

DATE: JULY 19, 2004
TO: PASADENA COMMUNITY DEVELOPMENT COMMISSION
FROM: CYNTHIA J. KURTZ, CHIEF EXECUTIVE OFFICER
SUBJECT: APPROVAL OF SUBMISSION OF THE 2004 CONTINUUM OF CARE HOMELESS ASSISTANCE APPLICATION TO THE U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)

RECOMMENDATION:

It is recommended that the Pasadena Community Development Commission ("Commission") adopt a resolution:

- 1) Authorizing the filing with the U. S. Department of Housing and Urban Development (HUD), the 2004 Continuum of Care (CoC) Homeless Assistance Application for a funding request of \$2,604,689 for eight projects; and
- 2) Authorizing the Chief Executive Officer to execute, and the Secretary to attest, the 2004 Continuum of Care Homeless Assistance Application and all other related documents, agreements and amendments.

EXECUTIVE SUMMARY:

Approval of the subject recommendation and a favorable determination by HUD on the Commission's CoC Homeless Assistance Application can potentially provide over \$2.6 million in federal grant funds for housing and supportive services to the homeless population in Pasadena. The funds would be allocated to eight selected projects (Table A) providing: client outreach/intake/assessment, transitional housing, permanent housing, supportive services, and a management information system.

COMMUNITY DEVELOPMENT COMMITTEE RECOMMENDATION:

The Community Development Committee, at its regular meeting on July 8, 2004, unanimously recommended approval of the staff recommendation.

BACKGROUND:

On May 14, 2004, HUD released its Super Notice of Funding Availability (SuperNOFA) for Continuum of Care Homeless Assistance to assist communities to build viable continuum of care systems. The deadline for the Commission to submit an application in response to the Super NOFA is July 27, 2004. Nationwide approximately \$1 billion are available in competitive grant funding under this program.

HUD Continuum of Care Strategy

HUD has made addressing homelessness a high priority and determined that a Continuum of Care (CoC) approach is the most effective. HUD defines the CoC as a system of homeless services with four basic components: 1) outreach, intake and assessment; 2) emergency shelters and appropriate services; 3) transitional housing with support services; and 4) permanent housing or permanent supportive housing to meet the long-term needs of individuals/families. The federal guidelines mandate that 30% of all funding nationwide must be awarded to permanent housing projects. The CoC approach helps communities plan

for and provide a balance of emergency, transitional and permanent housing and service resources to address the various needs of homeless individuals/families and assist their transition from the streets to jobs and independent living.

Presently, the City of Pasadena has a HUD approved CoC strategy which sets forth immediate action to address homelessness and other special needs.

In addition, the City and Housing and Homeless Network are currently developing a ten-year plan to identify needed services and housing for homeless persons in future years. The Pasadena 10-Year Homeless Strategy will function as 1) a planning and implementation document for the City which will be built upon community participation; 2) the basis for application of federal funds under the HUD formula grant programs; 3) the basis for application of other federal funds as well as state, county, local, and private funds; and 4) an action plan that will provide a basis for assessing specific projects, costs, and measurable results. The working group for the 10-Year Homeless Strategy has been meeting monthly since February. It is anticipated that the 10-Year Homeless Strategy will be completed in February, 2005.

Community Participation/Prioritization of Gaps

HUD's SuperNOFA requires that applicants prioritize their funding requests in terms of gaps within each locality's CoC system. Commission staff, in partnership with the Housing and Homeless Network, assembled a committee comprised of City staff, representatives from the Network, and non-profit service providers to identify homeless service and housing needs, inventory the existing resources available to serve the homeless community, and identify and prioritize gaps in homeless service and housing delivery. The following priorities were determined:

- First Priority - Permanent Supportive Housing
- Second Priority – Renewal/continuation of existing Permanent Supportive Housing for homeless households (Serra Project CHOISS Program);
- Third Priority-Renewal/continuation of existing Transitional Housing (Union Station Transitional Housing, Euclid Villa, Casa Maria);
- Fourth Priority-Renewal/continuation of existing Supportive Service projects (Passageways, HMIS).

