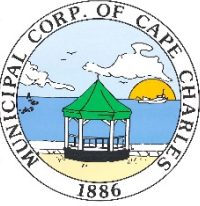




TOWN COUNCIL
Special Meeting
October 1, 2020
Cape Charles Civic Center
6:30 PM

1. Call to Order
 - A. Roll Call
 - B. Establish quorum
2. Moment of Silence and Pledge of Allegiance
3. Public Comments on Agenda Items Only (3 minutes per speaker)
4. Special Meeting Order of Business:
 - *A. [Department of Housing & Community Development Community Development Block Grant – Required Documentation:](#)
 - i. Non-Discrimination Policy
 - ii. Grievance Procedure
 - iii. Business and Employment Plan
 - iv. Fair Housing Certification
 - *B. [DHCD Community Development Block Grant Program Design](#)
5. Town Manager Comments
6. Mayor & Council Comments (5 minutes per speaker)
7. Adjournment

 TOWN OF CAPE CHARLES	AGENDA TITLE: DHCD Community Development Block Grant Required Documentation		AGENDA DATE October 1, 2020
	SUBJECT/PROPOSAL/REQUEST: Approval of policies, procedures, plans and certifications required by DHCD for recently received CDBG		ITEM NUMBER: 4A
	ATTACHMENTS: Non-Discrimination Policy, Grievance Procedure, Business & Employment Plan, and Fair Housing Certification		FOR COUNCIL: Action (X) Information ()
	STAFF CONTACT (s): John Hozey, Town Manager	REVIEWED BY: John Hozey, Town Manager	

BACKGROUND:

On August 28, 2020 the Town was notified that we received a sizable Community Development Block Grant (CDBG) from the Virginia Department of Housing and Community Development (DHCD), in the amount of \$845,115. This award was in response to our application to the 2020 Virginia CDBG program to assist local business owners with COVID-19 recovery expenses.

ITEM SPECIFICS:

To receive this grant award, extensive coordination with DHCD and program documentation is required. We are working to complete these requirements by October 12, 2020 so that we can execute the necessary grant agreement on October 15, 2020, which will enable us to start the process.

Cape Charles Main Street has been designated as the primary grant administrator, and we have been working closely with them to satisfy all needed requirements. However, several components of these requirements must be approved by the Town Council. Among these are:

- Non-Discrimination Policy
- Grievance Procedure
- Business & Employment Plan
- Fair Housing Certification

These are standard documents used by DHCD for this program customized for our use.

RECOMMENDATION:

Staff recommends approval of the attached Non-Discrimination Policy, Grievance Procedure, Business & Employment Plan, and Fair Housing Certification

The Town of Cape Charles or any employee thereof will not discriminate against an employee or applicant for employment because of race, color, religion, national origin, sex, pregnancy, childbirth or related medical conditions, age, marital status, or disability. Administrative and personnel officials will take affirmative action to insure that this policy shall include, but not be limited, to the following: employment, upgrading, demotion or transfer; rates of pay or other forms of compensation; and selection for training.

Duly adopted at the special meeting of the Cape Charles Town Council on October 1, 2020.

Signature of Authorized Official

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Section 504 Grievance Procedure Sample

The following grievance procedure has been adapted from a sample grievance procedure developed by the U. S. Treasury, Office of Revenue Sharing based on material prepared by the U. S. Department of Health and Human Services, Office of Civil Rights, Regional Technical Assistance Staff. It is intended as a guide only, to be tailored by recipient governments to suit their own particular circumstances and in consideration of any applicable state or local laws. This sample grievance procedure once completed should satisfy the requirements of the Department of Housing and Urban Development's (HUD) Section 504 regulations (24 CFR Part 8.53(b)). Recipients should be reminded that existing grievance procedures may be used to meet the HUD requirements.

Grievance Procedure

The Town of Cape Charles has adopted an internal grievance procedure providing for prompt and equitable resolution of complaints alleging any action prohibited by the Department of Housing and Urban Development's (HUD) (24 CFR 8.53(b)) implementing Section 504 of the Rehabilitation Act of 1973, as amended (29 USC 794). Section 504 states, in part, that "no otherwise qualified handicapped individual . . . shall solely by reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. . . ."

