




CHIEF ADMINISTRATIVE OFFICE

DATE: February 12, 2026

TO: Richmond City Council

FROM: Odie Donald II, Chief Administrative Officer 

CC: Danny Avula, Mayor
Chief of Staff, DCAO of Finance & Administrative Services, Finance Director

RE: **Gap Grant Program Update (As of March 30, 2026)**

Overview

The Gap Grant Program was established by City Council through *Ordinance No. 2024-272 / City Code § 16.3*, to provide targeted financial relief to residents experiencing significant rent or mortgage burden; Council approved an appropriation of \$3.9 million in the FY25 budget. Introduced at the end of calendar year 2024 for a 2025 rollout, the RVA Stay Gap Grant Program is a first-come, first-served housing relief program that offers a one-time payment of \$ 1,200 for rental or mortgage assistance to qualifying applicants. The program is jointly operated by the Department of Finance and the Department of Social Services to provide financial assistance that helps fill the gap for low-income households in the City of Richmond.

Current Program Performance as of March 30, 2026

This correspondence serves as an update to the GAP Grant Program as committed in the memorandum submitted by the CAO to City Council dated January 14, 2026. This update highlights the progress achieved through strengthened staffing, improved workflows, clearer documentation requirements, and enhanced coordination with the Department of Social Services, and recommends a more efficient use of all unobligated funds, consistent with the authority granted and the intention of *Ordinance No. 2024-272 / City Code § 16.3*.

Between January and March 2026, staff have processed 1,802 backlog applications resulting in an average of 29 daily or 100 to 145 applications per week for approximately twelve (12) weeks. Overall, the GAP Grant program received 3,931 applications. A high volume of requests for assistance (**2,077 or 53%**) of all submissions were **received without the required documentation**. There were **1,244 or 32% denied** because the applicants were **non-residents**, they were already receiving public assistance, they did not meet the low-income threshold, or their housing cost was equal to or greater than 30% of household income.

As of March 31, 2026, there are \$3,168,000.00 in unobligated funds remaining from the \$3,900,000 appropriated for this program and the backlog has been resolved.



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The tables below provide a snapshot of the program's status as of January 9, 2026, compared to March 30, 2026

Application and Disbursement Data Summary

Applications and Disbursement		
	Jan. 2026	Mar. 2026
Status	-	-
Approved	286	610
In Process	356	0
Unprocessed	1,446	0
Denied	1,791	3,321
Total Applications Received	3,879	3,931
Money Distributed	\$343,200	\$732,000

Path Forward and Conclusion

As referenced in the January 14, 2026 memorandum, while the Gap Grant program is an important and much-needed service to the Richmond community, it is not a core function for the Department of Finance. The administration recommends and is ready to take action to reappropriate the \$3,168,000.00 in unobligated funds to a third-party non-profit vendor, which will drastically improve the service level and allow Finance staff to focus on core services.

Actions Taken

To better align resources and program delivery, the administration has taken the following actions:

- Evaluation of local nonprofits that can deliver the programming needs
- Meeting with City Attorney's office to discuss legislative options
- Coordinated internally to determine alignment of the Gap Grant programming with existing community-based organizations that serve residents in need of financial assistance

Next Steps

- Advance a repeal and replace of the existing legislation, with a revised framework to the City Council
- Partner with a nonprofit organization through a MOU and/or appropriate agreement
- Incorporate lessons learned from program implementation to inform future program design and delivery
- Community Outreach planning and service delivery

The administration appreciates Council's continued support as we mitigated the operational challenges associated with administering this program. The singular focus of the administration is to strengthen delivery and accountability to better meet the financial needs of our collective residents. Clearing the backlog, as committed, is step one. Next, aligning the resources that have been allocated to the appropriate service delivery is poised to support Richmonders in need, as originally intended by the enabling legislation.