

## Putting Housing First:

# Coronavirus State and Local Fiscal Recovery Funds

## and Other American Rescue Plan Housing Provisions

Federal funds from the American Rescue Plan are flowing into states, cities and counties. NOW is the time to take action to ensure housing is a top priority and that funds are directed to families who most need it. This document focuses on the opportunities to secure funding to meet families' housing needs from Coronavirus State and Local Fiscal Recovery Funds (SLFRF), the Emergency Rental Assistance (ERA), and other American Rescue Plan housing provisions.

## The Coronavirus State and Local Fiscal Recovery Funds

The American Rescue Plan Act of 2021 made \$350 Billion dollars available to state, county, and city governments through the Coronavirus State and Local Fiscal Recovery Funds (SLFRF), overseen by the Department of Treasury. These funds are flexible, and can be spent on a variety of housing-related programs, outlined below. But that flexibility also means they can be spent on other, competing needs, or elected officials' pet projects. It will likely take pressure to have your governor, mayor, or county commissioners direct some of these funds to housing. And it's important to note that you can seek funds from your state, city, AND county for the same purposes—there's no rule against “double dipping.”

Officials are allowed to use SLFR funds for different kinds of housing-related purposes depending on who is expected to benefit from them. Treasury distinguishes between families and communities based on income level; the categories they use are “impacted” and “disproportionately impacted.” Below are some housing related examples of how funds can be used for families and communities in these different categories.




For moderate income groups [1] who have been “**impacted**,” funds CAN be spent for:

- **Affordable housing development and permanent** supportive housing
- **Improvements to vacant and abandoned** property
- **Rent, mortgage, or utility assistance**
- **Counseling and legal aid** to prevent eviction and homelessness
- **Assistance paying overdue** property taxes
- **Emergency programs or services** for homeless individuals, including temporary residences for people experiencing homelessness
- **Cash assistance**

Treasury acknowledges that **low-income** families and communities have been **disproportionately impacted** by the pandemic. Recognizing that the needs of these families and communities were neglected even before the pandemic, officials can use SLFR for a wider array of uses if they serve those who were disproportionately impacted.

For low income [2] groups who have been disproportionately impacted, funds CAN be spent for the following ADDITIONAL uses:

- **Improvements to vacant and abandoned properties**, including rehabilitation or maintenance, renovation, removal and remediation of environmental contaminants, demolition or deconstruction, greening/vacant lot cleanup & conversion to affordable housing
- **Housing vouchers**
- **Assistance relocating** to neighborhoods with higher economic opportunity
- **Investments to neighborhoods** to promote health outcomes

 *TIP: Look up Federal Poverty Guidelines and Area Median Income Levels for your state or metropolitan area to find out the income thresholds for low and moderate income families and communities.*

*See the “instructions tab” and step-by-step guide on the linked spreadsheet first! (Make sure you “enable editing” on the spreadsheet to use all the auto populating functions).*

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[1] At or below 300% of the Federal Poverty Guidelines for the size of its household OR at or below 65% of Area Median Income for its county and household size based on HUD published guidelines.

[2] At or below 185% of Federal Poverty Guidelines for the size of its households OR income at or below 40% of Area Median Income for its county and household size based on HUD published guidelines.

## Can these funds be used for local housing trust funds?

**Yes!**

Some municipalities have already invested their State and Local Fiscal Recovery Funds in housing trust funds. For example:

- **Kansas City, Missouri** allocated \$12.5 million to a new Housing Trust Fund, which aims to build over 150 affordable housing units
- **Savannah, Georgia** allocated \$7 million to the Affordable Housing Fund
- **Cincinnati, Ohio** allocated \$6.4 million to the Affordable Housing Trust Fund and has committed to allocate \$5 million more



*TIP: If state, county or city governments believe otherwise, you (or they) can reach out to [slfrp@treasury.gov](mailto:slfrp@treasury.gov) to clarify eligible uses and other issues.*

Some local governments have invested in other forms of affordable housing including:

