



Legislation Text

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Fiscal Note

The City was notified by HUD of an additional allocation of Emergency Solution Grant funds for 2011 and 2012. A Substantial Amendment to the Consolidated Plan 2011 and 2012 Action Plans have been submitted to HUD and are awaiting approval. The 2011 Substantial Amendment also includes \$9,000 in reprogrammed ESG funds from another project that did not go forward. The total amount of federal funds available is \$121,645. Newly published ESG regulations allow 7.5% of the grants to be used by the City for administration.

Title

Approve use of federal Emergency Solutions Grant funds and re-programmed Emergency Shelter Grant funds by Community Action Coalition for South Central Wisconsin, Inc. for the purpose of providing homeless prevention and rapid re-housing assistance as specified in their response to the CDBG Office Request for Proposals; and authorize the Mayor and City Clerk to sign a contract for services with CACSCW.

Body

Background: HUD withheld a portion of ESG funds from all grantees across the country until the Emergency Solutions Grant interim rules could be published in the *Federal Register*. Following the publishing of the rules in December 2011, HUD notified each grantee of the amount of what they referred to as the “second allocation” for 2011 and notified each grantee of their ESG grant for 2012.

The CD Division consulted with the CDBG Committee, the Continuum of Care Coordinating Committee and the Homeless Services Consortium with regards to priority uses for these funds. As a result of information received, a Request for Proposals was developed seeking proposals to provide homeless prevention and rapid-re-housing assistance for homeless and at-risk persons. The RFP was released on May 28th with a due date of June 18th.

Community Action Coalition of South Central Wisconsin, Inc. (CAC) submitted the lone proposal. However, their proposal includes participation by an additional 10 Homeless Services Consortium agencies. CAC and the participating agencies will share the funds with CAC serving as the lead agency. The participating agencies include: Domestic Abuse Intervention Services, Independent Living, Middleton Outreach Ministry, Porchlight, The Salvation Army, Tellurian, The Road Home, Veterans Medical Center, YWCA of Madison and Youth Services of Southern Wisconsin.

The contract will start as soon as HUD provides final approval of the Substantial Amendments; the contract will end December 31, 2013. These funds will provide rent subsidies, 3- or 6- month in duration, to 32 households; security deposits to help 70 households move from homeless shelters into housing; and rent in arrears to help 70 households avoid an eviction and maintain their current housing. All 172 households receiving financial assistance will also receive housing stabilization case management including tenant counseling, budget counseling, outreach to landlords and landlord/tenant mediation.

Body:

WHEREAS, U.S. Department of Housing and Urban Development (HUD) published the Emergency Solutions Grant program in the *Federal Register* on December 5, 2011, which implements changes made by the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009, and is effective as of January 4, 2012; and,

WHEREAS, the City's Community and Neighborhood Development Consolidated One Year Action Plans for 2011 and 2012, as amended, sets forth the housing, economic development and neighborhood activities of the

CDBG Office using federal, state and city funds; and,

WHEREAS, the Substantial Amendments of the 2011 and 2012 Action Plans allows the CDBG Office to expend Emergency Solutions Grant funds to provide financial assistance and housing stabilization services to homeless persons and those who are at risk of becoming homeless; and,

WHEREAS, a Request for Proposals was issued on May 28, 2012 and the Community Action Coalition for South Central WI, Inc. submitted a proposal by the June 18, 2012 due date that included all of the information requested as part of the RFP and was judged to be a very good proposal.

NOW THERE BE IT RESOLVED, that the Common Council approve the use of ESG funds by Community Action Coalition for South Central Wisconsin, Inc. for the purpose of providing financial assistance and housing stabilization services to homeless households and those at risk; and authorize the Mayor and City Clerk to sign an agreement for services.