

Legislation Text

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CC MEETING: March 2, 2021

DATE: February 8, 2021

TO: Erin Rinehart, City Manager

FROM: Cory Heiple, Environmental Services Director
Marc Guy, Assistant City Manager

Consider A **Resolution Authorizing The City Manager To Enter Into A Community Development Block Grant CARES Act Funding (CDBG-CV) Subrecipient Agreement With Metrocrest Services For Services To Be Provided To Low-And-Moderate-Income Carrollton Citizens**, In An Amount Not To Exceed \$527,768.50.

BACKGROUND:

On November 24, 2020, City Council approved a substantial amendment to the Five-Year Consolidated Plan and Program Year 2019 Action Plan already approved by HUD and City Council to incorporate an additional \$1,260,250 in Community Development Block Grant CARES Act (CDBG-CV) funds. A subrecipient agreement between Metrocrest Services and the City of Carrollton is required to initiate CDBG-CV funding for the purposes of providing employment assistance to low-and-moderate-income Carrollton residents.

The federal \$2.2 trillion CARES Act economic stimulus bill provided an increased financial investment in the CDBG programs to dampen the impacts of COVID-19 on low-to-moderate-income U.S. residents. On April 2, 2020, the U.S. Department of Housing and Urban Development (HUD) granted \$504,713 in COVID-19 funding for the City's CDBG program through the CARES Act. On September 11, 2020, HUD increased the funding an additional \$755,537, for a total allocation of \$1,260,250.

Per HUD requirements, CARES Act funding was advertised from July 1, 2020 through August 1, 2020 to non-profit and social service agencies that are actively engaged in the ongoing pandemic response efforts and benefit low-and-moderate-income City of Carrollton residents. City staff received and reviewed funding applications from Metrocrest Services and Woven Health Clinic; both agencies meet the restrictive criteria to receive this funding. Metrocrest Services' CDBG-CV funding will support the salaries of the Workforce and Housing Stability staff, for a budgeted CDBG-CV amount of \$527,768.50. The proposed use of the CARES Act funds has been verified by Community Development staff to be allowable uses of the funding.

FINANCIAL IMPLICATIONS:

The CDBG-CV allocation of \$527,768.50 provides a new financial resource for Metrocrest Services to respond to the COVID-19 pandemic to assist low-and-moderate-income Carrollton residents.

IMPACT ON COMMUNITY SUSTAINABILITY:

Annually, the Carrollton Community Development Block Grant program secures, allocates, and administers

approximately \$800,000 in new community development resources for use in the low- and-moderate-income areas of the City. The additional \$1,260,250 in CDBG-CV funding to support low-and-moderate-income public health and social service needs assists in providing immediate community sustainability during the COVID-19 pandemic.

STAFF RECOMMENDATION/ACTION DESIRED:

Staff recommends City Council approval of a resolution authorizing the City Manager to enter into a CDBG-CV Subrecipient Agreement with Metrocrest Services to utilize CDBG-CV funding in an amount not to exceed \$527,768.50.