

Mayor and Council Communication

DATE: 01/23/24

M&C FILE NUMBER: M&C 24-0023

LOG NAME: 19NS CEAP 2024

SUBJECT

(ALL) Authorize Acceptance of a Grant from the Texas Department of Housing and Community Affairs in an Amount Up to \$12,000,000.00 for the 2024 Comprehensive Energy Assistance Program, a Federally Funded Program Sponsored by the United States 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

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize the acceptance of Comprehensive Energy Assistance Program funds in an amount up to \$12,000,000.00 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, 2024 and ending on December 31, 2024;
 3. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Grants Operating Federal Fund, subject to receipt of the grant, in an amount up to \$12,000,000.00 for the purpose of funding utility payment assistance and energy conservation education for "low to moderate" income residents; and
 4. Authorize a waiver of the Neighborhood Services Department indirect cost rate of 17.29%, an estimated total of \$174,686.00.
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DISCUSSION:

The City of Fort Worth (City) 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 2024 CEAP. The total 2023 contract amount was \$10,206,532.00. CAP staff projects an increase in funding resulting in an estimated grant award in an amount up to \$12,000,000.00 for this program in 2024. 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 \$7,183,878.00 per year and as much as \$10,206,532.00 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 2023 to September 2023, CAP served 4,240 households and 9,574 individuals using this grant.

This grant is an entitlement grant received from the Texas Department of Housing and Community Affairs. The grant has been consistently awarded to the City since 1982. Grant funds support administrative and program delivery allocations for 20.00 full-time employee positions in the Neighborhood Services Department. Indirect costs totaling an estimated \$174,686.00, calculated by taking wages & salaries designated for this grant of approximately \$1,010,329.00 multiplied by the Neighborhood Service Departments' indirect cost rate of 17.29% defined in the City's most recent Cost Allocation Plan, could be charged to this grant. A waiver of these indirect costs is requested to allow allocation of these funds to further support the programs and services to assist "low-to-moderate" income citizens.

Positions funded with Comprehensive Energy Assistance Program grant funds are subject to grant availability. In the event of a grant award being decreased or eliminated, the Neighborhood Services Department would review programs and services funded by the grants and determine a level of service and staffing that aligns with the available funding. Alternative to consider may include staff and program reductions or eliminations.

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

A Form 1295 is not required because: This contract will be with a governmental entity, state agency or public institution of higher education:
TDHCA

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 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.

Additional Information Contact:

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