

ST. PETERSBURG CITY COUNCIL
Meeting of May 21, 2020

TO: The Honorable Ed Montanari, Chair, and Members of City Council

SUBJECT: A resolution authorizing the Mayor or his designee to accept the grants from the U.S. Department of Housing and Urban Development (“HUD”) in the amount of \$1,100,945 for the Community Development Block Grant Coronavirus (“CDBG-CV”) and in the amount of \$539,562 for the Emergency Solutions Grant Coronavirus (“ESG-CV”) funding to prevent, prepare for and respond to the Coronavirus (COVID-19) pandemic which addresses the unique needs of low- and moderate-income individuals; approving a substantial amendment to the City’s FY 2019/20 Annual Action Plan (“Amendment”) to add projects to fund with ESG-CV and expedite use of these resources to address the COVID-19 crisis; approving a supplemental appropriation in the amount of \$1,100,945 from the increase in the unappropriated fund balance of the CDBG Fund (1111), resulting from additional revenue to be received during FY 2019/20, to the Housing and Community Development Department, Administration Division (082-1089); approving a supplemental appropriation in the amount of \$539,562 from the increase in the unappropriated fund balance of the ESG Fund (1112); resulting from additional revenue to be received during FY 2019/20, to the Housing and Community Development Department, Administration Division (082-1089); authorizing the Mayor or his designee to accept the grants from HUD; to submit the substantial Amendment to the FY 2019/20 Annual Action Plan to HUD; execute all documents necessary to effectuate these transactions; and providing an effective date.

EXPLANATION: During March 2020, Congress and the President approved the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”), Public Law 116-136, which has the purpose of providing emergency assistance and health care response for individuals, families and businesses affected by the 2020 coronavirus pandemic. Funding was approved to ensure that individuals/households who have lost their jobs, had to close their businesses, or who could not pay their rents/mortgages were provided resources to assist them while waiting for the pandemic to subside.

The CARES Act made available \$5 billion in CDBG Coronavirus (“CDBG-CV”) and \$4 billion in ESG Coronavirus (“ESG-CV”) funds. For the CDBG-CV \$2 billion was immediately allocated based on the fiscal year 2020 CDBG formula, and for the ESG-CV \$1 billion was immediately allocated based on the fiscal year 2020 ESG formula.

In order to accelerate the ability to assist those most in need, a substantial amendment of the FY 2019/20 Annual Action Plan (“Amendment”) which was originally approved under Resolution Number 2019-393 dated August 1, 2019, is needed to add the ESG-CV funding. HUD has allowed local entitlements (“City”) to provide a limited notice to the public of receipt of ESG-CV funding, by placing information on the use of the funding on the City’s website.

Administration has determined the best use of the ESG-CV funding totaling \$539,562 as follows:

- ❖ Emergency Rental/Utility Assistance:
 - Catholic Charities \$242,803 for direct assistance / \$19,478 for program delivery
 - Boley Centers \$242,803 for direct assistance / \$19,478 for program delivery
- ❖ City Administration \$15,000

A Notice of Funding Availability (“NOFA”) was placed in the Tampa Bay Times on Wednesday, May 6, 2020 describing the breakdown of CDBG-CV funding totaling \$1,100,945 as follows:

- ❖ City Administration \$202,575
- ❖ Emergency Rental/Mortgage/Utility Assistance \$517,614
- ❖ Projects to prevent, prepare for and respond to COVID-19 crisis \$380,756

Further, the NOFA requested submission of applications for allowable activities to address the funding totaling \$380,756. Administration will bring forward recommendations for this funding as well as requesting approval of a second substantial Amendment for the total CDBG-CV funding totaling \$1,100,945 to the City Council meeting on June 11, 2020.

Administration is requesting a supplemental appropriation of \$1,100,945 in CDBG-CV funding from the increase in the unappropriated fund balance of the CDBG Fund (1111) resulting from the grant to fund the programs, a supplemental appropriation of \$539,562 in ESG-CV funding is requested from the increase in the unappropriated fund balance of the ESG Fund (1112) resulting from the grant to fund the programs.

