

Mayor and Council Communication

DATE: 06/23/20

M&C FILE NUMBER: M&C 20-0471

LOG NAME: 19NS CARES ACT HUDFUNDS TIER2 AWARDS

SUBJECT

Authorize the Acceptance of Award of Federal Grant Funds in the Amount of \$2,924,143.00 from the U.S. Department of Housing and Urban Development Coronavirus Aid, Relief, and Economic Security (CARES) Act Community Development Block Grant and Emergency Solutions Grant Funds, and Authorize Execution of Related Contracts (ALL COUNCIL DISTRICTS)

RECOMMENDATION:

It is recommended that City Council:

1. Authorize the acceptance award of federal grant funds in the amount of \$2,924,143.00 from the U.S. Department of Housing and Urban Development Coronavirus Aid, Relief, and Economic Security (CARES) Act for programs detailed below;
2. Authorize the City Manager or his designee to execute contracts with the agencies listed in Tables 1 and 2 below for up to eighteen-month terms for Coronavirus Aid, Relief, and Economic Security (CARES) Act Community Development Block Grant (CDBG-CV) and Emergency Solutions Grant (ESG-CV) funds, contingent upon receipt of funding and satisfactory completion of all regulatory requirements; and
3. Authorize the City Manager or his designee to extend contracts for up to one year if an agency requests an extension and such extension is necessary for completion of the program, or to amend contracts if necessary to achieve program goals, provided any amendment is within the scope of the program and complies with City policies and all applicable laws and regulations governing the use of federal grant funds.

DISCUSSION:

The Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law on March 27, 2020 to respond to the many impacts of the COVID-19 public health emergency. The CARES Act includes provisions to help local governments prevent, prepare for and respond to the Coronavirus, including providing for additional allocations of formula grant funds under the Community Development Block Grant and Emergency Solutions Grant programs. The City was notified on April 9, 2020 of the award, consisting of \$4,360,290.00 in CDBG-CV funds and \$2,202,929.00 in ESG-CV funds.. All funds must be used to prevent, prepare for, and respond to the coronavirus.

On May 19,2020, City Council approved a Substantial Amendment to the City's 2019-20 Action Plan for U.S. Department of Housing and Urban Development (HUD) grant funds stating how these CARES Act grant funds were to be used, and amended the City's Citizen Participation Plan to reduce public comment periods for CARES Act funds from 30 days to five days as authorized by the CARES Act (M&C 20-0330). This 5-day public comment period was held from May 3, 2020 to May 9, 2020. Notice of this public comment period was published in the *Fort Worth Star-Telegram*, posted on the City's website, and distributed through the City Community Engagement Office. Any comments received are maintained by the Neighborhood Services Department in accordance with federal regulations.

The Substantial Amendment to the Action Plan for CARES Act funds was based on the following guiding principles as approved on April 29, 2020 by the Community Development Council (CDC):

- Addressing needs which HUD grant funds are uniquely qualified to serve and that other funding sources cannot serve (housing).
- Addressing the most urgent needs (food, shelter) and the needs of populations most sensitive to the Coronavirus (elderly).
- Reliance on existing allocation processes and existing nonprofit partners to increase the speed and simplicity of service delivery and to reduce administrative challenges and compliance concerns.
- Consistency with local priority needs and goals previously established in the City's 2018-2020 Consolidated Plan.

Using these principles, three key activities were approved by the CDC for the use of CARES Act funds: emergency rental assistance, services for the elderly, and employment related services. Emergency rental assistance activities address both the affordable housing and homeless services Consolidated Plan goals and may include homelessness prevention and rapid rehousing for persons already homeless. All emergency rental assistance programs funded with CARES Act funds will provide up to three months rental payments for income eligible applicants, and will require tenants pay no more than 30 percent of their income towards their rent. Services for the elderly address the Aging in Place Consolidated Plan goal. Employment-related services address the Poverty Reduction Consolidated Plan goal.

The CDC also approved a two-tier process for allocation of these HUD CARES Act funds. Tier One funds totaling \$2,546,754.00 were awarded to activities and agencies through M&C 20-0330 (which also appropriated the entire award of \$6,810,056.00). Tier Two funds totaling \$2,924,143.00 (\$457,664.00 in ESG-CV and \$2,466,479.00 in CDBG-CV) were to be allocated through a competitive Request for Proposal (RFP) with the goal of identifying additional service delivery partners by the end of May. The responses to the Tier Two RFP were received on May 25, 2020. The CDC reviewed the proposals and approved recommendations for additional CARES Act funding awards on June 3, 2020.

As authorized by the CARES Act, for all CDBG-CV, ESG-CV, and HOPWA-CV contracts, the Effective Date for reimbursement of eligible costs will be March 13, 2020, the date of the declaration of national emergency due to COVID-19, provided such costs have been documented to have

been incurred to prevent, prepare for, or respond to the Coronavirus Pandemic.

A summary of these Tier Two funding recommendations approved by the CDC is provided below. A spreadsheet of funding recommendations is also attached.

CARES ACT COMMUNITY DEVELOPMENT BLOCK GRANT: Tier II (CDBG-CV)

It is recommended that the \$2,466,479.00 of CDBG-CV funds be awarded for public service agency contracts as follows:

TABLE 1: CDBG-CV AGENCIES		
AGENCY	PROGRAM	AMOUNT
Housing Channel	Emergency Rental Assistance	\$350,000.00
Center for Transforming Lives	Emergency Rental Assistance	\$656,358.00
Meals on Wheels, Inc. of Tarrant County	Home Delivery of Meals/Food	\$100,000.00
Family Pathfinders of Tarrant County	Emergency Rental Assistance	\$375,000.00
The Presbyterian Night Shelter of Tarrant County, Inc.	Clean Slate Employment Services	\$160,000.00
Recovery Resource Council	Employment Services for Veterans	\$54,900.00
Sixty and Better, Inc.	Meal Delivery Program	\$200,000.00
Tarrant County Samaritan Housing, Inc	Emergency Rental Assistance	\$200,000.00
The Salvation Army	Emergency Rental Assistance	\$250,000.00
The Women's Center of Tarrant County, Inc.	Employment Services	\$120,221.00
TOTAL CDBG-CV CONTRACTS		\$2,466,479.00

CARES ACT EMERGENCY SOLUTIONS GRANT (ESG-CV)

It is recommended that the \$457,664.00 ESG-CV funds be awarded for public service agency contracts as follows:

TABLE 2: ESG-CV AGENCIES		
AGENCY	PROGRAM	AMOUNT
The Presbyterian Night Shelter of Tarrant County, Inc.	Rapid Re-Housing	\$200,000.00
Center for Transforming Lives	Rapid Re-Housing	\$257,664.00
TOTAL ESG –CV CONTRACTS		\$457,664.00

All figures have been rounded to the nearest dollar for presentation purposes.

These programs are available in ALL COUNCIL DISTRICTS.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendations, adoption of the attached appropriation ordinance and receipt of grant funds, funds will be available in the current operating budget, as appropriated, of the Grants Operating Federal Fund. These are reimbursement grants. The Neighborhood Services Department has the responsibility to validate the availability of funds prior to an expenditures being made.

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