

Agenda Report

January 27, 2014

TO: Honorable Mayor and City Council

FROM: Housing Department

SUBJECT: APPROVAL OF SUBMISSION OF THE 2013 CONTINUUM OF CARE HOMELESS ASSISTANCE APPLICATION TO THE U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

RECOMMENDATION:

It is recommended that the City Council adopt a resolution:

- 1) Authorizing the filing with the U. S. Department of Housing and Urban Development (HUD), the 2013 Continuum of Care (CoC) Homeless Assistance Application for a funding request of \$2,977,171 for thirteen projects; and
- 2) Authorizing the Chief Executive Officer to execute, and the Secretary to attest, the 2013 CoC Homeless Assistance Application and all other related documents, agreements and amendments.

BACKGROUND:

On November 22, 2013, HUD released its annual Notice of Funding Availability (NOFA) for CoC Homeless Assistance. The purpose of this NOFA is to fund programs which reduce the incidence of homelessness by assisting homeless individuals and families to move to self-sufficiency and permanent housing. The NOFA makes available renewal and limited new funding for CoC programs. The deadline for the City to submit an application in response to the NOFA is February 3, 2014. Nationwide approximately \$1.7 billion is available in competitive grant funding for new and renewal grants under this NOFA.

HUD Continuum of Care Strategy

HUD CoC funding is awarded to the designated Continuum of Care in a local area. This Continuum of Care is the entity in a geographic area that plans for and administers programs to prevent and end homelessness, and submits an Annual Application to HUD for new and renewal funding. The application consists of an overview of the CoC's past

year performance results and planning activities, as well as individual applications for specific projects. The City is the Collaborative Applicant/Lead Agency for the Pasadena CoC. The Application funds primarily existing homeless programs. Funds are awarded by program, not block-granted.

The purpose of the CoC assistance programs is to reduce homelessness by assisting homeless individuals and families to move to self-sufficiency and permanent housing. CoCs that are successful in lowering the number of homeless persons in their communities and increasing the income of those who become homeless and moving them quickly into housing will be scored higher in the national competition. Higher scoring CoCs are more likely to be approved for funding for any new project requests.

HUD prioritizes funding to programs that national data and research have shown are most effective, both in cost and outcomes, in ending homelessness. The most recent data shows that programs that move homeless persons to permanent housing as quickly as possible are the most effective interventions. Therefore, HUD is prioritizing funding to permanent housing programs over transitional programs that provide time-limited housing for homeless persons.

Renewal Funding Process

The CoC NOFA process allows jurisdictions to submit renewal applications for currently funded recipients whose projects are ongoing and are performing well, as verified by annual performance outcomes. Renewal projects are existing projects whose HUD funding will expire during the 2014 calendar year. The City has twelve projects which are eligible for renewal funding. Project sponsors of eligible projects were notified of their ability to apply for renewal funding via electronic notification. All eligible project sponsors responded and submitted applications prior to the established deadline.

Renewal Program Component Changes

Based on the information regarding effectiveness and best practices, one renewal program, Euclid Villa, operated by Union Station Homeless Services, determined that they would apply for CoC funding this year as a Permanent Supportive Housing program rather than as transitional housing. The program will continue to serve homeless families with children, but the focus will be on families with higher barriers to self-sufficiency and who are less able to end their homelessness with shorter interventions, and there will be no time limit on length of stay.

New Project Funding

In addition to the 12 renewal projects, the CoC application will include one new project. This new project application will be a City application for funding for CoC planning activities, for the maximum amount of \$37,190. If awarded, these funds would be

available for costs associated with planning and monitoring new and existing CoC projects.

Rating & Ranking Process

Nationally, the total renewal demand may exceed the \$1.7 billion that is available for funding. Therefore, HUD requires that CoCs rate and rank new and renewal projects using methodology predetermined by the CoC. Based on this ranking, projects will fall either into tier 1 or tier 2. The line that determines tier 2 placement is the dollar amount of the CoC's Annual Renewal Demand (ARD), the amount required to fund all renewals, less 5%, the amount HUD has directed CoCs to reduce due to anticipated renewal funding shortfall. Those projects whose funding totals the ARD less 5% will be tier 1 projects. The projects that fall below that line will be tier 2. Funding will be awarded to tier 1 projects first, then to tier 2 depending on funding availability, type of program, and CoC application score. Permanent Supportive Housing projects placed in tier 2 will be funded ahead of transitional housing programs in tier 2, based on HUD's determination that Permanent Supportive Housing is a more effective intervention.

