



# City of Madison

City of Madison  
Madison, WI 53703  
www.cityofmadison.com

## Master

**File Number: 81628**

**File ID:** 81628

**File Type:** Resolution

**Status:** Council New Business

**Version:** 1

**Reference:**

**Controlling Body:** COMMON COUNCIL

**File Created Date :** 01/17/2024

**File Name:** Authorizing the Mayor and City Clerk to execute contract amendments, utilizing federal Emergency Rental Assistance funds awarded by the U.S. Treasury Department and authorized under the American Rescue Plan Act of 2021, to the African Center for Community

**Final Action:**

**Title:** Authorizing the Mayor and City Clerk to execute contract amendments, utilizing federal Emergency Rental Assistance funds awarded by the U.S. Treasury Department and authorized under the American Rescue Plan Act of 2021, to the African Center for Community Development; Meadowood Neighborhood Association/Meadowood Health Partnership; Nehemiah Community Development Corporation, with FOSTER of Dane County; and Tenant Resource Center to sustain efforts to prevent evictions and promote housing stability for eligible households in Dane County. (Citywide)

**Notes:**

**Sponsors:** Satya V. Rhodes-Conway, Nikki Conklin, Dina Nina Martinez-Rutherford And Jael Currie

**Effective Date:**

**Attachments:**

**Enactment Number:**

**Author:** Linette Rhodes

**Hearing Date:**

**Entered by:** rschesny@cityofmadison.com

**Published Date:**

### History of Legislative File

| Ver-<br>sion: | Acting Body:                   | Date:   | Action:                   | Sent To: | Due Date: | Return<br>Date: | Result: |
|---------------|--------------------------------|---|---------------------------|----------|-----------|-----------------|---------|
| 1             | Community Development Division | 01/17/2024  | Referred for Introduction |          |           |                 |         |
|               | <b>Action Text:</b>            | This Resolution was Referred for Introduction   |                           |          |           |                 |         |
|               | <b>Notes:</b>                  | Community Development Block Grant Committee (2/1/24), Finance Committee (1/29/24), Common Council (2/13/24) |                           |          |           |                 |         |

### Text of Legislative File 81628

#### Fiscal Note

The proposed resolution authorizes the Mayor and City Clerk to execute contract amendments with various community organizations. The total amount of the contract amendments is \$3.1

million, and it will be funded by remaining Emergency Rental Assistance (ERA2) funds authorized in the 2024 Adopted Operating Budget (Munis project #76121). No additional City appropriation required.

### **Title**

Authorizing the Mayor and City Clerk to execute contract amendments, utilizing federal Emergency Rental Assistance funds awarded by the U.S. Treasury Department and authorized under the American Rescue Plan Act of 2021, to the African Center for Community Development; Meadowood Neighborhood Association/Meadowood Health Partnership; Nehemiah Community Development Corporation, with FOSTER of Dane County; and Tenant Resource Center to sustain efforts to prevent evictions and promote housing stability for eligible households in Dane County. (Citywide)

### **Body**

#### **Background**

On December 21, 2020, Congress enacted the Consolidated Appropriations Act, 2021 (H.R. 133, Public Law 116-260, a/k/a "COVID Relief Act"), which included \$25 billion in Emergency Rental Assistance Program funding ("ERA1") to be distributed by the U.S. Treasury Department to state and local governments for use in preventing evictions and promoting housing stability among households affected by the COVID-19 pandemic. Through this Act, the City of Madison received a direct ERA1 allocation of nearly \$7.8 million (RES-21-00042, Legistar #63792) and a pass-thru ERA1 allocation, via the Wisconsin Department of Administration's Division of Energy, Housing & Community Resources, of roughly \$25.2 million (RES-21-00371, Legistar #65271; and RES-21-00557, Legistar #66681).

On March 10, 2021, Congress enacted the American Rescue Plan Act of 2021 (H.R. 1319, Public Law 117-2), which provided additional funding to respond to multiple areas of need created by the COVID-19 pandemic. This Act (also known as "ARPA") included an additional \$21.5 billion in Emergency Rental Assistance Program funding ("ERA2") to be distributed to state and local governments as supplemental support for their ongoing eviction prevention and housing stability efforts. The City of Madison received a direct ERA2 allocation of just over \$6.1 million and a subsequent re-allocation of approximately \$39.2 million.

