

Mayor and Council Communication

DATE: 09/15/20

M&C FILE NUMBER: M&C 20-0657

LOG NAME: 1920NS CARES ACT HUDFUDS ESG-CV2 AWARDS

SUBJECT

(ALL) Authorize Acceptance of Coronavirus Aid, Relief, and Economic Security Act Emergency Solutions Grant to be Awarded by the U.S. Department of Housing and Urban Development in an Amount Up to \$6,070,529.00, Approve a Substantial Amendment to the City's 2019-2020 Annual Action Plan for the use of the Grant Funds, Authorize Execution of Related Contracts, and Adopt Appropriation Ordinance

RECOMMENDATION:

It is recommended that City Council:

1. Authorize acceptance of Coronavirus Aid, Relief, and Economic Security (CARES) Act Emergency Solutions Grant (ESG-CV2) to be awarded by the U.S. Department of Housing and Urban Development in an amount up to \$6,070,529.00 (ESG-CV2 funds);
2. Approve a substantial amendment to the City's 2019-2020 Annual Action Plan for submission to the U.S. Department of Housing and Urban Development for the use of ESG-CV2 funds in the Amount of \$6,070,529.00 and acceptance of this award of the City's second allocation of CARES Act Emergency Solutions Grant funds, including allocations of grant funds to particular programs and activities as detailed below;
3. Authorize the City Manager or his designee to execute contracts for up to eighteen-month terms with the agencies listed in Table 1 below for CARES Act ESG-CV2 funds, contingent upon receipt of funding and satisfactory completion of all regulatory requirements;
4. Authorize the City Manager or his designee to extend contracts 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; and
5. Adopt the attached appropriation ordinance increasing the estimated receipts and appropriations in the Grants Operating Federal Fund in the amount of \$6,070,529.00 subject to receipt of funds.

DISCUSSION:

The 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 Emergency Solutions Grant (ESG) program. The City was notified by HUD on April 9, 2020 of its initial award of \$2,202,929.00 in ESG-Coronavirus (ESG-CV1) funds. These funds were subsequently awarded to eligible activities and programs through M&C 20-0330 and M&C 20-0471 in May and June of this year. The City was notified on June 9, 2020 of the award of its second allocation of ESG funds, known as ESG-CV2, in the amount of \$6,070,529.00. All funds must be used to prevent, prepare for, and respond to the Coronavirus for the benefit of homeless or at-risk populations.

On September 2, the Community Development Council (CDC) as the City's advisory body for the use of ESG-CV2 funds approved a funding recommendation for award of these funds. The funding recommendation was developed in consultation with the Tarrant County Homeless Coalition and the City's Directions Home Program, and following a solicitation of proposals from existing and new nonprofit partners in July. A five-day 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.

A summary of funding recommendations approved by the CDC is provided below. A spreadsheet of funding recommendations is also attached. The CARES Act authorized local jurisdictions to use up to 10% of ESG-CV2 funds for grant administration; therefore, staff is recommending that \$607,052.00 be used for this purpose. It is also recommended that \$5,463,477.00 in ESG-CV2 funds be awarded for public service activities and subrecipient agency contracts as follows:

TABLE 1: ESG-CV2 AGENCIES		
AGENCY	PROGRAM	AMOUNT
Presbyterian Night Shelter of Tarrant County	Rapid Re-Housing	\$700,000.00
The Salvation Army	Rapid Re-Housing	\$700,000.00

SafeHaven of Tarrant County	Rapid Re-Housing	\$350,000.00
Fort Worth Housing Solutions	Rapid Re-Housing	\$1,809,477.00
	Sub-Total, Rapid Re-Housing	\$3,559,477.00
Day Resource Center	Outreach to Unsheltered Homeless	\$400,000.00
Lighthouse for the Homeless, dba True Worth Place	Outreach to Unsheltered Homeless	\$200,000.00
	Sub-Total, Outreach	\$600,000.00
Presbyterian Night Shelter of Tarrant County	Emergency Shelter Operations	\$260,000.00
Lighthouse for the Homeless, dba True Worth Place	Emergency Shelter Operations	\$220,000.00
Vendors selected by City of Fort Worth Directions Home	Emergency Shelter Operations: Cold Weather Overflow or COVID-19 Response	\$324,000.00
	Sub-Total, Emergency Shelter Operations	\$804,000.00
Cornerstone Assistance Network	Homelessness Prevention: Re-Entry Program	\$450,000.00
SafeHaven of Tarrant County	Homelessness Prevention	\$50,000.00
	Sub-Total, Homelessness Prevention	\$500,000.00
TOTAL ESG-CV2 CONTRACTS		\$5,463,477.00

The City's Directions Home Division will execute one or more subcontracts for the purpose of providing cold weather overflow shelter or COVID-19 response sheltering, as needed. Demand for these services will be dependent on changing conditions, such as weather conditions and existing shelter capacity. Directions Home will bring back an M&C to seek approval for the subcontracts, if required.

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 expenditure being made.

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