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SUBJECT: APPROVAL TO OBLIGATE REMAINING EMERGENCY RENTAL ASSISTANCE 2 GRANT FUNDS TO THE LEASE INCENTIVE PROGRAM

## \*\*\* CONSENT AGENDA \*\*\*

## COMMISSIONERS COURT ACTION REQUESTED

It is requested that the Commissioners Court approve the obligation of remaining Emergency Rental Assistance (ERA) 2 grant funds, not to exceed \$261,303.00 to the Lease Incentive Program.

## **BACKGROUND**

On December 27, 2020, the 2021 Consolidated Appropriations Act was enacted, providing \$24,281,300.00 in ERA 1 grant funds to Tarrant County. On March 11, 2021, the American Rescue Plan Act was enacted, providing an additional \$26,407,662.00 in ERA 2 grant funds to Tarrant County.

On March 23, 2021, the Commissioners Court, through Court Order #135050, approved the Emergency Rental Assistance Program (ERAP) to utilize ERA 1 and ERA 2 grant funding within the guidelines provided by the U.S. Treasury. Through subsequent Court actions, \$15 million in ERA 1 grant funds was voluntarily reallocated to the cities of Fort Worth and Arlington to provide rental assistance to their respective populations and \$4 million in ERA 2 grant funds was voluntarily reallocated to the City of Fort Worth to support to affordable housing developments.

On February 8, 2022, the Commissioners Court, through Court Order #137434, approved the policy and guidelines and use of up to \$750,000.00 in ERA 2 grant funds for the Lease Incentive Program (LIP). As allowed by Treasury, the LIP provides incentive payments to landlords to enter into leases with hard-to-lease individuals who may have poor rental or credit history or who may otherwise find it difficult to obtain housing.

The final assistance payment provided through ERAP was approved on October 3, 2023. As of October 12, 2023, \$261,303.00 remains in the ERA 2 grant account and staff anticipates only minor reductions to that balance, if any, as the program is closed out. To prevent the return of ERA 2 grant funds to the U.S. Treasury, staff recommends obligating all remaining ERA 2 grant funds, not to exceed \$261,303.00, to the LIP to be expended by December 31, 2023.

## FISCAL IMPACT

Funding in the amount of \$261,303.00 is available in account Grant-2004/H0101-2025/5440100000.

SUBMITTED BY:	Administrator's Office	PREPARED BY: APPROVED BY:	Kristen Camareno