

ST. PETERSBURG CITY COUNCIL
Report
Meeting of October 19, 2023

TO: The Honorable Brandi Gabbard, Chair, and Members of City Council

SUBJECT: A resolution authorizing the Mayor or his designee to accept the third reallocation of funding in Emergency Rental Assistance (“ERA2”) in the amount of \$956,923.83 from the U.S. Department of the Treasury (“Treasury”); execute all documents necessary to effectuate this transaction; approving a supplemental appropriation in the amount of \$956,923.83 from the increase in the unappropriated balance of the Operating Grant Fund (1720), resulting from these additional grant revenues, to the Housing and Community Development Department, Administration Division (082-1089); combining these funds with the ERA2 second reallocation of \$2,549,783.33 for total funding of \$3,506,707.16 from the treasury for payment of homelessness prevention to include utility and rental arrears and housing stability services for income eligible applicants; authorizing the Mayor or his designee to enter into sub-grant agreements with Boley Centers, Community Action Stops Abuse (“CASA”), the Housing Authority of the City of St. Petersburg, and Duke Energy; enter into an Interdepartmental Memorandum of Understanding between the City’s Housing and Community Development Department and the Billing and Collections Department; and providing an effective date.

EXPLANATION: On March 11, 2021, President Biden approved the second Emergency Rental Assistance (“ERA2”) program established by section 3201 of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (the “Act”). Funding was approved to ensure that one or more persons in the household who qualified for unemployment, experienced a reduction in household income, incurred significant costs or experienced other financial hardship during or due to the Coronavirus (COVID-19) pandemic continued to have the resources to pay their rent and utilities.

On September 9, 2021, City Council approved Resolution No. 2021-408, which authorized the Mayor or his designee to accept the City initial ERA2 award of \$6,339,881.40 in two installments and appropriated such funds to be used for emergency rental assistance to persons/households under 80% Area Median Income (AMI) who were impacted during the COVID-19 pandemic. As of May 13, 2022, all funding was fully expended.

On June 28, 2022, the Treasury announced a plan to reallocate unencumbered ERA2 funding and, the City applied for additional funding on July 15, 2022 and received a third installment of \$2,452,502.37 on November 18, 2022. On January 5, 2023, City Council by Resolution No. 2023-11, accepted and appropriated the third installment of funding for administrative use (\$254,406.43) and affordable rental housing (\$2,198,095.94). On August 3, 2023, City Council approved Resolution No. 2023-360 awarding Burlington Post 2, Ltd., by Green Mills Group, with the affordable rental housing funds of \$2,198,095.94.

On November 3, 2022, the City applied for subsequent funding and received the funding in the amount of \$2,549,783.33 on January 24, 2023. On March 3, 2023, City Council by Resolution No. 2023-101, accepted and appropriated this fourth installment, with Administration agreeing to bring back to City Council eligible projects identified for use of the additional funding.

On April 12, 2023, the City received a final installment in the amount of \$956,923.83 bringing total ERA2 funds to \$12,299,090.93. All ERA2 funding must be obligated by September 30, 2025 and fully expended no later than 120 days after September 30, 2025.

The statute requires that before the City may use any of the funding for affordable rental housing, it must demonstrate that a 75% obligation requirement was met for financial assistance and housing stability to eligible households, and, for eligible administrative costs totaling \$9,224,318.20. As of this date, the City has only obligated \$6,594,287.83 towards financial assistance and administrative costs. The City must obligate at a minimum an additional amount of \$3,074,772.73 in housing stability and rental/utility assistance funding to meet this requirement. Accordingly, the City has chosen to obligate an amount totaling \$3,506,707.16 for financial assistance to prevent homelessness, including utility and rental arrears and housing stability services to eligible households.

A Notice of Funding Availability was published in the Tampa Bay Times on August 16, 2023, to solicit responses from non-profit agencies and local Housing Authority that have experience with the delivery of services to the homeless, or those at-risk of becoming homeless. The City received responses from three applicants that are qualified to provide the services and the proposed award amount are as follows:

Subrecipients	Service	Estimated Service Goal	Amount
Boley Centers	Rental arrears	160 households	\$ 75,000
CASA	Housing stability, including rental/utility arrears	30 individuals / households	\$150,000
Housing Authority of the City of St. Petersburg	Rental arrears, security deposits, and application fees	50 households	\$100,000

The City will also enter into an agreement with Duke Energy for \$1,500,000 for payment of utility arrears and execute an Interdepartmental Memorandum of Understanding between the City’s Housing and Community Development Department and the Billing and Collections Department for \$1,500,000 for utility arrears for eligible households. These programs total \$3,325,000 of the \$3,506,707.16 available to obligate. The remaining balance of \$181,707.16 will be available to any of the above entities who may demonstrate the need for additional funding.

