

Memorandum



CITY OF DALLAS

DATE February 9, 2021

TO Honorable Members of the Ad Hoc Committee on COVID-19 Recovery and Assistance

SUBJECT **Update on Rental Assistance Programming Dollars**

This memo is to provide an update on several rental and mortgage assistance programs, as well as upcoming City Council agenda items related to these projects.

EMERGENCY SOLUTIONS GRANT – HOMELESSNESS PREVENTION (CARES Act)

On February 24, 2021 City Council will consider the following agenda item:

#21-265 - Authorize four subrecipient agreements for Homelessness Prevention Short Term Rent and Utility Assistance services with **(1)** Abounding Prosperity, Inc. in the amount of \$241,000.00; **(2)** Dallas Leadership Foundation in the amount of \$225,000.00; **(3)** Harmony Community Development Corporation in the amount of \$362,000.00; and **(4)** First Presbyterian Church of Dallas, Texas dba The Stewpot in the amount of \$172,000.00, for the period March 1, 2021 through July 31, 2022 - Total not to exceed \$1,000,000.00 - Financing: 2020 CARES Act Relief ESG #2 Fund

This item authorizes four subrecipient agreements with providers to administer Homelessness Prevention Short Term Rent and Utility Assistance programming funded through the Emergency Solutions Grant (“ESG”), Round 2 allocation, authorized under the Coronavirus Aid, Relief and Economic Security (“CARES”) Act.

The CARES ESG funds provide rental and utility assistance to eligible clients who meet the below criteria. An Eligible Participant must:

- Be at or below 50% of Area Median Income and affected by COVID-19 (per CARES Act)
- Reside in the City of Dallas legally at the time of application
- Be housed and at risk of homelessness
- Not have sufficient resources or support networks immediately available to prevent them from moving to an emergency shelter or other place not meant for human habitation.

Subrecipients were identified via a Request for Proposals (“RFP”) process to solicit subrecipients to administer the program. As part of the selection process and in an effort to increase the number of applications, the Office of Community Care worked with the Office of Procurement Services to send out 1,239 email invitations to vendors, including nonprofits, registered under respective commodities using the OPS procurement system.

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A total of 7 submissions were received.

In order to maximize service delivery and program efficiency, the City is awarding funds to the four highest scoring proposals.

Organization	Rank (Scoring Average)	Request Amount	Award Amount	Percentage of Request
First Presbyterian Church of Dallas, Texas dba The Stewpot	1 (88.75)	\$357,386.00	\$172,000.00	48%
Harmony Community Development Corporation	2 (87.50)	\$750,000.00	\$362,000.00	48%
Abounding Prosperity, Inc.	3 (81.50)	\$535,100.00	\$241,000.00	45%
Dallas Leadership Foundation	4 (81.00)	\$500,000.00	\$225,000.00	45%

**CV-COVID-19 COMMUNITY DEVELOPMENT BLOCK GRANT EMERGENCY
ASSISTANCE PROGRAM (CARES ACT)**

On February 24, 2021 City Council will consider the following agenda item:

#21-131: Authorize (1) the CV-COVID-19 Emergency Assistance Program to provide up to six months of rent, mortgage, and/or utility assistance, including internet service, for low-income persons at or below 80 percent of Area Median Income ("AMI") who are impacted by the Novel Coronavirus ("COVID-19") pandemic; and (2) execution of all documents and agreements necessary to implement the programs, including but not limited to agreements with landlords and tenants, approved as to form by the City Attorney - Financing: No cost consideration to the City

On November 11, 2020, City Council authorized final adoption of Substantial Amendment No. 1 to the FY 2020-21 Annual Action Plan to accept Coronavirus Aid, Relief, and Economic Security ("CARES") Act CDBG funds, No. 3 from the HUD, which included funding for an Emergency Assistance Program to provide rent, mortgage, and utility assistance, as well as funds for non-profit administration for subrecipients to administer this assistance in the community.

Further, on January 27, 2021, City Council authorized preliminary adoption of Reprogramming Budget No. 1 (Substantial Amendment No. 2) to the FY 2020-21 Annual Action Plan to use a portion of unspent prior year CDBG funds for the Emergency Assistance Program. Final adoption is scheduled for February 24, 2021.

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This item authorizes the use of these funds for the Program, as described in Attachment A, to provide up to six (6) months of rent, mortgage, and/or utility assistance, including internet service, for low-income persons at or below 80 percent of AMI who are impacted by the COVID-19 pandemic.

The Program residents of the City of Dallas who are low income to maintain their housing by providing rental assistance, mortgage assistance, and/or utility (including internet) assistance for up to 6 consecutive months. Similar to previous rental assistance programming implemented under CDBG, this Program will establish a cap of \$1,500.00 per month per unit. OCC will solicit subrecipients to administer the program via a competitive solicitation process by partnering with the OPS.

