

TO: LINDA GORTON, MAYOR
URBAN COUNTY COUNCIL

FROM: CHARLIE LANTER, COMMISSIONER
HOUSING ADVOCACY & COMMUNITY DEVELOPMENT

DATE: March 7, 2022

SUBJECT: Authorization to execute an amendment to an existing agreement with Community Action Council for the continued operation of the Housing Stabilization Program

Request: Council authorization to execute an amendment to a sub-recipient agreement with Community Action Council and allocate \$10,530,000.00 of Emergency Rental Assistance grant funds from the U.S. Department of the Treasury for the continued operation of the Housing Stabilization Program.

Purpose of Request: In January 2021, LFUCG was awarded Emergency Rental Assistance funds totaling \$9,663,722.30 by the U.S. Department of the Treasury to provide rental and utility assistance to eligible residents of Fayette County. The Division of Grants & Special Programs administered spending of these funds through the Housing Stabilization Program. LFUCG received an additional award totaling \$7,646,451.20 from the U.S. Department of the Treasury in May 2021 and received a sub-award totaling \$11,700,000.00 from Kentucky Housing Corporation pursuant to a Memorandum of Agreement executed in July 2021. Day-to-day operation of the Housing Stabilization Program is carried out by Community Action Council and other sub-recipient organizations.

In order to meet significant continued need for rent and utility assistance, the Commonwealth of Kentucky and Kentucky Housing Corporation have offered to voluntarily reallocate an additional \$11,700,000.00 of Emergency Rental Assistance funds that were allocated to the state in January 2021. The U.S. Department of the Treasury has notified LFUCG that it has approved the state's request for such a voluntary reallocation to LFUCG. Upon receipt, these funds will be used to continue administration of the Housing Stabilization Program, with Community Action Council continuing to carry out the program's day-to-day operation, subject to Council's approval of this amendment to the existing sub-recipient agreement with Community Action Council.

What is the cost in this budget year and future budget years? The \$10,530,000.00 allocation in this proposed amendment is funded entirely by federal grant funds. Any funds unspent in FY22 will remain available for spending in FY23 until September 30, 2022 or the expiration of any extension granted by the U.S. Department of the Treasury.

Are the funds budgeted? A budget amendment for FY 2022 is in progress.

File Number: XXXX-22

Director/Commissioner: Lanter