

Legislation Details (With Text)

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| File #: | 15-19699 | Version: | 1 | Name: | |
| Type: | Business Item | Status: | | Agenda Ready | |
| File created: | 2/3/2023 | In control: | | City Council Business Meeting | |
| On agenda: | 2/27/2023 | Final action: | | | |
| Title: | Appropriate Funds for Displacement Support | | | | |
| Attachments: | 1. Budget Ordinance | | | | |

| Date | Ver. | Action By | Action | Result |
|-----------|------|-------------------------------|---------|--------|
| 2/27/2023 | 1 | City Council Business Meeting | Approve | Pass |

Appropriate Funds for Displacement Support

Action:

- A. Adopt a budget ordinance appropriating \$3,910,215.97 from the Emergency Rental Assistance program provided by the American Rescue Plan Act of 2021 to the American Rescue Plan Act Fund, and**
- B. Authorize the City Manager, or his designee, to negotiate, execute, amend, and renew any documents necessary for administering the funds.**

Staff Resource(s):

Shawn Heath, Housing and Neighborhood Services

Explanation

- The Emergency Rental Assistance (ERA2) program provided by the American Rescue Plan Act of 2021 makes funding available to state and local governments to assist households at-risk of displacement with financial assistance and housing stability services.
- Eligible uses of ERA2 funds include housing stability and relocation expenses for low-income households (e.g., security deposits, application fees, rent payments, case management, legal services, etc.) and administrative costs.
- The American Rescue Plan Act of 2021 requires the recapture of excess funds not obligated by municipalities and other grantees for eligible ERA2 purposes, and reallocates those funds to grantees, such as the city, that have successfully obligated their original ERA2 allocations.
- On February 1, 2023, the U.S. Treasury awarded the city a new allocation of ERA2 funding through the recapture and reallocation process totaling \$3,910,215.97.
- This funding will be used to support housing stability for residents with an emphasis on the city's displacement event protocol for large-scale displacement events. Per ERA2 guidelines, funds must be obligated by September 30, 2025.

Background

- On August 9, 2021, City Council appropriated \$28,841,640.10 in Emergency Rental and Utility Assistance funding (ERA2) provided in the American Rescue Plan Act of 2021.
- The city utilized the ERA2 allocation to help fund the RAMP CLT rent and utility assistance program administered by DreamKey Partners. The RAMP CLT program closed on December 15, 2022, having fully obligated all rental assistance funds and a portion of the available utility assistance funds.
- On January 23, 2023, City Council re-allocated \$1,936,602.82 of remaining ERA2 funds from the RAMP CLT program to support the city's displacement event protocol for large-scale displacement events in Charlotte.

Fiscal Note

Funding: American Rescue Plan Act Fund

Attachment(s)

Budget Ordinance