



## AGENDA MEMORANDUM

First Reading for the City Council Meeting of December 7, 2021  
Second Reading for the City Council Meeting of December 14, 2021

**DATE:** November 1, 2021

**TO:** Peter Zaroni, City Manager

**THRU:** Andrea Gardner, Assistant City Manager  
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Ordinance to accept and appropriate \$200,000 from the Texas Department of Housing and Community Affairs CARES Act Funding for a Texas Emergency Mortgage Assistance Program

### **CAPTION:**

Ordinance accepting and appropriating \$200,000 from the Texas Department of Housing and Community Affairs' ("TDHCA") allocation of Coronavirus Aid, Relief and Economic Security Act ("CARES" Act) from the U.S. Department Of Housing and Urban Development's ("HUD") Community Development Block Grant-Coronavirus ("CDBG-CV") funding for a Texas Emergency Mortgage Assistance Program; authorizing the City Manager or designee to execute all documents necessary to accept, appropriate and disburse the funds and to execute all agreements, amendments and all other documents necessary to implement the program.

### **SUMMARY:**

This is an ordinance authorizing the City Manager to accept and appropriate \$200,000 of CDBG-CV from TDHCA. Funding from this grant will be for a Texas Emergency Mortgage Assistance Program. The ordinance also authorizes the City Manager, or designee, to execute all documents necessary to accept, appropriate, and disburse the funds and to execute all agreements, amendments, and all other documents necessary to implement the CDBG-CV funding from TDHCA.

### **BACKGROUND AND FINDINGS:**

On March 27, 2020, President Donald Trump signed into law the Coronavirus Aid, Relief and Economic Security Act (CARES Act). As part of the Community Development Block Grant funds were allocated to States and Cities to address the impact of COVID-19 in communities. The Texas Department of Housing and Community Affairs (TDHCA) has allocated \$200,000 of this funding to the City of Corpus Christi for the Texas Emergency Mortgage Assistance Program. The contract

period to expend these funds expires June 14, 2022. Of the \$200,000, \$174,000 is available to households and \$26,000 is available for administrative cost. The program is estimated to assist 15 households. The availability of the funds will be communicated to area nonprofits, disseminated via 211, announced in a news release and promoted on social media.

To be eligible for funding, homeowners must have been economically impacted by COVID-19, have income at or below 80 percent of the area median, and have mortgages that are in arrears or have payments due as forbearance ends. Assistance can be provided for principle, interest, taxes, insurance and late fees. Association fees aren't eligible.

Payments will be made to the lenders. Lenders must be a bank, trust company, savings bank, mortgage company, credit union, national banking association, savings and loan association, life insurance company, or another financial corporation regulated by a federal banking agency and registered with the National Multi-State Financial Licensing System. Loans from payday lenders or other short-term (less than one year) financing, loans funded from federal, state, or local funds, Loans not in first or second lien position, and loans with a non-eligible lender or debarred or suspended lender and not eligible.

**ALTERNATIVES:**

The alternative is to not accept the funds which will limit the assistance and resources available for residents in need due to COVID-19.

**FISCAL IMPACT:**

The City will receive and allocate an additional \$200,000 in federal grant funds through TDHCA.

**Funding Detail:**

Fund: 1089  
Organization/Activity: 890103F  
Mission Element: 132  
Project # **(CIP Only)**: N/A  
Account: 530000

**RECOMMENDATION:**

Staff recommends the acceptance and appropriation of the TDHCA CDBG-CV funds for TEMAP.

**LIST OF SUPPORTING DOCUMENTS:**

Ordinance  
COF  
PowerPoint