

# Mayor and Council Communication

**DATE:** 06/08/21

**M&C FILE NUMBER:** M&C 21-0363

**LOG NAME:** 02ALLOCATING DIRECTIONS HOME GENERAL FUNDS FOR PSH

## **SUBJECT**

(ALL) Adopt Attached Appropriation Ordinances Transferring \$662,801.00 of Directions Home Funds within the General Fund to the General Capital Projects Fund for the Purpose of Funding the Development of Permanent Supportive Housing in the City of Fort Worth and Amend the Fiscal Years 2021-2025 Capital Improvement Program

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## **RECOMMENDATION:**

It is recommended that the City Council:

1. Adopt the attached appropriation ordinance reallocating appropriations in the City Manager's Office of the General Fund by decreasing appropriations in the Operating and Maintenance category in the amount of \$662,801.00 and increasing the appropriations in the Transfers Out category by the same amount for the purpose of transferring to the General Capital Projects Fund to fund the Development of Permanent Supportive Housing project within the City of Fort Worth;
2. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations within the General Capital Projects Fund in the amount of \$662,801.00 transferred from the General Fund for the purpose of funding the Development of Permanent Supportive Housing project (City Project No. 101538) within the City of Fort Worth; and
3. Amend the Fiscal Years 2021-2025 Capital Improvement Program.

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## **DISCUSSION:**

For years, the City has worked to end chronic homelessness through a variety of initiatives, including the creation and continued support of the Directions Home Program. While the City has prioritized this effort, funding levels are still outpaced by the continued need of the homeless community. However, due to the spotlight of recent events has placed on the issue, particularly the COVID-19 pandemic, there has been an influx of funds that can be used to help combat and end chronic homelessness. The additional funds and the strategic approach the City has taken to invest in the development of permanent supportive housing units has been effective in reducing chronic homelessness.

Directions Home anticipates issuing a request for proposals (RFP) for the development of at least 100 units of permanent supportive housing. The Neighborhood Services Department will join Directions Home to include additional sources of funding and consolidate the procurement process to ensure that units come online as quickly as possible. Fort Worth Housing Finance Corporation allocated \$5 million for the development of permanent supportive housing and the remaining \$2,550,000.00 could also be included in the RFP. The award of funding, through the RFP, will be brought to City Council through a separate Mayor and Council Communication (M&C), as required. Directions Home has identified additional funds in its budget that can be allocated to this effort but must be transferred into the correct fund and project so that it is available for the RFP.

With this M&C, the Directions Home funds within the General Fund that will be used are a combination of \$391,234.00 of unallocated funds and \$271,567.00 of previously allocated funds between two service contracts. The reduction in the contracts did not impact service levels to homeless individuals and was necessary due to the original funding levels were no longer needed since other agencies funded these services through newly available funding sources. A total amount of \$662,801.00 will be transferred to the General Capital Projects Fund for the Development of Permanent Supportive Housing project (City Project No. 101538). This will bring the total capital project amount to \$1,262,801.00, which will be available for the RFP to support the development of permanent supportive housing. Funding for this project was not included in the FY2021-2025 Capital Improvement Program (CIP) due to the funds were not identified until after the CIP was approved. The action in this M&C will amend the FY2021-2025 Capital Improvement Program as approved in connection with Ordinance 24446-09-2020.

This project will serve ALL COUNCIL DISTRICTS.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

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## **FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that funds are currently available in the General Fund and upon approval of the above recommendations and adoption of the attached appropriation ordinances, funds will be available in the General Capital Projects Fund for the Development of PSH project. Prior to an expenditure being incurred, the City Manager's Office has the responsibility of verifying the availability of funds.

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