Complaints should be addressed to: Karen Zamorski, Cape Charles Main Street, Inc. Program Director, P. O. Box 567, Cape Charles, VA 23310, (757) 678-2303, who has been designated to coordinate Section 504 compliance efforts.

1. A complaint should be filed in writing or verbally contain the name and address of the person filing it, and briefly describe the alleged violation of the regulations.
2. A complaint should be filed within 30 days after the complainant becomes aware of the alleged violation. (Processing of allegations of discrimination occurring before this grievance procedure was in place will be considered on a case-by-case basis.)
3. An investigation, as may be appropriate, shall follow a filing of a complaint. The investigation will be conducted by the COVID-19 Relief Management Committee. These rules contemplate informal but thorough investigations, affording all interested persons and their representatives, if any, an opportunity to submit evidence relevant to a complaint. Under 24 CFR 8.53(b), the Town of Cape Charles need not process complaints from applicants for employment or from applicants for admission to housing.

4. A written determination as to the validity of the complaint and description of resolution, if any, shall be issued by the COVID-19 Relief Management Committee and a copy forwarded to the complainant no later than 14 days after its filing.
5. The Section 504 coordinator shall maintain the files and records of the Town of Cape Charles relating to the complaints filed.
6. The complainant can request a reconsideration of the case in instances where he or she is dissatisfied with the resolution. The request for reconsideration should be made within 14 days to Cape Charles Town Manager John Hozey.
7. The right of a person to a prompt and equitable resolution of the complaint filed hereunder shall not be impaired by the person's pursuit of other remedies such as the filing of a Section 504 complaint with the Department of Housing and Urban Development. Utilization of this grievance procedure is not a prerequisite to the pursuit of other remedies.
8. These rules shall be construed to protect the substantive rights of interested persons, to meet appropriate due process standards and to assure that the Town of Cape Charles complies with Section 504 and the HUD regulations.

Duly adopted at the special meeting of the Cape Charles Town Council on October 1, 2020.

Signature of Authorized Official

SECTION 3
BUSINESS AND EMPLOYMENT PLAN

1. The Town of Cape Charles Town Council designates as its Section 3 Business and Employment Project Area the County of Northampton.
2. The Town of Cape Charles Town Council, its contractors, and designated third parties shall in utilizing Community Development Block Grant (CDBG) funds utilize businesses and lower income residents of the County in carrying out all activities, to the greatest extent feasible.
3. In awarding contracts for construction, non-construction, materials, and supplies the Town of Cape Charles, its contractors, and designated third parties shall take the following steps to utilize businesses which are located in or owned in substantial part by persons residing in the County:
 - (a) The Town of Cape Charles Town Council shall identify the contracts required to conduct the CDBG activities.
 - (b) The Town of Cape Charles Town Council shall identify through various and appropriate sources including:
 - Eastern Shore Post, P O Box 517, Onley, VA 23418
 - Local Newspaper of General Circulation
 - Town of Cape Charles' website (www.capecharles.org), Town of Cape Charles' Facebook page, Cape Charles Main Street's Facebook page,
 - Cape Charles Gazette (the Town's electronic newsletter)the business concerns within the County which are likely to provide construction contracts, non-construction contracts, materials, and services which will be utilized in the activities funded through the CDBG.
 - (c) The identified contractors and suppliers shall be included on bid lists used to obtain bids, quotes or proposals for work or procurement contracts which utilize CDBG funds.
 - (d) To the greatest extent feasible the identified business and any other project area business concerns shall be utilized in activities which are funded with CDBG funds.
4. The Town of Cape Charles Town Council and its contractors and subcontractors shall take the following steps to encourage the hiring of lower income persons residing in the County:

