

AGENDA MEMORANDUM

First Reading for City Council Meeting of June 24, 2025 Second Reading for City Council Meeting of July 15, 2025

DATE: June 24, 2025

TO: Peter Zanoni, City Manager

FROM: Daniel McGinn, AICP, Interim Assistant City Manager

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361-826-7011

Ordinance ratifying the acceptance of a grant amendment increasing the HOME Investment Partnerships Program - American Rescue Plan award by \$6,329 to serve persons who are homeless, at-risk of homelessness, and other special populations

CAPTION:

Ordinance ratifying the acceptance of an amendment in the amount of \$6,329 increasing the HOME Investment Partnerships Program - American Rescue Plan (HOME-ARP) grant M-21-MP-48-0502 from the U.S. Department of Housing and Urban Development and amending the Fiscal Year 2025 budget by appropriating \$6,329.00 into Grant Fund 9045.

SUMMARY:

The U.S. Department of Housing and Urban Development (HUD) has increased the amount awarded to the City of Corpus Christi of HOME Investment Partnerships Program (HOME) funds from the American Rescue Plan Act of 2021 (ARP) by \$6,329 for a total of \$4,220,266. Funds are to serve individuals or families who are homeless, at-risk of homelessness, fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking, other populations where providing supportive services or assistance would prevent the family's homelessness or serve those with the greatest risk of housing instability, and veterans and families that include a veteran family member that meet one of the preceding criteria.

BACKGROUND AND FINDINGS:

The American Rescue Plan Act of 2021 appropriated \$5 billion to be allocated by formula to communities that qualify for the HOME entitlement allocations. The City of Corpus Christi is a HOME participating jurisdiction and its original HOME-ARP allocation was \$4,213,937. The City was notified on June 4, 2025, that while HUD was conducting quality control efforts, an administrative error in HUD's calculation was discovered in the allocation amounts of HOME-ARP funds. This has resulted in an increase to the City's HOME-ARP award of \$6,329 from \$4,213,937 to \$4,220,266. This increase is less than one percent (0.15 percent) of the original award. This is one-time funding and is in addition to the annual entitlement allocation the City receives from HUD. Funds must be expended by September 30, 2030.

The signed amended award agreement was required to be submitted to HUD by June 11, 2025. The timeline did not provide adequate notice to present the additional funds to City Council for acceptance and appropriation before the executed grant agreement's required submission.

Planning and Community Development Department staff discussed this with the City Attorney's Office and Finance and Procurement. It was agreed that the increase in award funds would be presented to City Council for ratification after the June 11, 2025 submission deadline.

On March 25, 2025, after a competitive application process and in accordance with the HOME-ARP Allocation Plan, City Council awarded program funds to three organizations. HOME-ARP funds are required to benefit individuals or families who are homeless, at-risk of homelessness, fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking, other populations where providing supportive services or assistance would prevent the family's homelessness or serve those with the greatest risk of housing instability, and veterans and families that include a veteran family member that meet one of the preceding criteria.

Due to the amount of the amendment (0.15 percent of the original award), a Substantial Amendment to the City's Annual Action Plan and City Council action on the subrecipient agreements are not required. The subrecipient awards with this amendment are:

Agency	Activity	Original Amount	Increase	Revised Amount
Corpus Christi Housing Authority	Tenant Based Rental Assistance and Administration	\$1,369,740	\$6,329	\$1,376,069
	Supportive Services, Operating, and Capacity Building	\$1,210,696	\$0	\$1,210,696
Coastal Bend Center for Independent Living	Supportive Services, Operating, and Capacity Building	\$1,210,696	\$0	\$1,210,696
City of Corpus Christi	Administration	\$422,805	\$0	\$422,805

The City Manager, or designee, may reject or terminate this grant. Furthermore, the City Manager, or designee, is authorized to execute contract amendments pertaining to these grant funds in the following instances: a) for the carry-over of funds, when ascertained and approved by the funding agency through a revised notice of award; b) a no-cost extension; c) when an amendment will provide supplemental grant funds in an amount not to exceed 20% of the original grant amount; d) for reimbursement increases of administration funds for each participant served; e) to comply with applicable Federal, State, or laws and regulations; and f) for matters which do not change the essential purpose of the grant.

ALTERNATIVES:

City Council can choose not accept and appropriate the funds.

FISCAL IMPACT:

The City will act as a pass-through and administrator of the HOME-ARP funds from HUD. Funds are on a reimbursement basis.

FUNDING DETAIL:

Fund: 9045

Organization/Activity: TBD

Department: 24

Project # (CIP Only): N/A

Account: 530000

RECOMMENDATION:

Staff recommend ratifying the acceptance and appropriating the increase in grant funds.

LIST OF SUPPORTING DOCUMENTS:

Ordinance Memo to City Manager with Grant Agreement