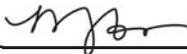
RECOMMENDATION: A resolution authorizing the Mayor or his designee to the accept grants from the U.S. Department of Housing and Urban Development (“HUD”) in the amount of \$1,100,945 for the Community Development Block Grant Coronavirus (“CDBG-CV”) and in the amount of \$539,562 for the Emergency Solutions Grant Coronavirus (“ESG-CV”) funding to prevent, prepare for and respond to the Coronavirus (COVID-19) pandemic which addresses the unique needs of low- and moderate-income individuals; approving a substantial amendment to the City’s FY 2019/20 Annual Action Plan (“Amendment”) to add projects to fund with ESG-CV and expedite use of these resources to address the COVID-19 crisis; approving a supplemental appropriation in the amount of \$1,100,945 from the increase in the unappropriated fund balance of the CDBG Fund (1111), resulting from additional revenue to be received during FY 2019/20, to the Housing and Community Development Department, Administration Division (082-1089); approving a supplemental appropriation in the amount of \$539,562 from the increase in the unappropriated fund balance of the ESG Fund (1112), resulting from additional revenue to be received during FY 2019/20, to the Housing and Community Development Department, Administration Division (082-1089); authorizing the Mayor or his designee to accept the grants from HUD; to submit the substantial Amendment to the FY 2019/20 Annual Action Plan (“Amendment”) to HUD; execute all documents necessary to effectuate these transactions; and providing an effective date.

COST/FUNDING/ASSESSMENT INFORMATION: Revenues of \$1,100,945 will be received from the U.S. Department of Housing and Urban Development (“HUD”). Funds will be available after the approval of a supplemental appropriation in the amount of \$1,100,945 from the increase in the unappropriated fund balance of the CDBG Fund (1111), resulting from these additional revenues, to the Housing and Community Development Department, Administration Division (082-1089).

Revenues of \$539,562 will be received from the U.S. Department of Housing and Urban Development (“HUD”). Funds will be available after the approval of a supplemental appropriation in the amount of \$539,562 from the increase in the unappropriated fund balance of the ESG Fund (1112), resulting from these additional revenues, to the Housing and Community Development Department, Administration Division (082-1089).

Attachments: Resolution
Award letters from HUD

APPROVALS:

Administration: _____ Robert Gerdes _____ Budget: _____  _____

A RESOLUTION AUTHORIZING THE MAYOR OR HIS DESIGNEE TO ACCEPT THE GRANTS FROM THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (“HUD”) IN THE AMOUNT OF \$1,100,945 FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT CORONAVIRUS (“CDBG-CV”) AND IN THE AMOUNT OF \$539,562 FOR THE EMERGENCY SOLUTIONS GRANT CORONAVIRUS (“ESG-CV”) FUNDING TO PREVENT, PREPARE FOR AND RESPOND TO THE CORONAVIRUS (COVID-19) PANDEMIC AND TO ADDRESS THE UNIQUE NEEDS OF LOW- AND MODERATE-INCOME PERSONS; APPROVING A SUBSTANTIAL AMENDMENT TO THE CITY’S FY 2019/20 ANNUAL ACTION PLAN (“AMENDMENT”) TO ADD PROJECTS TO FUND WITH ESG-CV AND EXPEDITE USE OF THESE RESOURCES TO ADDRESS THE COVID-19 CRISIS; APPROVING A SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF \$1,100,945 FROM THE INCREASE IN THE UNAPPROPRIATED FUND BALANCE OF THE CDBG FUND (1111), RESULTING FROM ADDITIONAL REVENUE TO BE RECEIVED DURING FY 2019/20, TO THE HOUSING AND COMMUNITY DEVELOPMENT DEPARTMENT, ADMINISTRATION DIVISION (082-1089); APPROVING A SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF \$539,562 FROM THE INCREASE IN THE UNAPPROPRIATED FUND BALANCE OF THE ESG FUND (1112), RESULTING FROM ADDITIONAL REVENUE TO BE RECEIVED DURING FY 2019/20, TO THE HOUSING AND COMMUNITY DEVELOPMENT DEPARTMENT, ADMINISTRATION DIVISION (082-1089); AUTHORIZING THE MAYOR OR HIS DESIGNEE TO ACCEPT THE GRANTS FROM HUD; TO SUBMIT THE SUBSTANTIAL AMENDMENT TO THE FY 2019/20 ANNUAL ACTION PLAN TO HUD; EXECUTE ALL DOCUMENTS NECESSARY TO EFFECTUATE THESE TRANSACTIONS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, during March 2020, Congress and the President approved the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”), Public Law 116-136, which has the purpose of providing emergency assistance and health care response for individuals, families and businesses affected by the coronavirus pandemic.

