

Replacement for Item number 17



A resolution to receive and appropriate a CARES Act Funding Allocation from the U.S. Department of Housing and Urban Development in the amount of SIX MILLION, FOUR HUNDRED NINETY-FIVE THOUSAND, THREE HUNDRED SEVENTY-SIX DOLLARS (\$6,495,376.00) to the FY2021 Housing and Community Development's federal budget.

WHEREAS, the US Department of Housing and Urban Development through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) has made available Community Development Block Grant Coronavirus (CDBG-CV), Emergency Solutions Grant Coronavirus (ESG-CV), and Housing Opportunities for Persons With AIDS Coronavirus (HOPWA-CV) to states and local governments to meet the urgent and complex challenges caused by the COVID-19 outbreak; and

WHEREAS, The CARES Act requires that the payments from the Coronavirus Relief Fund only be used to cover expenses that prevent, prepare for, and respond to the coronavirus (COVID-19); and

WHEREAS, the City of Memphis has received federal CARES Act funding in the amount of \$6,495,376.00 and has prepared a plan for proposed resource allocation; and

WHEREAS, guidance from the U.S. Department of Housing and Urban Development (HUD) states that local government is authorized to use the funds for eligible CDBG-CV, ESG-CV, and HOPWA-CV activities that assist in the prevention of, preparation for, and response to COVID-19; and

WHEREAS, the funds require that a substantial amendment to the City of Memphis Annual Action Plan be prepared and submitted to HUD for approval; and

WHEREAS, the Consolidated Plan FY 2021 substantial amendment to the Annual Action Plan was developed within a framework of a citizen participation plan, requiring consultation with citizens and other social service and housing agencies; and

WHEREAS, the Division of Housing and Community Development has consulted with local partners to identify housing and community development needs associated with COVID-19 and has established priorities for the funds; and

WHEREAS, these priorities have been shared with community partners and the public in an effort to achieve consensus on the use of funds; and

WHEREAS, the substantial amendment to the Annual Action Plan was available for a 5-day public review and comment period beginning September 11, 2020, and ending September 16, 2020 and a public hearing was held on September 14, 2020, and no comments were received; and

WHEREAS, the CDBG-CV, ESG-CV, and HOPWA-CV grants must be appropriated in the FY 2021 Operating Budget for HCD.

NOW, THEREFORE, BE IT RESOLVED that the Council and the City of Memphis hereby adopts and approves the proposed substantial amendment to the Annual Action Plan.

BE IT FURTHER RESOLVED that there be and is hereby accepted and appropriated the amount of \$6,495,376.00 by federal resources for FY 2021, including Community Development Block Grant Coronavirus (CDBG-CV) funds, Emergency Solutions Grant Coronavirus (ESG-CV) funds, and Housing Opportunities for Person With AIDS Coronavirus (HOPWA-CV) chargeable to the FY 2021 Operating Budget and credited as follows:

Community Development Block Grant Coronavirus (CDBG-CV)

Mortgage and Rental Assistance Fund	\$1,324,725.30
Housing Counseling Services	\$100,000.00
Eviction & Foreclosure Prevention Legal Fund	\$100,000.00
Small Business Loans for COVID19 Impacted Businesses	\$500,000.00
Streamline Homeless Hotline Program Intake	\$100,000.00
Expand Internet Access for Low-Income Residents	\$750,000.00
Public Service Grants for COVID19 Response Agencies	\$700,000.00
Grantee Administration (10% of allocation)	<u>\$397,191.70</u>
Total	<u>\$3,971,917.00</u>

Emergency Solutions Grant Coronavirus (ESG-CV)

Homeless Service Providers Grant Program	\$1,007,615.00
Room In the Inn Emergency Shelter	\$350,000.00
Hospitality Hub Emergency Shelter	\$175,000.00
Salvation Army Emergency Shelter	\$280,000.00
Grantee Administration (10% of allocation)	<u>\$201,402.00</u>
Total:	<u>\$2,014,017.00</u>

Housing Opportunities for Persons with AIDS Coronavirus (HOPWA-CV)

Hope House	\$144,760.00
Friends for Life	\$333,7000
Grantee Administration (6% of allocation)	\$30,982.00
Total	<u>\$509,442.00</u>

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City of Memphis

HCD Proposed Priorities for CDBG20-CARES - US Dept of Housing & Urban Development

September 17, 2020

Total CDBG20-CARES Allocation: \$ 3,971,917.00

Activity	Proposed Allocation	Connection to COVID19	Direct Allocation or Competitive Process	Implementation
Mortgage and Rental Assistance Fund	\$ 1,324,725.30	Income lost by homeowners, renters, and landlords.	Direct Allocation	Allocate through partner CDCs and/or Shelby County CSA
Housing Counseling Services	\$ 100,000.00	HUD certified counseling agencies will ensure that individuals understand their rights and have a clear path to stabilized housing	Direct Allocation	Allocate directly to active certified housing counseling agencies that agree to serve COVID19 impacted clientele
Eviction & Foreclosure Prevention Legal Fund	\$ 100,000.00	Provide lawyer for defendants involved in a court foreclosure or eviction process that stems from COVID19	Direct Allocation	Partner with University of Memphis Law School and/or other agencies providing legal representation.
Small Business Loans for COVID19 Impacted Businesses	\$ 500,000.00	Significant losses of income for many businesses. Would like to make forgivable under special job creation/retention criteria	Competitive Process	Partner with Agency that can leverage funds with additional resources.
Streamline Homeless Hotline Program Intake	\$ 100,000.00	Enhance referral process for Homeless Hotline to include triage for homeless individuals (currently only serve families)	Direct Allocation	Work with MIFA and CAFTH to enhance this program
Expand Internet Access for Low-Income Residents	\$ 750,000.00	Limited connectivity has negative impacts for education and work in the virtual environment that COVID19 has created	Direct Allocation	Invest in internet connectivity to households through various strategies (e.g. subscriptions to ISPs; infrastructure for neighborhood WiFi; utilization of City fiber network for resident access; etc.)
Public Service Grants for COVID19 Response Agencies	\$ 700,000.00	Program to provide funding for the many nonprofit service agencies that are providing unique services to individuals and businesses impacted by COVID19.	Competitive Process	Competitive process closed on September 17th and there were 25 responses from nonprofits. Agencies will be eligible to apply for grants up to \$35k for activities conducted in response to COVID19
Grantee Administration (10% of allocation)	\$ 397,191.70	Funds reimbursed to the City of Memphis for the administration of CDBG20-CARES	Direct Allocation	General administration costs for program implementation