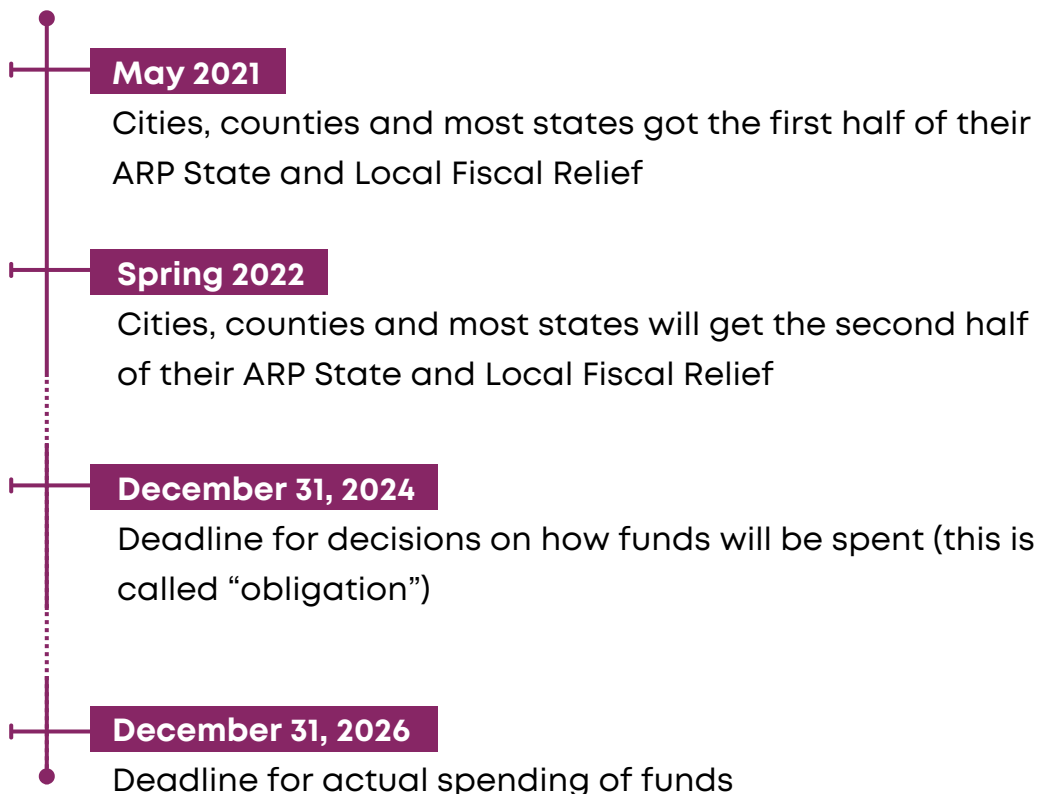
- **St. Louis, Missouri** allocated \$20 million towards affordable housing
- **Richmond, VA** allocated \$20 million towards affordable housing
- **Minneapolis, Minnesota** allocated \$79 million for a wide range of affordable housing opportunities including supportive housing, reducing homelessness, and developing and preserving affordable housing.
- **Seattle, Washington** allocated \$16.3 million to create new affordable housing units.
- **Palm Beach, Florida** allocated \$20 million towards developing 19 acres of county-owned land into affordable housing for rent and homeownership.
- **Johnson County, Iowa** allocated \$330,000 for a tenant eviction prevention program

Use the following resources to find out how your local government is using the people's funds! Remember, you can pressure state, county, AND city governments-- housing investments can come from each of them.

