



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: OCTOBER 12, 2021

FROM: OFFICE OF HOMELESS SOLUTIONS WARD: ALL

SUBJECT: RESOLUTION AUTHORIZING THE CITY TO SUBMIT A STANDARD AGREEMENT TO APPLY FOR \$8,433,288.22 OF HOMELESS HOUSING, ASSISTANCE, AND PREVENTION PROGRAM ROUND 3 FUNDING; AND APPROVE THE FIVE-YEAR PLAN TO REDUCE HOMELESSNESS OBJECTIVES – SUPPLEMENTAL APPROPRIATION

ISSUES:

Adoption of a Resolution authorizing the City to submit a Standard Agreement to Apply for \$8,433,288.22 of Homeless Housing, Assistance and Prevention Program Round 3 funding and approve the Five-Year Plan to Reduce Homelessness objectives.

RECOMMENDATIONS:

That the City Council:

1. Adopt a Resolution authorizing the City to submit a Standard Agreement to Apply for \$8,433,288.22 of Homeless Housing, Assistance and Prevention Program Round 3 funding;
2. Authorize the City Manager, or his designee, to sign the Standard Agreement to Apply for \$8,433,288.22 of Homeless Housing, Assistance and Prevention Program Round 3 funding and the Standard Agreement;
3. Approve the five-year plan objectives to reduce homelessness and direct the Office of Homeless Solutions, working through the Housing & Homelessness Committee, to draft a Five-Year Plan to Reduce Homelessness and return to City Council no later than May 2022; and
4. With at least five affirmative votes, authorize an increase in revenues and appropriate expenditures in an amount equal to \$8,433,288.22 in the Development Grants Fund, HHAP3 Grants Program.

BACKGROUND:

The State of California established the Homeless Housing, Assistance and Prevention Program (HHAP) Round 3 pursuant to Chapter 6 of Part 1 of Division 31 of the Health and Safety Code.

HHAP-3 provides flexible block grant funds to Continuums of Care, large cities (population of 300,000+) and counties to build on the regional coordination created through previous HHAP grant funding and support local jurisdictions in their unified regional responses to reduce and end homelessness.

The State of California has been earmarked \$8,433,288.22 of HHAP 3 grant funds for the City of Riverside.

DISCUSSION:

HHAP 3 grantees are required to submit a Resolution (Attachment 1) authorizing the City to submit the Standard Agreement to Apply (Attachment 2) for the City's grant allocation of \$8,433,288.22. The Standard Agreement to Apply is due to the State by October 15, 2021. The State will then prepare a Standard Agreement (Attachment 3) using the information provided in the Standard Agreement to Apply. Once the Standard Agreement has been executed, the City will receive 20% of the HHAP3 grant (\$1,686,657.64) upfront to pay for any costs related to preparing the required local homelessness action plan to identify gaps in programs and services, activities to be funded with the HHAP 3 grant funds, and specific program outcome goals. The local homelessness action plan must be submitted to the State by June 30, 2022, to receive the remaining grant funds. The HHAP 3 first disbursement can also be used to cover the cost for the following systems improvements:

- Capacity building and workforce development for service providers within the jurisdiction, including removing barriers to contracting with culturally specific service providers and building capacity of providers to administer culturally specific services.
- Funding existing evidence-based programs serving people experiencing homelessness.
- Investing in data systems to meet reporting requirements or strengthen the recipient's Homeless Management Information System.
- Improving homeless point-in-time counts.
- Improving coordinated entry systems to eliminate racial bias or to create a youth-specific coordinated entry system.

For any remaining funds not spent on the City's homelessness action plan or systems improvement, the City must expend funds on existing evidence-based programs serving people experiencing homelessness among eligible populations, including any of the following eligible uses:

- Rapid rehousing, including rental subsidies and incentives to landlords, such as security deposits and holding fees;
- Operating subsidies in new and existing affordable or supportive housing units, emergency shelters, and navigation centers. Operating subsidies may include operating reserves;
- Street outreach to assist persons experiencing homelessness to access permanent housing and services;
- Services coordination, which may include access to workforce, education, and training programs, or other services needed to promote housing stability in supportive housing;
- Systems support for activities necessary to create regional partnerships and maintain a homeless services and housing delivery system, particularly for vulnerable populations, including families and homeless youth; and
- Delivery of permanent housing and innovative solutions, such as hotel and motel conversions.