Total	\$ 3,971,917.00		
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City of Memphis

HCD Proposed Priorities for HOPWA20-CARES - US Dept of Housing & Urban Development

September 17, 2020

Total HOPWA20 CARES Allocation: \$ 509,442.00

Activity	Proposed Allocation	Connection to COVID19	Direct Allocation or Competitive Process	Implementation
Grantee Administration (6% of allocation)	\$ 30,982.00	Funds reimbursed to the City of Memphis for the administration of HOPWA20-CARES	Direct Allocation	General administration costs for program implementation
Hope House (Operating One HOPWA Programs for FY21)	\$ 144,760.00	All HOPWA eligible activities will be allowed (rental and mortgage assistance; operating costs, emergency shelter, etc). Agency will submit a specific plan of use to HCD.	Direct Allocation	Existing HOPWA Grantees will receive a prorated direct allocation based on the number of HOPWA programs operated for the FY21 HOPWA Budget
Friends for Life (Operating Three HOPWA Programs for FY21)	\$ 333,700.00	All HOPWA eligible activities will be allowed (rental and mortgage assistance; operating costs, emergency shelter, etc). Agency will submit a specific plan of use to HCD.	Direct Allocation	Existing HOPWA Grantees will receive a prorated direct allocation based on the number of HOPWA programs operated for the FY21 HOPWA Budget
Total	\$ 509,442.00			

City of Memphis

HCD Proposed Priorities for ESG20-CARES - US Dept of Housing & Urban Development

September 17, 2020

Total ESG20-CARES Allocation: \$ 2,014,017

Activity	Proposed Allocation	Connection to COVID19	Direct Allocation or Competitive Process	Implementation
Homeless Service Providers Grant Program	\$ 1,007,615.30	Homeless individuals and families are most susceptible to COVID19 without proper shelter. These funds will support the experienced agencies that provide programs and facilities for these clients.	Competitive Process	Competitive process closed on September 17th and 10 responses emphasized programs with the following focus: Emergency Shelter, Street Outreach, Rapid Rehousing, Homeless Prevention, and Homeless Management Information System (HMIS)
Homeless Shelter Investment - Collins Chapel Connectional Hospital (82-bed Respite Care Facility)	\$ 350,000.00	Expansion of capacity to shelter homeless residents.	Direct Allocation	Room in the Inn would lease building from CME Church to operate the facility. Total project cost of \$3.6M with 3 month construction time.
Homeless Shelter Investment - Hospitality Hub (16 Bed Facility For Single Women)	\$ 175,000.00	Expansion of capacity to shelter homeless residents.	Direct Allocation	8-room boarding home, which has already been acquired by Hospitality Hub. Total project cost of \$450k and 2 month construction time.
Homeless Shelter Investment - Salvation Army (18 Bed Facility For Emergency Overnight Care)	\$ 280,000.00	Expansion of capacity to shelter homeless residents.	Direct Allocation	18-bed facility, currently owned by Salvation Army. Total project cost of \$440k and 3-6 month construction time.
Grantee Administration (10% of allocation)	\$ 201,401.70	Funds reimbursed to the City of Memphis for the administration of ESG20-CARES	Direct Allocation	General administration costs for program implementation
Total	\$ 2,014,017.00			

City of Memphis

HCD Proposed Priorities for City of Memphis CARES Act Funds - US Dept of Treasury

September 17, 2020

Total City CARES Treasury Request: \$ 2,150,000.00

Activity	Proposed Allocation	Connection to COVID19	Notes
Homeless Shelter Investment - Collins Chapel Connectional Hospital (82-bed Respite Care Facility)	\$ 650,000.00	Expansion of capacity to shelter homeless residents.	Room in the Inn would lease building from CME Church to operate the facility. Total project cost of \$3.6M with 3 month construction time.
Emergency Shelter Reimbursement - HCD Hotel Expenses from March 2020 to August 2020	\$ 500,000.00	Emergency hotel expenses to allow homeless individuals and families to shelter in place at hotels	Expenses cover costs for over 125 hotel rooms, food, and hotel security during the time period from March 2020 to August 2020.
Eviction Prevention Fund	\$ 1,000,000.00	Landlords of pandemic impacted rental tenants will have the ability to settle potential evictions and tenant is able to stay in unit.	Funds used to pay settlement fees to landlords for low to moderate income tenants and at high risk of eviction. Coordinated with community legal partners, Shelby County, and General Sessions Court Judges.
Total	\$ 2,150,000.00		