



THE CITY OF KEY WEST

Post Office Box 1409 Key West, FL 33041-1409 (305) 809-3700

MEMORANDUM

EXECUTIVE SUMMARY

TO: Patti McLauchlin, City Manager
Todd Stoughton, Assistant City Manager

CC: Gary Volenec, Interim Engineering Director
Christina Bervaldi, Finance Director

FROM: Carolyn Sheldon, Senior Grants Administrator

DATE: October 21, 2022

RE: Approving the attached "State of Florida Department of Economic Opportunity Federally-Funded Community Development Block Grant CARES (CDBG-CV) Subgrant Agreement" Number 22CV-S14 / H2485 to reconstruct the Keys Overnight Temporary Shelter (KOTS) in the amount of \$4,300,000 Federal / \$3,000,000 City Match (\$7,300,000 total estimated project cost). Authorizing the Mayor to execute the necessary documents; Authorizing the approval and execution of subsequent amendments to this grant agreement that may adjust the grant funding allocations to the City or modify the project scope, upon consent of the City Attorney; and authorizing any necessary budget amendments or transfers to accept the funding.

ACTION STATEMENT:

This resolution will approve the attached "State of Florida Department of Economic Opportunity Federally-Funded Community Development Block Grant CARES (CDBG-CV) Subgrant Agreement" Number 22CV-S14 / H2485 to reconstruct the Keys Overnight Temporary Shelter (KOTS) in the amount of \$4,300,000 Federal / \$3,000,000 City Match (\$7,300,000 total estimated project cost). Authorize the Mayor to execute necessary documents, approve and execute subsequent amendments to this grant agreement that may adjust the grant funding allocations to the City or modify the project scope, upon consent of the City Attorney, and authorize necessary budget amendments or transfers to accept the funding.

BACKGROUND:

Under the State of Florida's CDBG Program, the state awards grants to smaller units of general local government that develop and preserve decent affordable housing to provide services to the most vulnerable in our communities, and to create and retain jobs.

Pursuant to the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the U.S. Department of Housing and Urban Development (HUD) allocated additional

Key to the Caribbean – Average yearly temperature 77° F.

CDBG-CV funds to the state of Florida to address issues related to the impacts of coronavirus (COVID-19). CDBG-CV funds were provided by HUD in three allocations to states and entitlement subgrantees. In total, DEO has received \$100 million in CDBG-CV funding. All Florida counties, cities and towns except for direct HUD entitlement communities are eligible for this funding.

PURPOSE AND JUSTIFICATION:

CDBG-CV funds may only be used to cover costs associated with preparing for, responding to, or recovering from the COVID-19 pandemic. The City of Key West was awarded \$4,300,000 to reconstruct KOTS into a permanent, storm-resistant structure serving an average of 120 homeless persons per day meeting the Low-to-Moderate Income (LMI) Limited Clientele national objective. The new facility will provide 24/7 services in an expanded facility allowing for social distancing and continuation of assistance with recovering from the coronavirus pandemic.

STRATEGIC PLAN:

This project is identified as a major project listed as #5 in the priorities for the next three years in the Key West Forward Strategic Plan. Key West High School students who completed the student survey listed KOTS as the #1 priority for major planned projects.

FINANCIAL IMPACT:

With the approval of Grant Agreement Number 22CV-S14 / H2485, the City will receive up to a maximum reimbursement amount of \$4,300,000 to reconstruct the Keys Overnight Temporary Shelter (KOTS). Grant revenue is budgeted in account 1010000 3315001 (Infrastructure Surtax / Revenue / FEMA Grant/Reimbursement). Expenses are budgeted in account 1011900 5196200 (Infrastructure Surtax / Non-Departmental / Buildings). Project IS19002101.

RECOMMENDATION:

Staff recommends that the City Commission approve the attached "State of Florida Department of Economic Opportunity Federally-Funded Community Development Block Grant CARES (CDBG-CV) Subgrant Agreement" Number 22CV-S14 / H2485 to reconstruct the Keys Overnight Temporary Shelter (KOTS).