



## **AGENDA MEMORANDUM**

Public Hearing/1<sup>st</sup> Reading for the City Council Meeting of March 8, 2022  
Public Hearing/2<sup>nd</sup> Reading for the City Council Meeting of March 22, 2022

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**DATE:** February 23, 2022

**TO:** Peter Zaroni, City Manager

**THRU:** Andrea Gardner, Assistant City Manager  
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**Public Hearing and Ordinance for the Acceptance and Appropriation of \$4,213,937 from 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 acceptance and appropriation \$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.

### **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. To access a portion of the administrative funds for development of the allocation plan, public notice, public hearings, and acceptance and appropriation of the funds are required.

### **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.

The City is required to submit a HOME-ARP Allocation Plan to HUD for program implementation before the full allocation can be accessed. The requirements for the HOME-ARP Allocation Plan are extensive and heavily focus on consultations with service providers and public participation. Also, the plan is required to have a needs assessment and gaps analysis. The plan will identify how funds will be allocated to projects based on the priorities identified through the planning process. 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.

With the regular annual entitlement, approval by City Council of the Consolidated Annual Action Plan with project awards to entities and acceptance of the funds happens at one time coinciding with the due date of the Consolidated Annual Action Plan in the fall. With these one-time funds, the process is different. HUD continues to roll out guidance regarding the planning process and use of funds and the approval of funds, planning, and award of funds will happen separately and at different times.

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.

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

Neighborhood Services, with guidance from HUD, is designing a consultation and public participation plan that will meet the requirements. Public participation, at a minimum, will include multiple input sessions, online surveys, public hearings, and acceptance of written comments.

#### **ALTERNATIVES:**

City Council can choose to not accept the funding, delay accepting the funding or postpone accepting the funding.

#### **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 and appropriating the funds so that planning activities can begin.

#### **LIST OF SUPPORTING DOCUMENTS:**

Ordinance  
Presentation