

CARES Act Funding

Senate Ways and Means Committee

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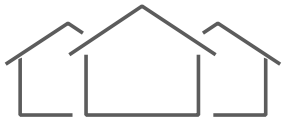
ASSISTANT DIRECTOR, OFFICE OF
ECONOMIC DEVELOPMENT AND
COMPETITIVENESS

JANUARY 26, 2021



Washington State
Department of
Commerce

We strengthen communities



**HOUSING
HOMELESSNESS**



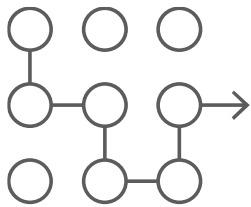
INFRASTRUCTURE



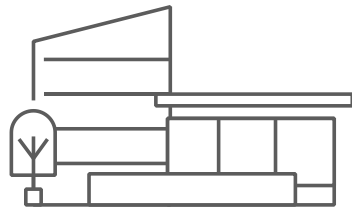
**BUSINESS
ASSISTANCE**



ENERGY



PLANNING



COMMUNITY FACILITIES



**CRIME VICTIMS &
PUBLIC SAFETY**



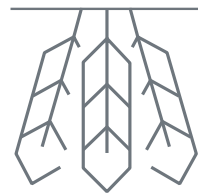
**COMMUNITY
SERVICES**

CARES Act COVID response and recovery funding through Commerce

Briefing includes the following:

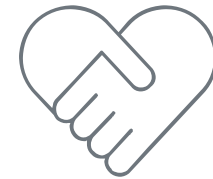
- CARES Act grants and CARES Act Governor's Coronavirus Relief Funds (CRF) awarded and allocated to the department
- Focus on Rent and Small Business Assistance
- What the funding provided and lessons learned

COVID response and recovery funding through Commerce



HOUSING, TRIBES & LOCAL GOVERNMENT*

\$621.4M



BUSINESSES & NONPROFITS*

\$203.7M

Total to date: >\$800M

*Totals includes state dollars: Round One Working WA Grants (\$10 million) and \$10 million for tribal assistance.

CARES Act COVID response and recovery funding through Commerce

CARES ACT CRF

\$714.2M

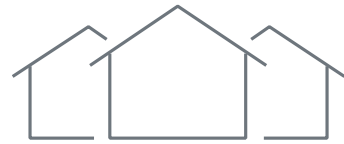
CARES ACT FEDERAL GRANTS*

\$66.4M

Total to date > \$800M

*Federal grants expected to increase. Pending plan approvals for Emergency Solutions Grant, and CDBG.

CARES Act COVID response and recovery funding through Commerce



RENT ASSISTANCE

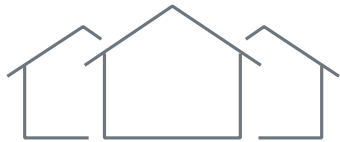
\$166.0M



SMALL BUSINESSES

\$167.7M

CARES Act COVID response and recovery funding through Commerce



RENT ASSISTANCE

\$166.0M

- **\$110 million rent assistance to counties to prevent evictions through December 2020 (federal CARES Act CRF funds)**
 - Estimated 30,000 households assisted
 - The purpose of this allocation is to assist low-income renters experiencing hardship related to COVID-19 for up to three months
- **\$56 million in CARES Act HUD Emergency Solutions Grant**
 - Estimated 7,000 households will be assisted
 - To assist people quickly regain stability in permanent supportive housing
 - \$9.7m awarded last spring; \$46.3m awarded in October. Two year grant (through 2022)

Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA)

- **\$500 million to WA for rent assistance – Implementation TBD**
 - In addition to OFM and the Governor's Office, the legislature will weigh in (early action)
 - \$322 million to be administered by the state; over \$178 million direct to local communities
 - Estimated 75,000 households will be served (overlap with those previously served)
 - Administered through the U.S. Treasury Department (through December 2021)

Rent assistance: lessons learned

- Need continues to outweigh available resources for rental assistance. Without more support and added capacity for local governments, it will be challenging to get funds out quickly.
- There is a gap between the timing of federal fund availability. State funding would bridge this gap and could be implemented immediately.
- Data is crucial to track outcomes and equitable distributions of funds.

