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FROM	NAME & TITLE	Robert Cenname, Budget Director	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 432, City Hall		
	SUBJECT	City Council Bill 21-0036R – Informational Hearing – Avoiding an Eviction Crisis		

DATE:

TO

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

July 8, 2021

The Department of Finance is herein reporting on City Council Bill City Council Bill 21-0036R, Informational Hearing – Avoiding an Eviction Crisis, the purpose of which is to facilitate a discussion with various stakeholders on the ramifications of a potential eviction crisis and what the City can do to best mitigate the impact.

The Mayor's Office of Children and Family Success (MOCFS) launched the Baltimore City Eviction Prevention Program in direct response to the impacts of the COVID-19 pandemic. The program is supported by \$37.8 million in aid from a variety of Federal, State, and local sources. In Fiscal 2021, MOCFS provided \$18.3 million in rental assistance to 4,000 households. The eviction prevention program will continue to provide assistance to qualifying households who face eviction and have documentation of the impact of COVID-19 on their household's income in Fiscal 2022.

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 costs are only available for services that prevent the spread of COVID-19. The FEMA reimbursement process requires multiple steps in order to secure a commitment for funding, which can take several weeks, or even months, to complete. For projects over \$1 million, a formal notification and review from Congress is required, which our consultants, Ernst & Young, estimate can take up to a month. The City is able to receive a 100% reimbursement until September 30, 2021, then FEMA will provide a 75% reimbursement and the City will be required to cover the remaining 25%. FEMA can also close the disaster period at any time. 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 \$5.3 million and has \$27.9 million in commitments to fund from FEMA.

In addition to FEMA reimbursement, the City has received \$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 MOCFS on the specific efforts currently underway in regard to this service and will attend the hearing for this Resolution to respond to any fiscal inquiries.

cc: Henry Raymond
Natasha Mehu
Nina Themelis