

## City Council – Action Request Form

**Date:** April 20, 2020

**To:** Mayor, Mayor Pro Tempore, and Members of the City Council

**From:** Tasha Logan Ford, Assistant City Manager  
Marla Y. Newman, Community Development Director

**Council Action Requested:**

Resolution authorizing continuation of \$298,130 in Housing Finance Assistance Funds as a revolving bridge fund for rental assistance programs for special populations

**Strategic Focus Area:** Livable Neighborhoods

**Strategic Objective:** Support Inclusion of Community Populations

**Strategic Plan Action Item:** No

**Key Work Item:** No



**Summary of Information:**

The City passes funding from the U.S. Department of Housing and Urban Development (HUD) through to local agencies to assist low-income and homeless individuals with housing. HUD agreements are frequently received after a program's annual renewal date, putting assisted citizens at risk of losing housing due to non-payment of rent. To ensure that rental assistance is not terminated in these cases, the Mayor and City Council authorized creation of a revolving Bridge Fund in March, 2014, which was renewed in 2017. The bridge fund continues to be needed, as the first grant requiring coverage began March 1, 2020, while the HUD grant agreements are not expected to be received until late spring or early summer.

The HUD programs affected include the HOME Investment Partnerships (HOME) Program and the Continuum of Care (CoC) Homelessness Assistance Program. The Housing Authority of Winston-Salem (HAWS) currently operates multiple rental assistance programs funded with CoC and HOME funds. Experiment in Self-Reliance (ESR) uses CoC funding to operate housing for disabled, homeless households. United Way of Forsyth County uses CoC funding to operate the community's collaborative Rapid Re-Housing Program.

**Committee Action:**

**Committee**

**Action**

**For**

**Against**

**Remarks:**

Bridge funding allows agencies to continue to provide housing assistance until grant agreements can be established with HUD and subgrantee agreements can be executed. Once the agreements are effective, the grants will reimburse the bridge fund.

The table below shows the Bridge Funds requested. The amount of funds needed for each program is based on the average monthly cost of providing housing assistance times the number of months it is anticipated that the relevant HUD agreement will be delayed.

<b>Agency/ Program</b>	<b>Grant Funding Lapse Date</b>	<b>Average Monthly Cost of Housing Assistance</b>	<b>Number of Months</b>	<b>Estimated Number Assisted</b>	<b>Total Cost</b>
HAWS, HOME TBRA	6/30/2020	20,000	4	36	\$80,000
HAWS, CoC Permanent Supportive Housing (PSH)	7/31/2020	\$41,313	3	75	\$123,939
United Way, Transitional Housing (TH)/ Rapid Re-housing (RRH)	5/31/2020	\$5,184	5	5	\$29,920
ESR, Permanent Supportive Housing (PSH)	2/28/2020	\$8,033	8	11	\$64,271
<b>TOTALS</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>127</b>	<b>\$298,130</b>

Bridge funds will be provided by the City beginning with the start date of each grant. Funds will continue to be provided only for programs for which the Grant Agreements from HUD are delayed and only for the time of the delay. Staff recommends that up to \$298,130 continues to be available from the Housing Finance Assistance Fund to provide the bridge funding in three-year agreements with each agency. Since City staff anticipate the need to provide bridge assistance each year, staff recommends that the Bridge Fund operate like a revolving fund, where the reimbursement of bridge funds from HUD grants provides the bridge funding for the following year. Funds have already been appropriated in the Housing Finance Assistance Fund for this purpose.