

# Mayor and Council Communication

**DATE:** 10/11/22

**M&C FILE NUMBER:** M&C 22-0849

**LOG NAME:** 19NSES-G-CV&CV2SUBSTANTIALAMENDMENT

**SUBJECT**

(ALL) Authorize Substantial Amendment to the 2019-2020 Action Plan for Use of Federal Grant Funds, Authorize Execution of Contract Amendments to Agreements with Nonprofit Subrecipients of Emergency Solutions Grant Funds Received Under the Coronavirus Aid, Recovery and Economic Security Act, and Authorize Execution of Amendment to Agreements with Presbyterian Night Shelter for Additional Shelter Operation Expenses

**RECOMMENDATION:**

It is recommended that the City Council:

1. Authorize a substantial amendment to the 2019-2020 Action Plan for use of Federal Grant Funds from the United States Department of Housing and Urban Development revising allocation of such funds among local nonprofit homeless service providers;
2. Authorize execution of contract amendments to agreements with nonprofit subrecipients of Emergency Solutions Grant Funds received under the Coronavirus Aid, Recovery and Economic Security Act to change funding allocations and scopes of services to ensure the expenditure of funds;
3. Authorize the execution of an amendment to the agreements with Presbyterian Night Shelter for Additional Shelter Operation Expenses; and
4. Authorize the City Manager or his designee to further amend the agreements if necessary to achieve program goals and meet Housing and Urban Development expenditure deadlines, provided the amendment is within the scope of the program and in compliance with applicable City policies, laws and regulations.

**DISCUSSION:**

In April 2020, the City of Fort Worth (City) was awarded \$2,202,929.00 in Emergency Solutions Grant (ESG) funds from Housing and Urban Development (HUD) under the Coronavirus Aid, Recovery and Economic Security (CARES) Act to support the City’s response to the coronavirus pandemic among the homeless and at-risk population (ESG-CV). In June 2020, the City was awarded an additional \$6,070,529.00 in ESG funds to expand the City’s ability to assist homeless and at-risk residents (ESG-CV2). The City Council approved allocation of these funds to local nonprofit homeless service providers on May 19, June 23, and September 15, 2020, through Mayor and Council Communication (M&C) Nos. 20-0330, 20-0471, and 20-0657. Funding priorities for the allocations were Rapid Rehousing (65%), Shelter Operations (11%); Outreach to Unsheltered (8%), and Homelessness Prevention (6%), with 10% authorized for program administration by the City and its nonprofit partners. The expenditure deadline for use of all ESG-CV and ESG-CV2 funds is September 30, 2023.

To ensure that the expenditure deadline for the full eight million dollars is met, and to address priorities which have arisen since initial allocations were made, staff is recommending amendments to some of the ESG-CV and ESG-CV2 contracts to change funding allocations and scopes of service as detailed below.

Staff is recommending that funds moved from Rapid Rehousing and Homeless Prevention programs operated by the Day Resource Center (DRC) into Presbyterian Night Shelter (PNS) Rapid Rehousing programs. Local shelters, including the Presbyterian Night Shelter (PNS), have continued to experience costly challenges in providing safe services throughout the pandemic, and additional funds are therefore needed for staff hazard pay, vaccine incentives, client transportation services, and other operational costs.

The table below summarizes proposed contract scope and allocation changes to be formalized in contract amendments. The proposed revisions have been publicized as required by HUD guidelines for use of ESG-CV and ESG-CV2 funds, through placement of a five-day public notice in the *Fort Worth Star-Telegram*. A public comment period on this proposed substantial amendment to the 2019-2020 Action Plan was held from September 9, 2022 to September 13, 2022. All comments received are maintained by the Neighborhood Services Department.

Agency/Program Name	Original Contract Amount	Allocation Adjustment Amount	New Contract Amount	Proposed Change
Day Resource Center: Rapid Rehousing; City Secretary Contract No. 54408	\$375,000.00	(\$64,714.16)	\$310,285.84	Reduction by \$64,714.16, reallocation to Rapid ReHousing (PNS)
				Reallocation

Day Resource Center: Homeless Prevention (No Contract)	\$0.00	(\$250,000.00)	\$0.00	by \$250,000.00 to Rapid ReHousing (PNS)
Presbyterian Night Shelter: Rapid ReHousing; City Secretary Contract No. 54236	\$500,000.00	\$64,714.16	\$564,714.16	Increase in contract by \$64,714.16 from DRC Contract No. 54408 and reallocation to PNS RRH, Contract No. 54236
Presbyterian Night Shelter: Rapid ReHousing; City Secretary Contract No. 54965	\$700,000.00	\$250,000.00	\$950,000.00	Increase in contract by \$250,000.00 from DRC HP reallocation, no contract, to PNS RRH, CSC 54965

Section 2-9(11) of the City Code allows for any contract or other legal instruments necessary to provide public assistance from funds available under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, as may be amended, or from funds available under the Consolidated Appropriations Act of 2021, as may be amended to be administratively approved by the City Manager. When possible, items will be brought to the City Council prior to execution of any contracts or amendments; however, staff anticipates that in order to meet the approaching expenditure deadlines in 2022, that future amendments may require administrative approval. Staff will provide updates via Informal Reports or Mayor and Council Communications (M&Cs) seeking ratification of any changes made under this administrative mechanism.

Services are available in ALL COUNCIL DISTRICTS.

A Form 1295 is not required because: This contract legally does not require City Council approval.

**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that upon approval of the above recommendations and reallocation of funds, funds are 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.

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