

Mayor and Council Communication

DATE: 12/03/19

M&C FILE NUMBER: M&C 19-0343

LOG NAME: 19NSCEAP2020

SUBJECT

Authorize Acceptance of a Grant from the Texas Department of Housing and Community Affairs in an Amount Up to \$7,000,000.00 for the 2020 Comprehensive Energy Assistance Program, a Federally Funded Program Sponsored by the U.S. 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, Adopt Appropriation Ordinance, and Waive Indirect Costs (ALL COUNCIL DISTRICTS)

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize the acceptance of Comprehensive Energy Assistance Program funds in an amount up to \$7,000,000.00 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, 2020 and ending on December 31, 2020;
 3. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Grants Operating Federal Fund in an amount up to \$7,000,000.00, subject to receipt of the grant; and
 4. Waive indirect costs in the estimated amount of \$100,980.00.
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DISCUSSION:

The City of Fort Worth 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. The TDHCA has notified the City to use the prior year's grant award and contract amount as a planning figure for the 2020 CEAP. The total 2019 contract amount was \$6,526,540.00. CAP staff projects an increase in funding resulting in an estimated grant award in an amount up to \$7,000,000.00 for this program in 2020. 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. During the past five years, the City has received an average of \$5,594,249.00 per year and as much as \$6,526,540.00 in one year.

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 afforded 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 2019 to September 2019, CAP served 5,545 households and 13,728 individuals.

A waiver by the City of indirect costs will maximize program benefits. CEAP provides for 14 full-time positions with estimated direct salaries of \$612,000.00. The addition of indirect costs would result in the reduction of Staff and services. The estimated indirect costs that are being asked to be waived is \$100,980.00.

No matching funds are required from the City for the CEAP Grant.

This program serves ALL COUNCIL DISTRICTS.

FISCAL INFORMATION / CERTIFICATION:

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

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