



CARES Act: Funding for Housing and Homelessness

Updated May 2020

On March 27, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The CARES Act provides over \$12 billion in additional funding to several Department of Housing and Urban Development (HUD) programs and activities. These funds will be used for three broad purposes to:

- provide more resources to meet emerging needs;
- support existing rental assistance programs for low-income households; and
- help public housing providers increase their administrative capacity and oversight.¹

The CARES Act includes certain protections for renters and homeowners. Beginning on March 18, 2020, the bill institutes a 120-day moratorium on filings for evictions for residents in publicly assisted housing and for renters in homes with a federally-backed mortgage. The bill institutes a 60-day moratorium on foreclosures for borrowers with a federally-backed mortgage experiencing financial hardship due to coronavirus, and may also request a forbearance of up to 180 days.

The CARES Act also established the Coronavirus Relief Fund of \$150 billion for state and local governments, tribal governments, and U.S territories for expenditures incurred due to the public health crisis. Montana received \$1.25 billion of this federal allocation. Of that total, Montana used \$50 million to establish the Emergency Housing Assistance program to provide rent, security deposits, mortgage payments for those who lost a job or suffered income loss due to the pandemic.

This report summarizes the key HUD programs receiving supplemental funding in the CARES Act and funding for housing assistance provided by the Coronavirus Relief Fund.² The summary includes the allocation of specific funds to Montana.³

HUD Program	Allocation
Emergency Solution Grants (ESG)	\$4 billion
Community Development Block Grants (CDBG)	\$5 billion
Native American programs	\$300 million
Housing for Persons with AIDS (HOPWA)	\$65 million
Fair Housing programs	\$2.5 million
Tenant-Based Rental Assistance	\$1.25 billion
Project-Based Rental Assistance	\$1 billion
Public Housing	\$685 million
Section 202 Housing for the Elderly	\$50 million
Section 811 Housing for Persons with Disabilities	\$15 million
Total CARES Act Supplemental Funding	\$12.4 billion

Funding to Meet Emerging Needs

Program: Emergency Solutions Grant

Appropriation: \$4 billion

The CARES Act appropriates \$4 billion for “Homeless Assistance Grants” under the Emergency Solutions Grants program for individuals and families experiencing homelessness and to support additional homelessness assistance and prevention activities. Funds can be used for rapid rehousing, eviction prevention assistance, and costs of running and staffing temporary emergency shelters. States and local governments receive up to \$2 billion based on FY20 allocations. The remaining amount will be distributed to communities with the greatest needs, based on factors like risk of coronavirus transmission, number of people experiencing homelessness, and housing market conditions. Funds can be expended until September 30, 2022.

Emergency Solutions Grant	Initial Montana Allocation
State of Montana	\$2,524,355

Program: Community Development Block Grants

Appropriation: \$5 billion

The CARES Act provides \$5 billion in CDBG funding to states and local governments. Of the total amount, \$2 billion distributed to states and local governments based on the amount received under the FY20 formula. Another \$1 billion will go directly to states and local governments based on public health needs, the risk of transmission, number of cases, and economic and housing disruptions resulting from the coronavirus. HUD will distribute the remaining \$2 billion on a rolling basis. The bill eliminates the cap on the amount of CDBG funds that can be spent on public services and allows grantees to be reimbursed for COVID-19 related activities regardless of the date the costs incurred. The funds will be made available until September 30, 2022.

Community Development Block Grant	Initial Montana Allocation
City of Billings	\$386,973
City of Missoula	\$339,403
City of Great Falls	\$475,515
Montana Statewide Allocation	\$3,925,296
Total	\$5,127,187

Program: Native American Programs

Appropriation: \$300 million

The CARES Act provides \$300 million to address tribal housing needs. Eligible activities include maintaining normal operations of tribal housing providers and addressing emergencies that are a threat to health and safety. Of these funds, \$200 million will be allocated through the Indian Housing Block Grant.⁴ Up to \$100 million will be allocated under the Indian Community Development Block Grant to “prevent, prepare for, and respond to coronavirus.” The funds can be expended until September 30, 2024.

