

The guidance explains how to use the CDBG-CV waiver allowing for rent payment assistance for up to 180 days without triggering costly and time-consuming **lead-based paint inspections for any HUD assistance beyond 100 days**.

In addition, the guidance explains that a grantee may provide more than six months' worth of rent assistance to a household because paying rent arrears in a lump sum simply counts as "one month" of rent assistance when measuring "six consecutive months" of assistance.

Existing CDBG regulations [24 CFR 570.207(b)(4)] allow the use of CDBG to make "emergency grant payments made over a period of up to three consecutive months to the provider of such items or services [food, clothing, housing (rent or mortgage), or utilities] on behalf of an individual or family." Therefore, the use of CDBG to provide assistance for up to **three months in the form of rent or mortgage assistance** and utility payments was already an eligible use of CDBG.

The CARES Act removed the statutory 15% cap on the amount of a jurisdiction's CDBG allocation that can be used for "public services," which the provision of rental assistance or utility payment assistance

would normally be considered. The Act limits the exemption from the 15% cap to "activities to prevent, prepare for, and respond to the coronavirus." The Act also states that a jurisdiction's FY19 and FY20 CDBG allocations are also free of the 15% public service cap.

An August 20, 2020, waiver extended to **six consecutive months** the amount of time a household may receive rent and/or utility assistance.

### 1. When Does the Clock Start for Counting Six Months of Emergency Rental Assistance?

grantee may provide more than six months' worth of assistance to a household because paying rent arrears in a lump sum simply counts as "one month" of rent assistance when measuring "six consecutive months, for example, "For an individual four months in arrears on rent who applied for emergency payment assistance under CDBG-CV, the covered period may include the four months they are in arrears within the payment for the first month of assistance then continue for up to five more months to fulfill the up-to-six-consecutive-month-period allowance."

## 2. 100-Day Lead-Based Hazard Inspection Requirement

Rental assistance given to pre 1978 homes beyond 100 days triggers a requirement that there be a visual inspection to determine whether there are lead-based paint hazards. 100-day period begins at the time an actual rent assistance payment is made and then “counts” forward. “If assistance is being provided to an individual or family that covers three months of arrears within the first month of assistance, the 100 days begins at the time of payment going forward.”

### Reference on rental arrears payments and lead requirement

<https://www.hud.gov/sites/dfiles/CPD/documents/CDBG-and-CDBG-CV-Subsistence-Payments-Arrearages-033021.pdf>

## 3. Duplication of Benefits (DOB)

A duplication of benefits (DOB) occurs when a person, household, business, government, or other entity receives financial assistance from multiple sources for the same purpose, and the total assistance received for that purpose is more than the total need for assistance. CDBG-CV program, all grantees are bound by Section 312 of the Stafford Act, as amended by the DRRA, and the OMB Cost Principles within 2 CFR § 200 that requires all costs to be “necessary and reasonable for the performance of the Federal award.”

Subrecipients are required by the CARES Act to establish and follow procedures to ensure that DOB does not occur. Establishing a process to effectively identify and prevent duplication of benefits is critical for CDBG-CV grantees to effectively manage the multiple active funding streams related to coronavirus response and efficiently target CDBG-CV resources to meet unmet needs within the community.

Subrecipient should establish a protocol to monitor compliance based on risk of duplication of benefits for each activity. Subrecipient should act reasonably to evaluate the need and the resources available to meet that need.

**Failure to do this may result in subrecipients being asked to repay assistance that is determined to be duplicative.**

### Reference on Duplication of Benefits

<https://files.hudexchange.info/resources/documents/CDBG-CV-Duplication-of-Benefits-Quick-Guide.pdf>

For More information or clarifying questions, please contact

Maureen Mungai  
Planner/CDBG Administrator  
City of Bismarck – Community Development  
Department  
[Mmungai@gmail.com](mailto:Mmungai@gmail.com),  
701-355-1847