- (a) The Town of Cape Charles Town Council in consultation with its contractors (including design professionals) shall ascertain the types and number of positions for both trainees and employees which are likely to be used to conduct CDBG activities.
 - (b) The Town of Cape Charles Town Council shall advertise through the following sources
Eastern Shore Post, P O Box 517, Onley, VA 23418
Project Area Newspaper of General Circulation
Town of Cape Charles' website (www.capecharles.org), Town of Cape Charles' Facebook page, Cape Charles Main Street's Facebook page,
Cape Charles Gazette (the Town's electronic newsletter)
the availability of such positions with the information on how to apply.
 - (c) The Town of Cape Charles Town Council, its contractors, and subcontractors shall be required to maintain a record of inquiries and applications by project area residents who respond to advertisements, and shall maintain a record of the status of such inquires and applications.
 - (d) To the greatest extent feasible, the Town of Cape Charles Town Council, its contractors, and subcontractors shall hire lower income project area residents in filling training and employment positions necessary for implementing activities funded by the Community Development Block Grant (CDBG).
5. In order to document compliance with the above affirmative actions and Section 3 of the *Housing and Community Development Act of 1974, as amended*, the Town of Cape Charles Town Council shall keep, and obtain from its contractors and subcontractors, *Registers of Contractors, Subcontractors and Suppliers* and *Registers of Assigned Employees* for all activities funded by the CDBG. Such listings shall be completed and shall be verified by site visits and employee interviews, crosschecking of payroll reports and invoices, and through audits if necessary.

Duly adopted at the special meeting of the Town of Cape Charles Town Council on October 1, 2020.

Signature of Authorized Official

Fair Housing Certification

Compliance with Title VIII of the Civil Rights Act of 1968

Whereas, the Town of Cape Charles has been offered and intends to accept federal funds authorized under the Housing and Community Development Act of 1974, as amended, and

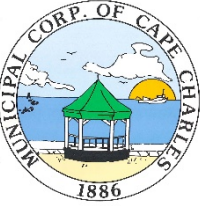
Whereas, recipients of funding under the Act are required to take action to affirmatively further fair housing;

Therefore, the Town of Cape Charles agrees to take at least one action to affirmatively further fair housing each grant year, during the life of its project funded with Community Development Block Grant funds. The action taken will be selected from a list provided by the Virginia Department of Housing and Community Development.

Signature of Authorized Official

Date

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 TOWN OF CAPE CHARLES	AGENDA TITLE: DHCD Community Development Block Grant Program Design		AGENDA DATE October 1, 2020
	SUBJECT/PROPOSAL/REQUEST: Approval of the CDBG Program Design		ITEM NUMBER: 4B
	ATTACHMENTS: Small Business Recovery Assistance Grant Program Design		FOR COUNCIL: Action (X) Information ()
	STAFF CONTACT (s): John Hozey, Town Manager	REVIEWED BY: John Hozey, Town Manager	

BACKGROUND:

On August 28, 2020 the Town was notified that we received a sizable Community Development Block Grant (CDBG) from the Virginia Department of Housing and Community Development (DHCD), in the amount of \$845,115. This award was in response to our application to the 2020 Virginia CDBG program to assist local business owners with COVID-19 recovery expenses.

ITEM SPECIFICS:

To receive this grant award, extensive coordination with DHCD and program documentation is required. We are working to complete these requirements by October 12, 2020 so that we can execute the necessary grant agreement on October 15, 2020, which will enable us to start the process.

Cape Charles Main Street has been designated as the primary grant administrator, and we have been working closely with them to satisfy all needed requirements. In addition to DHCD requirements that must be approved by the Town Council, the Council also requested approval over the final program design which includes the eligibility criteria by which we will disperse grant funds among applicants.

The attached program design document was developed by our grant administrator and reviewed and approved by our local CDBG Project Management Team (PMT). While unique to our administration of this grant, this design also satisfies the overall conditions of the program. PMT members include:

Andy Buchholz
Paul Grossman
Tom Weaver
John Hozey
Karen Zamorski
Deborah Pocock
Charlie Kolakowski

Minor revisions to this Program Design may be made by the PMT, which will be reported to the Town Council. Major revisions will be approved by the Town Council itself.

