



Legislation Text

File #: 21-1943, **Version:** 1

STRATEGIC PRIORITY: Human and Social Needs
AGENDA DATE: October 27, 2021
COUNCIL DISTRICT(S): N/A
DEPARTMENT: Office of Homeless Solutions
EXECUTIVE: Kimberly Bizer Tolbert

SUBJECT

Authorize **(1)** preliminary adoption of Substantial Amendment No. 2 to the FY 2021-22 Action Plan to accept HOME Investment Partnerships Program ("HOME") American Rescue Plan Act ("ARPA") Grant Funds from the U.S. Department of Housing and Urban Development ("HUD") for the Homelessness Assistance and Supportive Services ("HASS") Program in the amount of \$21,376,123.00; and **(2)** a public hearing to be held on December 8, 2021 to receive comments on the proposed use of funds - Financing: No cost consideration to the City

BACKGROUND

Following enactment of the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") in March 2020 and the Coronavirus Response and Relief Supplemental Appropriations Act ("CRRSA") in December 2020, President Biden signed into law the American Rescue Plan Act of 2021 ("ARPA") on March 11, 2021. ARPA included \$1.9 trillion to provide additional federal resources for economic stimulus and recovery from the COVID-19 pandemic. City Council was briefed on ARPA funds on April 21, 2021, June 16, 2021, and August 18, 2021.

Included in ARPA is \$5 billion in supplemental allocations under HUD's HOME Program for a new Homelessness Assistance and Supportive Services ("HASS") Program allocated to communities using the HOME formula. On April 8, 2021, HUD announced the HOME-ARPA supplemental allocation to the City of Dallas in the amount of \$21,376,123.00. On September 13, 2021, HUD issued an implementing notice outlining the requirements for the use of funds in the HOME-ARPA Program and authorizing participating jurisdictions to begin the process of applying for and accepting HOME-ARPA Grant Funds.

The HOME-ARPA HASS Program provides funding for activities to benefit individuals or families who are:

- Homeless;
- At risk of homelessness;

- Fleeing domestic violence, dating violence, sexual assault, stalking, or human trafficking;
- In populations where providing supportive services or assistance would prevent homelessness or would serve those with the greatest risk of housing instability; or
- Veterans and families that include a veteran family member who falls within one of these groups.

Eligible activities under the HOME-ARPA HASS Program include:

- Tenant based rental assistance;
- Development and support of affordable rental housing;
- Supportive services (including supportive services allowed under HUD's Continuum of Care Program, housing counseling, and homeless prevention services);
- Acquisition and development of non-congregate shelter units, all or a portion of which may be converted to permanent affordable housing, be used as emergency shelter, be converted to permanent housing, or remain as non-congregate shelter units;
- Administration and planning (up to fifteen percent (15%)); and
- Payment of operating expenses of community housing development organizations (CHDOs) or other nonprofit organizations carrying out HOME-ARPA activities (up to five percent (5%)) and capacity building for those organizations carrying out HOME-ARPA activities (up to five percent (5%)).

Although HOME-ARPA Grant Funds are allocated under the HOME Program, several of the HOME requirements do not apply to HOME-ARPA Grant Funds, including the HOME per-unit cost limits, commitment requirements, matching requirements, and set-aside for CHDOs.

HOME funds are typically administered through the Department of Housing and Neighborhood Revitalization; however, because the HOME-ARPA Grant Funds serves homeless and at-risk populations, the Office of Homeless Solutions ("OHS") will take the lead on the management and administration of activities funded with HOME-ARPA funds.

Federal regulations require that a public hearing be held on any substantial amendment to the City's Action Plan. Acceptance of HOME-ARPA Grant Funds for the HASS Program will constitute a substantial amendment to the City's Action Plan. The HUD HOME-ARPA implementing notice requires that participating jurisdictions provide residents with reasonable notice and an opportunity to comment on the proposed use of HOME-ARPA Grant Funds for no less than 15 calendar days and a public hearing.

Following preliminary adoption, these budgets will be made available for public review and comment on or about October 28, 2021 through December 7, 2021. A summary of the Substantial Amendment No. 2 to the FY 2021-22 Action Plan for the HOME-ARPA Grant Funds will be published in the Dallas Morning News on or about November 10, 2021 to provide citizens an opportunity to submit written comments through December 7, 2021. A public hearing will be conducted on December 8, 2021, followed by final adoption.

This action authorize preliminary adoption of Substantial Amendment No. 2 to the FY 2021-22 Action Plan for the HOME-ARPA Grant Funds from HUD for the HASS Program in the amount of \$21,376,123.00 and a public hearing to be held on December 8, 2021 to receive comments on the proposed use of funds.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

City Council was briefed on the City Manager's Proposed FY 2021-22 HUD Consolidated Plan Budget on April 21, 2021.

City Council was briefed on the American Rescue Plan Act of 2021, including HOME-ARPA funds on April 21, 2021.

On April 28, 2021, City Council authorized preliminary adoption of the FY 2021-22 Consolidated Plan Budget and a public hearing to receive comments on the proposed use of funds by Resolution No. 21-0674.

On May 26, 2021, City Council conducted a public hearing on the Proposed FY 2021-22 HUD Consolidated Plan Budget for HUD Grant Funds.

On June 9, 2021, City Council authorized final adoption of the FY 2021-22 Consolidated Plan Budget by Resolution No. 21-0974.

City Council was briefed on the "FY 2021-22 & FY 2022-23 Biennial Budget Discussion, including American Rescue Plan Act and HOME-ARPA funds" on June 16, 2021.

City Council was briefed on the "Allocation of Funds from the American Rescue Plan Act, including HOME-ARPA funds" on August 18, 2021.

On October 13, 2021, City Council authorized preliminary adoption of Substantial Amendment No. 1 to the FY 2021-22 Action Plan to reallocate regular HOME Investment Partnerships Program Grant Funds by Resolution No. 21-1654.

City Council was briefed by memorandum regarding this matter on October 22, 2021.

The Citizen Homelessness Commission will be briefed regarding this matter on November 11, 2021.

FISCAL INFORMATION

No cost consideration to the City.