

Request for City Council Committee Action from the Department of Community Planning & Economic Development – CPED

Date: August 4, 2009

To: Council Member Lisa Goodman, Chair, Community Development Committee
Referral to: Paul Ostrow, Chair, Ways and Means/Budget Committee

Subject: **Minneapolis Economic Recovery Strategy: Homeless Prevention and Rapid Re-Housing Program 2008 Consolidated Plan Amendment 2 Grant Awards (Recovery Emergency Shelter Grants)**

Recommendation:

1. Authorize staff to allocate \$5,520,902 as follows: \$5,295,902 to Hennepin County Department of Human Services and Public Health for implementation of programming with service providers; \$210,000 to Minneapolis for staffing of Minneapolis Housing Services; and \$15,000 to the Minneapolis IGR for Administration.
2. Authorize staff to execute a sub-grant agreement with Hennepin County, and disbursement and related documents and agreements for these HPRP funds.
3. Approve the attached recommendations of the joint City and County request for proposal review committee for service providers ("Providers") to carry out eligible activities as subrecipients of the HPRP funds.

Previous Directives: On July 27, 2009 Ways and Means Committee reviewed and approved the appropriation of HUD Homelessness Prevention and Rapid Re-Housing Program Grant. On May 8, 2009 City Council gave approval to apply for the grants. April 28, 2009 the Community Development Committee authorized staff to submit to the U.S. Department of Housing and Urban Development the Homeless Prevention and Rapid Re-Housing (HPRP) 2008 Consolidated Plan Amendment 2 by May 18, 2009 and to develop and enter into a Memorandum of Understanding with Hennepin County to implement programming. Also on April 28, 2009 the Community Development Committee held a public hearing and accepted public comment on the proposed 2008 Consolidated Plan Amendment 2.

Department Information

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Approved by: Thomas Streitz, Director, Housing & Policy Development_____
Charles T. Lutz, Deputy CPED Director_____
Presenters in Committee: Cathy ten Broeke, City County Coordinator to End Homelessness

Financial Impact

No financial impact.

Community Impact

- Neighborhood Notification
- City Goals: A Safe Place to Call Home – In five years all Minneapolis residents will have a better quality of life and access to housing and services; residents will live in a healthy environment and benefit from healthy lifestyles; the city's infrastructure will be well-maintained and people will feel safe in the city.
- Comprehensive Plan
- Zoning Code
- Other – Minneapolis Consolidates Plan mailing list and notification practices, CPED community development list and Heading Home Hennepin contact lists used.

Background/Supporting Information

Background:

The new Homeless Prevention and Rapid Re-Housing Program (HPRP) was authorized under Title XII of the federal American Recovery and Reinvestment Act of 2009 (Recovery Act). This program provides one-time funding from the U.S. Department of Housing and Urban Development (HUD) for a period of three years for financial assistance and services to prevent individuals and families from becoming homeless and to rapidly re-house individuals and families who are experiencing homelessness. The City of Minneapolis (City) received a 3-year HPRP grant allocation of \$5,520,902. Hennepin County also received a 3-year HPRP grant allocation of \$993,011. HUD requires that these funds be obligated by September 30, 2009 for expenditure over the 3 year period of the grants.

The City agreed to collaborate with Hennepin County to release one joint Request for Proposals (RFP). The RFP was widely distributed to agencies throughout Minneapolis and suburban Hennepin County, and was posted on city and county websites. Joint review of proposals and selection decisions was made by a committee of city and county representatives, and other knowledgeable community representatives which completed its work on July 1, 2009. Applicants were judged on the experience and capacity of their agency, and on the feasibility and appropriateness of their proposal. Applicants were selected to create a broad network of homelessness prevention and rapid re-housing resources, utilizing similar criteria, methods, and performance data. Contracted service providers will participate in joint planning, training and review.

Sub-grant to Hennepin County. The City intends to sub-grant a portion of its HPRP award (\$5,295,902) to Hennepin County to administer and fund the contracted service providers for the 3 year period of the grant. Up to \$5,034,857 of this sub-grant, combined with \$943,360 of the County's grant, makes available up to \$5,978,217 for contracted services, for the period of September 1, 2009 through August 31, 2012. Of this amount, up to \$5,847,939 will fund service providers selected through the RFP and \$130,278 is for the Homeless Management Information System (HMIS) services provided by the Wilder Foundation.

The RFP process yielded the following selected service providers, which, upon approval by the City Council and the Hennepin County Board of Commissioners, must be under contract with Hennepin County by September 30, 2009:

1. Catholic Charities Hope Street
2. Catholic Charities Rapid Re-housing Program
3. Greater Minneapolis Crisis Nursery
4. Hennepin South Services Collaborative
5. Legal Aid Society
6. The Minnesota Council of Churches Refugee Services
7. Northwest Hennepin Human Services Council
8. St. Stephen's Human Services
9. Salvation Army
10. Youth Link

(See HPRP RFP Proposals and Minneapolis-Hennepin HPRP Proposals & Services Recommended for Contract Negotiations).

Housing Advocates. The Minneapolis Housing Services staff has years of experience in interacting with Minneapolis City Officials and in providing housing services to Minneapolis residents. Approximately 1,000 Minneapolis residents per month are assisted with housing advice and referrals; including an increase in foreclosure related services as well as other housing matters (tenant's rights and responsibilities, rent, utilities, repairs, etc.) In 2008, the two staff served 12,112 callers; including over 10,000 tenants and nearly 1,000 landlords. Staff has assessed the work and performance of the housing services staff in 2009 and recommends retaining the service in the City rather than outsourcing the function to some other referral, advice or legal advocacy organization. Shaping the Neighborhood and Community Relations (NCR) Department is a work in progress and the transfer of the Housing Services staff currently in CPED to NCR is recommended. NCR and CPED staffs have communicated on this issue and are working cooperatively together to seek to make this transfer. HPRP funds in the amount of \$210,000 would provide approximately half of the necessary funding for Minneapolis Housing Services staff for the next three years.

Administrative Costs. HPRP will be locally administered by City staff and monitored for compliance with federal and state requirements. The City will retain \$15,000 to cover administrative costs incurred by it under the program, which is a small portion of the allowable 5% administrative cap. The balance of these administrative funds will be used by Hennepin County and the Providers.