



City of Columbia

701 East Broadway, Columbia, Missouri 65201

Department Source: Housing & Neighborhood Services

To: City Council

From: City Manager & Staff

Council Meeting Date: November 4, 2024

Re: Resolution authorizing an interagency agreement with the Housing and Neighborhood Services Department for the obligation of American Rescue Plan Act funding.

Executive Summary

On October 2, 2023, the City Council approved the allocation of \$1 million in American Rescue Plan Act (ARPA) funds for single family housing repair grants to homeowners. The Housing and Neighborhood Services Department (HNS) brought a report to City Council on April 15, 2024, stating its intent to move forward with this funding by launching a new program that offers grants of up to \$5,000 for income-qualified homeowners for insulation-related energy efficiency upgrades (Home Weatherization Grant Program). This resolution will authorize the City Manager to execute an interagency agreement with HNS that will obligate the \$1 million and authorize the funds to be expended for the Insulation Grant Program as well as other activities to support affordable housing.

Discussion

The City of Columbia received \$25.2 million in American Rescue Plan Act (ARPA) funds to address the public health and economic impacts of the COVID-19 pandemic. On October 2, 2023, the City Council approved a resolution stating Council intent to utilize the ARPA funds, which included a City proposal for \$1 million for single family home repair grants. The stated intent of the single family home repair grant proposal was for cash assistance to single-family homeowners to repair, improve or modernize their homes, remove health and safety hazards and correct code enforcement issues. The proposal included energy efficiency improvements as well.

On April 15, HNS brought a report to Council stating its intent to move forward with this program by providing grants of up to \$5,000 to low- to moderate-income home-owners that can be used for insulation upgrades thereby producing savings in energy consumption and utility bills and improving the home's health, safety and comfort. The City entered into a term and supply contract with Nemow Insulation in the fall of 2024 and on October 14, 2024, began accepting applications for the new Home Weatherization Grant Program. The City recently issued a request for proposal for a contractor to provide additional weatherization services, including HVAC and hot water heater services and hopes to expand its Weatherization Grant Program to include these services in the coming months.

The attached agreement is an interagency agreement between the City of Columbia and HNS that would obligate the \$1 million in ARPA funding to HNS for the purposes of the U.S. Department of Treasury's December 31, 2024 obligation deadline for all ARPA funds. The interagency agreement will authorize the ARPA funds to be used for the Weatherization Grant Program as well as additional affordable housing related activities, including:



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rehabilitation of existing affordable housing units; purchase of land for the construction of the new affordable housing; construction of new affordable housing units; funding pre-development activities for the construction of future affordable housing units; and supporting cooperative affordable housing development with the Columbia Community Land Trust and/or the Housing Authority of the City of Columbia, Missouri.

Fiscal Impact

Short-Term Impact: None anticipated. American Rescue Plan Act funds have already been appropriated.

Long-Term Impact: None anticipated. At this point, this is a one-time program that will be available until the funds are disbursed.

Strategic & Comprehensive Plan Impact

Strategic Plan Impacts:

Primary Impact: Resilient Economy, Secondary Impact: Inclusive and Equitable Community, Tertiary Impact: Reliable and Sustainable Infrastructure

Comprehensive Plan Impacts:

Primary Impact: Livable & Sustainable Communities, Secondary Impact: Environmental Management, Tertiary Impact: Tertiary

Legislative History

Date	Action
10/02/2023	R154-23 - Allocating \$25,284,624.00 in American Rescue Plan Act Funds and authorizing the City Manager to negotiate any agreements or other documents consistent with such allocations.
04/15/2024	Report requesting council to direct staff to move forward with use of the ARPA single family home repair grant funding by offering grants of up to \$5,000 for income-qualified homeowners for insulation-related energy efficiency upgrades.

Suggested Council Action

Approve the resolution authorizing the City Manager to execute an interagency agreement with HNS for the obligation of American Rescue Plan Act funding.