

Legislation Details (With Text)

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On agenda: 1/23/2023 **Final action:**

Title: Resident Utility Assistance and Displacement Support

Attachments:

Date	Ver.	Action By	Action	Result
1/23/2023	1	City Council Business Meeting	Approve	Pass

Resident Utility Assistance and Displacement Support

Action:

- A. Approve the use of \$1,936,602.82 from the Coronavirus State and Local Fiscal Recovery Fund to provide utility assistance for Charlotte Water customers,**
- B. Approve \$1,936,602.82 in Emergency Rental Assistance Fund allocations to support Charlotte residents experiencing displacement, and**
- C. Authorize the City Manager to negotiate, execute, amend, and renew contracts as needed to complete these transactions.**

Staff Resource(s):

Shawn Heath, Housing and Neighborhood Services
Angela Charles, Charlotte Water

Explanation

- The Emergency Rental Assistance (ERA2) program provided by the American Rescue Plan Act of 2021 included funding to assist households unable to pay rent or utilities during the coronavirus pandemic and recovery.
- \$3,600,000 in Charlotte Water utility assistance provided by ERA2 funding was included as a component of the RAMP CLT program (RAMP) administered by DreamKey Partners on behalf of the City of Charlotte and Mecklenburg County.
- The RAMP program closed on December 15, 2022, having fully allocated all rent assistance funds, and a portion of the available utility assistance funds. Despite multiple efforts to market the available Charlotte Water utility assistance (e.g., RAMP website, CharMeck 311, city and community partner communications), eligible applications for these funds remained low throughout the RAMP program, and a balance of \$1,936,602.82 in Charlotte Water utility assistance funds remain.
- In recognition of the challenges faced by local municipalities in distributing utility assistance, the U.S. Treasury has provided increasing flexibility in program guidelines including updating the American Rescue Plan Act (ARPA) guidelines to allow the Coronavirus State and Local Fiscal Recovery Fund to be used for lump-sum payments to municipal utilities like Charlotte Water for pandemic related customer arrears.

Action A

- Action A will replace the remaining \$1,936,602.82 ERA2 utility assistance funds with funding provided by the American Rescue Plan Act of 2021 (Coronavirus State and Local Fiscal Recovery

Funds), enabling Charlotte Water to directly assist its customers with pandemic-related delinquencies.

- This action allows the city to assist residents with pandemic-related water assistance and expend the federal funds in an efficient and timely manner.

Action B

- Action B will re-allocate the resulting balance of \$1,936,602.82 in ERA2 funds to support the displacement event protocol that the city has initiated for large-scale displacement events in Charlotte.
- Per ERA2 guidelines, the funds may be used for housing stability and relocation expenses for low-income households, (e.g., security deposits, application fees, rent payments, case management, and legal services).

Background

- On March 11, 2021, in response to the COVID-19 public health emergency, Congress enacted the American Rescue Plan Act of 2021 (ARPA), which included the Coronavirus State and Local Fiscal Recovery Fund (SLFRF) and the Emergency Rental Assistance Fund (ERA2). Charlotte was one of almost 1,000 cities across the nation that received these funds.
- On August 9, 2021, Council appropriated \$28,841,40.10 in ERA2 funding for rent and utility assistance and allocated \$3.6 million of the appropriation to be used to support Charlotte Water customers.
- On December 5, 2022, the Housing, Safety and Community Committee received a brief update on the need to replace the ERA2 funds with ARPA funds in support of Charlotte Water customers.

Fiscal Note

Funding: American Rescue Plan Act Fund (ARPA)