



AGENDA MEMORANDUM

Public Hearing/1st Reading for the City Council Meeting of March 21, 2023
Public Hearing/2nd Reading for the City Council Meeting of March 28, 2023

DATE: March 3, 2023

TO: Peter Zaroni, City Manager

THRU: Constance Sanchez, Chief Financial Officer
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Public Hearing and Ordinance for the Acceptance of the HOME-ARP Allocation Plan to the U.S. Department of Housing and Urban Development for Implementation of the HOME Investment Partnerships Program – American Rescue Plan to Serve Persons who are Homeless, At-risk of Homelessness, and other Special Populations

CAPTION:

Ordinance authorizing and approving a Substantial Amendment to the Corpus Christi FY2022/PY2021 Consolidated Annual Action Plan for the U.S. Department of Housing and Urban Development and approval of the Corpus Christi HOME-ARPA Allocation Plan.

SUMMARY:

The U.S. Department of Housing and Urban Development (HUD) has awarded the City of Corpus Christi \$4,213,937.00 of HOME Investment Partnerships Program (HOME) funds from the American Rescue Plan Act of 2021 (ARP). The use of funds requires a HUD-approved HOME-ARP Allocation Plan. The plan details how the City will administer \$4,213,937 in HOME-ARP funds.

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 HOME-ARP allocation is \$4,213,937.00. This is one-time funding and is in addition to the annual entitlement allocation the City receives from HUD. The HOME-ARP funds expenditure deadline is September 2030. The City has received the award notice from HUD, but HOME-ARP funds will be disbursed to the City on a reimbursement basis. HUD will release up to five percent of the total allocation, on a reimbursement basis, for planning and needs assessment activities.

On March 22, 2022, the City authorized acceptance and appropriation of \$4,213,937.00 from the U.S. Department of Housing and Urban Development for implementation of the HOME Investment Partnership Program – American Rescue Plan; and amending the operating budget for FY 2021-2022 to increase expenditures from the HOME Grants Fund.

The City is required to submit a HOME-ARP Allocation Plan to HUD for program implementation before the full allocation can be accessed. City Council's approval of the HOME-ARP Allocation Plan as a substantial amendment to the HUD FY 2021 Consolidated Annual Action Plan will be necessary. The requirements for the HOME-ARP Allocation Plan were extensive and heavily focused on consultations with service providers and public participation. Also, the plan is required to have a needs assessment and gaps analysis. The plan identifies how funds will be allocated to projects based on the priorities identified through the planning process.

HOME-ARP funds are required 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, and 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 meets one of the preceding criteria.

HOME-ARP funds can be used for four eligible activities including the production or preservation of affordable housing, tenant-based rental assistance (TBRA), supportive services, and the purchase or development of non-congregate shelters for individuals and families experiencing homelessness.

Throughout the consultations, the need for supportive services and TBRA were identified as priority needs. The City will fund these activities to meet those needs. The City will use a formal application process for soliciting applications for funding. Funding will be allocated through a competitive process open to all nonprofit organizations serving qualifying populations.

ALTERNATIVES:

City Council can choose to not accept the HOME ARP Allocation plan. Denying the plan will default the \$4,213,937 HOME ARP allocation.

FISCAL IMPACT:

The City will receive \$4,213,937.00 in federal funds to implement the HOME-ARP program.

Funding Detail

Fund 9045 HOME Grants
Organization/Activity: 480022F HOME ARP
Mission Element: 132 Revitalize and Stabilize Neighborhoods
Project # (CIP Only): N/A
Account: Various

RECOMMENDATION:

Staff recommends accepting the HOME-ARP Allocation Plan to solicit applications for funding for the priority needs activities identified in the plan.

LIST OF SUPPORTING DOCUMENTS:

Ordinance
Presentation