



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Leslye Corsiglia

SUBJECT: SEE BELOW

DATE: June 8, 2004

Approved

Date

COUNCIL DISTRICT: Citywide

SUBJECT: APPROVAL TO RETROACTIVELY GRANT HOUSING OPPORTUNITY FOR PERSONS WITH AIDS (HOPWA) PROGRAM FUNDS TO HEALTH TRUST, D.B.A. HEALTH CONNECTIONS, FOR SERVICES PROVIDED TO INDIVIDUALS AND FAMILIES LIVING WITH HIV/AIDS

RECOMMENDATION

It is recommended that the City Council adopt a resolution authorizing the Director of Housing to execute a retroactive agreement with Health Connections in the amount of \$763,390 for providing rental assistance and case management services to individuals and families living with HIV/AIDS, under the 2003 HOPWA Entitlement Program.

BACKGROUND

The City of San José, as administrator of the federal HOPWA Entitlement grant program, contracts with agencies providing services to individuals living with HIV/AIDS, including case management and emergency rental assistance. The two agencies in San Jose that have provided these services are the AIDS Resource, Information and Services (ARIS) and Health Connections.

Health Connections became the sole provider of City-funded HIV/AIDS related services after the closure of the AIDS Resource, Information and Services (ARIS) agency. In March 2003, ARIS announced that it was closing due to financial constraints. At that time, ARIS requested that Health Connections be assigned the remaining funds under its HOPWA contracts, to continue providing tenant-based rental assistance services to ARIS's HIV/AIDS clients. In an effort to avoid termination of the rental assistance to ARIS clients, Health Connections agreed to continue the services that had been provided by ARIS.

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On June 17, 2003, the City Council approved the termination of the HOPWA Entitlement contract with ARIS and approved the transfer of the outstanding balance to Health Connections. On September 30, 2003, the City and Health Connections entered into an amended contract for HOPWA rental assistance funds, retroactive for the period covering April to September 2003.

For a number of reasons, including staffing changes and delays in developing a program to allow Health Connections to accommodate its existing client base and those transferred from ARIS, a budget for providing HOPWA-funded services for Fiscal Year 2003-04 was not finalized until May, 2004. However, Health Connections has continued to provide the services covered by this HOPWA-funded agreement, including case management services from July 2003 to the present, and tenant-based rental assistance to ARIS clients from October 2003 to the present.

ANALYSIS

Health Connections has worked cooperatively with City staff to maintain the level of service required by HIV/AIDS residents receiving tenant-based rental assistance and has provided this assistance with the understanding that the City would make available HOPWA funding for this purpose.

Under the 2003 HOPWA Entitlement Program, the City was awarded a total of \$787,000. Of that, the City retains 3% (\$23,610) for administering the grant and awards \$763,390 to a subrecipient for the delivery of applicable services. The proposal from Health Connections allocates \$322,954 for case management and emergency housing assistance to approximately 165 individuals, \$392,939 for direct rental assistance to 95 individuals, and \$47,497 for its costs to administer the grant.

This contract will be awarded retroactively to include case management services provided from July 1, 2003 to June 30, 2004, and tenant-based rental assistance as of October 1, 2003 to June 30, 2004.

PUBLIC OUTREACH

Not Applicable.

COORDINATION

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

FISCAL IMPLICATIONS

The funding for this program is available in the Housing Department's Fiscal Year 2003-04 budget, Multi-Source Housing Fund (448).

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CEQA

Not a project.

A handwritten signature in black ink, appearing to read 'Leslye Corsiglia', with a stylized flourish at the end.

LESLYE CORSIGLIA
Director of Housing