



Background Paper for Proposed Ordinance

COUNCIL MEETING DATE: February 28, 2022

TO: President Heather Graham and Members of City Council
CC: Nicholas A. Gradisar, Mayor
VIA: Marissa Stoller, City Clerk
FROM: Bryan Gallaher, Director, Housing and Citizen Services
SUBJECT: AN ORDINANCE APPROVING AND ACCEPTING THE HOME-ARP GRANT AGREEMENT BETWEEN THE CITY OF PUEBLO, A MUNICIPAL CORPORATION, AND THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ("HUD"), AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT TOGETHER WITH ALL REQUIRED AND NECESSARY CERTIFICATIONS, ASSURANCES, AND DOCUMENTATION, ACCEPTING HOME-ARP GRANT FUNDS FROM HUD ON BEHALF OF THE PUEBLO CONSORTIUM IN THE AMOUNT OF \$3,090,925, AND BUDGETING AND APPROPRIATING THE HOME-ARP GRANT FUNDS

SUMMARY:

This Ordinance accepts the HOME-ARP grant from the U.S. Department of Housing and Urban Development ("HUD") in the amount of \$3,090,925.00 on behalf of the Pueblo Consortium. The City of Pueblo and Pueblo County formed the Pueblo Consortium to qualify for HOME funds and have renewed the partnership for fiscal years 2021, 2022, and 2023. HUD determines the percentage of funds allocated to consortium members. The current consortia distribution between the City and the County is based on a (87%/13%) share and the initial distribution of HOME-ARP funds equates to \$2,689,104.00 (City) and \$401,821.00 (County).

PREVIOUS COUNCIL ACTION:

The City Council has not taken any previous action on this matter.

BACKGROUND:

As an entitlement community, the Pueblo Consortium, is eligible to receive grant funds authorized by the American Rescue Plan Act of 2021 (P.L. No. 117-2) from HUD. The intent of the grant is to respond to the negative effects of the pandemic by assisting Qualified Populations through housing and related service activities. Examples of eligible activities are: supportive services, development of non-congregate shelter, permanent supportive housing, transitional housing, construction of new housing units, and rental assistance.

A Qualified Population is defined as: homeless, at risk of homelessness, victims (domestic/dating violence, human trafficking, sexual assault, stalking), and other populations with high housing instability and meeting specific grant criteria.

FINANCIAL IMPLICATIONS:

The Pueblo Consortium anticipates receiving \$3,090,925.00 in HOME-ARP funding. No matching contribution is required for the grant. Fifteen percent (15%) of the grant may be allocated to administration (\$463,638.00), and of that percentage, \$154,546.00 may be spent for planning purposes to develop the HOME-ARP Action Plan to be submitted to HUD, outlining the planned activities and use of funds. The grant to the Pueblo Consortium is shared with Pueblo County on an 87%/13% City/County basis. The grant funds are to be allocated as follows:

Fund Use	City HOME-ARP	County HOME-ARP	Total
Planning	\$154,546	\$-0-	\$154,546
Administration	\$268,910	\$40,182	\$309,092
Eligible Activities	\$2,285,739	\$341,548	\$2,627,287
Total	\$2,709,195	\$381,730	\$3,090,925

BOARD/COMMISSION RECOMMENDATION:

Not applicable to this Ordinance.

STAKEHOLDER PROCESS:

An extensive stakeholder process will be required to develop the HOME-ARP Action Plan to be submitted to HUD for approval. The Action Plan will contain the planned use of funds by assessing the community’s needs and establishing goals to address the needs identified.

Public participation is required in accordance with the City’s Citizen Participation Plan, and consultation with the continuum of care, public housing, service providers (homelessness, veterans, domestic violence), and organizations that address fair housing, civil rights, and the needs of persons with disabilities.

Additional requirements to be addressed include:

- Needs Assessment
- Gap Analysis
- Planned Activities
- Production Goals
- Client Preferences
- Program Guidelines

ALTERNATIVES:

The City Council can choose not to accept the grant funds and the associated requirements.

RECOMMENDATION:

Approval of the Ordinance.

