

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

Meeting Date: 04/20/09		Item Number: <u>J-1</u>	
AGENDA ITEM: JOINT ITEM - Approval of an Amendment to Extend the Existing Professional Services Agreement 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 E-Mail Notification List (04/15/09)			
Department Approval: Sol Blumenfeld (04/03/09)		City Attorney Approval: Carol Schwab (by H. Baker) (04/15/09)	
Chief Financial Officer Approval: Jeff Muir (by N. Kimball) (04/15/09)		City Manager/Exec. Director Approval: Jerry B. Fulwood (04/16/09)	
<u>RECOMMENDATION:</u> Staff recommends the City Council and Redevelopment Agency: Approve an amendment to extend the existing professional services agreement with 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 \$74,909 for FY 2009/2010. <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). . 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. 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			

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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 escrow account creates a "nest egg" for FSS participants. Through the use of federal Section 8 funds, this escrow account functions like a "forced savings account" and is generated based on an increase in earned income. Once the FSS participant experiences an increase in earned income, the CCHD is required to credit to an escrow account a portion of the increase of rent that would otherwise result from increases in earned income. The Culver City Housing Division (CCHD) has committed to assisting twenty-five (25) households. Through the years, the CCHD 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 CCHD originally enrolled and leased-up forty-six (46) persons into the WtW program. All forty-six (46) persons were required to secure employment.

DISCUSSION

On January 7, 2008 during a joint session meeting, the City Council and the Redevelopment Agency approved the contract with St. Joseph's Center to perform case management services for the FSS/WtW Programs and provide housing search assistance to S8HCVP participants. This was a twelve (12) month contract and it will expire April 30, 2009

To continue to assist our FSS/WtW Program Participants, the CCHD with the Agency/Council's approval is seeking to extend its agreement with St. Joseph's Center. This agreement will have two components:

- 1) Provide Services to FSS/WtW Program Participants.

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- 2) Provide housing search and counseling services to S8HCVP Participants.

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 CCHD would also like to extend its agreement 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 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 \$1,361.00 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 CCHD hopes that assisting with the housing search will help many S8 HCVP Participants locate decent, safe and sanitary affordable housing within Culver City.

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Based on the above, the CCHD 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 Coordinator position in 2008/2009, the CCHD solicited over three (3) organizations and individuals who had the background, experience, and technical knowledge to assist with the FSS Program. Additionally, the CCHD contacted a fourth outside non-profit agency who unfortunately did provide the services needed. The CCHD announced recruitment at the quarterly FSS Coordinator 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 candidates offered to provide these services at the same price. Upon review of the proposals/resumes, and with Council/Agency approval on January 7, 2008, the CCHD entered into an agreement 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 CCHD had 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. In an effort to prevent disruption of services and to continue relationships established with the FSS participants, it is recommended that the St. Joseph's Center agreement be extended.

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FISCAL ANALYSIS:

The proposed FSS/WtW and Section 8 HCVP Housing Search and Counseling contract is not to exceed \$74,909.00 for FY2009/2010. In previous years, the CCHA has been successful at being awarded grant funds from HUD for the administration of the FSS programs. For FY 2008/2009, the CCHA was awarded \$64,266.00. The CCHA submitted a competitive grant application in July 2008 to HUD seeking to secure funding of the FSS program for FY2009/2010. The CCHA was notified by HUD on January 9, 2009 that it was successful in the application process and will be awarded the above grant of \$64,909 for FY2009/2010. Additionally, the remaining \$10,000.00 to complete the funding of the contract will be supported by the Redevelopment Agency Housing Set Aside Fund. Funds are available under the 2009/2010 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. Funding for this agreement will be included in the 2009-10 proposed budget.

ATTACHMENTS:

St. Joseph's Center Proposal.

MOTION:

That the City Council:

- 1) Approve an amendment extending the existing professional services agreement with 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 (S8HCVP) in an amount not to exceed \$74,909 for FY 2009/2010.
- 2) Authorize the City Attorney to review/prepare the necessary documents; and
- 3) Authorize the City Manager to execute such documents on behalf of the City.

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That the Redevelopment Agency:

- 1) Approve an amendment extending the existing agreement with 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 (S8HCVP) in an amount not to exceed \$74,909 for FY 2009/2010.
- 2) Authorize Agency General Counsel to review/prepare the necessary documents; and
- 3) Authorize the Executive Director to execute such documents on behalf of the Agency.