Unmet need for rental assistance

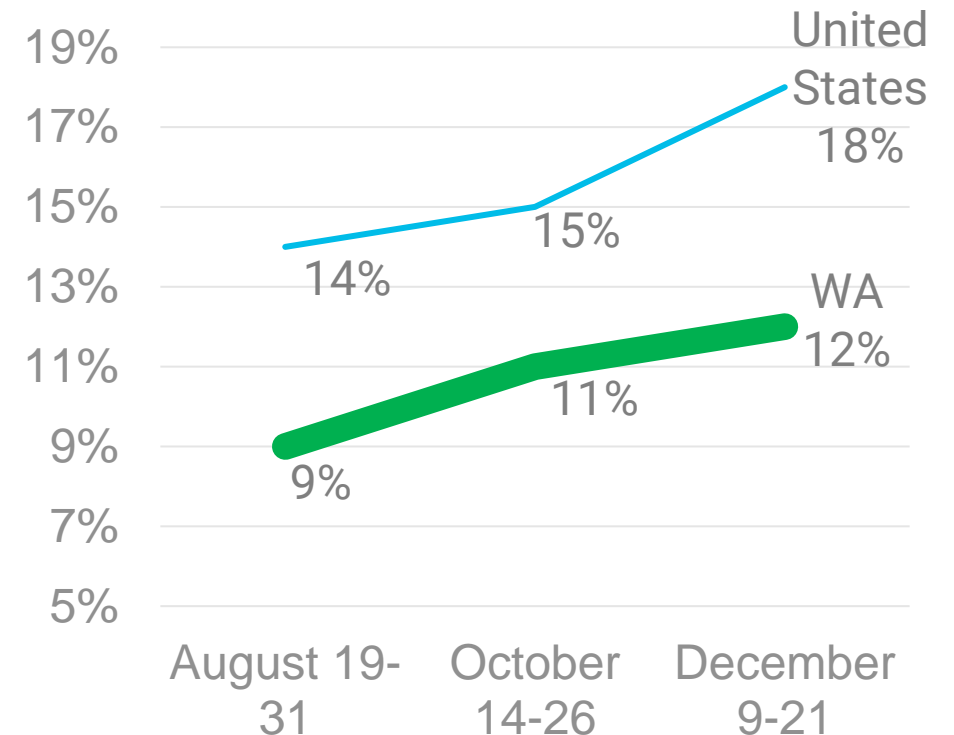
- **Census Bureau Pulse Survey**
 - December 2020: 12% of WA renters (127,329 households) are not caught up on rent payments
- **Median rent in Washington is \$1,184**
- **Estimate of one month of unpaid rent in WA: \$151 million**

Sources:

<https://www.census.gov/data/experimental-data-products/household-pulse-survey.html>

<https://data.census.gov/cedsci/table?q=median%20rent&q=0400000US53&tid=ACSDT1Y2018.B25058&hidePreview=false>

Households not caught up on rent



COVID response and recovery funding through Commerce



SMALL BUSINESSES

\$167.7M

- \$115 million in grants to small business over two rounds*
- \$30 million for WA State Recovery Loan Fund
- \$18 million in grants to historically disadvantaged businesses
- \$4.7 million for small business resiliency network providing culturally appropriate support to business owners

*Amount excludes round one Working WA Grants (\$10 million) which was funded with state funds. 1,400 businesses were supported.

CARES Act COVID response and recovery funding through Commerce

- **Working WA Grants: Rounds Two and Three***
 - Round Two: \$15 million, supporting more than 1,500 businesses
 - Round Three: \$100 million, supporting approximately 8,000 businesses
- **Historically disadvantaged businesses**
 - \$18 million; supported 2,700 small businesses
- **WA Recovery Loan Program**
 - Solving a gap in the system for businesses that can't get a loan through traditional means

*Amount excludes round one Working WA Grants (\$10 million) which was funded with state funds. 1,400 businesses were supported.

