

OFFICE OF THE CITY MANAGER  
DES MOINES, IOWA

ITEM **83**

CITY COUNCIL COMMUNICATION 97-236  
APRIL 28, 1997 AGENDA

SUBJECT:	TYPE:	SUBMITTED BY:
SHELTER PLUS CARE GRANT AGREEMENT	◆ RESOLUTION ORDINANCE RECEIVE/FILE	BILL WILKINS HOUSING SERVICES DIRECTOR

**SYNOPSIS —**

Shelter Plus Care Grant Program implementation.

**FISCAL IMPACT —**

Shelter Plus Care funding in the amount of \$1,988,400 for rental assistance over five years

**RECOMMENDATION —**

Approval of the second Shelter Plus Care Amendment and authorizing the execution and submission of the Shelter Plus Care Grant Agreement to HUD.

**BACKGROUND —**

In April 1994, the City of Des Moines Department of Housing Services (DHS) was awarded \$1,988,400 for the Shelter Plus Care (SPC) Program. This program provides rental assistance to homeless persons and their families with disabilities. These disabilities include persons who are seriously mentally ill, have chronic problems with alcohol, drugs or both or have acquired immunodeficiency syndrome and related diseases. The original grant reflected a single site project-based Rental Assistance Program under contract for ten years. The money awarded was specifically for rental assistance. It does not provide funding for supportive services and provides very little money (eight percent of the total remaining money after all targeted number of clients are served) for administrative costs.

Over several years the SPC Program has been through several levels of reviews and revisions. Initially, the SPC Program was reviewed by the Public Housing Advisory Board and various supportive service agencies. These groups met several times through working meetings and public hearings regarding the redesign of the SPC Program. After a year of no progress, other Public Housing Advisory Board members, supportive services and housing agencies, City Council and Polk County officials met to discuss the revisions needed to the original program to make the program *politically acceptable*. These meetings led to the revision of the original program submitted in August 1995. The revision included changing the original program from Project-based Rental Assistance (PRA) to PRA and Sponsor-based Rental Assistance (PRA) implemented through Anawim Housing verses DHS.

In May 1996, Anawim Housing acknowledged they were unable to implement the PRA component due to their inability to locate a building that would meet the requirements of the program. However, they stated they would like to move forward on the SRA component, and submitted a timeline for implementation of that component.

At this time, DHS staff informed the City Manager about another delay regarding the SPC Program.

Prior to receiving a letter from Anawim Housing, DHS received a letter from the Washington HUD Office stating the SPC Program was progressing slowly and that DHS should submit a response to the Omaha HUD Office stating why the program was lagging and a description of any steps we were taking to improve matters. A response was submitted in June 1996.

DHS staff then submitted a second revision to the SPC Program stating the desire to implement the SPC Program through SRA to include 60 units scattered site units. Also, this revision included the intentions of DHS, in compliance with the City Council request, to locate 30 units within the City limits and 30 units within the suburbs, for a total of 60 units under the SPC.

On January 10, 1997, DHS received the grant agreement for the SPC Program including only the SRA component. Since that time, a contract has been negotiated with Anawim Housing for the SRA component. A copy of the contract is on file with the City Clerk for your review.

The SPC contract clearly outlines the procedural requirements of the SPC and the work program to which Anawim Housing will adhere. Some of the requirements within the contract include:

- Internal Audits conducted by the City
- Monthly reporting from Anawim
- City-approved forms and agreements
- Release and Hold Harmless statement for the City
- Public Relations statement
- Record Retention-City Record Inspection
- Evaluation Measures
- Fair Market Rent Standards
- Other SPC and Federal Requirements

The DHS would assist with inspections, review of rent calculations, reporting and other minimal duties. DHS basically is the *vehicle* through which the money from the SPC Program would funnel. Please note the City is ultimately responsible for the SPC Program even though the main focus of the implementation is through Anawim Housing.

Further, there is a strong commitment from specific supportive service agencies that would coordinate services for a designated number of units. These agencies include, but are not limited to, AIDS Project of Central Iowa, Good Samaritan Urban Ministries and Polk County Health Services, Inc.

On April 16, 1997, the Public Housing Board reviewed this Amendment and Grant Agreement for the Shelter Plus Care Program and recommended approval to the City Council. Currently, a contract for services with Anawim Housing has been approved by the Public Housing Board and is pending City Council approval of the amendment and grant agreement.