

May 26, 2021

To: Mayor and Members of City Council 202102023

From: Paula Boggs Muething, City Manager

Subject: **Emergency Ordinance – Acceptance of American Rescue Plan Funds for Emergency Rental Assistance (ERA2)**

Attached is an Emergency Ordinance captioned:

AUTHORIZING the City Manager to accept funds in an amount up to \$7,178,997.50 from the United States Department of the Treasury as provided by the American Rescue Plan Act for the purpose of providing resources for an Emergency Rental Assistance (“ERA2”) program to assist households that are unable to pay rent and utilities due to the COVID-19 pandemic; **AUTHORIZING** the Finance Director to deposit the funds in Local Fiscal Recovery Fund 469 revenue account no. 469x8543; **AUTHORIZING** the establishment of American Rescue Plan grant project account no. 469x101xARP101, “ERA2,” for the purpose of providing resources for the ERA2 program to assist households that are unable to pay rent and utilities due to the COVID-19 pandemic; **AUTHORIZING** the appropriation of the sum of \$7,178,997.50 from the unappropriated surplus of Local Fiscal Recovery Fund 469 to newly established American Rescue Plan grant project account no. 469x101xARP101, “ERA2,” for the purpose of providing resources for the ERA2 program; **AUTHORIZING** the City Manager to contract with third parties and take other necessary actions to quickly implement the ERA2 program; and **DECLARING** expenditures from American Rescue Plan grant project account no. 469x101xARP101, “ERA2,” to be for a public purpose.

The City previously received Emergency Rental Assistance funding under the Coronavirus Response and Relief Supplemental Appropriations Act, which the City used to implement the Emergency Rental Assistance program now known as ERA1. These funds were used to assist households that are unable to pay rent and utilities due to the COVID-19 pandemic.

Under the American Rescue Plan Act, the City is eligible to receive additional Emergency Rental Assistance funding in an amount up to \$7,178,997.50 from the United States Department of the Treasury to be used to implement a second Emergency Rental Assistance program known as ERA2. Essentially, these funds will provide for additional assistance to households that are unable to pay rent and utilities due to the COVID-19 pandemic.

This Emergency Ordinance will deposit those funds in Local Fiscal Recovery Fund 469 revenue account no. 469x8543 as well as authorize the establishment of American Rescue Plan grant project account no. 469x101xARP101, “ERA2.” Expenditures related to ERA2 are declared as being for a public purpose. Finally, the City Manager would be authorized to contract with third parties and take other necessary actions to quickly implement the ERA2 program.

The reason for the emergency is the immediate need to accept funds in a timely manner.

The Administration recommends passage of this Emergency Ordinance.

cc: Christopher A. Bigham, Assistant City Manager
Karen Alder, Finance Director

Attachment