Renewals submitted by project sponsors as well as the new planning project were rated and ranked by the Rating & Ranking Committee, which is comprised of non-CoC funded members of the Housing & Homeless Network, the CoC's principal planning entity for homeless services. Ranking was based on HUD guidance and project performance over the last operating year as verified by data entered into the Homeless Management Information System (the web-based database utilized to enter demographic and programmatic information on homeless clients); the project's Annual Performance Report; and City monitoring.

One renewal project, Casa Maria, operated by URDC Human Services Corporation, which provides housing for homeless women, both with and without children, fell into tier 2. Because best practices and national data show that permanent housing is a more effective method of ending homelessness, and because tier 2 projects categorized as permanent housing will be funded before transitional housing programs, URDC has chosen to apply for funding for Casa Maria as a permanent housing program rather than as transitional housing. If awarded funding in the competition, Casa Maria would continue to serve homeless women and children, with a focus on moving them to self-sufficiency, but the time spent in this housing would not be limited.

The new planning project also falls into tier 2 as the Pasadena CoC has chosen to prioritize funding for renewal projects over new funding. Depending on the number of applications submitted nationwide and funding availability, tier 2 projects may not be awarded funding.

Attachment A lists the new and renewal projects by tier and ranking.

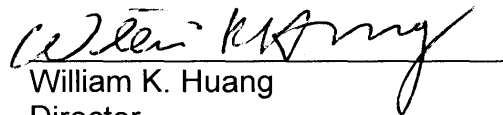
COUNCIL POLICY CONSIDERATION:

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, and Five Year Public Housing Plan.

FISCAL IMPACT:

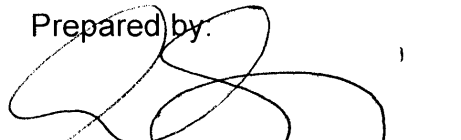
The City has the potential to gain \$2.9 million in grant funding for homeless services programs, including renewal funding for existing programs and new funding for planning costs should HUD award funding under the CoC competition, which represents an amount equivalent to that received in the 2012 CoC competition.

Respectfully submitted,



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Director
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Prepared by:


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Approved by:


MICHAEL J. BECK
City Manager

Attachments:

Attachment A – Tier 1 & Tier 2 Ranking

Attachment A-2013 CONTINUUM OF CARE APPLICATION – Tier 1 & Tier 2 Ranking

AGENCY	PROPOSED PROJECT	PROJECT DESCRIPTION	PERSONS SERVED	FUNDING REQUEST
TIER ONE				
City of Pasadena	HMIS (Homeless Management Information System) (Renewal)	Homeless services client tracking system.	All sponsor agencies and client households (HUD requirement)	\$140,378
City of Pasadena	Rental Assistance (Renewal)	Rental subsidies and supportive services for homeless persons with targeted disabilities.	50 households with disabilities	\$744,490
City of Pasadena	Rental Assistance (Renewal)	Rental subsidies and services for chronically homeless persons with targeted disabilities.	4 chronically homeless individuals.	\$54,296
City of Pasadena	Rental Assistance (Renewal)	Rental subsidies and services for chronically homeless persons with targeted disabilities.	4 chronically homeless individuals.	\$56,742
Pacific Clinics	Passageways (Renewal)	Outreach/intake/assessment.	990 unduplicated clients	\$978,417
Affordable Housing Services	Navarro House (Renewal)	Permanent Supportive Housing for persons with special needs.	6 individuals with special needs	\$44,557
Hestia House	Pacific Clinics (Renewal)	Permanent Supportive Housing for chronically homeless age 18-24.	8 individuals	\$240,187
Alliance for Housing & Healing	CHOISS Program I (Renewal)	Permanent housing for formerly homeless individuals & families with HIV/AIDS	6 households	\$108,118
Alliance for Housing & Healing	CHOISS Program II (Renewal)	Permanent housing for formerly homeless individuals & families with HIV/AIDS	6 households	\$123,719
Union Station Foundation	Euclid Villa (Renewal)	Permanent Supportive housing-Families.	14 families	\$166,818
Union Station Foundation	Transitional Housing Program (Renewal)	Transitional housing-single men.	20 men	\$124,423
TIER 2				
URDC Human Services Corporation	Casa Maria (Renewal)	Permanent Supportive Housing-single women & women with children. (chronic substance abuse)	12 women and 4 dependent children	\$158,376
City of Pasadena	Planning Costs (New Project)	Eligible costs associated with CoC Planning	All projects.	\$37,190
TOTAL				2,977,711