



Request for City Council Committee Action From the Department of IGR-Grants & Special Projects

Date June 20, 2002

To Community Development Committee
Referral to Ways & Means/Budget Committee

Prepared or Submitted by Matt Bower, Grants & Special Projects Phone x2188
Approved by _____, City Coordinator

**Subject Hennepin County Match Request for County Homeless
Emergency Overflow Shelter**

Presenters in Committee Matt Bower, Grants & Special Projects

Recommendation

(Complete action required in the final report, including fund-agency-org, contract number and amendment number, if applicable)

No specific staff recommendation with regard to City policy towards operations funding of County overflow shelters. If staff is so directed, the following recommended actions will allow for implementation:

1. Award \$45,000 in 2002 Emergency Shelter Grant funds to support Overflow Shelter operations, payable out of Non-Departmental Agency 0400-123-1232 and
2. Authorize proper City officials to execute contracts with Catholic Charities and Simpson Housing Services to implement project.

Financial Impact (Check those that apply)

No financial impact or Action is within current budget.

- Action requires an appropriation increase to the Capital Budget
 Action requires an appropriation increase to the Operating Budget
 Action provides increased revenue for appropriation increase
 Action requires use of contingency or reserves
 Other financial impact (Explain):

Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information - Attached (or delete)

Hennepin County is providing \$60,000 of funding matched with \$70,000 of State funding to allow for continued overflow shelter operations through the months of April-October 2002. Total financial resources to fulfill this need are \$190,000. Hennepin County has agreed to the city providing \$45,000 in funding. This could be paid out of the City's 2002 Emergency Shelter Grant (ESG) allocation.

Previous City policy has been to use ESG funds only for capital shelter projects. ESG awards require a one-for-one match and it has been difficult for the City and its historic partners the Family Housing Fund and MCDA to provide an operating match out of non-ESG funds. For the past three years, though, the City has supported requests to extend the operation of the Overflow Shelter through the summer months with the guarantee of overflow shelter operating match. The operation extensions were funded through the City's Emergency Shelter Grant.

The MCDA is currently preparing recommendations for shelter capital funding out of 2002 ESG funds consistent with the findings of the City/County Shelter Advisory Board. Total funding requested through the RFP process was \$1.1 million, exceeding the 2002 ESG capital appropriation of \$564,300. Previous Council direction has been that capital needs are a highest priority for the City's ESG grant.

If the Council wishes to renew a funding commitment for the overflow shelters, city staff will need to be directed to proceed with contracting with Catholic Charities and Simpson Housing Services for such operating assistance.