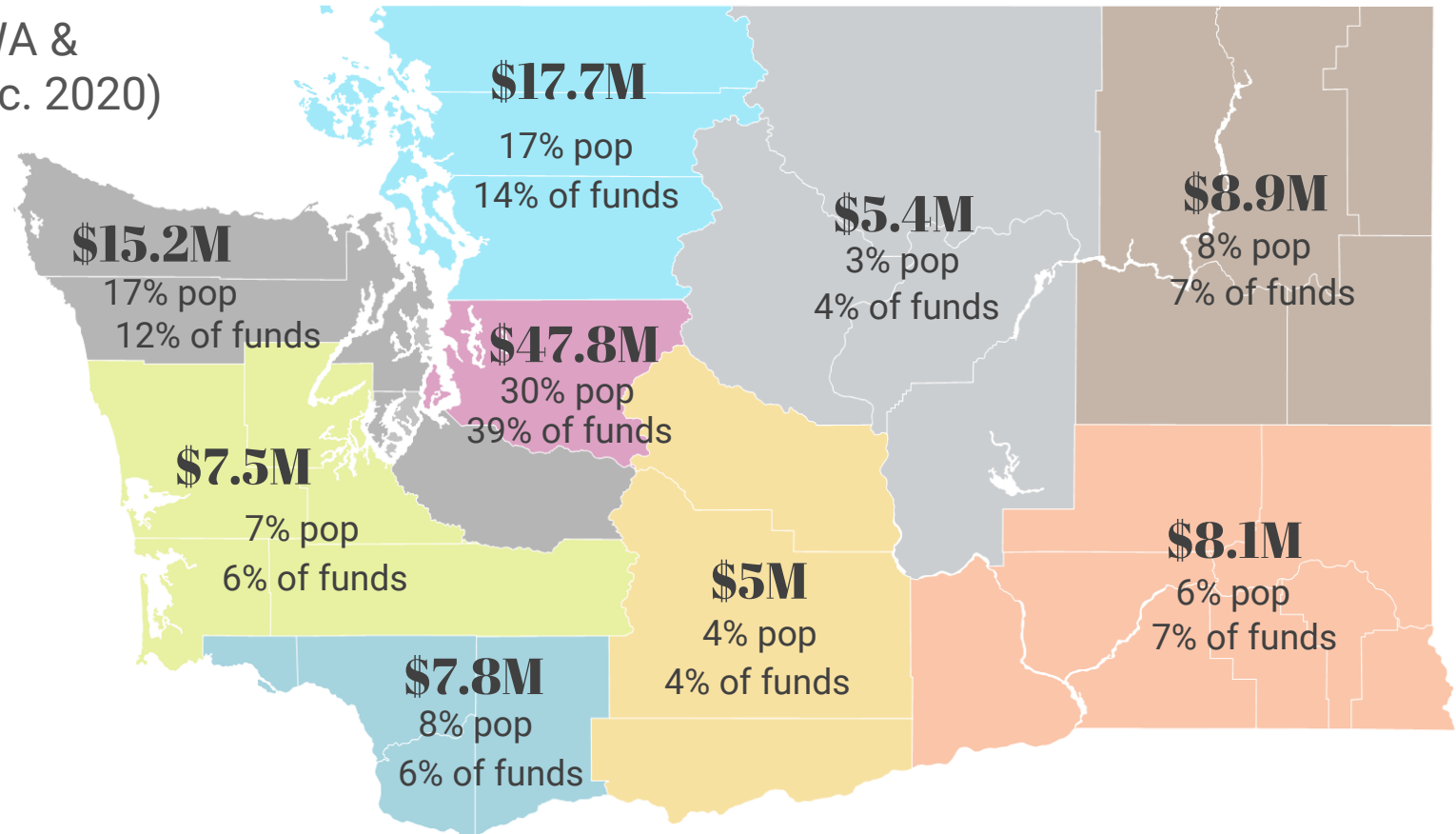
Small business assistance; lessons learned

- Many small business cannot access funds without technical assistance. Barriers include language, broadband access and experience using technology.
- Aid is needed both for businesses impacted directly by COVID restrictions and businesses impacted indirectly due to changes in consumer demand and behavior.
- Data and reporting is necessary to track outcomes and equitable distributions of funds.
- Early action legislation must take into account the resources, processes and time needed to administer program equitably and responsibly.

