



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Leslye Corsiglia

SUBJECT: SEE BELOW

DATE: June 21, 2004

Approved

Date

COUNCIL DISTRICT: Citywide

SUBJECT: APPROVAL TO AWARD A RETROACTIVE HOUSING TRUST FUND GRANT TO THE EMERGENCY HOUSING CONSORTIUM FOR HOMELESS SERVICES

RECOMMENDATION

It is recommended that the City Council adopt a resolution authorizing a retroactive agreement with the Emergency Housing Consortium in the amount of \$200,000 for providing services to the homeless.

BACKGROUND

The Housing Department administers grants through the Housing Trust Fund (Fund 440) to nonprofit agencies that provide direct services to the homeless and those at risk for becoming homeless. Services provided include: information and referrals to emergency, transitional and permanent housing options; coordination of rental assistance and mortgage payments; and linkages to other services such as health care, job opportunities, and transportation.

In the past, Housing Department staff also offered direct information and referral services to the homeless. In 2002, an evaluation by Housing Department staff concluded that direct services could be offered more efficiently and effectively by nonprofit organizations than by City staff. In December 2002, the Housing Department, under the Director's Delegation of Authority, entered into an agreement with the Emergency Housing Consortium (EHC) to offer the direct services previously provided by City staff. This was an interim agreement and was intended to allow the Department adequate time to obtain City Council approval for the City's Homeless Strategy which would authorize the issuance of a Request For Proposal (RFP) for the selection of a new provider of these services on an ongoing basis.

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In its agreement with the City, EHC provides: assessment of needs, information and referral, one-time financial assistance of up to \$400 to resolve critical housing situations, and counseling to avert future emergency situations. The agreement reimburses EHC for staff time and for direct program costs such as the rental assistance. The average monthly cost of this agreement is \$12,000.

The original agreement with EHC covered the period from December 12, 2002 through May 1, 2003, based on an anticipated April 2003 approval of the Homeless Strategy by the City Council. A delay in presenting the Homeless Strategy to the City Council resulted in the need to extend the contract. Staff received approval from the City of San José Housing Trust Fund Oversight Committee to extend the interim agreement with EHC to allow time for the RFP process, and under the Director's Delegation of Authority, the contract was extended through August 31, 2003.

ANALYSIS

On February 28, 2004, an RFP for "Wraparound Homeless Services" was published and two proposals were received, with annual costs between \$400,000 and \$500,000. Department staff is reviewing the proposals and negotiating the final program parameters. In order to allow adequate time for thorough evaluation and planning, the Department would like to continue the interim service agreement with EHC through December 31, 2004. This will ensure continued services to the community until a final proposal is selected and implemented.

The Emergency Housing Consortium has continued to provide housing and homeless services from August 30, 2003 to the present with the anticipation of an extension of their agreement with the City. The Housing Department is requesting authorization for a retroactive agreement with EHC to cover services provided from September 1, 2003 to December 31, 2004, with a total cost not to exceed \$200,000.

PUBLIC OUTREACH

Not Applicable.

COORDINATION

This report has been coordinated with the City Attorney's Office.

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FISCAL IMPLICATIONS

The funding for this program is available in the Housing Department's Fiscal Year 2003-04 budget, Housing Trust Fund (440.)

CEQA

Not a project.



LESLYE CORSIGLIA
Director of Housing