

# Mayor and Council Communication

DATE: 11/29/22

M&C FILE NUMBER: M&C 22-0967

LOG NAME: 19NS CSBG 2023

## **SUBJECT**

(ALL) Authorize Acceptance of 2023 Community Services Block Grant Funds, a Federally Funded Program Sponsored by the United States Department of Health and Human Services to Support the Reduction of Poverty, the Revitalization of Low-Income Communities and the Empowerment of Low-Income Families and Individuals to Become Fully Self-Sufficient, in an Amount Up to \$2,200,000.00 from the Texas Department of Housing and Community Affairs, Authorize Execution of Related Contracts, Adopt Appropriation Ordinance and Waive Indirect Costs

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## **RECOMMENDATION:**

It is recommended that the City Council:

1. Authorize the acceptance of 2023 Community Services Block Grant funds in an amount up to \$2,200,000.00 from the Texas Department of Housing and Community Affairs;
  2. Authorize the execution of related contracts, including any renewals, amendments and extensions in accordance with City policies and regulations with the Texas Department of Housing and Community Affairs for the grant funds for the program year beginning on January 1, 2023 and ending on December 31, 2023;
  3. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Grants Operating Federal Fund, subject to receipt of the grant, in an amount up to \$2,200,000.00, for the purpose of the revitalization of low-income communities and the empowerment of low-income families and individuals to become fully self-sufficient; and
  4. Authorize a waiver of the Neighborhood Services Department indirect cost rate of 17.29%, estimated total of \$183,490.07.
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## **DISCUSSION:**

The City of Fort Worth (City) contracts with the Texas Department of Housing and Community Affairs (TDHCA) to provide the Community Services Block Grant (CSBG) Program through Community Action Partners (CAP) which is managed by the City's Neighborhood Services Department. TDHCA has notified the City to use the prior year's grant and contract award as a planning figure for the 2023 CSBG program. The total 2022 contract amount is \$1,882,229.00. CAP staff projects an increase in funding resulting in an estimated grant award in an amount up to \$2,200,000.00 for 2023. The additional appropriation takes into account the anticipated increase in services and the award of subsequent grant amounts due to other grantees being unable to spend their funding. During the past five years, the City has received an average of \$1,861,862.00 per year and as much as \$1,888,229.00 in one year. TDHCA distributes the funds in quarterly allocations. The first allocation of \$472,057.00 will be available for use beginning January 1, 2023.

CSBG provides programs and services to assist low-income persons with case management, emergency assistance, outreach and certification for energy assistance, information and referral and holiday assistance as well as provides clients with transportation to employment, educational training, medical services, and other needs. TDHCA does not require CSBG subrecipients to procure vendors for client assistance but allows the use of vendors according to the needs of the client that is related to education or employment.

CSBG also supports administrative and programmatic staff salaries. The CAP in the Neighborhood Services Department serves as the designated Community Action Agency for all of Tarrant County, in accordance with federal law and as such, administers CSBG-funded programs. Eight neighborhood CAP offices will be utilized to deliver the CSBG program services.

This grant is an entitlement grant received from the Texas Department of Housing and Community Affairs. The grant has been consistently awarded to the City since early eighties. Grant funds support administrative and program delivery allocations for 21.70 FTE positions in the Neighborhood Services Department. Indirect costs totaling an estimated \$183,490.07 calculated by taking wages & salaries designated for this grant of approximately \$1,061,249.68 multiplied by the Neighborhood Service Departments' indirect cost rate of 17.29% defined in the City's most recent Cost Allocation Plan, could be charged to this grant. A waiver of these indirect costs is requested to allow allocation of these funds to further support the programs and services to assist low-to-moderate income citizens.

Positions funded with Community Services Block Program grant funds are subject to grant availability. In the event of a grant award being decreased or eliminated, Neighborhood Services Department would review programs and services funded by the grants and determine a level of service and staffing that aligns with the available funding. Alternative to consider may include staff and program reductions or eliminations.

No matching funds are required from the City for the CSBG program.

This program services ALL COUNCIL DISTRICTS and the rest of Tarrant County.

A Form 1295 is not required because: This contract will be with a governmental entity, state agency or public institution of higher education: TDHCA

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**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in the current operating budget, as appropriated, in the Grants Operating Federal Fund. The Neighborhood Services Department (and Financial Management Services) will be responsible for the collection and deposit of funds due to the City. Prior to an expenditure being incurred, the Neighborhood Services Department has the responsibility to validate the availability of funds. This is a reimbursement grant.

**Submitted for City Manager's Office by:** Fernando Costa 6122

**Originating Business Unit Head:** Victor Turner 8187

**Additional Information Contact:** Sonia Singleton 5774  
Benedict George 7339