

Item Title: Accept and Appropriate Additional Financial Relief through State of North Carolina Associated with COVID-19 for Emergency Rental Assistance

Specific Action Requested:

That the Board of Commissioners amends the Fiscal Year 2023 budget to accept and appropriate \$228,712.76 of additional federal Emergency Rental Assistance through the State of North Carolina for COVID-19 response to eviction prevention and utility assistance.

Item Summary:

Purpose: The Board of Commissioners accepts and appropriates all grant funds.

Background: In 2021, North Carolina received \$546,596,104.00 from the U.S. Department of Treasury under the Consolidated Appropriations Act (CAA) and \$432,495,915 under the American Rescue Plan Act (ARPA) for the Emergency Rental Assistance (ERA) Program. In Session Law 2021-25, the NC General Assembly appropriated funds from both CAA and ARPA from the state's allocation for Wake County to provide emergency rental assistance payments for eligible families. The amount available to Wake County was \$30,083,215.

Subsequently, in April of this year, North Carolina received an additional \$7,423,124.40 in reallocated ERA-1 funds. From this additional funding, the amount available to Wake County is \$228,712.76. Funds may be used for rent and utility assistance payments and housing stability services to families in Wake County adversely affected by the COVID-19 pandemic, thereby placing them at risk of eviction from permanent rental housing

Board Goal: This action supports Community Health and Vitality Goal 5: Create and preserve affordable housing—including continuing rental assistance and eviction prevention programs.

Fiscal Impact: This item appropriates \$228,712.76 of Emergency Rental Assistance 1 (NC-ERA1) funds for use through their expiration date of December 31, 2022. The funds will be budgeted in the Housing Affordability and Community Revitalization Special Revenue Fund. Cost sharing or matching funds are not required.

Additional Information:

Wake County must use the same program guidelines used for the ERA-1 Program funded directly by the U.S. Treasury and ensure compliance with ERA-1 Program guidance issued by the U.S. Treasury. All funds must be expended by December 31, 2022. Wake

County may charge as an expense up to five percent (5%) of the allocation to effectively administer the program consistent with cost principles in 2 C.F.R. part 200, subpart E of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

Wake County Housing is using this funding to continue support of the House Wake! Plan approved in September 2020. The chart below describes the appropriated and committed funding for COVID-19 rental assistance response efforts.

Federal Act or Appropriation	Date Appropriated	Amount Allocated	Amount Expensed	Deadline to Spend
Coronavirus Relief Fund (CRF)	Federal: 03/01/20	\$4,164,499	\$4,164,499	02/28/21
	Local: 08/17/20			
Consolidated Appropriations Act of 2021 (ERA1)	Federal: 12/27/20	\$19,271,572	\$19,271,572	09/30/22
	Local: 02/01/21			
American Rescue Plan Act of 2021 (ERA2)	Federal: 03/11/21	\$22,281,978	\$16,375,179	09/30/25
	Local: 06/21/21			
NC Session Law 2021-25 (NC-ERA1)	Federal: 06/22/21	\$16,841,090	\$14,376,285	12/30/22
	Local: 08/16/21			
NC Session Law 2021-25 (NC-ERA1)	Federal: 06/22/21	\$228,713	Pending	12/30/22
	Local: 08/05/22			
American Rescue Plan Act of 2021 (SLFRF)	Federal: 06/22/21	\$5,000,000	Pending	12/31/26
	Local: 08/05/22			
Total Allocations		\$67,787,852	\$54,187,535	

On March 1, 2021 the County contracted with Telamon as a subrecipient to administer the House Wake! Financial Assistance Program. The City of Raleigh also received Emergency Assistance Funds and agreed to partner with Wake County and Telamon to provide uniform Emergency Rental Assistance throughout Wake County.

Eligible households under NC-ERA1 include:

- Tenant must be a renter household living in a residential dwelling; and
- Tenant must be a resident of Wake County and show proof of residency; and
- Household income must be no more than 80% of the current area median income (AMI). Priority will be given to households with incomes of no more than 50% AMI and households in which one or more member has been unemployed for 90 days. Household income for 2020 or all recurring income at the time of application (not

including one-time stimulus payments) will be included in the tenant household income calculation; and

- One or more individual who assists in supporting the household has qualified for unemployment benefits or has experienced a reduction in income, incurred significant costs, or experienced other financial hardship as a direct or indirect result of COVID-19 shutdowns and economic impact; and
- One or more individual in the household can demonstrate a risk of experiencing homelessness or housing instability, by providing: a past due utility or rent notice or an eviction notice.

The House Wake! COVID-19 Financial Assistance Program seeks to prevent the displacement of Wake County renter households living in a residential dwelling that suffered a loss of income because of COVID-19 by providing public funding to allow them to remain stably housed until they can reestablish their income or secure more affordable quality housing.

Attachments:

1. Budget Memo – Housing Affordability and Community Revitalization Special Revenue Fund