EMERGENCY RENTAL ASSISTANCE (ERA) PROGRAM

The ERA program will provide up to 12 months of rental and utility assistance to low-income clients, defined at 80% Area Median Income (AMI) and below, who have been directly and indirectly impacted by COVID-19, and will prioritize clients who are at 50% AMI or below. OCC is in conversations with Dallas Housing Authority to discuss opportunities to partner for ERA program implementation. Additionally, OCC is working along with the Fair Housing Division of the Office of Equity and Inclusion to implement a landlord training on rental assistance programs to improve partnerships and referrals by local landlords and support rental assistance applications by landlords on behalf of clients, as allowable by the ERA Program. OCC will continue to provide updates on ERA implementation at future Ad-Hoc Committee on COVID-19 Recovery and Assistance meetings.

Thank you for your support in ensuring service delivery continues at this time of great need. If you have any questions regarding any of the above programs, please contact me or Office of Community Care Director, Jessica Galleshaw.



Kimberly Bizor Tolbert
Chief of Staff to the City Manager

c:	T.C. Broadnax, City Manager	Jon Fortune, Assistant City Manager
	Chris Caso, City Attorney	Joey Zapata, Assistant City Manager
	Mark Swann, City Auditor	Dr. Eric A. Johnson, Chief of Economic Development and Neighborhood Services
	Billerae Johnson, City Secretary	M. Elizabeth Reich, Chief Financial Officer
	Preston Robinson, Administrative Judge	M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion
	Majed A. Al-Ghafry, Assistant City Manager	Directors and Assistant Directors

Attachment A

Community Development Block Grant (“CDBG”) CV-COVID-19 Emergency Assistance Program

Program Statement

Description – CV-COVID-19 Emergency Assistance Program

The program targets residents of the City of Dallas who are low income to maintain their housing by providing rental assistance, mortgage assistance, and/or utility (including internet) assistance

This program may also utilize non-profit agencies to serve as subrecipients for program administration throughout the Dallas community to reach and serve more eligible participants.

Eligible Participants

Residents of the City of Dallas:

- 1) Who are low-income at or below 80% of Area Median Income (AMI), as defined by the United States Department of Housing and Urban Development (HUD),
- 2) And who have been impacted by the COVID-19 pandemic.

Rental assistance provided to an eligible household should not be duplicative of any other federally funded rental assistance provided to such household for the same time period.

Participants must complete an application for assistance, including household composition, and provide proof of income per the above eligibility requirements. Copy of current lease, mortgage statement, utility bill, or other allowable proof of residency must be provided. Participants must reside in the City of Dallas.

COVID-19 impact may include the below. Client must describe economic impact of COVID-19:

- Proof of job/income loss, temporary or permanent
- Reduction in work hours/income
- Increased healthcare or household expenses that attributed to insufficiency of rent payments (i.e. increased child-care expenses due to school closures)
- Unable to find, or maintain, gainful employment due to COVID-19 pandemic
Inability to find employment due to COVID-19 health restrictions or economic impacts
- Other evidence of adverse impact or financial hardship due to COVID-19 pandemic, with approval from City of Dallas

Ineligible Participants:

- Public Housing/Housing Choice Voucher/Project Based Voucher Program Participants
- Tenants who are occupying units owned by an immediate family member

Eligible Uses

Assistance must be used for eligible housing expenses such as:

- Rent payments, rental arrears, and/or rent late fees;
- Mortgage payments, mortgage arrears, and/or mortgage late fees
- Utilities assistance (e.g., electricity, water/sewer/trash, gas, and home internet access), including utility payments, utility arrears, utilities carryover balances, utility late fees, utilities reconnection fees, and/or fees necessary to regain or maintain utilities services

Emergency Assistance Program funds may be used to pay costs for staff providing direct service delivery and assistance for eligible participants.

Up to 10% of the funds may be used for program administration (paid from Non-Profit Administration).

Eligible Properties

Residential properties, publicly or privately-owned, located within Dallas City limits.

Assistance

Provides funding in an amount up to \$1,500 per month per unit for up to six (6) total consecutive (if required by HUD) months of assistance to be used towards arrears amount or future delinquency (qualifying arrears must not have occurred prior to March 2020).

Funding

This program will utilize Community Development Block Grant (CDBG) funds and CDBG CARES Act Relief funds.

This program statement may be amended by the City Manager or designee to include amendments as appropriate to meet funding requirements or guidance from HUD.

When necessary, the City Manager or designee is authorized to execute change orders or amendments to the subrecipient agreements, in excess of 25% and/or \$50,000.00 (subject to compliance with the applicable procurement laws), to commit and expend funds timely to meet federal and/or state requirements.