



AGENDA MEMORANDUM

Action Item for the City Council Meeting of May 24, 2022

DATE: May 24, 2022

TO: Peter Zaroni, City Manager

FROM: Tracey K. Cantu, Interim Director Neighborhood Services Department
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Motion Authorizing an Agreement with Corpus Christi Hope House for an Amount Not to Exceed \$599,000 from the Emergency Solutions Grant – CARES Act funds allocated from the U.S. Department of Housing and Urban Development

CAPTION:

Motion authorizing an agreement with Corpus Christi Hope House for facility improvements in an amount not to exceed \$599,000 from the Emergency Solutions Grant – CARES Act funds.

SUMMARY:

Motion authorizing an agreement with Corpus Christi Hope House, a local homeless services and shelter provider, for facility improvements in an amount not to exceed \$599,000. The funds are from the Emergency Solutions Grant – CARES Act (ESG-CV) allocation from the U.S. Department of Housing and Urban Development (HUD).

BACKGROUND AND FINDINGS:

On March 27, 2020, President Donald Trump signed into law the Coronavirus Aid, Relief and Economic Security Act (CARES Act). HUD has allocated funding to the City of Corpus Christi's Community Development Block Grant and the Emergency Solutions Grant Program. On March 2, 2021, City Council amended the City of Corpus Christi's HUD FY 2019-2020 Consolidated Annual Action Plan to receive \$1,864,176.00 ESG-CV funds from HUD. These funds were approved for activities related to housing opportunities construction to prevent and prepare for a response to coronavirus among individuals who are homeless and at high-risk from COVID-19.

Through an application process, the City's Neighborhood Services Department identified Corpus Christi Hope House as a sub-recipient. Corpus Christi Hope House provides 24/7 emergency shelter, transitional housing, support, food, clothing, baby items, counseling, education, medical and other assistance to families, pregnant and single mothers, their dependent children, and newborn babies who seek an escape from homelessness, addiction, domestic violence, poverty, or a crisis pregnancy situation. The agency provides homeless prevention services, life skills, parenting classes, and COVID-19 assistance to all members of our community. In 2021, Corpus Christi Hope House served 12,060 clients. The nonprofit is an annual sub-recipient of the City's ESG entitlement allocation and successfully implemented a previous ESG-CV award for rental

and utility assistance.

The subrecipient award will allow Corpus Christi Hope House to make improvements to their facilities, to include:

- HEPA Air Filter COVID machines (\$5,000)
- Facility sanitization equipment (\$16,000)
- Emergency generators (\$180,000)
- Roofing for three shelter buildings (\$100,000)
- HVAC units and electrical upgrades (\$220,000)
- Refrigerators/freezers (\$25,000)
- High-capacity dryers (\$10,000)
- High-capacity washers (\$10,000)
- Stoves (\$7,000)
- Personal protective equipment (\$4,000)
- Upgrades to the food pantry and food preparation areas (\$22,000)

Facility improvements and equipment will help to prevent, prepare for, and respond to COVID-19 by improving air quality and ventilation and decreasing the number of times residents are in communal living spaces.

The City has been exploring the potential for a new 24-hour low-barrier shelter. While that project or something similar continues to be under consideration, alternative projects must be considered. This is due to the ESG-CV expenditure deadlines and HUD guidance on preventing, preparing for, and responding to coronavirus. As such, an application for funding process was opened on March 6, 2022 and closed on April 6, 2022. The funding opportunity was posted in the Caller Times and on the Neighborhood Services Department website. Staff shared the opportunity with local nonprofits in network meetings as well. Applications were received from The Salvation Army and Corpus Christi Hope House. Neighborhood Services Department reviewed the applications for compliance with ESG-CV rules and regulations, tie-back to the mandate to prevent, prepare for and respond to coronavirus and the expenditure rates of the two organizations for their other ESG and ESG-CV awards. Corpus Christi Hope House has expended 100 percent of their previous ESG-CV award, their proposal contained items that were non-congregate in nature and had the greatest likelihood of approval by HUD.

After this award of \$599,000, there will \$1,078,759 of ESG-CV funding available. The remaining funding will be awarded to The Salvation Army and Corpus Christi Hope House. Staff is working with both groups to refine their project lists and identify items that can receive HUD approval. The remaining funding is estimated to be taken to City Council for consideration in August 2022.

ALTERNATIVES:

The alternative is not to provide the funding to Corpus Christi Hope House, choose another sub-recipient, or allow HUD to reclaim a portion of the ESG-CV allocation.

FISCAL IMPACT:

City Council accepted and appropriated the funds with Ordinance 032371. Funds are on a reimbursement basis.

Funding Detail:

Fund: 1059 CDBG
Organization/Activity: 619004F
Mission Element: 132
Project # (CIP Only): N/A
Account: 530000

RECOMMENDATION:

City staff recommends approval of the sub-recipient agreement with Corpus Christi Hope House, as presented.

LIST OF SUPPORTING DOCUMENTS:

Corpus Christi Hope House ESG-CV Budget