

SEPTEMBER 15, 2008

TO: PASADENA COMMUNITY DEVELOPMENT COMMISSION

FROM: BERNARD MELEKIAN, CHIEF EXECUTIVE OFFICER

SUBJECT: APPROVAL OF SUBMISSION OF THE 2008 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 2008 Continuum of Care (CoC) Homeless Assistance Application for a funding request of \$2,700,398 for eleven projects; and
- 2) Authorizing the Chief Executive Officer to execute, and the Secretary to attest, the 2008 CoC Homeless Assistance Application and all other related documents, agreements and amendments.

ADVISORY BODY RECOMMENDATION:

The Community Development Committee, at its regular meeting on September 11, 2008, reviewed the subject recommendation. Staff will report orally to the Commission on the action taken by the Community Development Committee.

BACKGROUND:

On July 10, 2008, HUD released its Super Notice of Funding Availability (SuperNOFA) for CoC Homeless Assistance to assist communities to build and maintain viable continuum of care systems. The Super NOFA makes available renewal and limited new funding for the Supportive Housing Program (SHP) and Shelter Plus Care (S+C). The deadline for the Commission to submit an application in response to the Super NOFA is September 26, 2008. Nationwide approximately \$1.42 billion is available in competitive grant funding under this SuperNOFA.

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8.A.

HUD Continuum of Care Strategy

HUD has made addressing homelessness a high priority and determined that a CoC approach is the most effective. HUD defines the CoC as a system of homeless services with five basic components: 1) outreach, intake and assessment; 2) emergency shelters and appropriate services; 3) transitional housing with support services; 4) permanent housing or permanent supportive housing to meet the long-term needs of individuals/families; and 5) prevention strategies which intervene for persons at risk of homelessness. The federal guidelines mandate that 30% of all funding nationwide must be awarded to permanent housing projects.

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 (Network), the principal planning entity for City's homeless strategies, have developed a ten-year strategy to identify needed services and housing for homeless persons in future years. This Ten-Year Strategy to End Homelessness was approved by the Commission in July 2005 and is being implemented on an ongoing basis.

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. A committee, comprised of City staff, Network representatives, and non-profit service providers, identified homeless service and housing needs, inventoried the existing resources available to serve the homeless community, and identified and prioritized gaps in homeless service and housing delivery. The following five priorities were determined:

- First Priority – New Permanent Supportive Housing,
- Second Priority – Renewal/continuation of existing Permanent Supportive Housing,
- Third Priority-Renewal/continuation of a Homeless Management Information System (HMIS),
- Fourth Priority-Renewal/continuation of existing Transitional Housing, and
- Fifth Priority-Renewal/continuation of Supportive Service Only projects.

In addition, communities are eligible to submit S+C grants that will expire or run out of funds in 2009 for non-competitive renewal. HUD guidelines state that renewal S+C grants submitted as part of a Continuum of Care application will be funded and must be ranked last on the prioritization chart included with the application (Exhibit A).

The prioritized gaps are supported by homeless statistical data gathered from the City of Pasadena Ten-Year Strategy to End Homelessness, 2007 Homeless Survey, 2008 Homeless Count, Five-Year Consolidated Plan (2005-2010), Comprehensive General Plan Housing Element, the Commission's Implementation Plan, and the Homeless Management Information System.

Renewal Funding Process

The CoC Super NOFA process allows jurisdictions to submit renewal applications for current SHP funding recipients whose projects are ongoing and are performing well, as verified by jurisdictional monitoring. Renewal projects are existing projects whose HUD funding will expire during the 2009 calendar year. The Commission has nine SHP projects which are eligible for renewal funding. Project sponsors of eligible projects were notified of their ability to apply for renewal funding at the August 7, 2008 Network meeting and via electronic notification. All eligible project sponsors responded and submitted applications prior to the established deadline. These projects are marked as "Renewal" and included in the attached Exhibit A.

