



Legislation Text

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Presentation of the American Rescue Plan Act funding made available to the City of Colorado Springs for addressing homelessness and affordable housing.

Presenter:

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Summary:

The presentation will provide City Council with an overview of Department of Housing & Urban Development (HUD) funds received to date from the American Rescue Plan Act, eligible uses of the funds, how the funds have been distributed to date to address immediate community needs, and long-term initiatives that have become possible due to additional funding specifically for addressing homelessness and increasing the supply of affordable housing.

Previous Council Action:

19-746 Approval of 2020-2024 Consolidated and Annual Action Plan, 20-453 Approval of CARES Act Substantial Amendment 1 to 2020 Annual Action Plan, 21-036 Approval of 2021 Annual Action Plan, 21-086 Approval of CARES Act Substantial Amendment 2 to 2020 Annual Action Plan.

Approval of Ordinance 20-81 which appropriated the CARES Act funding of \$93,165,292, including CARES Act funding received from HUD.

Discussion of the Department of Housing & Urban Development (HUD) funds received to date from the CARES Act and the American Rescue Plan Act, and the proposed uses of the funds provided as a direct allocation from the ARPA to the City of Colorado Springs at the City Council Work Session held on July 12, 2021.

Background:

In 2020, the Department of Housing & Urban Development (HUD) provided additional federal grant funds from the CARES Act to the City of Colorado Springs. The CARES Act funds were distributed through three different HUD programs - Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), and the Emergency Solutions Grant (ESG). The HUD CARES Act funds totaled \$9,860,652. The funds were provided "...to prevent, prepare for, and respond to coronavirus...." More specifically, the funds could be used for shelter operations, homeless prevention, housing navigation and counselling, small business assistance, and capital projects designed to address homelessness and provide affordable housing.

In addition to the HUD CARES Act funds, the City of Colorado Springs received approximately

\$14.4M in emergency rental assistance funds from the US Treasury. The funds were made available to "...assist households that are unable to pay rent or utilities." These funds are being administered through an agreement with the State of Colorado, Division of Housing.

A third source of affordable housing funds were authorized by the American Rescue Plan Act (ARPA) of 2021, which provided \$5.8M through the HOME Investment Partnership program, along with an additional \$11.4M in US Treasury funds for emergency rental assistance. Specific guidance from HUD on eligible uses of ARPA funds is pending, however, preliminary guidance indicates that the funds can be used to address homelessness, develop affordable housing, fund Tenant Based Rental Assistance (TBRA), and purchase/develop non-congregant shelter.

Financial Implications:

Provided as part of the attached presentation.

Board/Commission Recommendation:

N/A

Stakeholder Process:

N/A

Alternatives:

N/A

Proposed Motion:

N/A

N/A