

## City Council – Action Request Form

**Date:** November 9, 2020

**To:** Mayor, Mayor Pro Tempore, and Members of the City Council

**From:** Marla Y. Newman, Community Development Director  
Tasha Logan Ford, Assistant City Manager

**Council Action Requested:**

Resolution Authorizing Acceptance Of Cares Act Grant Funds, Execution Of Agreements With The U.S. Department Of Housing And Urban Development, And Execution Of Agreements With Local Agencies

**Strategic Focus Area:** Livable Neighborhoods

**Strategic Objective:** Expand Housing Assistance Programs

**Strategic Plan Action Item:** No

**Key Work Item:** No



**Summary of Information:**

On September 11, 2020, the U.S. Department of Housing and Urban Development (HUD) announced allocation of the remaining CARES Act funding allocations for the Community Development Block Grant (CDBG-CV) Program. Funding includes an allocation of \$1,375,863 in CDBG-CV funds to the City of Winston-Salem to prevent, prepare for, and respond to coronavirus (CDBG-CV funds). CARES Act allocations are shown in Exhibit 1.

Coronavirus has had a significant impact on families’ ability to work and have income to pay for rent or mortgage payments, basic utilities, and access many other essential items and services. HUD’s stated focus for the remaining CDBG-CV allocation is to assist households who face a high risk of loss of their housing due to inability to make rent, utility or mortgage payments. A program of financial assistance is proposed to meet this need.

**Committee Action:**

<b>Committee</b>	Finance 11/9/2020 CDHGG 11/10/2020	<b>Action</b>	Approval
<b>For</b>	Unanimous	<b>Against</b>	

**Remarks:**

To address the need, CDBG-CV funds will be used to provide emergency payments for eligible low- and moderate-income individuals or families for rent, utility or mortgage assistance for those experiencing financial hardship due to COVID-19. Housing units must be located in the Winston-Salem city limits and be the household's primary residence. Payments can provide emergency rental assistance, mortgage assistance or utility assistance for up to six consecutive months, including payments due in arrears. At least one month's rent, mortgage or utilities must be overdue at the time of application.

Emergency payments made on behalf of households will be made to the landlord, mortgage lender or utility company and not directly to an individual or family. Agencies will be required to document that costs are eligible and that assistance is necessary and reasonable to prevent a household from losing housing. For each household assisted, agencies must document that assistance provided will not duplicate assistance from another source.

The City will publish a Request for Proposals (RFP) to select one or more agencies to administer the rental, utility and mortgage assistance program with a goal of helping households to avoid loss of their homes. Agencies will be selected for funding by a panel of City staff members. Criteria used for selection of proposals will include organizational capacity, program design, and experience administering rental, mortgage and utility assistance programs.

Of the \$1,375,863 in CDBG-CV funds available, \$1,238,277 (90%) will be allocated to rent, mortgage and utility assistance programs. The remaining ten percent of funds (\$137,586) will be retained by the City to cover administrative costs including staffing. Staff will administer CARES Act programs and collect and manage data needed for reporting and performance tracking.

The accompanying resolution authorizes the City Manager to execute funding agreements with HUD, negotiate and execute agreements with agencies in the amount of funding determined through the selection process, and submit periodic progress reports to HUD.