ATTACHMENTS:

HOME-ARP Grant Agreement
Required Certifications

ORDINANCE NO. _____

AN ORDINANCE APPROVING AND ACCEPTING THE HOME-ARP GRANT AGREEMENT BETWEEN THE CITY OF PUEBLO, A MUNICIPAL CORPORATION, AND THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ("HUD"), AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT TOGETHER WITH ALL REQUIRED AND NECESSARY CERTIFICATIONS, ASSURANCES, AND DOCUMENTATION, ACCEPTING HOME-ARP GRANT FUNDS FROM HUD ON BEHALF OF THE PUEBLO CONSORTIUM IN THE AMOUNT OF \$3,090,925, AND BUDGETING AND APPROPRIATING THE HOME-ARP GRANT FUNDS

WHEREAS, the American Rescue Plan Act of 2021 (P.L. No. 117-2) authorized the provision of funds to the U.S. Department of Housing and Urban Development under Section 3205 for homeless assistance and supportive services programs; and

WHEREAS, the U.S. Department of Housing and Urban Development provides HOME Investment Partnership funding authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12721) to entitlement communities for the development of affordable housing and rental assistance programs; and

WHEREAS, the U.S. Department of Housing and Urban Development has developed and made available to entitlement communities HOME-ARP Grant funding to provide homelessness assistance and supportive services to qualified populations; and

WHEREAS, the Pueblo Consortium is a HOME entitlement community eligible to receive HOME-ARP Grant funding; and

WHEREAS, the City of Pueblo acting as the Participating Jurisdiction of the Pueblo Consortium wishes to receive the HOME-ARP funding available to entitlement communities for the development of affordable housing and associated supportive services; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF PUEBLO, that:

SECTION 1.

The HOME ARP Grant Agreement ("Agreement") between the City of Pueblo, a Municipal Corporation, and the U.S. Department of Housing and Urban Development, for the development of affordable housing and associated supportive services, a copy of which is attached hereto and incorporated herein, having been approved as to form by the City Attorney, is hereby approved.

SECTION 2.

The Mayor is hereby authorized to execute the Agreement in the name and on behalf of the City of Pueblo, where the Mayor may execute the Agreement by electronic signature and such electronic signature shall be attributable to the Mayor and the City of Pueblo.

SECTION 3.

The Mayor is hereby authorized to submit, in the name of the City of Pueblo and the Pueblo Consortium, all necessary certifications, assurances, action plans, and other documentation to the U.S. Department of Housing and Urban Development in accordance with the Agreement.

SECTION 4.

Special Fund No. 255 - HOME-ARP Affordable Housing and Supportive Services Project is hereby established.

SECTION 5.

Funds in the amount of \$3,090,925.00 shall be accepted pursuant to the Agreement and are hereby budgeted and appropriated to Special Fund No. 255 - HOME-ARP Affordable Housing and Supportive Services Project, and distributed into the following accounts accordingly:

HOARP-10	City Administration	\$ 423,456
HOARP-20	County Administration	\$ 40,182
HOARP-30	County Projects	\$ 341,548
HOARP-40	City Projects	\$2,285,739
	Total	\$3,090,925

SECTION 6.

Staff is authorized to expend up to \$154,546.00 in Administration funds for planning and development of grant activities prior to receipt of the remaining grant funds.

SECTION 7.

The officers and staff of the City are authorized to perform any and all acts consistent with this Ordinance to implement the policies and procedures described herein.

SECTION 8.

If any section, paragraph, clause, or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 9.

This Ordinance shall become effective on the date of final action by the Mayor and City Council.

Action by City Council:

Introduced and initial adoption of Ordinance by City Council on _____.

Final adoption of Ordinance by City Council on _____.

President of City Council

Action by the Mayor:

Approved on _____.

Disapproved on _____ based on the following objections:

Mayor

Action by City Council After Disapproval by the Mayor:

Council did not act to override the Mayor's veto.

Ordinance re-adopted on a vote of _____, on _____

Council action on _____ failed to override the Mayor's veto.

President of City Council

ATTEST

City Clerk