

Mayor and Council Communication

DATE: 08/18/20

M&C FILE NUMBER: M&C 20-0564

LOG NAME: 1919LEAD HAZARD REDUCTION DEMONSTRATION GRANT 2020

SUBJECT

(ALL) Authorize Application for and Acceptance of Up to \$4,700,000.00 from the United States Department of Housing and Urban Development for a Lead Hazard Reduction Demonstration Program Grant Up to \$4,000,000.00 and a Healthy Homes Supplemental Grant Up to \$700,000.00, Authorize Use of Up to \$750,000.00 of Community Development Block Grant Funds for Direct Match, Authorize Related Agreements and Commitments, Waive Indirect Costs, Certify that Grant Activities are Consistent with the Consolidated Plan and Adopt Appropriation Ordinance

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize the application for and, if awarded, the acceptance of up to \$4,700,000.00 from the United States Department of Housing and Urban Development consisting of up to \$4,000,000.00 for a Lead Hazard Reduction Demonstration Program grant and up to \$700,000.00 for a Healthy Homes Supplemental grant;
 2. Authorize the use of up to \$750,000.00 of Community Development Block Grant funds as the City's direct match;
 3. Authorize the City Manager or his designee to enter into related agreements and commitments and to amend or extend such agreements and commitments as may be necessary and appropriate within the scope of the program and in compliance with applicable laws and regulations governing the use of federal grant funds;
 4. Certify that the activities to be funded with the grant funds are consistent with the City's Consolidated Plan; and
 5. Adopt the attached appropriation ordinance increasing the estimated receipts and appropriations in the Grants Operating Federal fund in the amount up to \$4,700,000.00, subject to receipt of the grant.
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DISCUSSION:

On July 22, 2020, the United States Department of Housing and Urban Development (HUD) issued a Notice of Funding Availability (NOFA) for competitive grant funds under the Lead Hazard Reduction Demonstration Program (LHRD) and the Office of Healthy Homes Supplemental Funding Program (HHSF). The purpose of the LHRD and the HHSF programs is to assist local governments in undertaking programs to identify and control lead-based paint hazards in owner occupied houses and privately owned rental housing. Housing is generally made lead-safe through the use of interim controls, a cost effective treatment consisting of encapsulation of lead-paint surfaces and replacement of components such as doors and windows which have friction surfaces that can create lead dust. The City's program is targeted toward housing constructed before 1978 that is occupied by children under 6 years old. The HHSF grant funds are to be used in conjunction with the LHRD grant funds on the same house in order to eliminate health and safety hazards identified during the lead-based paint inspection. Hazards are defined by the HHSF rating system and may include uneven flooring surfaces, trip hazards in bathrooms, poor lighting, moisture problems, exposure to carbon monoxide, fire hazards, excessive heat or cold exposure, exposure to biocides and non-secured entry ways.

The City's Housing and Economic Development and Neighborhood Services Departments received similar LHRD grants in 2002-2005, 2005-2008, 2012-2015, 2015-2017 and most recently in 2017 for the Lead Hazard Reduction Demonstration Program grant which expires in December 2020.

The Neighborhood Services Department is requesting authorization to apply for a \$4,000,000.00 LHRD grant and a \$700,000.00 HHSF grant from HUD. The grant period will be for 42 months from the date of the award. Administrative costs for the program are limited to 10 percent of the grant. The grant requires a minimum 10 percent direct match and at their meeting on May 20, 2020, the Community Development Council recommended that \$750,000.00 of the City's Community Development Block Grant (CDBG) funds from the 2020-2021 Annual Action Plan be used for this purpose. On August 4, 2020 City Council approved the use of the above mentioned \$750,000.00 in CDBG funding to be applied as matching funds to this application (M&C 20-0483).

This grant will staff five full time positions with estimated direct salaries of approximately \$780,000.00 during the 42 month term. The grant limits administrative costs to 10 percent or \$400,000.00. Indirect costs are not being charged to this grant, as the Neighborhood Services Department Indirect Cost rate was zero in the City's most recent Cost Allocation Plan.

The Neighborhood Services Department will collaborate with the Tarrant County Public Health Department, Fort Worth Housing Solutions, North Texas Area Community Health Centers, Fort Worth Independent School District, Trinity Area Habitat for Humanity, and other area non-profits, community-based organizations and entities to ensure that effective and appropriate outreach is conducted among all at-risk populations and neighborhoods.

The LHRD and HHSF Programs will be available in ALL COUNCIL DISTRICTS.

This contract will be with a governmental entity, state agency or public institution of higher education: U.S. Department of Housing and Urban Development.

A Form 1295 is not required because: This contract will be with a governmental entity, state agency or public institution of higher education: HUD (FR-6400-C-13)

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

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