



AGENDA MEMORANDUM

Action Item for City Council Meeting February 9, 2021

DATE: February 9, 2021
TO: Peter Zaroni, City Manager
FROM: Rudy Bentancourt, Director of Grant Monitoring Department
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361-826-3021

One Reading Ordinance to accept and appropriate Texas Department of Housing and Community Affairs CARES Act Funding for a Texas Emergency Rental Assistance Program and a Texas Eviction Diversion Program.

CAPTION:

A one reading ordinance accepting and appropriating \$853,268.65 from the Texas Department of Housing and Community Affairs ("TDHCA") Coronavirus Aid, Relief and Economic Security Act ("CARES" Act) for Community Development Block Grant-Coronavirus ("CDBG-CV") funding for a Texas Emergency Rental Assistance Program and a Texas Eviction Diversion 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 additional CDBG-CV funding from TDHCA with organizations for approved projects.

SUMMARY:

This is an ordinance authorizing the City Manager to accept and appropriate a Community Development Block Grant-CARES Act of \$853,268.65 from the Texas Department of Housing and Community Affairs. Funding from this grant will be for a Texas Emergency Rental Assistance Program and a Texas Eviction Diversion 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). The Texas Department of Housing and Community Affairs (TDHCA) has allocated \$853,268.65 of this funding for the Texas Emergency Rental Assistance Program, of which a minimum of 10% of the allocation must be used for a Texas Eviction Diversion Program.

In November 2020, TDHCA informed the City of Corpus Christi of an allocated amount of \$853,268.65. The contract period to expend these funds expires January 15, 2022. Eligible expenses under the programs include: Emergency Income Payments (rental and arrears), Emergency Rental Assistance (tenant/landlord assistance), and eviction diversion (must be referred by Justices of the Peace after the filing of an eviction).

Assistance must not exceed six consecutive months. Once received, these funds will be administered by a non-profit or other third-party that the City will identify and partner with. Staff will present a proposed agreement to Council for consideration once details are finalized.

ALTERNATIVES:

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

FISCAL IMPACT:

The City will receive and allocate an additional \$853,268.65 in federal grant funds.

Funding Detail:

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

RECOMMENDATION:

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

LIST OF SUPPORTING DOCUMENTS:

Ordinance