

Mayor and Council Communication

DATE: 04/07/20

M&C FILE NUMBER: M&C 20-0226

LOG NAME: 19NS HABITAT PRESERVE-A-HOME (MODEL BLOCKS REALLOCATION)

SUBJECT

Authorize Reallocation of \$196,119.77 in Community Development Block Grant Funds to Fort Worth Area Habitat for Humanity d/b/a Trinity Habitat for Humanity for the Preserve-A-Home Program in the Carver Heights East and Historic Carver Heights Model Blocks Areas, Authorize Change In Use and Expenditure of \$14,779.68 in Community Development Block Grant Funds to Fort Worth Area Habitat for Humanity d/b/a Trinity Habitat for Humanity for the Preserve-A-Home Program in the Carver Heights East Model Blocks Area, Authorize Execution of a Contract, Authorize a Substantial Amendment to the City's 2011-2012 and 2017-2018 Action Plans, and Authorize the Substitution of Funding Years (COUNCIL DISTRICT 5)

RECOMMENDATION:

It is recommended that City Council:

1. Authorize reallocation of \$196,119.77 of Community Development Block Grant funds to Fort Worth Area Habitat for Humanity d/b/a Trinity Habitat for Humanity Preserve-A-Home Program from the previously designated Carver Heights East Model Blocks funds and Historic Carver Heights Model Blocks funds in the amounts of \$23,923.47 and \$172,196.30, respectively;
2. Authorize a Substantial Amendment to the City's 2011-12 Action Plan and 2017-18 Action Plan contingent upon successful completion of the federal public comment period;
3. Authorize the City Manager or his designee to substitute funding years as needed in order to meet United States Department of Housing and Urban Development commitment, disbursement, and expenditure deadlines;
4. Authorize a change in use and expenditure of Community Development Block Grant funds in an additional amount of \$14,779.68 to Fort Worth Area Habitat for Humanity d/b/a Trinity Habitat for Humanity for the Carver Heights East Preserve-A-Home Program, contingent upon successful completion of the federal comment period;
5. Authorize the City Manager or his designee to execute a contract with Fort Worth Area Habitat for Humanity d/b/a Trinity Habitat for Humanity for Community Development Block Grant funds in the amount of \$210,899.45 for a sixteen month term beginning of execution of the contract;
6. Authorize the City Manager or his designee to amend the contract if necessary to achieve project goals provided that the amendment is within the scope of the projects and in compliance with City policies and applicable laws and regulations governing the use of Grants Operating Federal Fund.

DISCUSSION:

The City of Fort Worth's Model Blocks Program was a targeted effort to revitalize neighborhoods, using \$1.2 million in Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME funds from the U.S. Department of Housing and Urban Development (HUD)). A total of 18 neighborhoods were designated between 1993 and 2006. The Neighborhood Services Department has had a long-term policy of ensuring that any balances remaining from the funds originally committed to these neighborhoods must remain with that neighborhood to be spent for its benefit.

Carver Heights East Model Blocks was designated in 2003. The designated Model Block area received street and sidewalk improvements as well as major and minor home repairs for low income homeowners. This Model Block has a remaining unexpended balance of \$23,923.47.

Historic Carver Heights Model Blocks was designated in 2006. Improvements in the designated Model Block area included street lights and major and minor home repairs for low income homeowners. The remaining unexpended balance for this Model Block is \$172,196.30.

Home repair is greatly needed in aging City neighborhoods. Trinity Habitat for Humanity (Habitat) has partnered with the City in its Neighborhood Improvement Program neighborhoods, Stop Six, Ash Crescent, and Northside, to deliver CDBG-funded home repairs through Habitat's Preserve-A-Home Program. This program spends up to \$12,500.00 per unit to make exterior repairs or replacements for roofs, siding, windows and doors for low income homeowners. Staff conducted a public meeting with residents of both neighborhoods to present the possibility of awarding their remaining Model Block balances to Habitat for a Preserve-A-Home Program in these areas. Residents of both neighborhoods were in favor of the recommendation. As required by HUD regulations, a 30-day public comment period was held from December 19, 2019 to January 20, 2020 regarding this proposed change in use of funds.

Since November 2019, an additional balance of \$14,779.68 in 2011-2012 Unprogrammed CDBG funds has become available due to completion of other projects. HUD now requires use of grant funds within eight years of receipt, and these funds will be recaptured by the U.S. Treasury if not expended for CDBG-eligible activities prior to September 2020. Therefore staff recommends the use of these funds in the Carver Heights East Preserve- A-Home program to ensure appropriate and timely closeout of the 2011-2012 CDBG program and to assist additional low income residents in that neighborhood. A 30-day notice regarding this proposed additional allocation was published on March 14, 2020 with the comment period ending on April 14, 2020.

The projects are located in COUNCIL DISTRICT 5

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendations, funds will be available in the current operating budget, as appropriated, of the Grants Operating Federal Fund. The Neighborhood Services Department is responsible in verifying sufficiency of funding before disbursement. This is a reimbursement grant.

Submitted for City Manager's Office by: Fernando Costa 6122

Originating Business Unit Head: Victor Turner 8187

Additional Information Contact: Barbara Asbury 7331
Sharon Burkley 5785