

# Mayor and Council Communication

**DATE:** 06/27/23

**M&C FILE NUMBER:** M&C 23-0593

**LOG NAME:** 19NS CEAP ADDL 2023

## **SUBJECT**

(ALL) Authorize Acceptance of Additional Grant from the Texas Department of Housing and Community Affairs in an Amount Up to \$2,000,000.00 for the 2023 Comprehensive Energy Assistance Program, a Federally Funded Program Sponsored by the United States Department of Health and Human Services Designed to Provide Utility Payment Assistance and Energy Conservation Education for "Low to Moderate" Income Residents, Authorize Related Contracts, and Adopt Appropriation Ordinance

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## **RECOMMENDATION:**

It is recommended that the City Council:

1. Authorize the acceptance of Additional Comprehensive Energy Assistance Program funds in an amount up to \$2,000,000.00 from the Texas Department of Housing and Community Affairs;
  2. Authorize the execution of related contracts, including any amendments, renewals 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; and
  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 \$2,000,000.00 for the purpose of funding utility payment assistance and energy conservation education for "low to moderate" income residents.
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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 Comprehensive Energy Assistance Program (CEAP) through the Community Action Partners (CAP), which is managed by the City's Neighborhood Services Department. On November 29, 2022, (Mayor and Council Communication (M&C) 22-0965) the City Council approved acceptance of funding from TDHCA in an amount up to \$8,000,000.00 for the 2023 CEAP Program. Recently, the City received notification from TDHCA that the revised actual grant award for this year is in the amount of \$8,200,247.00 and additional funds may further be available. Approval to accept and appropriate the additional grant funds in the amount of \$2,000,000.00 is hence requested. The additional appropriation takes into account anticipated energy rate increases and the award of subsequent grant amounts due to other grantees being unable to spend their funding.

The three components of the program are:

1. Household Energy Crisis - weatherization and/or energy related assistance, repair of HVAC systems and/or purchase of window units;
2. Utility Assistance - assistance to all eligible households with priority given to household composition of elderly and/or disabled members or a child under the age of five; and
3. Education - providing information about energy conservation measures.

All households at or below 150 percent of the Federal Poverty Income Guidelines will be awarded access to the program. Applicant households will be determined eligible according to income guidelines and program policies. Benefit determinations include household income, household size, energy consumption and/or vulnerability, and the availability of funds. CAP staff will accept applications at nine neighborhood CAP facilities and at other identified locations throughout Tarrant County. Payments will be made for eligible clients directly to the utility vendors, and heating and cooling system repair companies.

TDHCA allows no more than 7.22 percent of the grant award (excluding travel and training) to be budgeted for administrative costs and 13.29 percent for program service costs. The remaining funds will be used for Household Energy Crisis and Utility Assistance for the duration of the contract. From January 2023 to April 30, 2023 CAP served 1,692 households and 3,491 individuals by providing Utility Assistance of \$3,521,585.97 using this grant.

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 1982. Grant funds support administrative and program delivery allocations for 20.00 FTE positions in the Neighborhood Services Department. Positions funded with Comprehensive Energy Assistance 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 CEAP Grant.

This program serves ALL COUNCIL DISTRICTS.

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

**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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