



Metropolitan Nashville and Davidson County, TN

Legislation Text

File #: RS2021-1116, **Version:** 1

A resolution accepting the recommendations of the COVID-19 Financial Oversight Committee to distribute \$3,000,000.00 in American Rescue Plan Act funds from the Covid 19 ARP Fund No. 30216 to provide rent and mortgage payments and utilities payments, for Davidson County residents who suffered a negative economic impact during the coronavirus pandemic who do not meet the eligibility requirements of the HOPE program administered by the Metro Action Commission, to be administered by the United Way of Greater Nashville.

WHEREAS, on June 15, 2021, the Metropolitan Council passed Resolution RS2021-966, a resolution which accepted grant funds for local government support from the Coronavirus State and Local Fiscal Recovery Funds established by the American Recovery Plan (ARP) Act of 2021 from the U.S. Department of the Treasury to The Metropolitan Government of Nashville and Davidson County, which was subsequently signed into law by Mayor John Cooper on June 16, 2021; and,

WHEREAS, Resolution RS2021-966 established a COVID-19 Financial Oversight Committee ("the Committee") whose role is to collect, consider, and recommend appropriate uses of the ARP Funds as designated by the Metropolitan Council disbursement plan. The Committee will submit its reports and recommendations to the Mayor, the Director of Finance, and the Metropolitan Council not later than June 30, 2025; and,

WHEREAS, there are federal requirements for use of American Rescue Plan Act funds that require that these funds be expended or obligated on or before December 31, 2024; and,

WHEREAS, the Committee recognizes an immediate and critical need to provide financial assistance in the form of rent and mortgage payments and utility payments to benefit individuals in Davidson County who have suffered a negative economic impact from the effects of the COVID-19 pandemic who do not qualify for assistance from the HOPE program administered by the Metro Action Commission; and,

WHEREAS, based on the urgency with which these funds must be distributed and the expertise and familiarity that the United Way of Greater Nashville ("United Way") possesses with respect to their previous distribution of CARES Act funds, United Way would be an appropriate administrator of these funds; and,

WHEREAS, the Committee finds that distribution of these funds towards rent and mortgage payments and utility payments should not be contingent on the ability to produce a social security number; and,

WHEREAS, it is to the benefit of the citizens of The Metropolitan Government of Nashville and Davidson County that this resolution be approved.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Section 1. The Metropolitan Council accepts this resolution as the initial recommendation for use of ARP funds from the COVID-19 Financial Oversight Committee.

Section 2. The Metropolitan Council requests the Mayor's Office and the Director of Finance to release \$3,000,000.00 in American Rescue Plan (ARP) Act funds to the United Way of Greater Nashville, with 10% of this allocation used as an administration fee, as soon as possible to be administered in accordance with this

Resolution.

Section 3. The Metropolitan Council directs the United Way to distribute these funds to be used toward rent and mortgage payments and utility payments for Davidson County residents who are unable to make these payments as a result of the negative economic impact of the COVID-19 pandemic and are not otherwise eligible for the HOPE program administered by the Metro Action Commission, and that these distributions be made in accordance with the requirements of the federal ARP Act and the financial reporting requirements of the Director of Finance. Eligible recipients must comply with HOPE program requirements except that only applicants with an income over 80% and up to and including 100% of the applicable household average medium income are eligible to receive funds.

Section 4. The Metropolitan Council directs United Way to distribute these funds irrespective of the ability of beneficiaries to produce a social security number.

Section 5. The Metropolitan Council directs the COVID-19 Financial Oversight Committee to oversee United Way's administration of these funds, to determine how the funds should be disbursed and allocated, and to establish reporting requirements to ensure that funds are distributed as required by this Resolution. These requirements include, but are not limited to:

1. Any organization that receives funds for distribution shall be required to use Charity Tracker in order to prevent duplication of effort as well as allowing for more streamlined reporting to this committee.
2. Any payments for Rent/Mortgage and Utilities shall be made directly to the Mortgage Company/Bank, Landlord, or Utility Company. Payments to individuals shall be approved only when the landlord will not accept direct payment; in which case the payment is still made in the name of the landlord but given to the individual to be provided to the landlord.
3. Applications for financial support are prohibited from asking for a social security number.
4. Monthly reporting from United Way to the Committee is required. The required information includes but is not limited to the following:
 - a. Accounting of any disbursements of funds
 - b. Accounting of any and all fees related to the disbursement of these funds
 - c. Balance of funds remaining from the \$3,000,000 allocation
 - d. Demographics of beneficiaries of any funds, including but not limited to Age, Race, Sex and Zip Code

Section 6. The Metropolitan Council directs that any funds that have not been disbursed by United Way by June 30, 2022, shall be returned to the Metropolitan Government to be reallocated by the Committee no later than July 15, 2022.

Section 7. This resolution shall take effect from and after its final passage, the welfare of the public requiring it.

Analysis

This resolution accepts the recommendation of the COVID-19 Financial Oversight Committee to distribute \$3,000,000 in American Rescue Plan Act (ARP) funds for rent and mortgage payments and utility payments.

Resolution No. RS2021-966 established a COVID-19 Financial Oversight Committee to collect, consider, and recommend appropriate uses of ARP funds, as designated by the Metro Council disbursement plan. There are federal requirements for use of ARP funds that require the funds to be expended or obligated on or before December 31, 2024.

The resolution accepts the COVID-19 Financial Oversight Committee's recommendation to use ARP funds for rent and mortgage payments and utility payments for Davidson County residents who are unable to make payments due to the negative economic impact of the COVID-19 pandemic and are not otherwise eligible for the HOPE program administered by the Metro Action Commission. The United Way would distribute these funds. The distributions must be made in accordance with the requirements of the federal ARP Act and financial reporting requirements of the Director of Finance. Eligible recipients must comply with HOPE program requirements, except that only applications with an income over 80% and up to 100% of the applicable household average medium income are eligible to receive funds. The HOPE program is only available to residents earning up to 80% of the area median income. The United Way is directed to disburse these funds irrespective of the ability of beneficiaries to produce a social security number.

The COVID-19 Financial Oversight Committee will oversee the United Way's administration of these funds. Payments will be made directly to the mortgage company/bank, landlord, or utility company. Payments will be made to individuals only when a landlord will not accept direct payment. The payment will be made out to the landlord.

Any funds that have not been disbursed by June 30, 2022, must be returned to Metro no later than July 15, 2022.