Administration recommends the \$3,506,707.16 be used for the above identified entities to further assist eligible households in need of financial assistance to prevent homelessness, which includes funding for utility and rental arrears and rapid re-housing, which includes security and utility deposits. In addition, Administration is requesting a supplemental appropriation in the amount of the final installment of \$956,923.83 in ERA2 funding from the increase in the unappropriated balance of the Operating Grant Fund (1720) resulting from the grant funding.

RECOMMENDATION: Administration recommends approval of the resolution authorizing the Mayor or his designee to accept the third reallocation of funding in Emergency Rental Assistance (“ERA2”) in the amount of \$956,923.83 from the U.S. Department of the Treasury (“Treasury”); execute all documents necessary to effectuate this transaction; approving a supplemental appropriation in the amount of \$956,923.83 from the increase in the unappropriated balance of the Operating Grant Fund (1720), resulting from these additional grant revenues, to the Housing and Community Development Department, Administration Division (082-1089); combining these funds with the ERA2 second reallocation of \$2,549,783.33 for total funding of \$3,506,707.16 from the treasury for payment of homelessness prevention to include utility and rental arrears and housing

stability services for income eligible applications; authorizing the Mayor or his designee to enter into sub-grant agreements with Boley Centers, Community Action Stops Abuse (“CASA”), the Housing Authority of the City of St. Petersburg, Duke Energy; enter into an Interdepartmental Memorandum of Understanding between the City’s Housing and Community Development Department and the Billing and Collections Department; and providing an effective date.

COST/FUNDING/ASSESSMENT INFORMATION: Revenues of \$956,923.83 will be received from the U.S. Department of Treasury and deposited into the Operating Grant Fund (1720). Funds in the amount of \$2,549,783.33 have been previously appropriated in the Operating Grant Fund (1720), Housing and Community Development Department, Administration Division (082-1089). Additional funds will be available after the approval of a supplemental appropriation in the amount of \$956,923.83 from the increase in the unappropriated balance of the Operating Grant Fund (1720), resulting from these additional grant revenues, to the Housing and Community Development Department, Administration Division (082-1089).

Attachments: Resolution

APPROVALS:

Administration: McFoster

Budget: Lance Stanford

Resolution No. 2023-_____

A RESOLUTION AUTHORIZING THE MAYOR OR HIS DESIGNEE TO (I) ACCEPT THE THIRD REALLOCATION OF FUNDING IN EMERGENCY RENTAL ASSISTANCE (“ERA2”) IN THE AMOUNT OF \$956,923.83 FROM THE U.S. DEPARTMENT OF TREASURY (“TREASURY”) AND (II) EXECUTE ALL DOCUMENTS NECESSARY TO EFFECTUATE THIS TRANSACTION; APPROVING A SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF \$956,923.83 FROM THE INCREASE IN THE UNAPPROPRIATED BALANCE OF THE OPERATING GRANT FUND (1720), RESULTING FROM THESE ADDITIONAL GRANT REVENUES, TO THE HOUSING AND COMMUNITY DEVELOPMENT DEPARTMENT, ADMINISTRATION DIVISION (082-1089); COMBINING THESE FUNDS WITH THE ERA2 SECOND REALLOCATION OF \$2,549,783.33 FOR TOTAL FUNDING OF \$3,506,707.16 FROM THE TREASURY FOR PAYMENT OF HOMELESSNESS PREVENTION TO INCLUDE UTILITY AND RENTAL ARREARS AND HOUSING STABILITY SERVICES FOR INCOME ELIGIBLE APPLICANTS; AUTHORIZING THE MAYOR OR HIS DESIGNEE TO ENTER INTO (I) SUB-AWARD AGREEMENTS WITH BOLEY CENTERS, COMMUNITY ACTION STOPS ABUSE (“CASA”), THE HOUSING AUTHORITY OF THE CITY OF ST. PETERSBURG, AND DUKE ENERGY; ENTER INTO AN INTERDEPARTMENTAL ACKNOWLEDGEMENT BETWEEN THE CITY’S HOUSING AND COMMUNITY DEVELOPMENT DEPARTMENT AND THE BILLING AND COLLECTIONS DEPARTMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City has previously accepted and appropriated funding in the amount of \$11,342,167.10 from the U.S. Treasury Department (“Treasury”) to implement an Emergency Rental Assistance (“ERA2”) Program to assist persons and households who are at risk of becoming homeless, or who are already homeless, in addition to creation of affordable rental housing; and