RECOMMENDATION:

Staff recommends approval of the attached Small Business COVID-19 Recovery Assistance Grant Program Design

This COVID-19 Small Business Recovery Assistance Fund (SBRAF) is strictly in response to business owners adversely affected by the COVID-19 Pandemic. Funds will be used to provide financial assistance to relieve and reduce unemployment, assist with job retention and working capital needs necessary to sustain businesses through the pandemic.

Through the Small Business Recovery Assistance Fund, the \$845,115 will help businesses meet their long-term business goals by adjusting to COVID-19 demands. Establishing safe and clean re-opening procedures, in accordance with the Governor's guidance, is necessary for the safety of customers and employees. It will allow businesses to regain and sustain operations, ideally helping them retain existing staff, fill vacant positions, create new jobs, and become more efficient and resilient.

This program is funded by the Virginia Department of Housing and Community Development (DHCD) through a Community Development Block Grant. Cape Charles Main Street will be managing activities of the grant for the Town of Cape Charles, extending into limited adjacent businesses in Northampton County, Virginia.

Eligible Businesses:

Assistance through the program will be targeted to businesses that meet each of the following criteria.

1. Locally or regionally owned,
2. 20 or fewer employees,
3. Must be Brick & Mortar business OR
4. Non-Profit entity in good standing,
5. Has been impacted by COVID-19,
6. Non-Duplication of Benefit: Has not received any form of assistance for the same purpose and same timeframe as the SBRAF request,
7. Have opened prior to March 12, 2020, AND
8. Are currently in business or re-opening business with grant funding

Amount of Funds Available: \$845,115

The maximum benefit to any individual business is \$15,000 to reopen and conduct business safely in a COVID-19 environment. It is anticipated that at least 50 businesses will be served by this program.

1. Up to \$5,000 for retooling and technology activities
 - **Space and technology upgrades** to reopen and conduct business safely, including but not limited to furniture, barriers, signage for social distancing requirements, non-construction related modifications to enhance social distancing and limiting
-

ingress/egress, and technology such as laptops, software, and touch-free credit card payment systems to accommodate social distancing.

- **Sanitization** – including but not limited to cleaning service and/or supplies- EPA-approved disinfectants, gloves, masks, and sneeze/cough guards.
- **Job training, classes and/or technical assistance** (provided by expert consultants' TBD as required) such as:
 - protecting the employees from COVID-19,
 - protecting customers from COVID-19,
 - pivoting or modifying the business model by moving to e-commerce solutions
 - How to utilize social media tools to market goods and services
 - training for long-term sustainability planning. (Businesses will be encouraged to register with the local/regional workforce council, SCORE or equivalent body (Virginia Workforce Boards).

2. Up to \$10,000 in relief for up to six months of the following eligible expenses :

- **Rent** – Applicant must supply written lease agreement.
- **Mortgage (principal and interest only – no taxes and insurance)** – Applicant must supply current mortgage statement.
- Reimbursement for Rent or Mortgage cannot be received prior to April 1, 2020 (Start of month following date of State of Emergency).
- Commercial space only. Home Businesses are not eligible.

Ineligible Activities:

The activities listed below are ineligible uses:

- Utilities
- Payroll costs incurred to maintain existing employees
- Relief from employer payroll taxes
- Costs of daily business operations
- Regular maintenance of the facility or equipment
- Refinancing of existing debts
- Activities not deemed to be in response to COVID-19 impacts
- Airbnb's are not considered commercial entities and therefore do not qualify
- Taxes and Insurance as part of a mortgage payment (only principal and interest eligible)

Job Creation:

If any jobs will be created or retained as a direct result of any re-opening plans, the applicant will self-certify on their application how many of those jobs are held by low- to moderate-income (LMI) persons. Note: New or retained jobs are only considered to be available to LMI persons

when: the job does not require special skills that can only be acquired with substantial training or work experience or education beyond high school education, or when the business agrees to hire unqualified persons and provide such training. New or retained jobs are only considered to be held by LMI persons when the job is actually held by an LMI person.

Timeline:

Applications will open for all businesses located in the Town of Cape Charles, all eligible businesses located within the 23310 zip code and Northampton County businesses in zip code 23347 on October 16, 2020.

Applications received from the Town of Cape Charles businesses **by November 6, 2020** (three weeks from opening) will receive priority review.

