



## Legislation Text

---

**File #:** 66682, **Version:** 1

---

### **Fiscal Note**

This Resolution proposes to amend the Community Development Division's 2021 Adopted Operating Budget to recognize receipt of additional CARES Act (CDBG-CV2) grant revenues in the form of a pass-thru allocation via the State of Wisconsin Department of Administration, along with their commensurate expenditures, as follows:

- Revenue: +\$493,376.92
- Purchased Services: +\$493,376.92

This Resolution also authorizes the Mayor and City Clerk to execute agreements with nonprofit agencies to provide eligible public service activities using the additional CDBG-CV funds.

### **Title**

Authorizing the City of Madison to accept a pass-thru CDBG-CV grant award of up to \$493,377 from the State of Wisconsin Department of Administration; authorizing the Mayor and City Clerk to execute agreements with agencies to provide public service activities using the CDBG-CV funds; and amending the Community Development Division's 2021 Adopted Operating Budget to reflect receipt of these funds and commensurate expenditures.

### **Body**

#### **BACKGROUND**

In March 2020, Congress passed and the President signed the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), which provided critical supplemental funding to communities in their local response efforts to the COVID-19 pandemic. As part of its direct allocation of CARES Act funds via HUD's Office of Community Planning and Development (CPD), the City of Madison was awarded \$1,160,897 in supplemental Community Development Block Grant ("CDBG-CV") funds to help prevent, prepare for and respond to the coronavirus.

In May 2020, HUD announced that State government grantees would receive direct allocations from a second tranche of these supplemental CDBG-CV grant funds ("CDBG-CV2"). The State of Wisconsin was awarded \$16,979,300 in CDBG-CV2 funds, a portion of which the State has decided will be sub-allocated as pass-thru awards to current CDBG Entitlement communities. Through this State sub-allocation process, the City of Madison will receive a pass-thru CDBG-CV2 award of \$493,376.92. These funds can only be disbursed once the City's original CDBG-CV allocation has been fully expended.

The City's Community Development Division (CDD) has appropriately amended the 2019 Action Plan, as directed by U.S. Department of Housing and Urban Development (HUD), to acknowledge the eligible uses for CDBG-CV. The State of Wisconsin has also reviewed the amendment to the 2019 Action Plan and are in agreement all uses meet national objectives and are appropriate uses to prevent, prepare for and respond to the coronavirus. The Action Plan directs CARES Act funds within Public Service activities benefiting low to moderate income households; and will include activities which address one or more of the following objectives: Housing Assistance/Tenant Services, Homeless Services/Emergency Shelter Operations/Outreach and Administration. The CDBG-CV2 will be awarded to eligible community partners through CDD's Homeless Services and Housing Stability Request for Proposal(s).

#### **ACTION**

WHEREAS, the U.S. Department of Housing and Urban Development ("HUD") has awarded the State of Wisconsin \$16,979,300 in CDBG-CV grant funds via the CARES Act; and,

WHEREAS, the State of Wisconsin has, in turn, sub-allocated up to \$493,377 of these HUD CDBG-CV funds as a pass-thru grant awarded to the City of Madison to supplement the City's efforts to prevent, prepare for and respond to the coronavirus; and,

WHEREAS, the CDBG-CV2 will be awarded to eligible community partners through CDD's Homeless Services and Housing Stability Request for Proposal(s);

NOW, THEREFORE, BE IT RESOLVED, that the Common Council hereby authorizes the Mayor and City Clerk to execute agreements with the State to accept the CDBG-CV funds described above; and,

BE IT FURTHER RESOLVED, that the Common Council authorizes the Mayor and City Clerk to execute agreements with the non-profit entities selected to implement the public service activities to be funded with these CDBG-CV grant funds; and,

BE IT FINALLY RESOLVED, that the Common Council hereby amends the 2021 Operating Budget of the Community Development Division to recognize the specified grant revenue and commensurate expenditures.