

**TESTIMONY ON BEHALF OF COUNTY EXECUTIVE MARC ELRICH
ON THE RESOLUTION TO AUTHORIZE MONTGOMERY COUNTY
APPLICATION FOR COMMUNITY DEVELOPMENT BLOCK GRANT
FUNDS FOR EMERGENCY RENTAL ASSISTANCE.**

September 29, 2020

Good afternoon Council President and Councilmembers, my name is Aseem Nigam, Director of the Department of Housing and Community Affairs. I am here on behalf of the County Executive in support of Resolution to Authorize Montgomery County Application for Community Development Block Grant Funds for Emergency Rental Assistance.

Montgomery County is applying for \$15 million from the Maryland Community Development Block Grant COVID Funding Round 2 Emergency Rental Assistance Program. The Maryland Department of Housing and Community Development (DHCD) has requested applications from all Counties and the City of Baltimore for \$15 million now available in the Emergency Rental Assistance Program (ERAP). The Program has no maximum amount for applications, and guidance from Maryland DHCD encouraged applicants to apply for an amount needed.

The Program will provide rent assistance for up to \$4,000 per household to low income households (HUD Low Income 80% AMI) who have had COVID-related income loss. Landlords receiving these payments will agree not to begin eviction actions for the number of months equal to the number of months of past due rent paid.

The County will leverage the experience, processing and controls of the current DHHS COVID Rent Relief program offering rental assistance to tenants impacted by the COVID emergency, which the County must disburse by December 30, 2020. The State CDBG ERAP Grant will allow disbursement through calendar year 2021, helping tenants avoid potential evictions due to delinquent rent as eviction moratoria expire.

An estimated 20,000 Montgomery County rental households, 15% of the total 130,000 rental units, are experiencing rental delinquency and facing eviction action, unless remedied.

The County has committed over \$25 million in rental assistance to be distributed through the end of the calendar year, using CDBG entitlement funds, CARES Act funds and local funds. These programs will likely provide rental relief to about 7,000 households. The remaining 13,000 rent-delinquent households who would not receive support under these programs represent a need for an additional \$52 million, to provide \$4,000 per household assistance.

In our application, we outline a process to begin receiving applications for funding to begin in December based on an expected funding award in October.

Thank you.