES Act funding. Currently, Agewell Services is serving 13,000 meals per week through home delivery and curbside distributions. They also have a wait list of 39 Norton Shores residents that will be coming on board as more funding is made available for home delivery. Therefore, an appropriation of \$30,000 from the City's CARES Act funding would provide funding for the 39 wait listed individuals. An additional \$12,000 could also be allocated to fund three curbside events for Norton Shores seniors. At \$8.77 per curbside meal, the allocation would provide roughly 90 Norton Shores seniors with five meals at each of the three curbside events. This is a total of 1,350 curbside meals.

Staff is recommending to City Council and seeking authorization to allocate \$42,000 of the CARES Act funding to Agewell Services to fund the Meals on Wheels program (\$30,000) and to hold three curbside distribution events (\$12,000) to assist Norton

Shores seniors with food delivery that are quarantined or sheltering in place due to the COVID-19 outbreak.

Attached is the Quick Guide to the *CDBG Eligible Activities to Support Coronavirus and Other Infectious Disease Response* chart. Unfortunately, many of the other eligible programs listed would require wholesale development from the ground up which creates a significant timeliness issue. Gratefully, we have several organizations here locally that are currently offering some of the eligible programs and they are far better equipped for implementation. Food delivery, especially for senior citizens is a current need that we can alleviate with the funding provided to the City through the CARES Act.

Regarding the balance of the funds, staff recommends a portion be used to offset additional costs for personal protective equipment and measures to keep employees safe during the pandemic. Additionally, staff will consider how funds would be used to assist small businesses.

Quick Guide to CDBG Eligible Activities to Support Coronavirus and Other Infectious Disease Response
REVISED April 6, 2020

Grantees should coordinate with local health authorities before undertaking any activity to support state or local pandemic response. Grantees may use Community Development Block Grant (CDBG) funds for a range of eligible activities that prevent and respond to the spread of infectious diseases such as the coronavirus.

Examples of Eligible Activities to Support Coronavirus and Other Infectious Disease Response

<i>For more information, refer to applicable sections of the Housing and Community Development Act of 1974 (for State CDBG Grantees) and CDBG regulations (for Entitlement CDBG grantees).</i>	
Buildings and Improvements, Including Public Facilities	
Acquisition, construction, reconstruction, or installation of public works, facilities, and site or other improvements. <i>See section 105(a)(2) (42 U.S.C. 5305(a)(2)); 24 CFR 570.201(c).</i>	Construct a facility for testing, diagnosis, or treatment.
	Rehabilitate a community facility to establish an infectious disease treatment clinic.
	Acquire and rehabilitate, or construct, a group living facility that may be used to centralize patients undergoing treatment.
Rehabilitation of buildings and improvements (including interim assistance). <i>See section 105(a)(4) (42 U.S.C. 5305(a)(4)); 24 CFR 570.201(f); 570.202(b).</i>	Rehabilitate a commercial building or closed school building to establish an infectious disease treatment clinic, e.g., by replacing the HVAC system.
	Acquire, and quickly rehabilitate (if necessary) a motel or hotel building to expand capacity of hospitals to accommodate isolation of patients during recovery.
	Make interim improvements to private properties to enable an individual patient to remain quarantined on a temporary basis.
Assistance to Businesses, including Special Economic Development Assistance	
Provision of assistance to private, for-profit entities, when appropriate to carry out an economic development project. <i>See section 105(a)(17) (42 U.S.C. 5305(a)(17)); 24 CFR 570.203(b).</i>	Provide grants or loans to support new businesses or business expansion to create jobs and manufacture medical supplies necessary to respond to infectious disease.
	Avoid job loss caused by business closures related to social distancing by providing short-term working capital assistance to small businesses to enable retention of jobs held by low- and moderate-income persons.
Provision of assistance to microenterprises. <i>See section 105(a)(22) (42 U.S.C. 5305(a)(22)); 24 CFR 570.201(o).</i>	Provide technical assistance, grants, loans, and other financial assistance to establish, stabilize, and expand microenterprises that provide medical, food delivery, cleaning, and other services to support home health and quarantine.

X

Provision of New or Quantifiably Increased Public Services	
<p>Following enactment of the CARES Act¹, the public services cap² has no effect on CDBG-CV grants and no effect on FY 2019 and 2020 CDBG grant funds used for coronavirus efforts.</p> <p><i>See section 105(a)(8) (42 U.S.C. 5305(a)(8)); 24 CFR 570.201(e).</i></p>	Carry out job training to expand the pool of health care workers and technicians that are available to treat disease within a community.
	Provide testing, diagnosis or other services at a fixed or mobile location.
	Increase the capacity and availability of targeted health services for infectious disease response within existing health facilities.
	Provide equipment, supplies, and materials necessary to carry-out a public service. X
	Deliver meals on wheels to quarantined individuals or individuals that need to maintain social distancing due to medical vulnerabilities. X
Planning, Capacity Building, and Technical Assistance	
<p>States only: planning grants and planning only grants.</p> <p><i>See section 105(a)(12).</i></p>	Grant funds to units of general local government may be used for planning activities in conjunction with an activity, they may also be used for planning only as an activity. These activities must meet or demonstrate that they would meet a national objective. These activities are subject to the State's 20 percent administration, planning and technical assistance cap.
<p>States only: use a part of to support TA and capacity building.</p> <p><i>See section 106(d)(5) (42 U.S.C. 5306(d)(5)).</i></p>	Grant funds to units of general local government to hire technical assistance providers to deliver CDBG training to new subrecipients and local government departments that are administering CDBG funds for the first time to assist with infectious disease response. This activity is subject to the State's 3 percent administration, planning and technical assistance cap.
<p>Entitlement only: data gathering, studies, analysis, and preparation of plans and the identification of actions that will implement such plans. <i>See 24 CFR 570.205.</i></p>	Gather data and develop non-project specific emergency infectious disease response plans.

Planning Considerations

Infectious disease response conditions rapidly evolve and may require changes to the planned use of funds:

- CDBG grantees must amend their Consolidated Annual Action Plan (Con Plan) when there is a change to the allocation priorities or method of distribution of funds; an addition of an activity not described in the plan; or a change to the purpose, scope, location, or beneficiaries of an activity (24 CFR 91.505).
- If the changes meet the criteria for a "substantial amendment" in the grantee's citizen participation plan, the grantee must follow its citizen participation process for amendments (24 CFR 91.105 and 91.115).
- Under the CARES Act, CDBG grantees may amend citizen participation and Con Plans concurrently in order to establish and implement expedited procedures with a comment period of no less than 5-days.

Resources

The Department has technical assistance providers that may be available to assist grantees in their implementation of CDBG funds for activities to prevent or respond to the spread of infectious disease. Please contact your local CPD Field Office Director to request technical assistance from HUD staff or a TA provider.

- Submit your questions to: CPDQuestionsAnswered@hud.gov
- Coronavirus (COVID-19) Information and Resources: <https://www.hud.gov/coronavirus>
- CPD Program Guidance and Training: <https://www.hudexchange.info/program-support/>

¹ On March 27, 2020, President Trump approved the Coronavirus Aid, Relief, and Economic Security Act (Public Law 116-136) (CARES Act). The CARES Act makes available \$5 billion in CDBG coronavirus response (CDBG-CV) funds to prevent, prepare for, and respond to coronavirus.

² Section 105(a)(8) of the HCD Act caps public service activities at 15 percent of most CDBG grants. Some grantees have a different percentage cap.