WHEREAS, the City received notification that the U.S. Department of Housing and Urban Development (“HUD”) allocated funding under the CARES Act via a formula to the City in the amounts of \$1,100,945 for the Community Development Block Grant Coronavirus (CDBG-CV) and \$539,562 for the Emergency Solutions Grant Coronavirus (ESG-CV); and

WHEREAS, the purpose of this funding is to allow grantees to use CDBG-CV and ESG-CV to prevent, prepare for, and respond to COVID-19 and addresses the unique needs of low- and moderate-income individuals; and

WHEREAS, it is in the best interest of the City and its residents to accept the HUD grants to provide assistance to income eligible residents; and

WHEREAS, in order to accelerate the ability to assist those most in need, a substantial amendment of the FY 2019/20 Annual Action Plan (“Amendment”) is needed for the ESG-CV funding; and

WHEREAS, Administration has determined the best use of the ESG-CV funding totaling \$539,562 is to provide emergency rental/utility assistance to be administered by Catholic Charities and Boley Centers with each agency receiving \$242,803 for direct assistance and \$19,478 for program delivery, and leaving \$15,000 for City administrative purposes; and

WHEREAS, on May 6, 2020, a Notice of Funding Availability (“NOFA”) was published in the Tampa Bay Times that described the use of CDBG-CV funding totaling \$1,100,945 to be used as follows: 1) \$202,575 for City administrative purposes, 2) \$517,614 for emergency rental/mortgage/utility assistance, 3) \$380,756 for projects to prevent, prepare for and respond to COVID-19; and

WHEREAS, the NOFA further requests submission of applications for allowable activities to address the funding totaling \$380,756; resulting in Administration bringing recommendations for funding as well as requesting approval of a second substantial Amendment for the total CDBG-CV funding of \$1,100,945 to the City Council meeting on June 11, 2020.

NOW THEREFORE, BE IT RESOLVED a resolution authorizing the Mayor or his designee to accept the grants from the U.S. Department of Housing and Urban Development (“HUD”) in the amount of \$1,100,945 for the Community Development Block Grant Coronavirus (“CDBG-CV”) and in the amount of \$539,562 for the Emergency Solutions Grant Coronavirus (“ESG-CV”) funding to prevent, prepare for and respond to the Coronavirus (COVID-19) pandemic and to address the unique needs of low- and moderate-income persons; approving a substantial amendment to the City’s FY 2019/20 Annual Action Plan (“Amendment”) to add projects to fund with ESG-CV and expedite use of these resources to address the COVID-19 crisis; and

BE IT FURTHER RESOLVED that there is hereby approved from the increase in the unappropriated fund balance of the Community Development Block Grant Fund (1111), resulting from these additional revenues, the following supplemental appropriation for FY 2020:

CDBG Fund (1111)

Housing and Community Development Department,
Administration Division (082-1089)

\$1,100,945

BE IT FURTHER RESOLVED that there is hereby approved from the increase in the unappropriated fund balance of the Emergency Solutions Grant Fund (1112), resulting from these additional revenues, the following supplemental appropriation for FY 2020:

ESG Fund (1112)

Housing and Community Development Department,
Administration Division (082-1089)

\$539,562

BE IT FURTHER RESOLVED that the Mayor or his designee is authorized to accept the grants from the U.S. Department of Housing and Urban Development (“HUD”); to submit the substantial Amendment to the FY 2019/20 Annual Action Plan to HUD; and execute all documents necessary to effectuate these transactions.

This resolution shall become effective immediately upon its adoption.