Together, these federal Emergency Rental Assistance Program funds-both ERA1 and ERA2-have been used in collaboration with similar allocations received by Dane County to support a local rental assistance program known as Dane CORE to provide direct assistance to eligible applicants, and associated housing stability services, through vendor contracts with local community organizations, as approved via Legistar files #63792 and #66702. The Dane CORE Program (both City and County) has ended, however, ERA2 funds continue to support the Eviction Diversion and Defense Partnership (EDDP) operated through the Tenant Resource Center, which facilitates mediation, legal representation, and rental assistance payments for households with an eviction filing. They also continue to support ongoing work by community organizations selected via RES-21-00612 (Legistar #66702) to provide housing navigation and case management support to residents in need of housing stability services.

The continued use of Emergency Rental Assistance funding was authorized as part of the City's Adopted 2024 Operating Budget, however, the authority to extend the contracts with the community partners was not. This resolution seeks authority to extend the contracts through December 31, 2024, using ERA2 funding, with the African Center for Community Development (\$165,799); Meadowood Neighborhood Association/Meadowood Health Partnership (\$78,066); and Nehemiah Community Development Corporation, with FOSTER of Dane County (\$92,700)

to sustain housing stability services.

The Eviction Diversion and Defense Partnership (EDDP), supported with City- and County-administered ERA funds, has proven to be an invaluable resource in helping renter households who face eviction actions. Up to \$12 million of City-administered funds are authorized to support EDDP for the period of January 1, 2024- September 30, 2025. However, the rise in eviction filings, and the accompanying increased need by households facing eviction for case management support and direct financial assistance suggest that additional funding for EDDP is needed. In response, this resolution seeks authorization both to extend the contract with Tenant Resource Center to continue the EDDP Program and to use available ERA2 dollars to increase funding for the program by \$2.8 million, to \$14.8 million.

#### Action Items

WHEREAS, on December 21, 2020, Congress enacted the Consolidated Appropriations Act, 2021 (H.R. 133), which included \$25 billion in Emergency Rental Assistance Program funding ("ERA1") to be distributed to state and local governments for use in preventing evictions and promoting housing stability among households affected by the COVID-19 pandemic, of which the City accepted roughly \$33 million in ERA1 funds, comprised of a direct allocation from the U.S. Treasury Department and reallocation from the Wisconsin Department of Administration's Division of Energy, Housing & Community Resources; and,

WHEREAS, on March 10, 2021, Congress enacted the American Rescue Plan Act of 2021 (H.R. 1319), which included a further \$21.5 billion in Emergency Rental Assistance Program funding ("ERA2"), of which the City received roughly \$45 million, comprised of a direct allocation from the U.S. Treasury Department, and a reallocation from the Wisconsin Department of Administration's Division of Energy, Housing & Community Resources; and,

WHEREAS, the City and County used these funds to establish and support the Dane CORE and CORE 2.0 programs and the Eviction Diversion and Defense Partnership to prevent evictions and promote housing stability in Madison and Dane County; and,

WHEREAS, on August 31, 2021, the Common Council, via RES-21-00612 (Legistar #66702) selected several community partners, identified through an application process, to provide support to Madison residents to connect with Emergency Rental Assistance programs and provide case management support and direct financial support; and,

WHEREAS, the City now seeks to extend housing stability service contracts, funded through Emergency Rental Assistance (ERA2), to the African Center for Community Development (\$165,799); Meadowood Neighborhood Association/Meadowood Health Partnership (\$78,066); and Nehemiah Community Development Corporation, with FOSTER of Dane County (\$92,700) to sustain the housing stability services they provide through December 31, 2024, with an option to renew in the 2025 Operating Budget; and,

WHEREAS, the City also seeks to continue through September 2025 the services offered under the Eviction Diversion and Defense Partnership, led by the Tenant Resource Center, and to draw on available ERA2 funds to increase funding for that program from \$12 million to up to \$14.8 million to help meet increased demands for its services.

NOW, THEREFORE, BE IT RESOLVED, that the Common Council authorizes the Mayor and City Clerk to execute contract amendments for the African Center for Community Development (\$165,799); Meadowood Neighborhood Association/Meadowood Health Partnership (\$78,066);

and Nehemiah Community Development Corporation, with FOSTER of Dane County (\$92,700) to sustain housing stability services through December 31, 2024; and,

BE IT FURTHER RESOLVED, that the Council authorizes the Mayor and City Clerk to execute a contract amendment with the Tenant Resource Center to provide housing stability services through the Eviction Diversion and Defense Partnership through September 30, 2025, and to increase the funding award for that contract from \$12 million to \$14.8 million.