

Mayor and Council Communication

DATE: 12/01/20

M&C FILE NUMBER: M&C 20-0863

LOG NAME: 08FHAP2020

SUBJECT

(ALL) Ratify Execution of a Cooperative Agreement with the United States Department of Housing and Urban Development to Process Housing Discrimination Cases for Fiscal Year 2020, Authorize Acceptance of Funds in the Amount Up to \$719,200.00 (Including Interest), Waive Indirect Costs, and Adopt Appropriation Ordinance

RECOMMENDATION:

It is recommended that the City Council:

1. Ratify the execution of a Fair Housing Assistance Program Cooperative Agreement through the Fort Worth Human Relations Commission with the United States Department of Housing and Urban Development for Fiscal Year 2020, and accept funds in the amount up to \$719,200.00 plus current and future accrued interest from contractual award funds in an amount up to \$15,000.00 based upon actual receipts;
 2. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Grants Operating Federal Fund in the amount up to \$719,200.00 (\$704,200 from the agreement plus accrued interest from the contractual agreement in the amount up to \$15,000.00, based on actual receipts); and
 3. Waive the transfer of indirect cost revenue due the General Fund in the estimated amount of \$104,385.92.
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DISCUSSION:

On August 3, 2020, the Fort Worth Human Relations Commission voted to recommend the approval of the Fair Housing Assistance Program (FHAP) Cooperative Agreement with the United States Department of Housing and Urban Development (HUD). Pursuant to that Cooperative Agreement, HUD will provide funding to the Fort Worth Human Relations Commission, a designated FHAP agency, based on the number of fair housing complaints resolved from July 1, 2019 to June 30, 2020. The grant is based on activities conducted within the preceding twelve-months (the Performance Period). Diversity and Inclusion Departmental staff, on behalf of the Fort Worth Human Relations Commission, resolved 80 complaints during this time period, and received an additional \$400,000.00 for case processing. Additional funds are awarded to qualifying FHAP agencies for administrative costs and training.

The Cooperative Agreement provides payment for the following:

- a. Resolution of 80 housing discrimination complaints in the amount of \$218,400.00;
- b. Case processing carry over funds in the the amount of \$400,000.00;
- c. Administrative costs in the amount of \$55,000.00; and
- d. Training funds in the amount of \$30,800.00 for mandatory HUD training.

The additional \$15,000.00 in interest income from the award, based upon actual receipts, brings the total to amount up to \$719,200.00.

A waiver of the collection of indirect cost revenue otherwise due the General Fund from the FHAP contract is being requested. The Diversity and Inclusion Department has determined that the remission of indirect cost reimbursement to the General Fund would result in less available programming dollars, which when compounded by yearly fluctuations in funding, unanticipated delays in the receipt of funding, the threat of federal cuts in HUD's programming, and increasing salary and benefit costs, could jeopardize the Department's ability to successfully fulfill the provisions of the grant. The cost to the General Fund of the waiver is estimated at \$104,385.92.

On August 18, 2020, the HUD Government Technical Representative (GTR) forwarded the finalized Cooperative Agreement (Agreement) to Diversity and Inclusion staff for signature. The GTR provided a one-week deadline in which to return the signed contract. In view of this short deadline, City staff proceeded to execute the contract with the understanding that this action would require timely ratification by the City Council.

A Form 1295 is not required because: This contract will be with a governmental entity, state agency or public institution of higher education: U S Dept. Housing & Urban Development

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 Diversity and Inclusion Department (and Financial Management Services) is responsible for the collection and deposit of funds due to the City. Prior to expenditures being incurred, the Diversity and Inclusion Department has the responsibility to validate the availability of funds. This is a fee for service grant.

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