


COUNCIL COMMUNICATION

	Number:	21-446	Meeting:	October 18, 2021
	Agenda Item:	26	Roll Call:	21-1563
	Submitted by:	Chris Johansen, Neighborhood Services Department Director		

AGENDA HEADING:

Approve and execute HOME Investment Partnerships Program supplemental funding, as authorized under the American Rescue Plan (HOME-ARP), grant agreement with the US Department of Housing and Urban Development (HUD).

SYNOPSIS:

The City of Des Moines was one (1) of 651 state and local participating jurisdictions which qualified for an annual HOME Program allocation for Fiscal Year (FY) 2021; thus, the City also received an allocation of HOME-ARP funds as part of the American Rescue Plan Act of 2021, which addresses the continued impact of the COVID-19 pandemic on the economy, public health, state and local governments, individuals, and businesses. The allocated amount is \$3,556,317 and is in addition to the regular 2021 HOME allocation. This Council action approves the HUD-ARP grant agreement with HUD so that City staff may start to incur planning and administration costs to develop an allocation plan.

FISCAL IMPACT:

Amount: \$3,556,317

Funding Source: HUD

ADDITIONAL INFORMATION:

- The primary difference between the City's regular HOME allocation and the HOME-ARP allocation is that the HOME-ARP funds are specifically meant to address the need for homelessness assistance and supportive services, whereas the regular HOME funds can be used for more general affordable housing efforts and are not necessarily targeted directly for homelessness.
- The HOME-ARP funds address the need for homelessness assistance and supportive services by funding specific eligible activities which target specific eligible populations. Funds can be used for four (4) eligible activities:
 1. Production or Preservation of Affordable Housing
 2. Tenant-Based Rental Assistance (TBRA)
 3. Supportive Services, Homeless Prevention Services, and Housing Counseling
 4. Purchase and Development of Non-Congregate Shelter

- Qualifying individuals and families or eligible populations are those that are:
 - Homeless
 - At risk of homelessness
 - Fleeing, or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking
 - Part of other populations where providing supportive services or assistance would prevent a family's homelessness or would service those with the greatest risk of housing instability
 - Veterans or families that include a veteran family member that meet the criteria in one (1) of the four (4) above

- HUD will require a HOME-ARP allocation plan as an amendment to the FY 2021 Annual Action Plan describing the proposed use of funds, which will be approved in a future Council action.

- City staff, in consultation with community partners and input from the public, will develop an allocation plan to determine the breakdown of funding and uses of funds.

- HOME-ARP funds are available for expenditure until September 30, 2030. The City may expend up to 5% of its administration costs once the Mayor has signed the HOME-ARP grant agreement. The remaining funds will be available once HUD approves the City's allocation plan.

- City staff will consult with Homeward, which is the new name of the Continuum of Care, nonprofit homelessness agencies, developers, and the public to coordinate programming and best use of funds.

- A tentative timeline includes the following:
 - November 2021: Staff attends homeless agencies' director's meeting to understand Homeward priorities for funding.
 - December 2021-February 2022: City staff to contact developers and other agencies for consultation during the allocation planning process.
 - March 2022: City will submit its allocation to HUD for approval. The plan will contain a breakdown of the four (4) activities and proposed funding levels.
 - April 2022: First Request for Proposals (RFPs) will be made available for subrecipients and developers. A two-pronged process is expected, where the first will focus on the creation and preservation of affordable housing and non-congregate shelter, and the second will focus on tenant based rental assistance or supportive services. The latter will require coordination to avoid conflict with other homeless grant RFP processes, such as the Emergency Solutions Grant or Homeward grant.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

The 2021 Annual Action Plan will be amended to include the HOME-ARP allocation plan at a future City Council date.

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