

January 11, 2021

Board of Commissioners  
Clackamas County

Members of the Board:

Permission to Accept Extension of CARES Funding Award by  
The State of Oregon, Housing and Community Services Department

<b>Purpose/Outcomes</b>	Approval to accept proposal by the State of Oregon, Oregon Housing and Community Services Department, for a no-cost extension of Coronavirus Relief Funded programs.
<b>Dollar Amount and Fiscal Impact</b>	No additional dollars are requested or provided under this extension.
<b>Funding Source</b>	Funds are passed through Oregon Housing and Community Services Department, Community Resources Division, from the U.S. Department of Treasury
<b>Duration</b>	No-cost extension from December 30, 2020 to June 30, 2021.
<b>Previous Board Action</b>	The original Intergovernmental Agreement for the 19-21 Biennium was approved by the Board of County Commissioners on August 15, 2019, with the following approvals thereafter: Amendment #1, May 21, 2020, Amendment #2, June 4, 2020, Amendment #3, June 9, 2020, Amendment #4, July 16, 2020, Amendment #5, County Administrator approval October 8, 2020, and Amendment #6, on December 12, 2020.
<b>Strategic Plan Alignment</b>	<ol style="list-style-type: none"> <li>1. This funding aligns with the Social Services Division's strategic priority to provide housing stabilization and supportive services to people who are homeless or at risk of becoming homeless so they can obtain and maintain permanent housing.</li> <li>2. This funding aligns with the strategic priority to ensure safe, healthy and secure communities</li> </ol>
<b>Counsel Review</b>	Approved January 7, 2021 (AN).
<b>Procurement Review</b>	<ol style="list-style-type: none"> <li>1. Was this item processed through Procurement? No</li> <li>2. If no, provide brief explanation: This is a Revenue amendment. Not subject to Procurement Review.</li> </ol>
<b>Contact Person</b>	Brenda Durbin, Director, Social Services Division (503) 655-8641
<b>Contract No.</b>	H3S# 9302, State# 5084

**BACKGROUND:**

The State of Oregon, Housing and Community Services Department, Community Resources Division (OHCS) is granting a no-cost extension to CARES Act funding (issued through the U.S. Department of Treasury) to the Social Services Division of the Health, Housing and Human Services Department. CARES funding was initially approved by the Board in June 2020 under multiple amendments to Social Services' Master Grant Biennium Agreement.

Funding from this award is used to pay for a wide variety of programs, including rent relief, food, non-food essential items, and energy assistance to eligible low-income individuals or households at risk of homelessness, impacted by COVID-19. OHCS has requested notification via email by **January 13th, 2021** indicating agreement or disagreement of the extension for all CRF funded programs. Once OHCS receives the notification email, the County's agreement will be amended effective immediately and without signature or further notice.

County Counsel and EOC Command have approved this item.

**RECOMMENDATION:**

Staff recommends the approval to accept/notify the State of Oregon, and that Richard Swift, H3S Director, or his designee, be authorized to notify the State of Oregon on behalf of the Clackamas County Board of Commissioners.

Respectfully submitted,



Richard Swift, Director  
Health, Housing and Human Services Department

## EMAIL FROM FUNDER, STATE OF OREGON HOUSING AND COMMUNITY SERVICES

Hi all,

Thank you once again for your work on this. Please see the information below for information on the next steps we will need you all to take for the final amendments to your CRF funded programs to be complete. Also, **see the attached Program Update that details additional flexibility** that OHCS is offering as an option for CAA's to respond to the COVID-19 pandemic. Please reach out for any questions on the process or this additional flexibility regarding use of these funds.

The following message applies to all CRF funded programs, including CVSSP, CVRRP, CVRRP CARES and EASCR.

On December 27, 2020, the President signed the Consolidated Appropriations Act of 2021 (the "Act"). The Act extends to December 31, 2021, the deadline to incur expenses eligible for payment or reimbursement with Coronavirus Relief Funds (CRF).

Your CRF grant agreement with the State, by and through its Oregon Housing and Community Services (OHCS), passed through the federal requirement to incur eligible CRF expenses by December 30, 2020 or else the money was ultimately owed back to the United States. Your agreement was scheduled to expire on December 30, 2020 or shortly thereafter in line with the CRF expenditure deadline.

This is notice that, provided that you timely accept the following proposed amendments by affirmative reply to this email, OHCS will amend the terms of your CRF grant agreement as follows:

1. The deadline for eligible CRF expenses to be incurred is extended to June 30, 2021.
2. The term of the agreement is extended to June 30, 2021.

**Please notify us by January 13th, 2021 by replying to this e-mail ([crd.reports@oregon.gov](mailto:crd.reports@oregon.gov)) indicating your agreement or disagreement to these proposed amendments.** Upon our receiving your email indicating your agreement to these amendments, your agreement will be amended effective immediately and without signature or further notice.

Requirements to report CRF expenses had been determined by the US Treasury, which has not yet updated the reporting obligations. We anticipate sending you another e-mail to amend the CRF agreements with the extended reporting obligations once those reporting deadlines are available. We may also update Time Bound Expenditure Plans to account for the extended timeline to spend the funds.

Note, the deadline to spend the funds, June 30, 2021 is the end of the Biennium. OHCS can elect to extend the use of these funds past that date if needed but currently the funds must be spent by June 30<sup>th</sup>, 2021 and will not be rolled over into the next biennium.

**Mike Savara** | (he/him/his)

**OHCS** | Housing Stabilization Division  
P: 503-931-5944

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#### CVRRP Funds Additional Flexibility Addendum

Due to the December 11th , 2020 E-Board decision to permit OHCS additional flexibility with use of OHCS funding, OHCS is adding an option for flexible spending to the program. This flexibility only applies to CVRRP (50% AMI), CVSSP, CVRRP CARES CRF (80% AMI). This option can be exercised at CAA discretion. HSS staff will be making regular time to be available to you, should you need any support in applying the flexibility. Some examples of additional flexibility include, but are not limited to, the purchase of shelter space to provide support for people experiencing homelessness during the pandemic, funding street outreach workers to deliver vaccines to people experiencing homelessness, outreach and education to the homeless population regarding COVID-19. The CRF guidance does not provide much guidance or clarity in how to navigate this, which means we will all need to evaluate risk tolerance in how to utilize this flexibility.

This can include any CRF eligible expense within the following parameters:

- No funding swaps for state or federal resources – we have determined that the CRF guidance is too unclear to take this risk and the administrative burden will be high for CAA's to process these changes. Funding swap is defined as using CRF dollars on expenses already reimbursed by another funding source, such as ESG, EHA, SHAP, etc.
- All expenses must be eligible Coronavirus Relief Funds as per the Treasury Guidance. CAA's are responsible for determining eligibility based on Treasury guidance.
- For the flexible option to be exercised, CRF eligible expenses must be related to addressing the specific needs of people experiencing homelessness. For instance, if a CAA wanted to fund a public health program that is for the general public, unrelated to rent relief or homeless services in particular, this would not be an eligible use of the funds.
- Documenting your plans for the funding is required – particularly documenting how it meets the CRF guidance eligibility and serves to support the needs of people experiencing homelessness.

In order to exercise this CVRRP Fund Flexibility Option, please contact OHCS in writing with your plans for alternative uses of your remaining CVRRP allocation. You may contact Mike Savara at [mike.savara@oregon.gov](mailto:mike.savara@oregon.gov) to begin the interactive process for seeking approval.