



Legislation Text

File #: 2275-2021, **Version:** 1

BACKGROUND: The Consolidated Appropriations Act, 2021, established the Emergency Rental Assistance (ERA) program on December 27, 2020. The Act authorized The U.S. Treasury to make payments to states and eligible units of local government, including the City of Columbus, to assist households that are unable to pay rent and utilities due to the COVID-19 pandemic. Under phase one of this program (ERA-1), the City received \$26,822,803.20 in ERA-1 proceeds in February 2021. The authorization to accept and appropriate these funds was granted pursuant to Ordinance 0284-2021.

The American Rescue Plan Act of 2021 (March 11, 2021), authorized a second round of Emergency Rental Assistance funding (ERA-2) to eligible grantees (e.g. states and eligible units of local government). Under phase two of this program, the City of Columbus was allocated \$21,223,628.80 in ERA-2 funding. As such, the City received a partial payment of \$12,774,607.20 in ERA-2 proceeds in May 2021. This \$12.8 million received to date represents 60 percent of the total award. The U.S. Treasury will release the remainder of these funds at a future date. This ordinance therefore seeks authority to accept and appropriate these proceeds.

Where expenditures require City Council approval in accordance with the Columbus City Codes, city departments will advance said legislation for consideration by City Council.

Emergency Designation: Emergency consideration is requested so that funds made available to the city can begin to be used as quickly as possible. A process has been instituted to allow the Department of Finance and Management and the City Auditor to transfer appropriations to City agencies.

Fiscal Impact: The City received \$12,774,607.20 in funding from the U.S. Treasury. Acceptance and appropriation of these funds is now necessary. Funds will not be appropriated within individual department budgets, however subsequent required transfers to departments will be authorized as needed.

To authorize the acceptance and appropriation of \$12,774,607.20, or such final amount(s) as allocated by the U.S. Treasury, as a result of the American Rescue Plan Act of 2021; to authorize transfers of cash and appropriation within the Emergency Rental Assistance Fund as needed; and to declare an emergency (\$12,774,607.20).

WHEREAS, the American Rescue Plan Act of 2021 was signed into law on March 11, 2021; and

WHEREAS, the U.S. Treasury allocated \$21,223,628.80 to the City of Columbus to assist households that are unable to pay rent and utilities due to the COVID-19 pandemic; and

WHEREAS, the U.S. Treasury made payment of \$12,774,607.20 to the City of Columbus in May 2021 and appropriation of these funds is now necessary; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Finance and Management in that it is immediately necessary to accept and appropriate funds from the U.S. Treasury at the earliest possible time, thereby preserving the public health, peace, property, safety, and welfare; **NOW, THEREFORE,**

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That \$12,774,607.20, or such final amount(s) as allocated by the U.S. Treasury, are hereby accepted by the City of Columbus from the U.S. Treasury as a result of the American Rescue Plan-Emergency Rental Assistance Program, and an appropriation of the same is authorized according to the account codes in the attachment of this ordinance

SECTION 2. That any interest earnings in the fund may be transferred, appropriated, and expended for the purposes of this fund as allowed by the grantor. All investment earnings are hereby deemed appropriated for the purposes of complying with all federal requirements pertaining to investment earnings.

SECTION 3. That the City Auditor is hereby authorized to transfer cash and appropriation between and among sub-funds, departments, divisions, and object classes within the Emergency Rental Assistance Fund 2208 as necessary to allow for the posting of prior and future expenses, not to exceed the cash available in the fund as a whole.

SECTION 4. Any such future deposits as the City may receive from the U.S. Treasury are hereby deemed to be appropriated and the City Auditor is hereby authorized to appropriate such amounts, as necessary.

SECTION 5. That the monies in the Emergency Rental Assistance Fund 2208 shall be deemed appropriated in an amount up to, but not to exceed, the cash in the fund not encumbered for any other purpose, and that no money shall be paid there from except by voucher approved by the City Auditor.

SECTION 6. That the City Auditor is hereby authorized to process expenditure corrections within this fund, and between this fund and other city funds to accurately post financial data related to the Emergency Rental Assistance Fund.

SECTION 7. Funds are hereby deemed appropriated and expenditures and transfers authorized to carry out the purposes of this ordinance, and the City Auditor shall establish such accounting codes as necessary.

SECTION 8. That the City Auditor is hereby authorized to make any accounting changes to revise the funding source for all contracts or contract modifications associated with this ordinance.

SECTION 9. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor or ten days after passage if the Mayor neither approves nor vetoes the same.