

Memorandum



CITY OF DALLAS

DATE January 29, 2021

TO Honorable Mayor and Members of the City Council

SUBJECT **Upcoming Office of Community Care Agenda Item: Texas Department of Housing and Community Affairs (“TDHCA”) Funded – Texas Emergency Rental Assistance Program (“TERAP”) and Texas Eviction Diversion Program**

On February 10, 2021, City Council will consider the following Office of Community Care (OCC) Agenda Item:

Item 21-23: Authorize the City Manager to **(1)** apply for and receive funding from the Texas Department of Housing and Community Affairs (TDHCA) (CFDA No. 14.228) for the implementation of the Texas Emergency Rental Assistance Program (TERAP) for the period January 15, 2020 through January 14, 2021; **(2)** establish appropriations in an amount not to exceed \$3,382,585.24 in the Texas Emergency Rental Assistance Program Fund; **(3)** receive and deposit funds in an amount not to exceed \$3,382,585.24 in the Texas Emergency Rental Assistance Program Funds; **(4)** execute any documents necessary with the TDHCA to accept and/or spend the funds; **(5)** implement the TERAP in accordance with **Exhibit A** and utilize up to 13% of the funds for administration and a minimum of 10% of funds for eviction diversion, as outlined by TDHCA; and **(6)** execute all documents necessary to implement the programs, including but not limited to agreements to administer the programs and all terms, conditions, and documents required by the agreement - Total not to exceed \$3,382,585.24 - Financing: Texas Department of Housing and Community Affairs Grant Funds

This item authorizes acceptance of Community Development Block Grant funds from TDHCA for the implementation of the Texas Emergency Rental Assistance Program and Texas Eviction Diversion Program and the execution of necessary agreements with TDHCA and with subrecipients to enable program implementation. The City of Dallas will act as a subrecipient to the State to utilize CDBG-CV funds to provide rental assistance to income-eligible households economically impacted by the Coronavirus Disease 2019 (“COVID-19”) to help them stay housed during the pandemic by paying for up to six months of rent, including rental arrears, with at least one of those months covering a future month of rent. Current and future months of rent must be consecutive. These additional funds will enhance the City’s ability to provide rental assistance for more residents at this time of extreme need.

The Texas Eviction Diversion Program is a component of the project. TEDP allows income-eligible individuals who have fallen behind on their rent because of the impact of COVID-19 and whose landlords have initiated eviction proceedings, to stay in their homes. TEDP operates in partnership with the Supreme Court of Texas, the Office of Court Administration (“OCA”), and local courts and provides referred income-eligible Households economically impacted by COVID-19 with up to six months of rental assistance and an alternative to eviction. For TEDP, clients must have been referred by a participating Justice of the Peace. Per TDHCA contract, a minimum of 10% of TERAP program expenditures must go toward TEDP.

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Residents receiving assistance through TERAP can receive maximum assistance of up to 120% of the Fair Market Rent (FMR) or SMFMR per month per unit for up to six (6) total months of assistance to be used towards arrears amount or future delinquency (qualifying arrears must have occurred prior to March 2020). Units may be up to 150% of FMR/SMFMR, but program funding can only cover up to 120% of FMR/SMFMR and remaining balance should be covered by tenant, landlord or alternative funding source.

OCC is working on a Request for Proposal to select subrecipients to administer the TERAP. Staff expects to have one or more subrecipient(s) identified by February 15, 2021 and will provide an update to the City Council on this selection via memorandum.

Should you have any questions or concerns, please contact myself or Jessica Galleshaw, Director of Office of Community Care.



Kimberly Bizer Tolbert
Chief of Staff

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Majed A. Al-Ghafry, Assistant City Manager

Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Dr. Eric A. Johnson, Chief of Economic Development and Neighborhood Services
M. Elizabeth Reich, Chief Financial Officer
M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion
Directors and Assistant Directors