WHEREAS, as of May 13, 2022, the initial allocation of \$6,339,881.40 was fully expended on emergency rental and utility assistance to persons/households under 80% Area Median Income; and

WHEREAS, on June 28, 2022, the Treasury announced an in-depth plan to reallocate unencumbered ERA2 funding and the city applied for additional ERA-2 funding on July 15, 2022; and

WHEREAS, on January 5, 2023, City Council approved Resolution No. 2023-11, which authorized the Mayor or his designee to accept additional ERA2 funding in the amount of \$2,452,502.37 and appropriated such funds to be used for administrative costs (\$254,406.43) and affordable rental housing (\$2,198,095.94), in which Burlington Post 2, Ltd. was awarded these funds for the creation of affordable rental housing by Resolution No. 2023-360; and

WHEREAS, on January 24, 2023, the Treasury notified the City of an award of additional reallocated ERA2 funding in the amount of \$2,549,783.33; and

WHEREAS, on April 12, 2023, the City received a final reallocation in the amount of \$956,923.83 bringing total ERA2 funds to \$12,299,090.93; and

WHEREAS, all ERA2 funding must be obligated by September 30, 2025, and fully expended no later than 120 days after September 30, 2025; and

WHEREAS, on August 16, 2023, the City announced a Notice of Funding Availability to solicit agencies that have experience with the delivery of services to the homeless, or those at risk of becoming homeless; and

WHEREAS, the City received responses from three applicants who are qualified and have the documented experience to provide the services; and

WHEREAS, the Administration would like to provide a sub-award of ERA2 funds to Boley Centers, CASA, and the Housing Authority of the City of St. Petersburg to provide the following services:

- Boley Centers - \$75,000 to provide rental arrears to approximately 160 households;
- CASA - \$150,000 to provide housing stabilization services to approximately 30 individuals/households for homeless prevention and rapid re-housing for domestic violence survivors;
- Housing Authority of the City of St. Petersburg - \$100,000 to provide rental arrears, along with security deposits, and application fees for Housing Choice Vouchers for homelessness prevention and rapid housing to approximately 50 households; and

WHEREAS, the City would also like to enter into an agreement with Duke Energy for \$1,500,000 for payment of utility arrears for eligible Duke customers, and enter into an Interdepartmental Acknowledgement between the City’s Housing and Community Development Department and the Billing and Collections Department for \$1,500,000 for payment of utility arrears for income eligible applicants; and

WHEREAS, these programs total \$3,325,000 of the \$3,506,707.16 available to obligate and, whereby the remaining balance of \$181,707.16 will be available to any of the above entities who may demonstrate the need for additional funding; and

WHEREAS, Administration recommends the \$3,506,707.16 be used for the above identified entities to further assist eligible households in need of homeless prevention and rapid re-housing; and

WHEREAS, Administration is requesting a supplemental appropriation of the third reallocation in the amount of \$956,923.83 in ERA2 funding from the increase in the unappropriated balance of the Operating Grant Fund (1720) resulting from the grant funding; and

WHEREAS, the Administration recommends approval of this resolution.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of St. Petersburg, Florida, that the Mayor or his designee is hereby authorized to (i) accept the third reallocation in Emergency Rental Assistance (“ERA2”) funding in the amount of \$956,923.83 from the U.S. Department of the Treasury (“Treasury”) and (ii) to execute all documents necessary to effectuate this transaction.


BE IT FURTHER RESOLVED that there is hereby approved form the increase in the unappropriated balance of the Operating Grant Fund (1720), resulting from these additional grant revenues, the following supplemental appropriation for fiscal year 2024:

<u>Operating Grant Fund (1720)</u>	
Housing and Community Development Department	
Administration Division (082-1089)	\$956,923.83

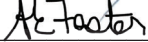
BE IT FURTHER RESOLVED that the Mayor or his designee is authorized to execute (i) sub-award agreements with Boley Centers, Community Action Stops Abuse (“CASA”), the Housing Authority of the City of St. Petersburg, and Duke Energy, and (ii) an Interdepartmental Acknowledgement between the City’s Housing and Community Development Department and the Billing and Collections Department; and providing an effective date.

This resolution shall become effective immediately upon its adoption.

Approvals:

Legal: 

Budget: 

Administration: 

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The following page(s) contain the backup material for Agenda Item: Presentation by Big 3 Entertainment, LLC, the management company for the Mahaffey Theater
Please scroll down to view the backup material.