



Legislation Text

File #: 79127, **Version:** 1

Fiscal Note

The proposed resolution authorizes reallocating up to \$260,000 of federal grant program supplemental funds to Porchlight Inc. to support men's shelter supportive services and operation expenses. Madison Urban Ministries (dba JustDane) projects underspending by about \$50,000 in its Rapid Rehousing Program, and City operating expenses in City-owned temporary shelter facilities and administrative services are projected to underspend by about \$210,000. To utilize the full amount granted by HUD, these funds must be spent by September 30, 2023. No additional City appropriation required.

Title

Authorizing the Mayor and City Clerk to execute a contract amendment with Porchlight Inc. to add up to \$260,000 of projected underspent City-administered ESG-CV funds, and extend the contract term to September 15, 2023 (District 12)

Body

BACKGROUND:

The City of Madison was granted \$2,890,929 in Emergency Solutions Grant Program Supplemental Funds (ESG-CV) from the US Department of Housing and Urban Development (HUD) through the Coronavirus Aid, Relief, and Economic Security (CARES) Act in 2020. These funds were intended to help address the impacts of the Coronavirus pandemic by preventing, preparing for, and responding to that crisis. The City reserved some funds for direct pandemic response and related administrative costs and allocated the balance to contracts with selected agencies to provide essential homeless services, as authorized by the Common Council (RES-20-00734, Legistar File #62439).

Initially, HUD set a deadline for funds to be used by September 30, 2022. However, that deadline was later extended to September 30, 2023. Any funds unused or for which the City has not submitted requests for reimbursement by the new deadline, must be returned to HUD. While most of the funds have been utilized for COVID-19 responses, there are projected underspent funds, including approximately \$50,000 awarded to the JustDane Rapid Rehousing Program and about \$210,000 reserved for City operating expenses related to the City-owned temporary shelter facilities (i.e. Men's shelter operated by Porchlight and Family shelter operated by the Salvation Army), and administrative activities.

To avoid returning unspent funds to HUD, the Community Development Division (CDD) recommends utilizing unspent City ESG-CV funds for ongoing expenses being incurred by Porchlight Inc. for men's shelter supportive services and operational costs in 2023. That will reduce the need, in 2023, for City-administered American Rescue Plan Act (ARPA) funds that have also been allocated by the Council for this purpose, and allow those funds to be available to support shelter operations in 2024 or beyond. The final contract amendment, and the amount of ESG-CV funds to be transferred to Porchlight for use in 2023 will be determined based on actual expenses incurred in July, and will be specified in the contract.

ACTION:

WHEREAS, the City of Madison is contracting with agencies to provide homeless services using City ESG-CV funds (RES-20-00734, File ID #62439); and,

WHEREAS, current projections suggest that up to \$260,000 in unspent ESG-CV funds could remain available by the contract end date of September 15, 2023 and need to be returned to HUD; and,

WHEREAS, in order to use those funds, CDD proposes re-allocating up to \$260,000 to be put toward 2023

men's shelter supportive services and operation expenses incurred by Porchlight Inc. through September 15, 2023.

NOW, THEREFORE, BE IT RESOLVED, that the Common Council hereby authorizes the Mayor and City Clerk to execute a contract amendment with Porchlight, directing up to \$260,000 of underspent City ESG-CV funds to support Porchlight's men's shelter supportive services and operations, and extending the contract term to September 15, 2023.