## Here's How to Start:

- 1 **Find out how much** your state, county, or city is getting.
- 2 **Figure out how your officials are planning to spend the funds.** State and local officials need to report to Treasury on their plans – check the Treasury [database on interim reports](#) that were submitted. You can search for your area and see if they have submitted a “Recovery Plan” document.
- 3 **See what spending decisions have already been made** or are being considered by your state, county, or city (note: these trackers are great but are not exhaustive – there may be spending decisions that are not captured here).
- 4 **Figure out HOW your state, county, or city is making decisions** about how to spend their State and Local Fiscal Recovery money.
  - a. **Some are holding town halls** or launching community surveys focused on how community members want these funds to be used.
  - b. **Look for contact emails for American Rescue Plan Act funds**, or consider a Freedom of Information Act Request to get this information. Spoiler alert: Getting the information you need can be challenging! Elected officials in many places are not being transparent about their plans, and in some cases because there is SO MUCH new money, they may be figuring it out as they go along. Reach out to us if you need help figuring this out!
- 5 **Identify a funding goal and run your campaign** to secure funding to address housing needs in your community.

## Key Dates & Deadlines:



Even though states, counties, and cities have until December 2024 to decide how to spend their State and Local Fiscal Recovery funds, many of them are making those decisions now. So it is critical to either work on a spending campaign now, or get your elected officials to agree to an open process and timeline for making spending decisions that will give you a chance to shape those decisions.

## Emergency Rental Assistance

The Emergency Rental Assistance program, which is administered through the Department of Treasury, makes funding available to assist families who are unable to pay rent or utilities. Funds for this program come from two main sources:

- **The CARES Act created the Coronavirus Relief Fund**, from which \$25 billion dollars became available for Emergency Rental Assistance (ERA-1) after the passing of the Consolidated Appropriations Act of 2021.
- **The American Rescue Plan made \$21.5 billion dollars available** for a second round of Emergency Rental Assistance (ERA-2).

Although Emergency Rental Assistance (ERA) does not have as much spending flexibility as the State and Local Fiscal Recovery Funds, these are critical resources for immediate relief, and there are still actions you can take to ensure ERA funds reach families who most need it.

**1 Find out how much your state, county, or city is getting** for Emergency Rental Assistance-1 ([ERA1](#)) and Emergency Rental Assistance-2 ([ERA2](#))

**2 State and local officials need to report to Treasury** how they have spent the money. Download the Treasury spreadsheet [database on interim reports](#) for ERA-1 and ERA-2.

- In the spreadsheet, go to the “ERA1 State and Local Expenditure” tab. The “Total Expenditures” (Column N) will tell you how much local jurisdictions have spent, “Total Obligations” (Column O) will tell you the money they have decided to spend, and “Total ERA-1 Allocation, Award, and Disbursement” (Column P) will tell you the funds that are designated, have been awarded, and have been paid out under the ERA-1 program.
- In the same spreadsheet, go to the “ERA2 State and Local Expenditure” tab. The “Total Expenditures” (Column K) will tell you how much local jurisdictions have spent, “Total Obligations” (Column L) will tell you the money they have decided to spend, and “Total ERA 2 Allocation” (Column M) will tell you the funds that are designated under the ERA-2 program.

- 3 For ERA-1 and ERA-2**, use this [state spending tracker](#) that is updated routinely by the National Low Income Housing Coalition.
- 4 Run your campaign to ensure funding is being spent**, and reaching households with the highest needs, as required by the rules of the program. You can learn more about how these funds can be used at Treasury’s ERA FAQ [webpage](#).

