

City of Culver City, California
A Joint City Council/Redevelopment Agency Agenda Item Report

Meeting Date: 01/07/08		Item Number: <u>J-1</u>	
AGENDA ITEM: A Joint Item before the City Council and the Redevelopment Agency to Award the Contract with St. Joseph's Center to Perform Case Management Services and Job Development Services for the Family Self Sufficiency and Welfare-to-Work Program and Conduct Housing Search and Counseling Assistance for the Section 8 Housing Choice Voucher Program.			
Contact Person/Dept.: Tevis Barnes, Mona Karroum Community Development Department/Housing Division		Phone Number: (310) 253-5782	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Public Notification: Master Notification List (01/02/08). St. Joseph's Center (12/03/07).			
Department Approval: Sol Blumenfeld (12/31/07)		City Attorney Approval:	
Fiscal Impact Approval: Jeff Muir (1/2/08)		City Manager Approval: Jerry B. Fulwood (01/02/08)	
<u>RECOMMENDATION:</u> Staff recommends the City Council and the Redevelopment Agency: 1) Award a Contract to St. Joseph's Center to (a) perform Case Management, Needs Assessment, Job Development Services and Supportive Service Referrals for the Family Self-Sufficiency (FSS)/Welfare-to-Work (WtW) Programs; and (b) Housing Search and Counseling Services for the Section 8 Housing Choice Voucher Program (S8 HCVP) in an amount not to exceed \$74,266.00 for FY 2007/2008. <u>BACKGROUND:</u> Family Self Sufficiency The Cranston-Gonzales National Affordable Housing Act of 1990, Section 554 enacted the Family Self Sufficiency (FSS) Program which is implemented by the U.S. Department of Housing and Urban Development (HUD). This Act set forth a new direction for Public Housing Agencies/Authorities across the country. FSS is a voluntary program designed to enable families receiving Section 8 rental assistance to become economically independent from all forms of public assistance within a five (5) year time frame. FSS participants are allowed to extend their contract for two (2) additional years if it is necessary to help them achieve educational and/or			

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employment goals. Using housing as a stabilizing force, the FSS Program connects families to needed supportive services, such as educational and vocational training, transportation and childcare and other identified support services to enable the participants to focus on activities and experiences that enhance the participant's ability to succeed in the workplace. Additionally, the FSS Program carries a financial incentive in the form of the establishment of an escrow account which the family receives upon their graduation from the program. The Culver City Housing Agency (CCHA) has committed to assisting twenty-five (25) households.

Through the years, the CCHA has witnessed success with its FSS Program. A total of forty (40) households have participated, and of this number twelve (12) have graduated and completed their FSS Contract of Participation. Some of these households have secured better employment and many have received degrees from institutions of higher learning. Additionally, thirty-four (34) households have generated escrow accounts which is an indication of increase in wage earned income. These escrow accounts have totaled over \$94,143.87 with some being as high as \$27,780.40.

Welfare to Work

In 1999, HUD introduced the Welfare to Work (WtW) Program. This program was designed for households receiving public assistance and to enable them to receive job training that would help them secure stable employment and get off public assistance. Both FSS and WtW were HUD programs to address poverty and dependence on public assistance. The CCHA originally enrolled and leased-up forty-six (46) persons into the WtW program. All forty-six (46) persons were required to secure employment.

In March 2004, HUD notified Public Housing Agencies (PHA's) nationally that they would begin to phase out the WtW program starting in fiscal year 2004. This means that as a WtW participant "graduates" either through securing employment and/or become over-income the voucher will not be re-issued. Though the program is being phased out, PHA's are still obligated to provide services to WtW participants until they graduate. With the phase out, new participants will not be accepted to the WtW program. As of October 2007, eight (8) families are enrolled in the WtW program and six (6) have secured employment.

Contractor

The CCHA previously entered into a contract with Beyond Shelter as its FSS Program Coordinator to provide FSS/WtW services, including counseling, case management, supportive services, employment related transportation, and outreach to owners. Last year the CCHA terminated its contract with Beyond Shelter after we

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were informed that they could no longer fulfill the obligations of our contract and provide services.

The FSS Program Coordinator position has been vacant for over twelve (12) months due to a hiring freeze within the City of Culver City and upon direction from the City Manager to hold off on recruitment until the new Community Development Director had been appointed. The CCHA has used in-house staff in the interim to provide some of the services requested of the FSS Program Coordinator position.

DISCUSSION

To continue to assist our FSS/WtW Program Participants, the CCHA with the Agency/Council's approval is seeking to enter into a contract with St. Joseph's Center to serve as its FSS Program Coordinator. This contract will have two components:

- 1) Provide Services to FSS/WtW Program Participants.
- 2) Provide housing search and counseling services to S8HCVP Participants.

The second component is an expansion of the original services provided by Beyond Shelter.

The FSS Program Coordinator will be responsible for the following activities under the Family Self Sufficiency and Welfare-to-Work Programs:

- Conducting intake interviews.
- Assessing the skills, abilities, needs, and resources of families.
- Identifying realistic goals and developing tasks and milestones to accomplish goals.
- Monitoring and documenting the family's progress to goals in the client's contract.
- Coordinating/conducting recruitment of FSS participants.
- Organizing economic-enrichment seminars such as preparing for homeownership, consumer credit counseling, and job interview skills.
- Conducting a survey to determine the program success.
- Recruiting new participants to the FSS program.

