



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Leslye Krutko

SUBJECT: SEE BELOW

DATE: September 9, 2008

Approved

Date

9-11-08

COUNCIL DISTRICT: Citywide

SNI AREA: N/A

SUBJECT: APPROVAL OF A GRANT TO THE EMERGENCY HOUSING CONSORTIUM LIFEBUILDERS TO ADMINISTER THE HOUSING SERVICES PARTNERSHIP PROGRAM AND PROVIDE SERVICES TO THE HOMELESS POPULATION AND TO THOSE AT RISK OF HOMELESSNESS IN THE CITY OF SAN JOSE.

RECOMMENDATION

It is recommended that the City Council adopt a resolution:

- a) Approving a grant of \$979,372 to the Emergency Housing Consortium (EHC) Lifebuilders for the implementation of the Housing Services Partnership (HSP), a homeless services and financial assistance program, from October 1, 2008 through June 30, 2009; and
- b) Authorizing the Director of Housing to negotiate and execute all necessary documents.

OUTCOME

The approval of the HSP contract award will ensure the uninterrupted provision of needed services for San José's homeless and at risk residents.

BACKGROUND

On August 11, 2004, the City issued a Request for Proposals (RFP) for services to be provided on behalf of the City to homeless residents and those at risk of homelessness in San José. The services included: homeless prevention counseling, financial assistance, case management, and permanent housing placement. On January 25, 2005, the City Council approved the selection of

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the EHC, InnVision the Way Home, and Sacred Heart Community Services, working together under one contract, to provide homeless services on behalf of the City. This contract was amended twice to provide services through September 30, 2008. On April 11, 2008, the City issued a Request for Proposals (RFP) for the administration of the Housing Services Partnership (HSP) program on behalf of the City in an amount not to exceed \$1,268,620.

In 2007, the Blue Ribbon Commission (BRC – now known as Destination: Home) on homelessness and affordable housing, co-chaired by San José Mayor Chuck Reed and Santa Clara County Supervisor Don Gage, was created to provide a top-flight community leadership group to give direction and support for a comprehensive approach to ending chronic homelessness in ten years. One of the BRC's adopted recommendations was to establish One-Stop Homeless Prevention and Service Centers. These multi-service centers will provide, at one location, the multiple services needed by homeless persons and those at-risk of homelessness to address disabling issues, increase their stability and self-sufficiency, and ultimately access permanent housing. Not only will this co-location benefit the consumer and dramatically facilitate the goal of providing appropriate services and housing, but it also helps public and private agencies coordinate their services and avoid needless – and expensive – duplication. These One-Stop Centers are a part of Destination: Home's efforts to create a best practice model that will provide operational efficiencies that allow for more effective service delivery and the reduction and eventually the elimination of homelessness in the region.

Because of the benefits that clients would obtain from having HSP co-located with other services, Destination: Home identified HSP as a critical component of the One-Stop Centers. In order to ensure that the HSP program was one of the services offered in the One-Stop Centers upon opening, the RFP for the administration of the HSP program stated that "the selected agency must be willing to locate all or some of the HSP staff at the to-be-determined one-stop homeless services center."

ANALYSIS

Two proposals were submitted in response to the City's RFP, including one from the Emergency Housing Consortium and the second from a collaboration between InnVision the Way Home (as the lead agency), Sacred Heart Community Services, and Catholic Charities. Each proposal was reviewed and scored on the following four criteria –

- 1) Presentation of Proposal, Administrative Process, & Methodology
- 2) Experience of Agency
- 3) Customer Satisfaction/Agency Reputation
- 4) Fee Structure (Cost)

All of the agencies responding to the RFP have extensive experience providing services to homeless and/or at-risk households and have good reputations within the community. Both proposals were comprehensive and exhibited an understanding of what it takes to administer the HSP program. To better determine which proposal would best meet the needs of both the region's homeless and at-risk residents and the new One-Stop Centers it was decided to complete

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an extended review process, including in-person interviews. In order to allow the extended review process to take place without causing a disruption of critical HSP services, the City Council approved an extension of the existing contract through September 30, 2008.

The Housing Department invited members of the Destination: Home Steering Committee to participate in the interview process. These members included:

- Maureen O'Malley-Moore – Policy Analyst, County Supervisor Don Gage's Office & Destination: Home program development group
- Marjorie Mathews – Director, County of Santa Clara Office of Affordable Housing, and Destination: Home Steering Committee member
- Amari Romero-Thomas – Senior Vice President, United Way Silicon Valley and Destination: Home Steering Committee member
- Maury Kendall - Program Manager, Destination: Home
- Jessica Scheiner - Homeless Program Manager, City of San Jose Housing Department

After reviewing the written proposals and interviewing the applicant groups, it was determined that the EHC proposal was much clearer, providing more assurance that that the program will be administered smoothly with clear lines of communication and authority, making it easier for clients to utilize the services and the City to coordinate with the service providers. Therefore, it is recommended that the FY 2008-2009 HSP contract be awarded to EHC.

FISCAL IMPACT

There will be no fiscal impact to the General Fund. The funds for this project will be funded through the Housing Services Partnership appropriation in the Housing Trust Fund (Fund 440).

EVALUATION AND FOLLOW-UP

The Housing Department will update the City Council on the HSP program activities and accomplishments along with its annual homeless update to the Community and Economic Development Committee.

POLICY ALTERNATIVES

In reaching the recommendation spelled out above, the following alternative was also considered:

Alternative #1: *The City could choose not to extend the current HSP contracts.*

Pros: The City could provide the funds for alternative uses.

Cons: San José's homeless and at-risk residents would not have access to critical services.

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Reason for not recommending The uninterrupted provision of HSP services is critical to the City's priority of ending and preventing homelessness.

PUBLIC OUTREACH/INTEREST

- **Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- **Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- **Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

Although this memo does not meet any of the above criteria, it will be posted on the City Council Agenda Website for the September 30, 2008 meeting.

COORDINATION

This memorandum was coordinated with the Office of the City Attorney.

COST SUMMARY/IMPLICATIONS

- | | | |
|----|--|------------|
| 1. | TOTAL COST OF PROGRAM (October 1, 2008 – June 30, 2009): | \$979,372 |
| 2. | COST ELEMENTS OF AGREEMENTS: | |
| | Personnel | \$272,925 |
| | Non-Personnel/Operations | \$ 92,565 |
| | Direct Client Financial Assistance | \$613,882 |
| 3. | SOURCE OF FUNDING: Housing Trust Fund | (Fund 440) |
| 4. | FISCAL IMPACT: No fiscal impact to the General Fund. | |

BUDGET REFERENCE

The table below identifies the fund and appropriation proposed to fund the contract recommended as part of this memorandum and remaining project costs, including project delivery, construction, and contingency costs.

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Fund #	Appn. #	Appn. Name	Total Appn.	Amt. For Contract	2008-2009 Proposed Operating Budget (Page)	Last Budget Action (Date, Ord. No.)
440	3358	Housing Services Partnership	\$1,300,000	\$979,372	XI-46	6/24/2008

CEQA

Not a project.


LESLYE KRUTKO
Director of Housing

For questions please contact Leslye Krutko, Director of Housing, at (408) 535-3851.