



Council Communication

Office of the City Manager

Date

September 22, 2008

Agenda Item No. 23

Roll Call No. ~~08-~~

Communication No. 08-587

Submitted by: Chris M. Johansen, Assistant
City Manager

AGENDA HEADING:

Approval of Continuum of Care Program Application.

SYNOPSIS:

The City of Des Moines is proposing to submit an application to the U.S. Department of Housing and Urban Development (HUD) for Continuum of Care Program funding which will provide needed services to homeless persons in Des Moines and Polk County. The program is designed to develop supportive housing and related services that will allow homeless persons to live as independently as possible.

FISCAL IMPACT:

Amount: \$3,486,015 (application amount)

Funding Source: HUD/SHP Continuum of Care Program:
Homeless Grants (SHPG2008099); 2008-09 Operating Budget, Page 110, SP039 CDD049900.

ADDITIONAL INFORMATION:

The Supportive Housing Program (SHP) is designed to develop housing and services that will allow homeless persons to live as independently as possible. There are six broad activities that can be funded under the SHP: acquisition, rehabilitation, new construction, leasing, operating costs, and supportive services. All of these activities have to be directed to eligible homeless persons in one of six program components: transitional housing, permanent housing for persons with disabilities, supportive services only, safe havens, and/or innovative supportive housing. Emergency shelter is not eligible under SHP.

For the past 11 years the City has applied for a HUD Continuum of Care grant under the Supportive Housing Program (SHP) that includes the HUD geographic areas of the City of Des Moines, West Des Moines and Polk County. The 2008 application, as recommended by the Polk County Housing Continuum, is made up of eight Supportive Housing Program (SHP) project renewals, three new projects, two shelter plus care (S+C) projects, a good samaritan bonus project, and a rapid re-housing program for a total of \$3,486,015. As the applicant, the City will be responsible for the overall management and administration of the grant, including draw downs, fund distribution, monitoring, and reporting to HUD. These functions are divided between the Finance Department and the Housing Services Department's Community Investment Administration Division. Administration funds totaling 5% of the grant amount (excluding Shelter + Care and Rapid Re-Housing) are divided equally between the city as grantee and the project sponsors.

There were significant changes to the SHP program this year including an electronic application. Usually the application process is completed in early June, but HUD delayed the process until the new system was ready. The application due date was September 26, 2008, but we were recently notified by HUD that it would be extended until October 9, 2008, because the recent hurricanes and power outages affected several continuums of care.

The SHP is a formula competitive grant. The Des Moines area Pro Rata Need amount for 2008 is \$1,671,932. The jurisdiction can apply for a bonus project which is an additional 15% of the Pro Rata (\$250,790). The Shelter + Care program is also included in the application (\$1,063,296 for two projects) but does not count against the Pro Rata Need.

New this year is another bonus program called Rapid Re-housing which is a demonstration program aimed at helping homeless (on the street or in shelters) families with children locate housing and provide home-based case management to promote housing retention and link families with needed services. Through this grant the city can apply for \$500,000; \$350,000 for housing assistance payments and \$150,000 for supportive services. The grant requires matching funds of 20% of the supportive services allocation (\$30,000). The Polk County Housing Trust Fund approved a request for this amount at their September 12, 2008 meeting.

The City of Des Moines will act as the applicant and Anawim Housing will administer the grant and manage the housing component. Through the housing component Anawim will manage the rental assistance and contract with area landlords for units which will be subleased to participants. Anawim will also contract with local groups for the intake/assessment and supportive services (case management).

The Primary Health Care Outreach Project will provide outreach, intake, and assessment of clients who will be referred to Anawim for selection and housing placement. Case management services will be provided to help the families transition to their new housing and provide support to enable the families to stabilize and maintain their housing long term. Agencies that will provide case management include: Children and Families of Iowa, Hawthorn Hill, HOME, Inc., and House of Mercy.

Families may receive rental assistance for up to 18 months. In addition, funds will be available to assist clients with deposit and miscellaneous moving expenses. Families will receive home-based case management services which maximize the use of existing community programs such as education/job training, day care, income support programs, and medical services. Supportive service providers are required to provide follow up with the clients for six months after rental assistance has ended. Data is required to be collected and shared through our local HMIS. The grant will not cover the full cost of the case management services, but the agencies involved will cover the costs from other funding sources. This is a collaborative effort that required a great deal of coordination and cooperation between the agencies involved and, if not funded through the SHP program, the PCHC intends to present it to other potential funders as a model for providing these types of services to homeless families.

The Polk County Housing Continuum Board appoints a Continuum of Care Committee, whose duties include preparing the SHP application. The committee began meeting in February of this year to work on various aspects of the application, as well as other data related information, such as the Point-In-Time homeless count. The C of C Committee also ensures that any SHP announcements such as the Notice of Funding Availability (NOFA) are communicated to the full continuum and an extensive list of persons and agencies interested in Polk County Housing Continuum (PCHC) activities.

On September 3, 2008, an independent scoring committee made up of representatives from United Way, the City, the State, and the Des Moines Public Schools met to finalize their recommendations to the PCHC Board. None of the Review Committee members is part of any organization seeking funding through the SHP.

On September 10, 2008 the PCHC Board held a special meeting to consider the recommendations (attached) of the review committee. The Board adopted the recommendations of the committee. However, there was an extensive discussion of the eligibility of the new project proposed by the Beacon of Life. Follow up review by board members and staff determined that the project will most likely be ruled ineligible by HUD. SHP funds can only be used for transitional housing to provide units, bedrooms, or beds for a new program or an expansion of an existing one. The project proposed by Beacon of Life will provide additional services for existing clients, but will not expand the number of beds or units available for housing. The project cannot be considered as supportive services because this type of project can only provide services to homeless persons who do not reside in housing provided by the grantee or project sponsor. The City Manager recommends that the \$148,735 proposed for this project be reallocated to other projects to renew them for two years instead of one.

In addition, the City Manager recommends that the funds (\$31,993) recommended for a portion of the rent costs for Primary Health Care's new office at 1200 University be reallocated. This is a relatively small amount for this agency and these funds can be combined with the Beacon of Life allocation (\$148,735 + \$31,993 = \$180,728) to fund a two-year renewal for the West Des Moines Transitional Housing Program (\$75,372) and a two year renewal for Iowa Homeless Youth Center's Buchanan Project (\$99,390).

This would leave \$5,966 unallocated but it would fund two projects for two years and they would not need to come out of the Pro Rata Need next year, and the risk of losing \$148,735 because of an ineligible project is eliminated.

The City Manager wishes to recognize the significant amount of time and effort contributed by the PCHC Board, the Continuum of Care Committee, the Project Review Committee and the Ad Hoc Committee that developed the Rapid Re-housing Proposal, to prepare this year's SHP application and the important assistance this will provide to individuals and families experiencing homelessness in our community.

PREVIOUS COUNCIL ACTION(S):

Date: June 4, 2007

Roll Call Number: 07-1076

Action: Continuum of Care Program Application funding to provide needed services to homeless persons in Des Moines and Polk County. (Council Communication No. 07-319) Moved by Vlassis to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Date: September 10, 2008

Roll Call Number: NA

Action: The Polk County Housing Continuum Board recommended adoption of the Continuum of Care Committee's recommendations for the 2008 Supportive Housing Program application.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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