Small Business Assistance funding

Round Two & Three Working WA & Resiliency Grant programs (Dec. 2020)

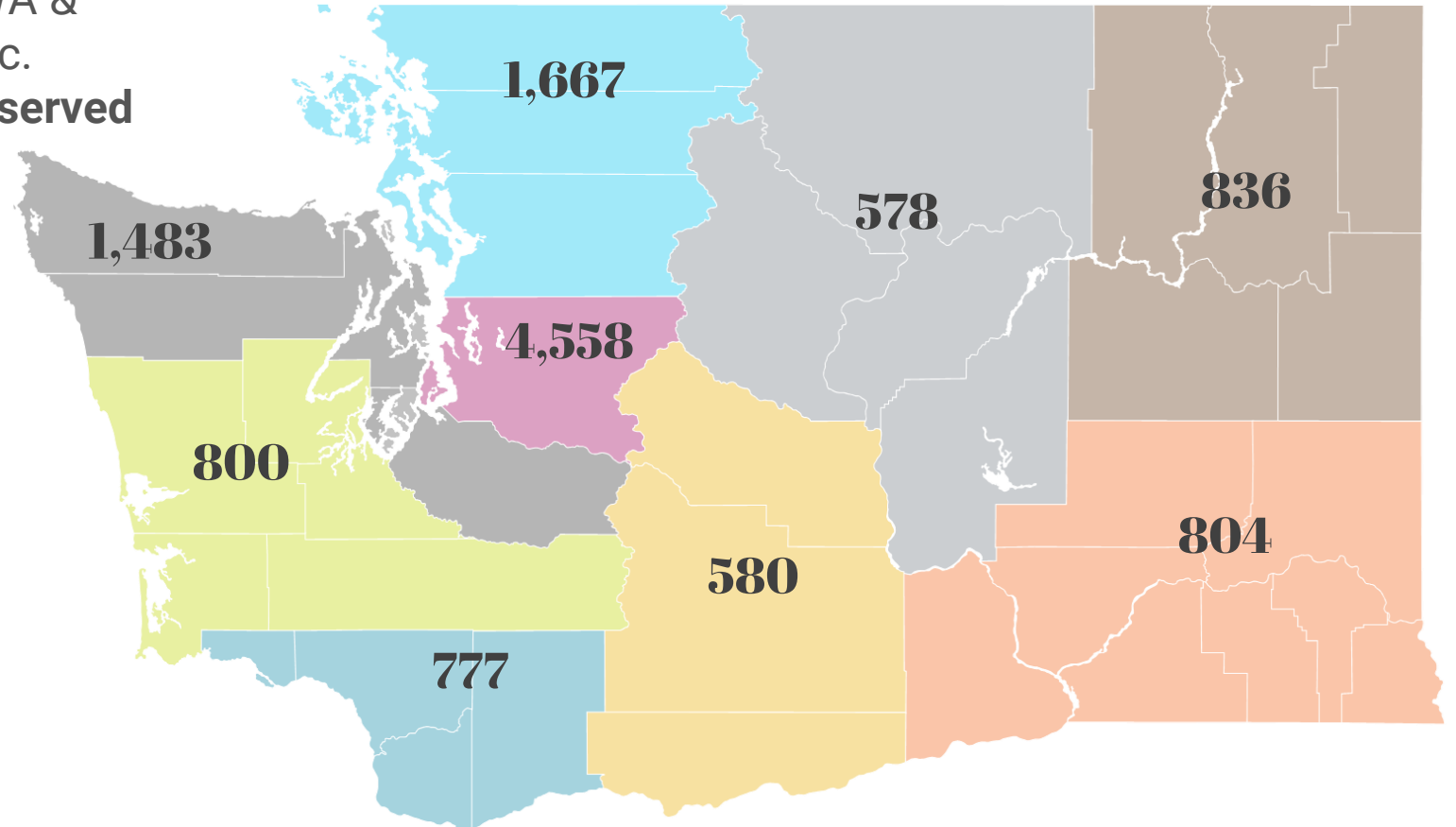
- Northwest
- King
- Tacoma/Upper Peninsula
- South Sound
- Southwest
- North Central
- South Central
- Spokane/Northeast
- Southeast



Small Business Assistance funding

Round Two & Three Working WA & Resiliency Grant programs (Dec. 2020): **Number of businesses served**

- Northwest
- King
- Tacoma/Upper Peninsula
- South Sound
- Southwest
- North Central
- South Central
- Spokane/
- Northeast
- Southeast





Washington State
Department of
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Thank you

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