



Legislation Text

File #: 21-0888, **Version:** 2

ERAP-2 FY22 Unanticipated Revenue

Presenter:

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352-264-6704

Description:

U.S Dept. of Treasury Emergency Rental Assistance 2 Program (ERAP-2)

Recommended Action:

Approve the Unanticipated Revenue Resolution and attached budget amendment.

Prior Board Motions:

None

Fiscal Consideration:

\$9,701,662 is the total award
\$3,880,664 has been received and balance is \$5,820,997.00
Fund 230.00.0060.331.2000
Fund 230.00.0060.525.XX.XX Various accounts

Background:

Even as the American economy continues its recovery from the devastating impact of the pandemic, millions of Americans face deep rental debt and fear evictions and the loss of basic housing security. COVID-19 has exacerbated an affordable housing crisis that predated the pandemic and that has exacerbated deep disparities that threaten the strength of an economic recovery that must work for everyone. To meet this need, the Emergency Rental Assistance program makes funding available to assist households that are unable to pay rent or utilities. Two separate programs have been established:

ERA1 provides up to \$25 billion under the Consolidated Appropriations Act, 2021, which was enacted on December 27, 2020, and ERA2 provides up to \$21.55 billion under the American Rescue Plan Act of 2021, which was enacted on March 11, 2021. The funds are provided directly to states, U.S. territories, local governments, and (in the case of ERA1) Indian tribes. Grantees use the funds to provide assistance to eligible households through existing or newly created rental assistance programs.

ERA2 payments are made directly to states (including the District of Columbia), U.S. territories (Puerto Rico, the United States Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and American Samoa), and local governments with more than 200,000 residents. ERA2 sets

aside \$2.5 billion for eligible grantees with a high need for ERA2 assistance, based on the number of very low-income renter households paying more than 50 percent of income on rent or living in substandard or overcrowded conditions, rental market costs, and change in employment since February 2020.

At least 90 percent of awarded funds must be used for direct financial assistance, including rent, rental arrears, utilities and home energy costs, utilities and home energy costs arrears, 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. ERA2 funds generally expire on September 30, 2025.