Indian Housing Block Grant	Montana Allocation
Blackfeet	\$2,042,642
Chippewa Cree	\$782,604
CSKT	\$1,497,446
Crow	\$842,291
Fort Belknap	\$615,155
Fort Peck	\$1,371,853
Little Shell	\$625,437
Northern Cheyenne	\$901,708
Total	\$8,679,136

Program: Housing Opportunities for Persons with AIDS (HOPWA)

Appropriation: \$65 million

The CARES Act provides \$65 million to address the housing needs persons living with HIV/AIDS. Eligible states and metropolitan areas will receive no less than \$50 million using the HOPWA formula. Of the remaining amount, up to \$10 million in competitive grants are available to grantees currently administering permanent supportive housing programs. These funds cannot be used for permanent supportive housing but may be used for isolation and relocation expenses to protect people living with HIV/AIDS. Funds may be also used for mortgage, rent, and utility payments for up to 24 months. Funds allocated through the HOPWA formula can be expended until September 30, 2021. Funds allocated through the competitive grant program will be available until September 30, 2022.

Housing Opportunity for Persons with AIDS Competitive Grants	Montana
State of Montana	\$159,460
State of Montana- Department of Health & Human Services	\$165,263
Total	\$324,723

Program: Fair Housing Activities

Appropriation: \$2.5 million

The CARES Act provides \$1.5 million for the Fair Housing Assistance Program to address fair housing issues related to coronavirus and \$1 million to the Fair Housing Initiatives Programs for public education activities. The funds will be available until September 30, 2021.

Funding for Rental Assistance Programs

Program: Tenant Based Rental Assistance

Appropriation: \$1.25 billion

The CARES Act provides \$1.25 billion for Tenant-Based Rental Assistance, which includes the Housing Choice Voucher program, to help public housing agencies maintain normal operations and increased costs. Of this amount, \$850 million is to increase the administrative capacity of public housing agencies, and to retain and support participating landlords. The remaining \$400 million supplements Housing Choice Voucher rental assistance for tenants financially impacted by the coronavirus. This funding will remain available until expended.

Program: Project Based Rental Assistance
Appropriation: \$1 billion

The CARES Act provides \$1 billion to maintain normal operations and take necessary actions to meet the needs of residents and owners of project-based Section 8 properties. This funding will remain available until expended.

Program: Public Housing
Appropriation: \$685 million

The CARES Act provides \$685 million to maintain the operations of public housing properties and to cover coronavirus related expenses includes, health and safety activities for residents, and education and child care needs of impacted families. This funding will remain available until September 30, 2021.

Program: Section 202 Housing for the Elderly
Appropriation: \$50 million

The CARES Act makes \$50 million available for homeowners to “maintain normal operations and take other necessary actions,” including \$10 million for service coordinators. These funds can be expended until September 30, 2023.

Program: Section 811 Housing for Persons with Disabilities
Appropriation: \$15 million

The CARES Act appropriates \$15 million to “maintain normal operations and take other necessary actions” to support owners and sponsors of properties. These funds can be expended until September 30, 2023.

CORONAVIRUS RELIEF FUND

Montana Appropriation: \$1.25 billion
Emergency Housing Assistance Program: \$50 million

The CARES Act provided Montana with \$1.25 billion in funding through the Coronavirus Relief Fund. The state used \$50 million of this funding to establish the Montana Housing’s Emergency Housing Assistance Program.⁵ This program provides rent, security deposits, and mortgage assistance as-needed to Montanans who lost a job or substantial income loss due to the pandemic and are unable to make housing payments as a result. The household income limits are \$75,000-\$125,000 depending on family size. Under the program, the Montana Board of Housing will cover the difference between 30 percent of a household’s current income and their eligible housing assistance costs, up to \$2,000 a month. Initial payments may include up to 3 months of assistance for households that demonstrate a continued inability to make their housing payments. Households receiving other forms of housing assistance are not eligible.

Coronavirus Relief Fund	Montana Allocation
State of Montana	\$1,250,000,000
Emergency Housing Assistance Relief Fund	\$50,000,000

¹ [“Funding for HUD in the CARES Act,”](#) Congressional Research Service, April 7, 2020.

² The appropriations for US Housing and Urban Development can be found on pages 321 through 332 of the CARES Act. [“Coronavirus Aid, Relief, and Economic Security \(CARES\) Act,”](#) Pub. L. 116-136, March 27, 2020.

³ [“CPD Program Formula Allocations and CARES Act Supplemental Funding for FY 2020,”](#) US Housing and Urban Development, April 17, 2020.

⁴ [“Indian Housing Block Grant CARES Act \(IHBG-CARES\) Formula Allocations,”](#) Department of Housing and Urban Development Office of Native American Programs, April 2020.

⁵ [“Montana Coronavirus Relief,”](#) Montana Department of Commerce.