

Mayor and Council Communication

DATE: 05/18/21

M&C FILE NUMBER: M&C 21-0343

LOG NAME: 19CDBG SHERATON DRIVE

SUBJECT

(CD 5) Authorize Change in Use and Adjust Existing Appropriations in the Community Development Block Grant Project of the Grants Operating Federal Fund to Increase Funding for the Sheraton Drive Water/Sewer Installation Project in the Stop Six/Poly Neighborhood by \$300,000.00 for a Total Allocation of \$700,000.00 and Decrease Unprogrammed Funding by the Same Amount, Authorize a Substantial Amendment to the City's 2020-2021 Action Plan, and Authorize Substitution of Funding Years

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize change in use and adjust existing appropriations in the Community Development Block Grant Project of the Grants Operating Federal Fund to increase funding for the Sheraton Drive Water/Sewer Installation Project in the Stop Six/Poly Neighborhood by \$300,000.00 for a total allocation of \$700,000.00 in Community Development Block Grant funds and decrease unprogrammed funding by the same amount;
2. Authorize a substantial amendment to the City's 2020-2021 Action Plan; and
3. Authorize the City Manager, or his designee, to substitute current and prior year funding in order to meet commitment, disbursement and expenditure deadlines from the United States Department of Housing and Urban Development.

DISCUSSION:

On May 5, 2020, City Council approved the expenditure of \$400,000.00 in Community Development Block Grant (CDBG) funds from the United States Department of Housing and Urban Development (HUD), for the Sheraton Drive Water/Sewer Installation project (Project) that would provide water and sewer improvements to support future affordable infill housing development on Sheraton Drive (Mayor and Council Communication 20-0285). The Project includes five sewer and water taps to 2510, 2512, 2514, 2516, and 2518 Sheraton Drive, which are owned by the Fort Worth Housing Finance Corporation, and will be used for the development of affordable single-family houses.

Initially, it was anticipated that the Project would be designed by City staff and would be constructed using existing City job order contracts. After further review of the scope, Neighborhood Services staff was informed that the initial scope did not contemplate the reconstruction of Sheraton Street or the construction of curb, gutter and sidewalks. Therefore, the original Project budget was revised to include the additional scope to meet City standards and design, including necessary engineering, design and construction.

Staff recommends adding an additional \$300,000.00 in existing CDBG funds, for a total of \$700,000.00, to be used for the completion of the revised scope for the Project. All contracts for the Project will be produced in compliance with state laws and City policy, and any contracts requiring City Council approval will be brought back separately.

A public comment period regarding a substantial amendment to the City's 2020-2021 Action Plan was held from December 17, 2020, to January 15, 2021, to gather input on the implementation of this Project. Any comments received are maintained in the Neighborhood Services Department in accordance with federal regulations.

Funding comes from the 2020-2021 Action Plan. The Action Plan funding years may vary and be substituted based on the principle of first in, first out (FIFO) in order to expend oldest grant funds first. The funds may be used for any CDBG-eligible costs related to this project on behalf of low- and moderate-income residents.

The project is located in COUNCIL DISTRICT 5.

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

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the current operating budget, as previously appropriated, in the Grants Operating Federal Fund to support the approval of the above recommendations and authorization for the change of use. Prior to any expenditure being incurred, the Neighborhood Services Department has the responsibility to validate the availability of funds.

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