All other applications from **November 7, 2020** going forward will be reviewed on a first-come, first-served basis until funds are depleted. All funds will be disbursed and the grant will be closed-out by October 14, 2021.

Application Process:

Applicants may download or complete the electronic application on the Town of Cape Charles website (www.capecharles.org), pick up in person at the Town Office at 2 Plum Street or at the Cape Charles Main Street office at 718 Randolph Ave, Cape Charles, or by request from the Town of Cape Charles to Libby Hume, Town Clerk, 757-331-3259x10, or through email correspondence at clerk@capecharles.org or capecharlesmainstreet@gmail.com. Completed applications may be mailed to: Cape Charles Main Street, Attn: COVID Assistance, PO Box 567, Cape Charles, VA 23310 or dropped off at Cape Charles Main Street office at 718 Randolph Ave, Cape Charles, VA 23310.

In addition to the COVID-19 Small Business Recovery Assistance Application, the borrower will also be required to provide the following supporting documentation:

- W-9
- Monthly Profit and Loss Statements **or** Bank Statements beginning January 1, 2020
- Most recent federal income tax return.
- Current business license, if applicable
- Dun and Bradstreet – Data Universal Numbering System (DUNS) Number
- Documentation of any previous grant awards and receipts showing how and when it was expended.

Best efforts will be made by the project review team to review all applications within 14 business days of receipt as follows:

1. All applications will be reviewed by Grant Management Staff to ensure accuracy and completeness. Following a cursory review by Grant Management Staff, the applications will be emailed to the Grant Advisory Team.
2. The Grant Advisory Team will convene (electronically or in person) to review requests and make recommendations for approval. Recommendations will be officially recorded by Grant Management staff upon receipt of said recommendations.

Disbursement of Funds to Businesses:

This program will be operated on a reimbursement basis only; therefore, the Town of Cape Charles must submit proof of payment prior to seeking reimbursement from DHCD. Since the Town of Cape Charles is acting as the lead applicant/fiscal agent, funds will be disbursed to businesses as follows:

1. **Retooling and technology activities** will be disbursed on a reimbursement basis once the business submits documentation of expenditures via invoices and proof of payment.
 - a. **Space and technology upgrades** to reopen and conduct business safely, including furniture, barriers, and technology such as laptops, software, and touch-free credit card payment systems to accommodate social distancing.
 - b. **Sanitation** (cleaning service and/or supplies- EPA-approved disinfectants, gloves, and masks).
 - c. **Job training, classes and/or technical assistance** (provided by expert consultant TBD) such as:
 - protecting the employees from COVID-19,
 - protecting customers from COVID-19,
 - pivoting or modifying the business model, and
 - training for long-term sustainability planning. (Businesses will be encouraged to register with the local/regional workforce council or equivalent body (Virginia Workforce Boards).
 2. **Rent/Mortgage** – Rent/Mortgage will be disbursed on a reimbursement basis once the business submits documentation of expenditures via mortgage statements, lease agreements and proof of payment dated no earlier than March 12, 2020 (Date of State of Emergency). All businesses will be eligible for rent/mortgage assistance from the time period beginning April 1, 2020 to six months thereafter. The maximum assistance for rent/mortgage relief is six months per business, pending funding availability.
 3. Expense documentation from the approved business will be included in a reimbursement request to DHCD.
 4. Reimbursement requests will be submitted to DHCD as often as needed, but no more frequently than weekly.
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5. Reimbursement requests from DHCD can take up to 30 days; therefore, the businesses should allow an additional 15 days for the Town of Cape Charles to disburse grant funds received from the reimbursement request.

Complaint and Appeal Procedure

First contact is Karen Zamorski, Executive Director, Cape Charles Main Street, 757-678-2303, email: KarenZ.CCMS@gmail.com . Ms. Zamorski is the Grant Manager and will answer questions and elevate the complaint to the Project Management Team for discussion and determination which will be based on majority vote.

Once the Project Management Team reaches a decision, they will forward that decision to the Grant Manager for letter to be sent outlining the response to the appeal to the complainant.