



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 11/19/2019

ALL

Item Creation Date: 11/8/2019

MYR Financial Empowerment Center (1 of 2)

Agenda Item#: 35.

Summary:

ORDINANCE approving and authorizing a grant agreement among the City of Houston, **CITIES for FINANCIAL EMPOWERMENT FUND, INC.**, and **GREATER HOUSTON COMMUNITY FOUNDATION** for the implementation of Financial Empowerment Centers; approving the acceptance of a grant from **CITIES for FINANCIAL EMPOWERMENT FUND, INC.** to **GREATER HOUSTON COMMUNITY FOUNDATION** on behalf of the City; authorizing the Director of the Mayor’s Office of Complete Communities to act on behalf of the City for the purpose of the grant and to apply for and accept all subsequent awards, if any

Background:

The Director of the Mayor’s Office of Complete Communities (MOCC) and the Director of the Planning and Development Department request City Council approval of an ordinance authorizing a contract among the Cities from Financial Empowerment Fund (“CFE Fund”), Greater Houston Community Foundation (“GHCF”), and the City of Houston to establish the Financial Empowerment Centers (“FEC”) program in Houston. Implementation includes General Funds to fund one staff person in the Mayor’s Office of Complete Communities for two years. Additionally, Council will be asked to approve a professional services agreement for the administration of the FEC program.

The CFE Fund’s Financial Empowerment Centers program delivers professional, one-on-one financial counseling as a free city service and offers municipalities a tangible strategy to build community financial stability by helping help those most in need of critical one-on-one assistance. People in financial trouble need individualized help, not just financial literacy education, to address their most complex financial challenges. Through the FEC program, trained financial counselors work with clients on asset building, banking access, consumer protection, financial responsibility, debt management, home ownership, affordable housing qualification, and financial literacy. Counselors start with a financial triage assessment of the nature of and urgencies within clients’ financial situation. Then, counselors set goals and establish a specific plan of action with each client that focuses on one or more of four areas of improvement: banking, increasing savings, reducing debt, and building credit. Clients may also be referred to other supportive services that can enhance the quality of life of that individual. As a condition of the grant, a FEC Program Coordinator will be hired to supervise the implementation and administration of the City of Houston’s FEC program. Financial Empowerment Centers will be located in public facilities in communities in which 51% or more of the residents are low- and moderate-income persons.

The CFE Fund requires a matching contribution by the City. The CFE Fund pledges and agrees to provide the City, as grantee, a 1:1 match Grant in the form of cash in the amount of \$150,000 for the first fifteen (15) months from the Countersignature Date; and a 1:2 match, of up to \$100,000 in Year 2.

Two sources of match funding for years 1 and 2 to meet the matching contribution requirement are General Fund through the Planning and Development Department and private sector funding. The private-sector donation will be sent to and will be administered by the Greater Houston Community Foundation.

MOCC also requests City Council to authorize the MOCC Director or her designee to act as the City’s representative in the application process with authority to apply for, accept, and expend the grant funds, as awarded, and to extend the budget period, and to authorize the Mayor to execute all related contracts, agreements, and documents with the approval of the City Attorney in connection with the grant.

Fiscal Note:

Funding for this item is not included in the FY2020 Adopted Budget. Therefore, a Fiscal Note is required as stated in the Financial Policies.

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Shannon Buggs, Director
Mayor’s Office of Complete Communities

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Margaret Wallace Brown, Director
Planning and Development Department

Estimated Fiscal

Operating Impact

Recurring or One-Time	One-Time
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Fund Name	FY20	FY21	FY22	FY23	FY24	Total
General Fund (1000)	\$150,000.00	\$0	\$0	\$0	\$0	\$150,000.00
	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$150,000.00	\$0	\$0	\$0	\$0	\$150,000.00

Amount of Funding:

\$150,000.00
 General Fund
 Fund 1000

Contact Information:

Shannon Buggs
 Director, Mayor's Office of Complete Communities
Phone: 832.393.1085

ATTACHMENTS:

Description

Quality of Life Presentation
 CFE Award Letter
 Agreement
 Ordinance (revised)

Type

Backup Material
 Financial Information
 Contract/Exhibit
 Ordinance/Resolution/Motion