The prioritized gaps are supported by homeless statistical data gathered from the City of Pasadena 2004 Homeless Survey, 2000 Homeless Count, the Five-Year Consolidated Plan (2000-2005), the Commission's Implementation Plan, 2002-2003 Bad Weather Shelter Program and the City of Pasadena Housing Element of the Comprehensive General Plan.

Request for Proposals (RFP) Process

In response to the release of HUD's SuperNOFA, the Commission released its 2004 CoC Request for Proposal (RFP) on June 4, 2004. Notices were sent to service-based agencies and published in local newspapers. The deadline for submittal of proposals was June 17, 2004, 5:00 p.m. for renewal proposals and June 24, 2004, 5:00 p.m. for new permanent housing proposals. Technical assistance was offered to all interested proposers. On June 7, 2004 a Technical Assistance workshop was conducted to address questions and concerns of possible proposers regarding the preparation and submission of their proposal.

Seven renewal proposals were received in response to the RFP. Renewal projects are existing projects whose HUD funding will expire during the 2005 calendar year. Each proposal was evaluated for threshold criteria by the review panel comprised of members of the Housing and Homeless Network and City staff. Additionally, as part of the evaluation process, each proposer was given the opportunity to provide an oral presentation before the panel. The evaluation criteria as outlined in the RFP included the following:

Project Narrative; Continuum of Care Strategy; Experience/Administrative Capacity; Financial Capacity/Leveraging; Addresses Priority Need; Renewal Projects; and Local Preference. All seven proposals met threshold criteria, were recommended for inclusion in the Commission's CoC application to HUD, and are described and ranked in Table A.

No proposals were received in response to the RFP funding category of Permanent Supportive Housing. So as not to lose the opportunity to financially assist the provision of permanent supportive housing for homeless individuals, staff recommends that the Commission itself seek this funding as a Continuum of Care applicant and, upon HUD's award of such funds, competitively select a non-profit housing sponsor to undertake the project. This has been the case for the previous two years of Continuum of Care funding. As part of the application process, the Commission must indicate the availability of matching funds in the amount of \$400,000 in order to be competitive. There are adequate funds in the Commission's FY 2004-2005 affordable housing budget to satisfy this requirement. Consistent with prior years practice, the actual amount and terms of the funding match will be subject to Commission approval upon the identification of a non-profit agency and permanent supportive housing project to receive such assistance.

Of the eight recommended projects, seven are renewal projects: Passageways/Pacific Clinics, Union Station Foundation/Euclid Villa, Union Station Foundation/ Transitional Housing Program, URDC/Casa Maria, Serra Project/CHOISS Program I, Serra Project/ CHOISS Program II, and Commission/HMIS. The one new project is Permanent Supportive Housing/Commission.

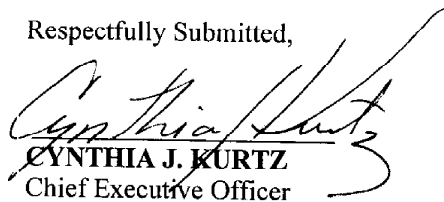
HOUSING IMPACT:

Approval of the subject recommendation has the potential to provide housing and supportive services for over 1,000 homeless individuals/families. The proposed projects are in accordance with the approved Pasadena Continuum of Care system, which sets forth the mechanism to provide affordable decent, safe and sanitary housing with supportive services. All projects are consistent with the Housing Element, Five Year Consolidated Plan, Five Year Public Housing Plan, and Implementation Plan 1999-2004.


FISCAL IMPACT:

Submittal of the 2004 Continuum of Care (CoC) Homeless Assistance Application and subsequent approval by HUD will contribute over \$2.6 million to enhance the local CoC system and ensure the continued delivery of supportive housing services for approximately 1,000 homeless persons residing within the City of Pasadena.

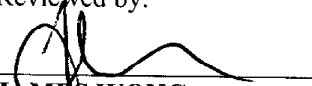
Respectfully Submitted,


CYNTHIA J. KURTZ
Chief Executive Officer

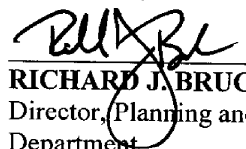
Prepared by:


ANNE LANSING
Program Coordinator

Reviewed by:


JAMES WONG
Acting Housing/Community Development
Administrator

Approved by:


RICHARD J. BRUCKNER
Director, Planning and Development
Department