

**To the Mayor and Members of the City Council****August 4, 2020**

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SUBJECT: COVID-VULNERABLE PERMANENT SUPPORTIVE HOUSING

On June 23, 2020, staff issued Informal Report No. 20-10438, outlining a proposal to develop permanent supportive housing (PSH) for approximately 200 COVID-vulnerable individuals and couples. In view of CDC recommendations for protective housing for cohorts who are vulnerable to COVID and the lack of Emergency Solutions Grant (ESG) funding for PSH, the City will use \$18.6 million of funding provided under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Title V (Coronavirus Relief Fund) to acquire and convert existing motels, hotels, extended stays, apartment complexes, or similar permanent structures to provide approximately 200 new units of PSH spread across two or more locations. The new PSH units will provide protective housing for high-risk COVID-vulnerable and disabled households experiencing chronic homelessness.

On July 1, 2020, the City issued Request for Proposals No. 20-0190 seeking proposers to: (1) quickly acquire and convert existing motels, hotels, extended stays, apartment complexes, or similar permanent structures to serve as approximately 200 units of PSH split across two or more locations; and (2) provide ongoing supportive services for such households for a period of at least twenty (20) years. The City will provide funding for the initial costs of acquisition via a one-time payment and subsequent payments for conversion/renovation from Title V funds and anticipates assisting the selected proposers to secure ongoing operating subsidies from other sources.

The City received five proposals for the PSH project. After a competitive scoring process, the Housing Authority of the City of Fort Worth dba Fort Worth Housing Solutions and the Presbyterian Night Shelter of Tarrant County Inc. were recommended to be awarded a notice to proceed. These agencies have experience in permanent supportive housing. In addition, dlb Consultants was recommended to provide construction support services consulting to support the selected proposers in meeting their Section 3 business, resident, employment, and minority and women-owned business (M/WBE) aspirational goals.

In view of pressing needs associated with the ongoing public health crisis and strict funding timelines, staff proposes that projects be funded based on which ones can be made tenant-ready in the shortest time period. Although staff is recommending two vendors be given notice to proceed with identifying and obtaining approvals for potential sites, actual award of funds would be based on which properties get identified and approved first to provide the target 200 units. Approval is based on the proposer having legal control of the property, appropriate zoning for the proposed use, and a resolution of support from the City Council. If one of the proposers has 200 units identified and approved before the other proposer completes its identification and approval process, then only that one proposer would be awarded. The goal is to move swiftly to getting housing produced and leased to address pressing needs and to expend funds within mandated timelines.

For more information, please contact Directions Home Manager Tara Perez at Tara.Perez@fortworthtexas.gov.

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