Additionally, the CCHA would also like to enter into a contract with St. Joseph's Center to provide housing search and counseling services. S8 HCVP Participants are challenged with extreme difficulty finding and eventually leasing units in Culver

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City over the last few years. The current demand for affordable rental housing units is steadily increasing. According to current market trends, the majority of new rental housing developments target upper income households. Rents for existing units are escalating beyond the ability of lower-income households to pay. The HUD defined Fair Market Rent (FMR) for a two (2) bedroom unit is \$1,300.00 and the average two bedroom unit is approximately \$1,800.00. Many property owners are not attracted to participants in Section 8 due to the differential in rents. This is coupled with limited production and/or existing availability of rental housing units affordable to lower-income households.

Some S8 HCVP Participants have no other choice but to search outside of Culver City to locate an affordable unit during an initial lease-up or when they must move to another rental unit. Many S8 HCVP Participants have been residents of Culver City for years and are vested in the community through having employment here and or having their children enrolled in Culver City schools. Many determined to remain in Culver City exhaust their voucher search time limit of one hundred and twenty (120) days and lose their assistance. The CCHA hopes that assisting with the housing search will help many S8 HCVP Participants locate decent, safe and sanitary affordable housing within Culver City.

Based on the above, the CCHA will utilize the FSS Coordinator to assist Section 8 HCVP Participants with their housing search. These services shall include, but not be limited to:

- Determining housing needs such as size, location and disability access (if applicable).
- Evaluating barriers to housing such as evictions or poor credit history.
- Drafting a Housing Plan that will address and/or remediate barriers and will lead to identification of an appropriate unit.
- Owner Outreach such as building on existing relationships with Culver City landlords and other management companies that may operate within Culver City.
- Tenant housing search interview preparations when meeting an owner.

PROPOSALS:

It is industry practice for most Housing Authorities that administer the FSS Program to hire either internal staff, contract employees or non-profit agencies. In our efforts to fill the FSS Program Coordinator position, the CCHA solicited three (3) organizations and individuals who have the background, experience, and technical knowledge to assist with the FSS Program. Additionally, the CCHA contacted a fourth outside non-profit agency which unfortunately does not provide the services needed. The CCHA announced recruitment at the quarterly FSS Coordinator

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Meeting where over twenty (20) agencies attend. And in addition, a mass email was sent out to all Housing Authority Management Association (HAMA) participants. HAMA has over forty-five (45) members.

All three respondents have offered to provide these services at the same price of \$74,266.00. Upon review of the proposals/resumes, the CCHA hopes to enter into a contract with St. Joseph's Center to provide case management, counseling, career development, and support service referrals for twenty-five (25) Culver City FSS/WtW participants and housing search assistance for twenty (20) Section 8 HCVP Participants. The CCHA has found St. Joseph's Center to be the most qualified candidate based on their prior history with the City providing homeless outreach services in addition to their work with the City of Santa Monica FSS Program. Last year Beyond Shelter had requested over \$100,000.00 to provide the same services. St. Joseph's Center is offering to perform these services at a much more competitive price of \$74,266.00.

FISCAL ANALYSIS:

The proposed FSS/WtW and Section 8 HCVP Housing Search and Counseling contract is not to exceed \$74,266 for FY 2007/2008. In previous years, the CCHA has been successful at being awarded grant funds from HUD for the administration of the FSS programs. For fiscal year 2006/2007, the CCHA was awarded \$63,630. The CCHA submitted a competitive grant application in May 2007 to HUD seeking to secure funding of the FSS program for fiscal year 2007/2008. The amount of the grant is estimated to be \$64,266. The CCHA was notified by HUD via email on Monday, December 17, 2007 that we were successful in the application process and we will be awarded the above grant for 2008. Additionally, the remaining \$10,000 to complete the funding of the contract will be supported by the Redevelopment Agency Housing Set Aside Fund. Funds are available under the 2007/2008 Housing Division budget under Other Contract Services. Such redevelopment project affordable housing set-aside funds will only be used for those services related to the administration of affordable housing that are eligible for the proposed expenditure under applicable provisions of the California Community Redevelopment Law.

ATTACHMENTS:

St. Joseph's Center Proposal.

MOTION:

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That the City Council and Redevelopment Agency:

- 1) Award a Contract to St. Joseph's Center to serve as the FSS Program Coordinator to (a) perform Case Management, Needs Assessment, Job Development Services and Supportive Service Referrals for the Family Self-Sufficiency (FSS)/Welfare-to-Work (WtW) Programs; and (b) Housing Search and Counseling Services for the Section 8 Housing Choice Voucher Program (S8 HCVP) in an amount not to exceed \$74,266.00 for FY 2007/2008.
- 2) Authorize the City Attorney and Agency General Council to review/prepare the necessary documents and authorize the City Manager/Executive Director to execute those documents on behalf of the City and the Agency.