



AGENDA MEMORANDUM

First Reading for City Council Meeting of October 27, 2020
Second Reading for the City Council Meeting of November 10, 2020

DATE: 10/16/2020
TO: Peter Zaroni, City Manager
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Substantial Amendment to the FY2019-2020 Consolidated Annual Action Plan

CAPTION:

Ordinance amending the City's Consolidated Annual Action Plan (CAAP) of entitlement funding from HUD for FY 2019-2020; accepting and appropriating \$2,275,155.00 from the United States Department of Housing and Urban Development (HUD) for the Community Development Block Grant (CDBG-CV) and \$1,864,176.00 for the Emergency Solutions Grant (ESG-CV) funding in FY2019-2020; authorizing the execution of all documents necessary to accept, appropriate, and disburse the funds; to execute all agreements, amendments and all other documents necessary to implement the additional CDBG-CV and ESG-CV funding from HUD with organizations for approved projects.

SUMMARY:

This item is amending the FY2019-2020 Annual Action Plan as required by HUD. This amendment is allowing the accepting and appropriating of the final allocation related to CARES Act funding from HUD. This amendment will also identify projects which will allow the City to continue preventing, preparing for, and responding to COVID-19.

BACKGROUND AND FINDINGS:

In accordance with HUD and the City of Corpus Christi's (City) 5-year Consolidated Annual Action Plan (CAAP), "Substantial Amendments" are required to amend the CAAP which in turn triggers a comment period (24 CFR 91.105). A "Substantial Change" is defined as: Any addition of the established priorities of activities as described in the Consolidated Action Plan and/or Annual Action Plan.

This is an amendment to the FY2019-2020 Consolidated Annual Action Plan which was adopted by City Council by ordinance on July 23, 2019. The amendment will include the City of Corpus Christi's Housing and Community Development Department to receive and administer \$2,275,155 in Community Development Block Grant (CDBG) and \$1,864,176 in Emergency Solutions Grant (ESG) funding from the U.S. Department of Housing and Urban Development (HUD) made available through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). HUD has allowed for a 5-day public comment period. The comment period will begin on Monday, October 19 and end on Friday, October 23.

On March 27, 2020, President Donald Trump signed into law the Coronavirus Aid, Relief and Economic Security Act (CARES Act). The U.S. Department of Housing and Urban Development (HUD) has allocated funding to the City of Corpus Christi's Community Development Block Grant and the Emergency Solutions Grant Program.

City staff is recommending \$3.6 million (\$1.9 million in CDBG and \$1.7 million in ESG funds) to be allocated for the construction and operation of a low-barrier homeless drop-in shelter. The City will partner with a service provider to own and operate the drop-in shelter. Traditional shelters typically require identification and sobriety to enter and a low-barrier shelter does not require either. The proposed shelter would be an open outdoor space with shade and bathroom facilities. The shelter will promote good hygiene and be available to those who do not qualify for traditional shelters.

In addition, \$72,000 for a Food Bank inventory system and equipment; \$200,000 for Rising Tide Ministries which will assist with homeless activities in Flour Bluff. Activities include assisting clients in job search, job coaching, resume building, and additional activities which will assist homeless individuals in entering the workforce. The funding has been determined to be needs and gaps in the community during the COVID-19 pandemic. Administrative costs have also been identified from each grant for City staff support, the performance of a research study on the effect of COVID-19 in the homeless community, and staff support for the non-profits assisting with program administration.

ALTERNATIVES:

Accepting and allocating these funds will allow the City to address community issues as they relate to COVID-19 programs and activities for individuals and families in need. Not accepting these funds will result in a lack of gap services, programs, and needs for the community in relation to COVID-19.

FISCAL IMPACT:

The City will receive and allocate an additional \$4,139,331 in federal grant funds and allow for the response to COVID-19.

Funding Detail:

Fund: 1059

Organization/Activity: N/A

Mission Element: 132

Project # **(CIP Only)**:

Account: 530000

RECOMMENDATION:

Staff recommends the approval of the project recommendations for CDBG and ESG.

LIST OF SUPPORTING DOCUMENTS:

Ordinance

CDBG Projects Attachment

ESG Projects Attachment