

**City of Wichita  
City Council Meeting  
January 12, 2021**

**TO:** Mayor and City Council

**SUBJECT:** Department of Treasury Emergency Rental Assistance Program

**INITIATED BY:** Housing and Community Services Department

**AGENDA:** New Business

**Recommendation:** Approve the certification and funding application with the United States Department of the Treasury for the Emergency Rental Assistance Program and authorize the necessary signatures.

**Background:** Included in the Consolidated Appropriations Act, 2021 Section 501(d) was \$25 billion allocated for emergency rental assistance administered by the Department of the Treasury. The funding distribution is based on the state’s proportional rate of the total U.S. population according to 2019 Census data. States will receive no less than \$200 million. Forty-five percent of a state’s allocation may be accessed by local governments with a population above 200,000.

Local governments seeking a direct payment must provide the Treasury Secretary with a certification signed by the chief executive of the locality stating that the local government will use the funds in a manner consistent with the program’s requirements. The allocation to any individual local government equals the proportion of its population to the full state population multiplied by 0.45. The Treasury Secretary will reduce the amount that goes to the state-level grantee by the amount of funding provided to qualifying local governments within the state. Based on this formula, the City of Wichita could expect to receive just over \$12 million. Treasury must disburse payments to grantees within 30 days of enactment of the Act.

The Emergency Rental Assistance Program provides rent and utility assistance to households at risk of homelessness or housing instability that have had a direct or indirect financial impact related to COVID-19. Households must have an annual income less than 80% of the area median income, with a preference for households with income less than 50% of the area median income or who have been unemployed for the full 90 days prior to application.

Income Limit Category	Persons in Family							
	1	2	3	4	5	6	7	8
Very Low 50% AMI	\$25,450	\$29,050	\$32,700	\$36,300	\$39,250	\$42,150	\$45,050	\$47,950
Low Income 80% AMI	\$40,700	\$46,500	\$52,300	\$58,100	\$62,750	\$67,400	\$72,050	\$76,700

**Analysis:** The program can provide up to 12 months of assistance including rent and utility arrears and prospective rent and utility payments. Should funding allow, an additional 3 months assistance may be available to stabilize the household.

Landlords and owners may apply on behalf of tenants meeting the eligibility requirements, so long as 1) the tenant cosigns the application, 2) the landlord provides documentation to the tenant, and 3) the payments are used to satisfy the tenant’s rental obligation to the owner.

Ninety percent of the funding must be used for rent and utility payments directly to providers. The remaining ten percent may be used for program administration and housing stability services. Funds are available until December 31, 2021, but the Treasury Department will capture any unobligated funds by

grantees as of September 30, 2021 and reallocate the funding to grantees have obligated at least sixty-five percent of their original grant.

**Financial Considerations:** There is no impact to the General Fund

**Legal Considerations:** The Law Department has reviewed and approved the certification and funding application as to form.

**Recommendation/Action:** It is recommended that the City Council approve the certification and funding application for the Department of Treasury Emergency Rental Assistance Program and authorize the necessary signatures.

**Attachment:** Certification & Funding Application