

## Legislation Text

File #: 15-15067, Version: 1

### Emergency Rental and Utility Assistance in Response to COVID-19

#### **Action:**

- A. Adopt a budget ordinance appropriating \$26,714,160 from the U.S. Department of Treasury for Emergency Rental and Utility Assistance in the General COVID-19 Assistance Fund, and**
- B. Authorize the City Manager to execute any necessary contracts related to the Emergency Rental and Utility Assistance Program.**

#### **Staff Resource(s):**

Pamela Wideman, Housing and Neighborhood Services

#### **Explanation**

- To help address the economic impacts of the COVID-19 pandemic, Congress included funds for emergency rental and utility assistance in H.R. 133, the FY 2021 Consolidated Appropriations Act (Act).
- As a result of the Act, the city received a total of \$26,714,160 in federal funding to provide emergency rental and utility assistance.
- The proposed uses for this funding are restricted by guidance from the U.S. Department of Treasury.
- A minimum of 90 percent of the funds (\$24,042,744) must be spent on direct financial assistance.
- The proposed funding uses are:
  - Utility Assistance (electric, gas, and water): \$7,934,105 to provide assistance to approximately 15,000 households across the three utilities. The utilities assistance will be allocated as follows:
    - Approximately \$2.6 million for Duke Energy, \$3.6 million for Charlotte Water, and \$1.3 million for Piedmont Natural Gas with the flexibility to adjust these amounts based on usage and demand.
  - Rental Assistance: \$16,108,639 to provide assistance to approximately 5,300 households.
- Direct financial assistance can be provided for the following types of expenses:
  - Rent, including up to three months of prospective rent, and rental arrears;
  - Utilities and utilities arrears; and
  - Any other housing-related expenses incurred that are directly or indirectly associated with COVID-19, as defined by the Treasury Secretary.
- Assistance may be provided for up to 12 months, and an additional three months of assistance may be accessed if the extra months are needed to ensure housing stability and funds remain available.
- Eligible households are defined as renter households which:
  - have a household income not more than 80 percent of Area Median Income (AMI);
  - have one or more household members who can demonstrate a risk of experiencing homelessness or housing instability; and
  - have one or more household members who qualify for unemployment benefits or experienced financial hardship due, directly or indirectly, to the pandemic.
- Of the eligible households, the city must prioritize households whose incomes do not exceed 50 percent of AMI as well as renter households that include an individual who is currently unemployed

and has been unemployed for 90 or more days.

- Landlords and property owners can assist renters in applying for assistance or, with consent, apply for rental assistance on behalf of renters.
- The remaining 10 percent of the funds (\$2,671,416) will be used for program administration.
- Funds generally expire on December 31, 2021, but any unobligated funds are subject to a yet-to-be determined recapture and reallocation process after September 29, 2021.
- This program will leverage the work of the Charlotte-Mecklenburg Housing Partnership (CMHP) and SocialServe who are currently working to help residents find and maintain stable, affordable housing.

**Fiscal Note**

General COVID-19 Assistance Fund

**Attachment(s)**

Rental Assistance Budget Ordinance