

COUNCIL COMMUNICATION

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|  CITY OF DES MOINES OFFICE OF THE CITY MANAGER | Number: | 22-313 | Meeting: | June 27, 2022 |
| | Agenda Item: | 34 | Roll Call: | 22-1005 |
| | Submitted by: | Chris Johansen, Neighborhood Services Department Director | | |

AGENDA HEADING:

Reallocation of Emergency Solutions Grant (ESG), including Covid-19 response funds (ESG-CV), funds from the US Department of Housing and Urban Development (HUD).

SYNOPSIS:

Every year, funds under the City's ESG program get reallocated to other agencies. Reasons the funds are reallocated are due to some agencies voluntarily returning unspent funds or an increase in the grant award from HUD. This action covers both scenarios. Primary Health Care (PHC) had approximately \$4,000 it was unable to use by the expenditure deadline; HOME, Inc. voluntarily returned approximately \$12,200 from its homelessness prevention program; and the City received an increase of approximately \$3,000 in its 2022 ESG allocation from HUD - all of which are now being reallocated to Hawthorn Hill and Anawim.

FISCAL IMPACT:

Amount:

- \$4,001.75 ESG (2020)
- \$12,206.09 ESG-CV (2020)
- \$3,022 ESG Additional Funding (2022)

Funding Source: FY22 Operating Budget, Neighborhood Services Department, Special Revenue and Other Funds, Homeless Grants, Page 140.

ADDITIONAL INFORMATION:

- Primary Health Care (PHC) was awarded \$116,270.42 in the 2020 ESG round. Of that award, \$50,000 was reallocated to Hawthorn Hill in March 2022. PHC has indicated it will be unable to use an additional \$4,001.75 before the extended deadline.
- Hawthorn Hill initially received \$13,000 of ESG funds in 2019 and \$13,000 of ESG funds in 2020, totaling \$26,000. Hawthorn Hill's staff has indicated it can expend the reallocated funds before the extended deadline.
- Hawthorn Hill will use the funds for operations and case management at their emergency shelter that serves homeless families and children.

- In 2022, HUD notified the City that its 2022 ESG allocation was increasing by \$3,022. Because the City solicits and awards Emergency Solutions Grant (ESG) funds on a two-year cycle, this additional funding was not anticipated when awards were made in 2021. As a result, there is \$3,022 in additional funding to allocate.
- Staff proposes the additional \$3,022 from the 2022 ESG funding round go to Hawthorn Hill due to the organization's positive track record in its ability to spend and report on ESG funds efficiently.
- In 2020, the City was also allocated a second round of ESG funding to respond to the Covid-19 pandemic, also known as ESG-CV 2. Within this round, \$385,947 was allocated to HOME, Inc. for homelessness prevention. HOME, Inc. was unable to use \$12,206.09 and has voluntarily returned it to be reallocated.
- Neighborhood Services staff asked several ESG-CV 2 subrecipients if they would be able to use the reallocated funds from HOME, Inc. Anawim staff has indicated the organization can expend the reallocated funds for its Rapid Rehousing program.
- The ESG program is designed to assist people to swiftly regain stability in permanent housing after experiencing a housing crisis and/or homelessness. There are five (5) eligible categories of assistance:
 - Street Outreach
 - Emergency Shelters (including transitional housing)
 - Homelessness Prevention Assistance,
 - Rapid Re-housing Assistance
 - Provide Homeless Management Information System for data collection

PREVIOUS COUNCIL ACTION(S):

Date: March 7, 2022

Roll Call Number: [22-0334](#)

Action: [Reallocation](#) of unspent 2020 Emergency Solutions Grant (ESG) funding from the U.S. Department of Housing and Urban Development (HUD). ([Council Communication No. 22- 081](#))
Moved by Gatto to adopt. Second by Boesen. Motion Carried 7-0.

Date: May 10, 2021

Roll Call Number: [21-0702](#)

Action: [Reallocation](#) of prior years' unspent Emergency Solutions Grant (ESG) funding under the U.S. Department of Housing and Urban Development (HUD). ([Council Communication No. 21-203](#))
Moved by Gatto to adopt. Motion Carried 7-0.

Date: January 25, 2021

Roll Call Number: [21-0105](#)

Action: [Second](#) round of Supplemental Emergency Solutions Grant Funding to prepare for, prevent and respond to coronavirus (ESG-CV 2) allocations. ([Council Communication No. 21-022](#)) Moved by Boesen to adopt. Motion Carried 7-0.

Date: August 3, 2020

Roll Call Number: [20-1224](#)

Action: [2020](#) Emergency Solutions Grant (ESG) Funding. ([Council Communication No. 20-321](#)). Moved by Gatto to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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