Approvals:

Legal: /s/ Bradley Tennant

Administration: Robert Gerdes

Legal: 507737.doc v3



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

ASSISTANT SECRETARY FOR
COMMUNITY PLANNING AND DEVELOPMENT

April 2, 2020

The Honorable Rick Kriseman
Mayor of St Petersburg
175 Fifth Street N
St Petersburg, FL 33701-3708

Dear Mayor Kriseman:

I am pleased to inform you of a special allocation to your jurisdiction of Community Development Block Grant funds to be used to prevent, prepare for, and respond to the coronavirus (COVID-19). This allocation was authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, which was signed by President Trump on March 27, 2020, to respond to the growing effects of this historic public health crisis.

The CARES Act made available \$5 billion in Community Development Block Grant Coronavirus (CDBG-CV) funds. Of this amount, the Department is immediately allocating \$2 billion based on the fiscal year 2020 CDBG formula. The remaining \$3 billion shall be allocated based on needs using best available data, in the following tranches: \$1 billion shall be allocated to States and insular areas within 45 days of enactment of the CARES Act, and \$2 billion shall be distributed to states and local governments at the discretion of the Secretary. Up to \$10 million will be set aside for technical assistance. Given the immediate needs faced by our communities, the Department has announced the first allocation of funds. Your jurisdiction's allocation is \$1,100,945.

The CARES Act adds additional flexibility for both the CDBG-CV grant and, in some cases, for the annual FY2020 CDBG grants in these unprecedented times. The public comment period is reduced to not less than 5 days, grantees may use virtual public hearings when necessary for public health reasons, the public services cap is suspended during the emergency, and States and local governments may reimburse costs of eligible activities incurred for pandemic response regardless of the date.

In addition, the CARES Act authorizes the Secretary to grant waivers and alternative requirements of statutes and regulations the Secretary administers in connection with the use of CDBG-CV funds and fiscal year 2019 and 2020 CDBG funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). Waivers and alternative requirements can be granted when necessary to expedite and facilitate the use of funds to prevent, prepare for, and respond to coronavirus.

The Department is developing a notice that will further describe the CARES Act's provisions, a Quick Guide to the CARES Act flexibilities and other provisions, and other resources

to enable swift implementation of CDBG-CV grants. As these become available, they will be posted on HUD's website and distributed to grantees. The Department will also support grantees with technical assistance.

As you develop your plan for the use of these grant funds, we encourage you to consider approaches that prioritize the unique needs of low- and moderate-income persons and the development of partnerships between all levels of government and the private for-profit and non-profit sectors. You should coordinate with state and local health authorities before undertaking any activity to support state or local pandemic response. CDBG-CV grants will be subject to oversight, reporting, and requirements that each grantee have adequate procedures to prevent the duplication of benefits. HUD will provide guidance and technical assistance on DOB and regarding prevention of fraud, waste, and abuse and documenting the impact of this program for beneficiaries.

The Office of Community Planning and Development (CPD) is looking forward to working with you to successfully meet the urgent and complex challenges faced by our communities. If you or any member of your staff has questions, please contact your local CPD Field Office Director or CPDQuestionsAnswered@hud.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "John Gibbs", written in a cursive style.

John Gibbs
Acting Assistant Secretary
for Community Planning and Development
U.S. Department of Housing and Urban Development



ASSISTANT SECRETARY FOR
COMMUNITY PLANNING AND DEVELOPMENT

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

April 2, 2020

The Honorable Rick Kriseman
Mayor of St Petersburg
175 Fifth Street N
St Petersburg, FL 33701-3708

Dear Mayor Kriseman:

I am pleased to inform you of special Emergency Solutions Grants (ESG) Program funds HUD is allocating to your jurisdiction in the amount of \$539,562, as authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136. These special ESG-CV funds are to be used to prevent, prepare for, and respond to the coronavirus pandemic (COVID-19) among individuals and families who are homeless or receiving homeless assistance; and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts of COVID-19.

