



**HOMES
JOBS
COMMUNITY**



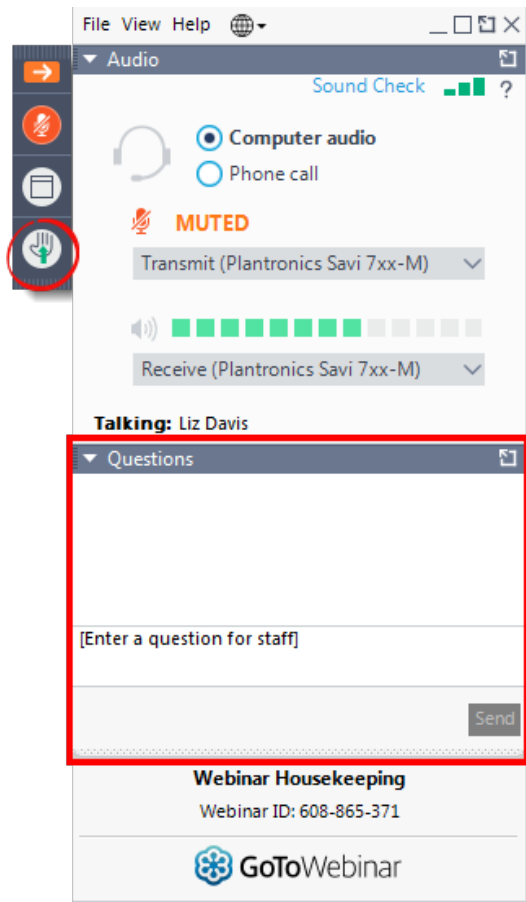
WASHINGTON D.C. UPDATE WEBINAR SERIES

TOPIC: Understanding the Newest COVID Relief Package

December 23, 2020

GoToWebinar Housekeeping

Asking Questions



- Please continue to submit your text questions and comments using the Questions panel
- Please raise your hand to be unmuted for verbal questions.

For more information, please email Ayrienne@rapoza.org.

Panelists

- **Daniel Marsh, President, National Development Council**
- **Raquel Favela, Central Team Leader, National Development Council**
- **Bob Rapoza, President, Rapoza Associates**



Municipalities Depend on NDC to Reach Small Businesses in Their Communities



- Since March of 2020, NDC has designed and administered about \$25 billion in grant and loan programs on behalf of local governments.
- When the funds are exhausted, these programs will have helped over 25,631 small businesses across the country

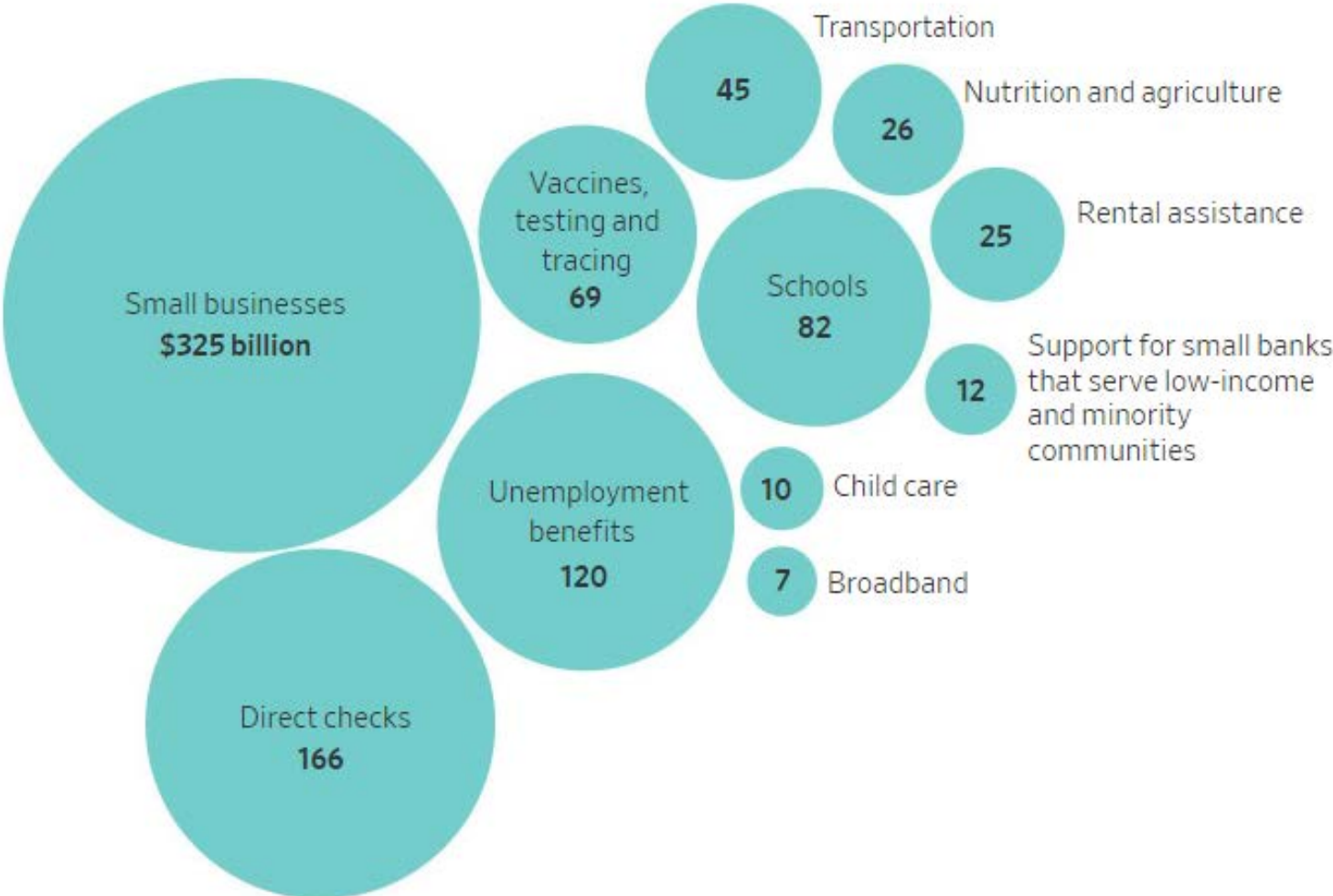
Retrospective, Communities in Crisis



- NDC has a track record of stepping in to help communities when they need it most. After the great recession, NDC served as HUD TA Provider under the Neighborhood Stabilization Program delivering over \$7 million in technical assistance to over 75 recipients.