The HHAP 3 grant funds must be expended by June 30, 2026.

Five-Year Plan to Reduce Homelessness Objectives

On June 28, 2021, the Housing & Homelessness Committee discussed goals for Year 2 and provided input on potential activities to align with those goals.

On August 17, 2021, the City learned that in order to receive funding through the Homeless Housing, Assistance and Prevention Program (HHAP) 3 grant from the State, grantees had to have a homeless action plan in place by June of 2022.

On August 23, 2021, the Housing & Homelessness Committee conceptually approved the following six objectives proposed for the Five-Year Plan to Reduce Homelessness (Homelessness Plan). These objectives are based upon the Housing & Homelessness Committee's previous discussions and conversations with staff:

1. Prevent homelessness.
2. Increase availability and effectiveness of shelter beds.
3. Increase housing production with a focus on affordability.
4. Build a coordinated regional infrastructure.
5. Increase the availability of services, with a focus on physical and mental health and substance abuse.
6. Expand public awareness and education about homelessness and housing.

On September 30, 2021, the Housing & Homelessness Committee Chair presented to City Council the Homelessness Plan's proposed objectives shown in Attachment 4 that envisions a workplan and possible deliverables that could correspond to each objective. If the objectives and possible deliverables are approved by City Council, the Housing & Homelessness Committee meetings from October 2021 to April 2022 will become an extended workshop to support staff's development of the Homelessness Plan. The items in the work plan could fall within the purview of the Housing & Homelessness Committee or the Public Safety Committee. Staff will work with each committee chair to ensure that all topics are addressed at the appropriate committee as the Five-Year Plan to Reduce Homelessness is prepared. Committee meetings would delve into each objective, providing the public an opportunity to engage at every step along the way.

STRATEGIC PLAN ALIGNMENT:

This item contributes to **Strategic Priority 2 – Community Well-Being** and **Goal No. 2.2**, collaborate with partner agencies to improve household resiliency and reduce the incidence and duration of homelessness.

The item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – The community will be involved in drafting the City's Five-Year Plan to Reduce Homelessness through community meetings.
2. **Equity** – Riverside residents will have equal access to the programs that will be funded through the HHAP 3 grant.

3. **Fiscal Responsibility** –The City will ensure that the HHAP 3 grant funds will be used in accordance with the state’s program regulation, including funding evidence-based programs serving people experiencing homelessness among eligible populations.
4. **Innovation** – The HHAP 3 grant provides the City with the ability to support innovative programs that address gaps in our homeless system of care.
5. **Sustainability & Resiliency** – The HHAP 3 grant will provide funding to meet the gaps in our homeless system of care and adapt to the needs of our homeless population and service providers.

FISCAL IMPACT:

The fiscal impact of this recommendation is \$8,433,288.22. With Council approval of this report and following execution of the Standard Agreement, \$1,686,657.64 (20% of grant award first disbursement) will be recorded in the Development Grants Fund, HHAP 3 Revenue Account No. 9344400-3341000 and the same amount recorded in the HHAP 3 Expenditure Account No. 9344400-440210. The remaining grant funds totaling \$6,746,630.58 will be recorded in the revenue and expense accounts listed above when the State approves the required local homelessness action plan.

Prepared by: Michelle Davis, Housing Authority Manager
Certified as to availability of funds: Edward Enriquez, Chief Finance Officer/City Treasurer
Approved by: Kris Martinez, Interim Assistant City Manager
Approved as to form: Phaedra A. Norton, City Attorney

Attachments:

1. Resolution
2. Standard Agreement to Apply
3. Standard Agreement Template
4. Five-Year Plan to Reduce Homelessness Objectives