

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Leslye Corsiglia
Jennifer A. Maguire

**SUBJECT: FUNDING DESTINATION: HOME
STAFF COMPENSATION**

DATE: November 8, 2010

Approved

Date

11/18/10

COUNCIL DISTRICT: City-Wide

RECOMMENDATION

It is recommended that the City Council adopt the following Appropriation Ordinance amendments in the Housing Trust Fund:

1. Increase the appropriation to the Housing Department for the Destination: Home project by \$161,176.
2. Decrease the Ending Fund Balance by \$161,176.

OUTCOME

Approval of the recommended action will ensure that County-wide efforts to end homelessness will continue to be vigorously pursued.

BACKGROUND

In 2007, the Blue Ribbon Commission on Ending Homelessness and Solving the Affordable Housing Crisis – co-chaired by Mayor Reed and County Supervisor Don Gage – issued its final report, providing a comprehensive roadmap for ending homelessness in Santa Clara County. A direct outgrowth the Blue Ribbon Commission was the formation of Destination: Home, a partnership of public agencies and private companies to carry out the Commission's plan.

Since 2009, a County employee has been assigned to Destination: Home as its Project Director. On August 23rd, 2010, the Destination: Home Leadership Board hired an Interim Executive Director. Both of these positions need to be funded in the current fiscal year.

On November 5th, 2010 The Health Trust, a local nonprofit organization, assumed the role of fiscal sponsor for Destination: Home, replacing United Way. On December 1st, the Interim Executive Director will become an employee of The Health Trust.

ANALYSIS

As noted above, Destination: Home is a public-private partnership to which all participants, including the City of San Jose, contribute resources. Per agreement with the private partners, the City and the County will provide for the staffing costs associated with Destination: Home and private contributions, individual, corporate, and foundation grants will provide for case management services. The City has been partially funding Destination: Home staff in prior fiscal years and needs to continue that role in the current fiscal year.

The recommended appropriation action will provide:

- 100% of the Interim Executive Director's salary plus benefits for the remaining seven months of the 2010-2011 fiscal year (December through June), at a cost of up to \$93,275.
- 50% of the Project Manager's salary plus benefits for the entire fiscal year, at a cost of up to \$67,901 (the County will pay the remaining 50%).

The funding sources that Destination: Home will be tapping for its 2010-11 budget are as follows:

<u>SOURCE</u>	<u>AMOUNT</u>
Private contributions carried over from prior year	\$477,257
New individual, corporate and foundation grants	\$240,000
County of Santa Clara	\$68,750
City of San Jose (salaries as proposed in this report)	\$161,176
TOTAL	\$947,183

With this staffing in place, Destination: Home will continue to coordinate the county-wide strategies recommended by the Blue Ribbon Commission to end homelessness in our community.

EVALUATION AND FOLLOW-UP

Updates on Destination: Home will be provided in the Housing Department's regular reports to the City Council on homeless issues.

POLICY ALTERNATIVES

Alternative #1: Do not provide funding for Destination:Home staff

Pros:	The limited funding available in the Housing Trust could be spent directly on facilities and services provided to the homeless population.
Cons:	Without staff, the Destination: Home partnership will have limited capacity to implement its goal of ending homelessness.
Reason for not recommending:	The proposed investment in staffing for Destination: Home will make the organization fully functional and will, thereby, leverage considerable funding from the private sector to succeed at its goals.

PUBLIC OUTREACH/INTEREST

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 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)**
- Criterion 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)**

The proposed action does not meet any of the above criteria. Nonetheless, this report will be posted on the City Council Agenda Website for the November 30, 2010 meeting.

COORDINATION

Preparation of this report was coordinated with the Office of the City Attorney.

FISCAL/POLICY ALIGNMENT

Funding to support Destination: Home staffing is consistent with the City's policy to make strategic investments that yield significant leveraged funds. It is also in alignment with the City's Ten Year Plan to End Homelessness, and the Blue Ribbon Commission report.

COST SUMMARY/IMPLICATIONS

As recommended as part of this memorandum, funding will be appropriated from the Housing Trust Fund's ending fund balance to provide funding for Destination: Home staffing costs. This funding will help implement the City's Ten-Year Plan to End Homelessness and the recommendations of the Blue Ribbon Commission.

BUDGET REFERENCE

The table below identifies the fund and appropriation proposed to fund the salary costs associated with the Destination: Home project.

Fund #	Appn #	Appn. Name	Total Appn	Amt. for Contract	2010-2011 Adopted Budget (Page)	Last Budget Action (Date, Ord. No.)
440	8999	Ending Fund Balance	\$1,698,618	\$161,176	N/A	10/19/2010 Ord. No. 28829

HONORABLE MAYOR AND CITY COUNCIL

November 8, 2010

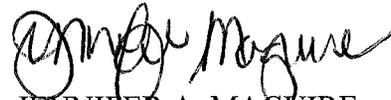
Subject: Funding for Destination:Home Staff Compensation

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CEQA

CEQA: Not a project


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