



Legislation Text

File #: 66526, **Version:** 1

Fiscal Note

The proposed resolution authorizes amending the contract with Benevate Inc, to allow Urban Triage to administer County Emergency Rental Assistance 2 funds under the City's contract and incur additional fees of up to \$135,000, to be funded by Dane County. The Community Development Division's 2021 adopted operating budget will be amended to reflect the additional \$135,000 of intergovernmental revenue and purchased services.

Title

Authorizing an amendment to the contract between the City of Madison and Benevate Inc., which governs the use of Benevate Inc.'s Neighborly Software system in administering Federal Emergency Rental Assistance funds provided to the City, to also make that system available for use by Urban Triage Inc. to administer Emergency Rental Assistance funds provided to Dane County.

Body

Background

On January 19, 2021, the Common Council adopted Legistar File #63792, accepting the initial allocation of Emergency Rental Assistance (ERA) funding from the United States Treasury Department to the City of Madison under the Consolidated Appropriations Act, 2021 (CARES Act), for use to help prevent evictions and promote housing stability among eligible households affected by the COVID-19 pandemic. The City of Madison collaborated with Dane County to establish the local Dane CORE (CORonavirus Rental) assistance program, and selected the Tenant Resource Center to administer those funds, with the aid of community partner agencies. Parallel program design between the City and County was essential to ensure clarity among program users.

In March of 2021, the federal government passed the \$1.9 trillion American Rescue Plan (ARP) stimulus bill, which provided additional funding to respond to multiple areas of need created by the COVID-19 pandemic. ARP included \$21.5 billion in funding for Emergency Rental Assistance (ERA 2); it allocated \$12.5 million to Dane County to support local efforts to prevent evictions and provide housing stability. The Dane County Department of Human Services (DCDHS) Housing Access and Affordability Division (HAA) conducted a Request for Proposals process in February 2021 and has identified, subject to County Board approval, Urban Triage, Inc. as the sole administrator of the County's ERA 2 funding.

ARP also allocated about \$6.1 million more to the City of Madison to continue its own efforts to prevent evictions and promote housing stability. In coming weeks, CDD staff will identify one or more community partners to help administer those funds.

Funds awarded to Dane County will be used outside of the City of Madison to provide direct assistance to eligible applicants. Federal regulations continue to stress the importance to local governments of avoiding the duplication of benefits in the use of these funds. Therefore, it remains essential that the City and County collaborate on program design and delivery to ensure that Dane County residents, including Madison residents, can access one centralized database to process ongoing rental assistance programs with minimal risk of duplication.

On May 18, 2021, the Council adopted Legistar File #65271, which authorized the Mayor and City Clerk to execute an agreement with Benevate Inc. to gain the use of Neighborly Software, a centralized database to implement a rental assistance program. In the interest of maintaining close collaboration with the Dane County

funded program, to be administered by Urban Triage Inc., Urban Triage Inc, is seeking to use the same Neighborly Software platform to which the City has already gained access. To facilitate that outcome, City staff have suggested bringing Urban Triage into the City's contract with Benevate.

In its contract with the City, Benevate assesses a fee for the use of its system that is based on a percentage (0.9%) of the funds to be managed. For the City's contract, that fee totaled approximately \$84,000, plus implementation fees. Adding Urban Triage to the City's contract will result in additional fees. Thus, the contract must be amended to allow Dane County's ERA2 funds to be processed through Benevate's Neighborly Software database, and to adjust the fees accordingly. The added fees will be paid from County funds.

Action Items

WHEREAS, in March of 2021, the federal government passed a \$1.9 trillion American Rescue Plan (ARP) stimulus bill which provided funding to help respond to and recover from the effects of the COVID-19 pandemic; and,

WHEREAS, ARP included \$21.5 billion in funding for Emergency Rental Assistance (ERA 2), and allocated more than \$12.5 million of that amount to Dane County, and more than \$6.1 million to the City of Madison, to support local efforts to prevent evictions and provide housing stability; and,

WHEREAS, the Dane County Department of Human Services (DCDHS) Housing Access and Affordability Division (HAA) identified Urban Triage, Inc. as the sole agency to administer the County's ERA 2 funding; and,

WHEREAS, on May 18, 2021, the Common Council adopted Legistar File #65271, amending the Community Development Division's 2021 operating budget to accept \$9.3 million in federal ERA funds and authorizing the Mayor and City Clerk to execute an agreement with Benevate Inc. to permit the City to use its Neighborly Software, a centralized database, to implement a rental assistance program; and,

WHEREAS, the City of Madison's contract with Benevate, Inc. must be amended to allow Urban Triage to use it to gain access to the Neighborly System in administering County ERA 2 funds, a change that will cause an increase in the fees charged by Benevate for the use of its system; and,

WHEREAS, the City's Community Development Divisions 2021 Operating Budget must also be amended to accept and authorize the added revenue and expenditures associated with the addition of Dane County's ERA 2 funds, which includes a fee equal to .9% of the County ERA 2 funds and a one-time implementation fee for data migration; and,

WHEREAS, while community partners awarded funding, under Legistar File #63792, from the City's initial ERA allocation are still administering those funds, the receipt of additional funds will require the continuation of those contracts and/or selection of new partners.

NOW, THEREFORE, BE IT RESOLVED that the Common Council authorizes the Mayor and the City Clerk to sign an amendment to the executed contract with Benevate Inc, to allow Urban Triage to administer County ERA 2 funds under the City's contract, and incur additional fees of up to \$135,000, to be funded by Dane County; and

BE IT FURTHER RESOLVED, that the Community Development Division's 2021 Operating Budget be amended to accept the added revenues and expenditures associated with the added fees resulting from this contract amendment.