

R 0 R	NAME & TITLE	Robert Cenname, Budget Director
	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 432, City Hall
	SUBJECT	City Council Bill 21-0028R – Informational Hearing – Baltimore's Plan for our Neighbors Experiencing Homelessness and Residing in Hotels during the Pandemic





TO

The Honorable President and Members of the City Council City Hall, Room 400

DATE:

May 21, 2021

The Department of Finance is herein reporting on City Council Bill City Council Bill 21-0028R, Informational Hearing — Baltimore's Plan for our Neighbors Experiencing Homelessness and Residing in Hotels during the Pandemic, the purpose of which is to provide the City Council with an overview of the City's response to COVID-19 for people experiencing homelessness.

Throughout the COVID-19 pandemic, the Mayor's Office of Homeless Services (MOHS) has housed over 500 people experiencing homelessness in local hotels. The City has used hotels as a means of providing non-congregate sheltering, which provides space for social distancing, isolating, and quarantining to prevent the spread of COVID-19.

The City is expected to request approximately \$35 million in Federal Emergency Management Agency (FEMA) reimbursement for the costs of sheltering and quarantining people experiencing homelessness. Reimbursement for these and other costs is only available for services that prevent the spread of COVID-19. The FEMA reimbursement process is a multi-step process to secure a commitment for funding, which can take several weeks, even months, to complete. For projects over \$1 million, a formal notification and review from Congress is required, which our consultants estimate can take up to a month. The City is able to receive a 100% reimbursement until September 30, 2021, after which point FEMA will provide a 75% reimbursement and the City will be required to cover the other 25%. The total reimbursements sought across the City will be approximately \$70 million by the end of the fiscal year, of which the City has already received over \$29 million in commitments to fund from FEMA.

In addition to FEMA reimbursement, the City will receive \$641.2 million from the American Rescue Plan (ARP) Act of 2021 to respond to the COVID-19 public health emergency and its negative economic impacts. These funds will be used to support essential front-line employees, shore up the City's financial health, modernize City government, and deliver resources and projects that build public trust and facilitates neighborhood-level change. ARP funds are not eligible to be used to cover the City match portion of FEMA reimbursement required after September 30, 2021. The City has developed an online application process for reviewing and assessing funding proposals. Funding will be available to support projects for City agencies and external organizations. ARP funds must be obligated by December 31, 2024.

The Department of Finance defers to MOHS on specific efforts currently underway in regards to this service and will attend the hearing for this Resolution to respond to any fiscal inquiries.

cc: Henry Raymond Natasha Mehu Nina Themelis