New Project Funding

The one new project described in Exhibit A is Commission / Shelter Plus Care Certificates. If the total amount needed to fund all of a CoC's renewal applications exceeds the HUD-determined pro-rata need for national homeless assistance of that CoC, as is the case for the City with renewal applications totaling over \$2.0 M, HUD will only award new funding to the CoC for Permanent Supportive Housing for chronically homeless individuals (those who are disabled and who have been homeless more than one year or four or more times in a three-year period). The new project funding, called the Samaritan Housing Initiative Bonus, is equal to 15% of a jurisdiction's pro-rata need. The HUD-determined pro-rata need for the City is \$754,532. Under this Samaritan Housing Initiative Bonus, the Commission would only be eligible to apply for a maximum of \$113,180, allocated over three to five years, for a permanent supportive housing project. The Network determined that, given these funding restrictions, the most viable way to bring more permanent supportive housing to the City is to apply for tenant-based S+C Certificates. Tenant-based S+C provides rental subsidies to homeless individuals with a qualifying disability. Only housing authorities are eligible to apply for S+C Certificates, so the application must come from the Commission. The S+C request must equal the total of the HUD-established Fair Market Rents for the specific bedroom sizes of the requested certificates. Hence, based on S+C requirements, the application to HUD includes a Commission request for \$103,560, allocated over five years, for two tenant-based rental certificates. S+C requires a dollar-for-dollar supportive services match for rental assistance dollars. The Commission will work with a sponsor agency to ensure that these services are provided, and that applicants for the rental subsidies come from the client base of non-profit agencies serving the homeless population in Pasadena.

This year, HUD also made new funding available through the SuperNOFA for a Rapid Re-Housing for Families Demonstration Program. The Commission's CoC application to HUD may include up to \$226,360 (30% of the City's \$754,532 pro-rata need) in Rapid Re-Housing funds on behalf of an eligible project sponsor. (The Commission itself would not qualify as an eligible project sponsor.) The Commission released a Request for Proposals (RFP) for the Rapid Re-housing Demonstration Program on August 14, 2008. The deadline for submittal of proposals was August 28, 2008 at 5 p.m. An announcement of the pending RFP was made at the August 7, 2008 Network meeting,

an electronic bulletin was sent, and a public notice was published in the Pasadena Star News on August 25, 2008. Eligible project sponsors were non-profit agencies serving homeless persons. No proposals were received in response to this RFP.

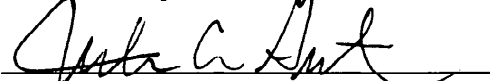
HOUSING IMPACT:

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 Ten-Year Strategy to End Homelessness, Pasadena Continuum of Care system, General Plan Housing Element, Five Year Consolidated Plan, Five Year Public Housing Plan, and Implementation Plan.

FISCAL IMPACT:

Submittal of the 2008 Continuum of Care (CoC) Homeless Assistance Application and subsequent approval by HUD will contribute over \$2.7 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. If awarded, these funds will be reflected as revenues in the Housing Department's FY 2010 budget.

Respectfully Submitted,

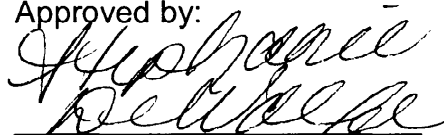


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Chief Executive Officer

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Approved by:



JDW Stephanie DeWolfe
Assistant City Manager

Exhibit A

2008 CONTINUUM OF CARE APPLICATION -- PROJECT RANKING AND DESCRIPTION

RANK	AGENCY	PROPOSED PROJECT	PROJECT DESCRIPTION	SERVICE NUMBERS	FUNDING REQUEST
1.	Pasadena Community Development Commission	Shelter Plus Care Certificates (New Project)	Rental subsidies and supportive services for homeless persons with targeted disabilities.	2 households with disabilities.	\$103,560
2.	Serra Project	CHOISS Program II (Renewal)	Permanent scattered site housing for formerly homeless individuals & families with HIV/AIDS	6 households	\$103,515
3.	Affordable Housing Services	Navarro House (Renewal)	Permanent Supportive Housing for persons with special needs.	6 individuals with special needs	\$ 43,725
4.	Serra Project	CHOISS Program I (Renewal)	Permanent scattered site housing for formerly homeless families with HIV/AIDS	6 households	\$118,610
5.	Hestia House	Pacific Clinics (Renewal)	Permanent Supportive Housing for chronically homeless transitional-age youth	8 individuals	\$232,863
6.	Union Station Foundation	Transitional Housing Program (Renewal)	Transitional housing-single men.	20 men	\$122,097
7.	Union Station Foundation	Euclid Villa (Renewal)	Transitional housing-Families.	14 families	\$162,700
8.	URDC Human Services Corporation	Casa Maria (Renewal)	Transitional housing-single women & women with children. (chronic substance abuse)	12 women and 4 dependent children	\$155,416
9.	Pasadena Community Development Commission	HMIS (Homeless Management Information System) (Renewal)	Homeless services client tracking system.	All participating sponsor agencies and client households (HUD requirement)	\$137,754
10.	Pacific Clinics	Passageways (Renewal)	Outreach/intake/assessment.	990 unduplicated clients	\$952,750
11.	Pasadena Community Development Commission	Shelter Plus Care Certificate (Renewal/non-competitive)	Rental subsidies and supportive services for homeless persons with targeted disabilities.	50 households with disabilities	\$567,408
TOTAL REQUEST					\$2,700,398