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2020 RES-337

**AWARDING A CONTRACT TO
TENANT RESOURCE CENTER, INC. FOR PANDEMIC RESPONSE
EVICTION PREVENTION AND HOUSING STABILITY SERVICES
DCDHS – HAA DIVISION**

As the COVID-19 pandemic continues, the related crisis of the nation's economic downturn has created record unemployment and housing instability. On December 27th, 2020, the federal government authorized the \$900 billion COVID-19 relief bill authorizing additional funding to respond to the pandemic across multiple areas of need. The act includes \$25 billion in funding for Emergency Rental Assistance (ERA), with Dane County estimated to receive \$8.5 million of that amount to support local efforts to prevent evictions and provide housing stability. The City of Madison will receive an estimated \$7.7 million for the same purposes.

While extensions of federal eviction moratoriums have helped stem a wave of evictions, the moratoriums do not cancel rent or fees for late payment of rent. Many renters have fallen behind on their rent due to continued economic hardship related to the COVID-19 pandemic's effect on our economy. Nationally, it is estimated that renters owe between \$34 billion and \$70 billion of rental arrears and face significant hardship when the CDC moratorium expires on January 31st.

The Tenant Resource Center (TRC) estimates that locally, more than 23,000 renters have been affected by the pandemic and face housing insecurity and/or eviction. The Tenant Resource Center (TRC) also estimates that Dane County's rent shortfall from October 2020 through December of 2020 is \$40 million dollars, with a projected rent shortfall from October 2020 until March of 2021 of \$65.7 million.

TRC estimates that Dane County's renters will need more than \$5 million a month to avoid falling behind and prevent evictions.

The Dane County Department of Human Services' (DCDHS) Housing Access and Affordability Division (HAA) seeks to award a contract to the TRC to administer the county's ERA funding.

In June of 2020, TRC provided this service following Dane County's first federal CARES allocation, administering an over \$10 million program, with subcontractors Centro Hispano, Freedom Inc., and in partnership with more than 60 community agencies, to provide households with eviction prevention and housing stability services beginning in June of 2020. Funds were exhausted 12 weeks later.

In total, the program served 10,656 households. Of the assistance provided, 87.7% of funds went to households headed by a person of color, and 72% to households headed by women. 66.7% of the funds were distributed to renters within the City of Madison, and 33.3% to renters in Dane County communities outside of the City of Madison.

The federal government has passed detailed guidelines for the emergency rental assistance funds authorized in the December COVID-19 relief bill. For eligibility purposes, grantees must only consider household income for 2020 or confirmation of the monthly income that the household is receiving at the time of application, as determined

52 by the Treasury Secretary.

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54 Households are eligible for assistance if one or more individual has qualified for
55 unemployment benefits, has experienced a reduction in household income, has incurred
56 significant costs, and/or has experienced other financial hardship due directly or
57 indirectly to the COVID-19 pandemic, and where one or more individual can
58 demonstrate a risk of experiencing homelessness or housing instability (a past due utility
59 or rent notice or an eviction notice, unsafe or unhealthy living conditions; or any other
60 evidence of such risk as determined by the grantee.)

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62 The grantee must ensure recipients of emergency rental assistance funding do not
63 receive duplicate assistance from other federally funded rental assistance programs.
64 Per federal guidelines, households that make 50% area median income (AMI) and below
65 and in which one or more member is unemployed and has been unemployed for longer
66 than 90 days must be prioritized among applicants.

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68 Per federal guidelines, landlords or owners may apply on behalf of tenants meeting the
69 eligibility requirements if the tenant cosigns the application, the landlord provides the
70 necessary documentation to the tenant, and the payments are used to pay the tenant's
71 rental obligation to the owner.

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73 Tenants or landlords would apply for assistance via an online application process and
74 assessment that targets those potentially facing eviction to the best recourse for their
75 needs.

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77 Per the federal guidelines, information that must be collected by the grantee includes the
78 number of eligible households that received assistance, the acceptance rate of
79 applicants for assistance, the type of assistance provided to each eligible household, the
80 average amount of funding provided per eligible household, the household income level
81 based on 0-30, 31-50, 51-80% AMI, the average number of monthly rental payments
82 that were received, and demographics of the primary recipient (race, gender, ethnicity
83 per HUD definition).

84

85 **NOW, THEREFORE, BE IT RESOLVED** that the County Board approves a contract in
86 the amount of \$8,564,699 with the Tenant Resource Center (TRC) and authorizes the
87 County Executive and County Clerk to execute the contract documents, and authorizes
88 the Controller to issue checks for payment of contract invoices.

89

90 **BE IT FINALLY RESOVLED** that account 80000 30125 "COVID Rental Assistance
91 Expenditure" be created with an appropriation of \$8,564,699 and that account 80000
92 80006 "COVID Rental Assistance Revenue" be created with an appropriation of
93 \$8,564,699.