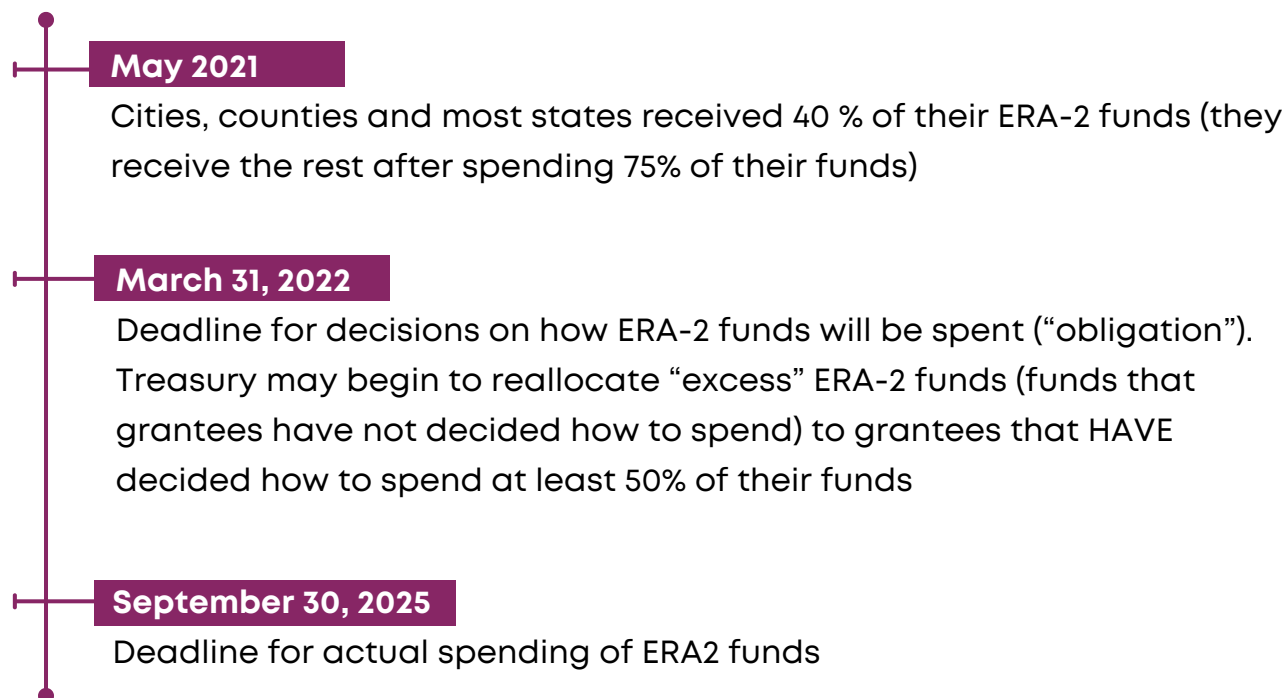
## Key Dates & Deadlines:

### Emergency Rental Assistance-1





## Emergency Rental Assistance-2



## Other American Rescue Plan Housing Provisions

In addition to State and Local Fiscal Recovery Funds and the Emergency Rental Assistance program, the American Rescue Plan made housing dollars available for: housing vouchers, HOME- homelessness assistance and supportive services, a homeowners assistance fund, housing counseling, and emergency assistance for rural housing.

Understanding how and to what extent state, county, and city governments have used these funds is important for developing local campaign strategies.

**Below are recent allocation, spending or tracking reports for each program:**

- Emergency Rental Assistance- Reporting up to February 2022 (also see the NLIHC spending tracker referenced in step 3)
- Emergency Housing Vouchers- a HUD Data Dashboard
- Homelessness Assistance- Supplemental Allocations (September 2021 notice, which indicates HOME ARP can be used to develop and support affordable housing)



- Emergency Assistance for Rural Housing\_ USDA Rural Development monthly obligation reports

## A Few Things to Consider

### Has your state, county, or city:

- **Used all of its funds?** Many of the housing provisions in the American Rescue Plan require states or localities to use their funds by a deadline, or the funds will be reclaimed and then redistributed to other places. You want to make sure funds that are needed are used.
  - If your state or city HAS used all its funding, it should take advantage of applying for reclaimed funds. Strategically, this is also evidence that local areas are making good use of federal funding, and we need more of this type of recovery investments.
- **Ensured funds are reaching people in most need?** In some cases, governments are reporting information about the recipients of funding (i.e. race, income). Use this information to assess whether more can be done to prioritize people who most need assistance in your area. Note: you may need to request this information, since Treasury and HUD reports often only show group data collected and compiled from all grantees.
- **Failed to use a good portion of its funds (or is doling out funds slowly)?** This might require figuring out what the barriers are to making use of these funds and applying pressure to local governments to ensure funds reach communities in most need.

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