The image shows a promotional banner for HUD. The top section is blue with the HUD logo (Department of Housing and Urban Development) and the Community Planning Development logo. To the right, it says "OneCPD Mailing List". Below this, on a white background, is the text: "Register Now: Free Underwriting Training for NSP Grantees". At the bottom, in smaller text, it says: "HUD is pleased to announce that space is still available for the final three classes of free underwriting training for NSP grantees. National Development Council's (NDC) Housing Development Finance Professional Certification Program is open to all NSP grantees at no cost as part of HUD's technical assistance effort. Grantees need only pay any related travel costs. For

Covid Relief, Amount in Billions of Dollars



State and Local Aid?



- No direct, general purpose aid
- Indirect funding for schools, transportation, healthcare, CDBG, and other state and local funding streams
- Some restrictions for CARES Act aid relaxed
- For example, NY state officials estimate \$54B in indirect aid



Aid to Small Businesses

Paycheck Protection Program and other support

- \$284B in PPP
- \$20B to extend and expand the employee retention tax credit
- \$20B economic injury disaster loans (SBA)
- \$15B Save Our Stages emergency grants to venues (SBA)
- \$3.5B for payment of principal and interest (P&I) on small business loans guaranteed by the SBA under the 7(a), 504 and microloan programs and includes another 8 months of payments for microloan borrowers
- \$12B for community lenders
- \$57M SBA micro-lending program



Aid to Small Businesses



More information

- 15% setaside of PPP for mission lenders
- Simplifies forgiveness of loans up to \$150,000
- Extends CARES Act through debt relief through 9/30/21
- Small Business Assistance not taxable income
- Extends the date by which state and local governments must make expenditures with CARES Act Coronavirus Relief Fund awards from December 30, 2020 to December 31, 2021.

Details on SBA Debt Relief



More information

- Applies to 7a, 504, Micro loans
- P&I payments resume 2/1/21
- Borrowers approved under the CARES Act receive 3 additional months capped at \$9,000/month – borrowers in underserved areas or areas hard hit by the pandemic may receive up to \$9,000/month for another 5 additional months
- New borrowers can receive up to \$9,000/month for up to 6 months (any time between 2/1/21 and 9/30/21)

Aid to Small Businesses

Save Our Stages

- \$15B for event venues
- Weeks 1-2 of grant competition: any entity that lost 90% or more of its revenue last year can apply
- Weeks 3-4 of grant competition: any entity that lost 70% or more of its revenue last year can apply
- Required to show that you're a "venue"
- Can't apply for PPP if you get this money.



Community Lenders

CDFIs and MDIs

- Dedicated PPP set-asides for very small businesses and lending through CDFIs and MDIs
- \$9B in emergency capital investments in CDFIs and MDIs to support lending in low-income and underserved communities, including persistent poverty counties
- \$3B in emergency support (grants) for CDFIs through the CDFI Fund



Community Lenders

More on CDFI and MDI provisions

CDFI Emergency COVID response

- \$1.25B for formula grants to CDFI's (\$25M for native communities) available within 60 days of enactment;
- \$1.75B for CDFIs & minority lending institutions
- \$9B for Capital Investment Program for low-cost long term capital to MDIs and CDFIs
- Targeted to depositories
- Significant lending in LMI minority communities
- Tier one capital or other long term debt instruments



Other Community Development Provisions

Tax credits and rental assistance

- Five year, \$5B extension of the New Markets Tax Credit
- Enhanced Low-Income Housing Tax Credit (permanent 4% credit, \$1.1 disaster allocation)
- \$25B in rental assistance
- Moratorium on evictions and foreclosures extended through January
- Five-year extension of Work Opportunity Tax Credit



Transportation and Infrastructure

Roads, trains, airlines, and broadband

- \$16B for airline workers
- \$14B transit infrastructure grants
- \$10B in state highway funding
- \$7B for broadband grants and investment
- \$2B in grants for buses, ferries, and other transportation providers
- \$2B for airports
- \$1B for Amtrak



Other Provisions



Education

- \$54B in K-12 Education Grants
- \$20B in Higher Education Grants
- \$5B to Governor's Emergency Education Relief Fund
- \$2B for HBCUs, Minority-Serving Institutions, and Tribal Colleges
- \$1B in Financial Aid Grants to For-Profit Colleges
- \$1B in Education Grants for Tribes and Territories

Healthcare

- \$22B in Funding to States for Testing, Tracing, and COVID Mitigation
- \$20B for Vaccine Procurement
- \$12B Repeal the Medicare Sequester for 2021
- \$9B Vaccine Distribution Through the States & CDC
- \$9B in Support for Health Care Providers
- \$5B Mental Health Funding
- \$3B Other Health Funding

Fiscal year 2021 Appropriations

Community Development Funding Highlights



\$270M for the CDFI Fund



\$3.7B for CDBG (\$300M increase)



\$1.35B for HOME



\$305M for Economic Development Administration

Prospects for More Relief





FINAL THOUGHTS |