



Legislation Text

File #: 77807, Version: 2

Fiscal Note

The proposed resolution authorizes an amendment to the contract with Community Action Coalition (CAC) to provide the organization with an additional \$530,000 in Emergency Rental Assistance funds. These funds are available through an additional \$4.1 million from the U.S. Treasury Emergency Rental Assistance 2 program. Acceptance of the additional \$4.1 million was approved by Common Council on April 18, 2023 (Leg file 76581, RES-23-00306). No additional City appropriation is required.

Title

SUBSTITUTE: Authorizing an amendment of the contract between the City of Madison and Community Action Coalition for South Central Wisconsin (CAC) to provide Housing Stability Services, using Federal Emergency Rental Assistance (ERA) funds, and providing up to \$530,000 in additional ERA funds to CAC for use in providing housing navigation and support services to Community Development Authority clients, and authorizing the Mayor and City Clerk to execute a contract amendment with CAC to providing those services.

Body

BACKGROUND

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; of this figure, the City of Madison has received a direct ERA2 allocation of just over \$41 million.

These federal Emergency Rental Assistance Program funds have been used in collaboration with similar allocations received by Dane County to support a local rental assistance program known as Dane CORE 2.0 Emergency Rental Assistance Program to provide direct assistance to eligible applicants, along with associated housing stability services, through vendor contracts administered by local community organizations, as approved via Legistar files #63792 and #66702.

On August 31, 2021, Common Council approved Community Action Coalition for South Central Wisconsin (CAC) to administer direct assistance for non-court related cases through the City's procured Neighborly Software system. A software system, owned by Benevate Inc, that is used to track all federal assistance for Dane County services in order to prevent duplication of benefits as required by US Treasury Standards. While the City of Madison has multiple community partners that educate clients about Dane CORE 2.0 program, access to the financial system through which direct payments flow is limited to CAC for non-court connected clients, and to the Tenant Resource Center for court-involved households. This restriction protects client confidentiality and the City of Madison for financial audit requirements.

After a lengthy period during which it worked through a long waiting list, the Madison Community Development Authority (CDA) recently opened its application system for Section 8 vouchers. Once selected to receive a voucher, households must navigate the Madison housing market and often struggle to find available housing. Federal regulations limit the amount of time a household has to find and accept housing in the local market. Households are more likely to be successful if they are connected to housing navigation services and get help with application fees and security deposits. Given its extensive work in Dane CORE, CAC is well-positioned to provide those services.

The purpose of this Resolution is to amend the City's current ERA contract with the Community Action Coalition for South Central Wisconsin (CAC) to provide up to \$530,000 in additional ERA funds for use in providing housing navigation and support services specifically to new Community Development Authority clients.

ACTION

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"), about \$41 million of which has been awarded to the City of Madison as an additional direct allocation from the U.S. Treasury Department; and,

WHEREAS, the City and County established the Dane CORE 2.0 program to utilize the awarded federal Emergency Rental Assistance Program funds to prevent evictions and promote housing stability in Madison and Dane County; and,

WHEREAS, on August 31, 2021, the Common Council approved Community Action Coalition for South Central Wisconsin (CAC) to administer direct assistance for non-court related cases through the City's procured Neighborly Software system; and,

WHEREAS, the direct assistance component of Dane CORE 2.0 will end with the closing of the application portal at the end of May, but some funds remain for housing stability services; and,

WHEREAS, the Community Development Authority's (CDA) recent steps to identify newly eligible Section 8 voucher recipients, and the likelihood of those recipients being successful in securing housing improves with access to housing navigation and related services like those provided by CAC.

NOW, THEREFORE, BE IT RESOLVED, that the Common Council authorizes an amendment to the City's ERA contract with Community Action Coalition for South Central Wisconsin (CAC) to provide Housing Stability Services, using Federal Emergency Rental Assistance (ERA) funds, and approves up to \$530,000 in additional ERA funds to CAC for use in providing housing navigation and support services to Community Development Authority clients; and,

BE IT FINALLY RESOLVED, that the Common Council authorizes the Mayor and City Clerk to execute an amendment to the City's ERA contract with CAC to implement carry out the specified activities.