President Trump signed the CARES Act on March 27, 2020 to help the Nation respond to the coronavirus outbreak. The CARES Act made available an additional \$4 billion in ESG-CV funds to supplement the Fiscal Year (FY) 2020 ESG funding provided under the Further Consolidated Appropriations Act, 2020 (Public Law 116-94). Of this amount, the Department is immediately allocating \$1 billion for ESG-CV grants based on the FY 2020 ESG formula. The rest of the funding for ESG-CV grants will be allocated directly to States or units of local government by a separate formula developed by the Secretary. Up to \$40 million of the additional funds will be set aside for technical assistance.

Given the immediate needs faced by our communities, the Department has announced the first allocation of funds, which are subject to the following flexibilities and conditions provided by the CARES Act:

- The funds may be used to cover or reimburse allowable costs incurred by a State or locality before the award of funding (including prior to the signing of the CARES Act) to prevent, prepare for, and respond to COVID-19;
- The funds are not subject to the spending cap on emergency shelter and outreach under 24 CFR 576.100(b)(1);
- Up to 10 percent of funds may be used for administrative costs, as opposed to 7.5 percent as provided by 24 CFR 576.108(a);
- The funds are exempt from the ESG match requirements, including 24 CFR 576.201;
- The funds are not subject to the consultation and citizen participation requirements that otherwise apply to the Emergency Solutions Grants, however each recipient must

publish how its allocation has and will be used, at a minimum, on the Internet at the appropriate Government web site or through other electronic media;

- The funds may be used to provide homelessness prevention assistance (as authorized under 24 CFR 576.103 or subsequent HUD notices) to any individual or family who does not have income higher than HUD's Very Low-Income Limit for the area and meets the criteria in paragraphs (1)(ii) and (1)(iii) of the "at risk of homelessness" definition in 24 CFR 576.3;
- That recipients may deviate from applicable procurement standards when using these funds to procure goods and services to prevent, prepare for, and respond to coronavirus, notwithstanding 24 CFR 576.407(f) and 2 CFR 200.317-200.326;
- While we encourage you to offer treatment and supportive services when necessary to assist vulnerable homeless populations, individuals and families experiencing homelessness must not be required to receive treatment or perform any other prerequisite activities as a condition for receiving shelter, housing, or other services for which these funds are used, notwithstanding 24 CFR 576.401(e).

In addition, the Act authorizes the Secretary to grant waivers of and specify alternative requirements for statutes and regulations the Secretary administers in connection with the use of ESG funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). These waivers and alternative requirements can be issued when necessary to expedite and facilitate the use of funds to prevent, prepare for, and respond to coronavirus.

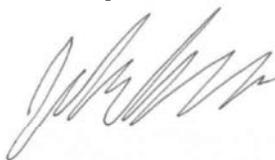
The Department is developing a notice that will further lay out the CARES Act provisions and other waivers and requirements to enable swift implementation of additional ESG-CV grants. This notice and any subsequent notices of waivers and alternative requirements will be made available on HUD's website and distributed to grantees. The Department will also support grantees with technical assistance.

As your jurisdiction develops its plan to use these grant funds, HUD encourages approaches that prioritize the unique needs of persons experiencing homelessness and the development of partnerships between all levels of government and the private for-profit and non-profit sectors. Your jurisdiction should coordinate with State and local health authorities before undertaking any activity to support state or local pandemic response. HUD encourages you to share successes that may help other grantees. Like other supplemental funding, ESG-CV grants are subject to oversight and tracking, such as requirements to prevent the duplication of benefits. We look forward to working with you to prevent fraud, waste, and abuse and to document the impact of this program for beneficiaries.

Importantly, proper reporting in the Integrated Disbursement and Information System (IDIS) is critical to ensuring grantees are complying with program requirements and policies, providing demographic and income information about the persons who benefit from funded activities, and allowing HUD to monitor recipients. Your jurisdiction's ongoing attention is essential to ensuring complete and accurate reporting of performance measurement data.

HUD's Office of Community Planning and Development (CPD) is looking forward to working with your jurisdiction to successfully meet the urgent and complex challenges faced by our communities. If you or your staff has questions, please contact your local CPD Field Office Director or CPDQuestionsAnswered@hud.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "John Gibbs", written in a cursive style.

John Gibbs
Acting Assistant Secretary
for Community Planning and Development
U.S. Department of Housing and Urban Development