



Recommendation for Action

File #: 21-2430, **Agenda Item #:** 49.

7/29/2021

Posting Language

Ratify an interlocal agreement with the Housing Authority of the City of Austin to provide emergency rental assistance for vulnerable households, for a term through June 30, 2022, in an amount not to exceed \$41,659,428.

Lead Department

Housing and Planning Department.

Fiscal Note

Funding in the amount of \$35,015,791 is available from the United States Department of Treasury, Emergency Rental Assistance Program; funding in the amount of \$6,643,637 is available from the City of Austin Emergency Reserve fund. This item has no fiscal impact.

Prior Council Action:

August 12, 2020- Approved the Fiscal Year 2020-2021 Housing and Planning Operating Budget. Ordinance No. 20210610-091- appropriating up to \$6.7 million from the General Fund Emergency Reserve Fund for the Relief of Emergency Needs for Tenants (RENT) Rental Assistance Program.

For More Information:

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Additional Backup Information:

To provide urgently needed and ongoing emergency rental assistance to vulnerable households, the Housing and Planning Department would like to enter into an interlocal agreement for \$41,659,428 with the Housing Authority of the City of Austin (HACA) to provide emergency rental assistance. This agreement is funded with federal funds from the United States Department of the Treasury's Emergency Rental Assistance Program (Section 3201 of the American Rescue Plan Act of 2021 ("ERA2")) and the City of Austin's Emergency Reserve Fund. This grant funding will be utilized in accordance with federal guidelines. The Emergency Rental Assistance Program requires that not less than 85 percent of awarded funds must be used for direct financial assistance, including rent, rental arrears, utilities and home energy costs, and other expenses related to housing. Remaining funds are available for housing stability services, including case management and other services intended to keep households stably housed, and administrative costs. ERA2 allows rental assistance to be provided to households that demonstrate financial hardship "during" COVID-19, rather than the hardship having to be "due to" COVID-19 as it was for the first round of Emergency Rental Assistance.

Strategic Outcome(s):

Economic Opportunity and Affordability.