

MEMORANDUM

DATE: June 9, 2020

TO: The Board of Supervisors

FROM: Rebecca Vinroot, Director of Social Services

SUBJECT: COVID-19 Urgent Need Program - Community Development Block Grant Application

On March 16, 2020, James City County began closing offices to the public in response to the spread of the COVID-19 virus. Within days the Social Services Housing Unit (Housing) began receiving calls from tenants participating in the Housing Choice Voucher program reporting job losses, furloughs, and reduced hours.

Soon thereafter, James City County was identified as a “hot spot” for COVID-19 infections in Hampton Roads and began to see a significant economic impact as a result of the high number of service and tourism related closings. With restaurants, hotels, and tourist attractions being closed, along with travel restrictions and Stay at Home Orders, James City County began to see significant job losses across all employment sectors.

Beginning March 27, 2020, the CARES Act Section 4024(b) was put in place to prohibit landlords of certain rental “covered dwellings” from initiating eviction proceedings or “charging fees, penalties, or other charges” against a tenant for the nonpayment of rent. These protections extend for 120 days from enactment, until July 25, 2020, for renters living in subsidized housing and or housing with a federally-backed mortgage. Evictions from all other housing types are banned statewide until at least April 26, 2020.

Anticipating the end of the eviction moratorium, Housing submitted a Letter of Interest on April 22, 2020 in response to the Virginia Department of Housing and Community Development announcement of the availability of funding under the Community Development Block Grant (CDBG) Urgent Need Grant program’s “Homelessness and Health Care” project. The funding would provide emergency payment of rent and utilities (paid directly to the landlord and utility provider for a limited time) related to homeless assistance. The funding will help stabilize Low- and Moderate-Income (LMI) households financially impacted by job loss, furlough, or reduced hours as a result of the COVID-19 Pandemic and who may face eviction or utility cutoff as a direct result of unpaid rent and or utility debt.

Additionally, landlords have been put in difficult positions as they begin to lose income and may be forced to seek forbearance from their mortgage holder. This assistance may help to stabilize those landlords by paying past due rent that, in many cases, might be their sole source of income. Maintaining positive relationships with landlords and ensuring they can continue providing this vital housing stock is critical in helping to maintain stable housing for LMI renters.

On May 22, 2020, the Virginia Department of Housing and Community Development notified Housing that \$348,104 had been set aside, pending County Board of Supervisors' approval to apply for the funds and engage in a one year contract for services with the state. This notice of funding availability requires no matching funds or local leverage.

Staff recommends that the Board of Supervisors adopt the attached resolution to authorize the submission of a CDBG Urgent Need application for emergency payment of past due rent and utilities related to the COVID-19 Pandemic and to authorize the County Administrator to contract with the Virginia Department of Housing and Community Development, and to sign other agreements and documents necessary to participate in and implement the Program.

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Attachments:

1. Resolution
2. Summary of the public hearings held on May 20, 2020, and May 27, 2020, regarding the proposed project and the use of CDBG funding