

City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: SEPTEMBER 12, 2023

FROM: CITY MANAGER'S OFFICE WARDS: ALL

SUBJECT: AUTHORIZE A SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF \$503,944.82 AND INTERFUND TRANSFERS OF APPROXIMATELY \$10,120,000 FOR A TOTAL ESTIMATED AMOUNT OF \$10,623,944.82 TO ESTABLISH THE DEPARTMENT OF HOUSING AND HUMAN SERVICES

ISSUE:

Authorize a supplemental appropriation in the amount of \$503,944.82 and Interfund Transfers of approximately \$10,120,000 for a total estimated amount of \$10,623,944.82 to establish the Department of Housing and Human Services.

RECOMMENDATIONS:

That the City Council, with at least five affirmative votes:

1. authorize the Chief Financial Officer, or designee to record a supplemental appropriation in the amount of \$503,944.82 in the General Fund accounts to be established by the Finance Department for the Department of Housing and Human Services; and
2. authorize the Chief Financial Officer, or designee, to record an interfund transfer and appropriate funds in an estimated amount of \$10,120,000 from the existing Office of Homeless Solution Division, Housing Authority Division, and associated Community and Economic Development Department Division operating budgets to the appropriate funds and accounts as determined by the Finance Department for the Department of Housing and Human Services.

BACKGROUND:

On April 2, 2019, the City Council approved the Public Safety Engagement Team (PSET) program to address concerns related to the ongoing challenge of people experiencing homelessness and its impact on the quality of life in the City. As part of the program, the PSET was authorized to help ensure that the quality of life is maintained, City facilities are being used in a safe and enjoyable manner, issues in the parks and public areas are addressed quickly and efficiently, and community members are using parks and facilities in accordance with applicable city codes and ordinances.

On May 3, 2022, the City Council approved the expansion of the PSET Team to enhance the PSET Urban Team, dedicated to removal of encampments in the right-of-way, and establish a PSET Wildland Team. In addition to the removal of encampments, the Wildland Team is also responsible for the implementation of the anti-camping Ordinance in environmentally sensitive and hazardous areas.

During Fiscal Year 2022/23, the Office of Homeless Solutions administered \$8,860,566.80 in programs and grants and the Housing Authority administered \$32,781,759.58. Some of the grants administered cover four-year periods.

The PSET team operates in collaboration with the Office of Homeless Solutions and the Housing Authority to assist with trip homes, shelter and housing resources. Both the Office of Homeless Solutions and Housing Authority Divisions budgets are under the Community and Economic Development Department (CEDD); however, these divisions are managed by the City Manager's Office.

At its meeting of July 24, 2023, the Housing and Homelessness Committee received a proposal identifying the organizational structure and objective behind the establishment of a Department of Housing and Human Services. The item was unanimously recommended to move forward to City Council for discussion.

On August 9, 2023, the Financial Performance and Budget Committee received a proposal to recommend funding to establish a Department of Housing and Human Services. The item was unanimously recommended to move forward to City Council for discussion.

DISCUSSION:

The item for consideration is a supplemental appropriation in the amount of \$503,944.82 to fund the establishment of the Department of Housing and Human Services for this current fiscal year. Due to the fact the fiscal year started July 1 and the time needed to administratively move and fill all the positions only a partial year of operating costs is requested. The proposed department has been developed to better meet the operating needs and demands associated with the Homelessness Action Plan, the city's need and obligation to build housing, and Envision Riverside Strategic Priority No. 2 – Community Well-Being. Through the establishment of a designated department, necessary administrative and management support would be provided to better meet current programming demands. The current Office of Housing and Office of Homeless Solutions will be collapsed and consolidated into the new Department of Housing and Human Services, with the department head reporting to the City Manager.

Centralization of Resiliency Programming

Divisions of the proposed Department of Housing and Human Services provide the first level of service to those experiencing homelessness, creating affordable housing, and helping households sustain their housing. Expanding on the efforts to keep program participants housed are resiliency programs such as the food resiliency program launched during the pandemic. Food resiliency and similar human services programs providing the second level of service to impoverished communities and are currently facilitated by departments that were able to meet the demand when regular department operations ceased. Through centralizing resiliency programming, the Department of Housing and Human Services is equipped to provide both first and second levels of service to key communities within the sphere of influence and afford departments that previously implemented programs to return to their departments original scope. The centralization of resiliency programming will result in the movement of the Neighborhood Engagement Division to the Department of Housing and Human Services.

Human Services Program Expansion

The Human Services Division, will be dedicated to identifying sources of prevention against homelessness through facilitating programming to eradicate this grand challenge. Efforts include introducing and facilitating the Jail-In Reach Program, leveraging communications related to hospital discharges/drop-offs, domestic violence programming, and other innovative ideas that address this complex social issue.

Department Administrative Needs

Since inception, the PSET program has grown to consist of 45+ full-time positions, eight service agreements, and has required the development and maintenance of community partnerships. The intention of collaborative departments assisting with administrative tasks was exhausted as the team expanded in composition. Program expansion in the existing Housing Authority and Office of Homeless Solutions has also created a higher demand on CEDD administration. Through the establishment of an Administrative Division, administrative objectives including grant management, recordkeeping, and vendor management will be established and streamlined.

Expansion of Access Center Hours

Concurrent with establishment of the new department is expansion of working hours at the Access Center, making outreach staff more available to those in need. Currently, the Access Center operates Monday through Friday from 8 a.m. to 4 p.m. and is closed daily from 12 p.m. to 1 pm. To better meet the housing and services needs of the homeless population on the weekends, staff is recommending extending the operation hours at the Access Center to include the hours of 8 a.m. to 4 p.m. on Saturdays and Sundays. Through the expansion of office hours, individuals experiencing homelessness, the Riverside Police Department, 311 calls, and members of the PSET team will have access to real-time housing resources.

Community Development Block Grants

Community Development Block Grants (CDBG) fund a range of programming under the Department of Housing and Human Services scope including services or programs dedicated to benefit low to moderate-income persons, aid in prevention or elimination of blight, or meet an urgent need. The centralization of CDBG and Housing Opportunities for Persons with AIDS (HOPWA) grant management through the Department of Housing and Human Services allows for natural collaboration with community partners and address housing needs of people living with HIV/AIDS.

Proposed Department Structure

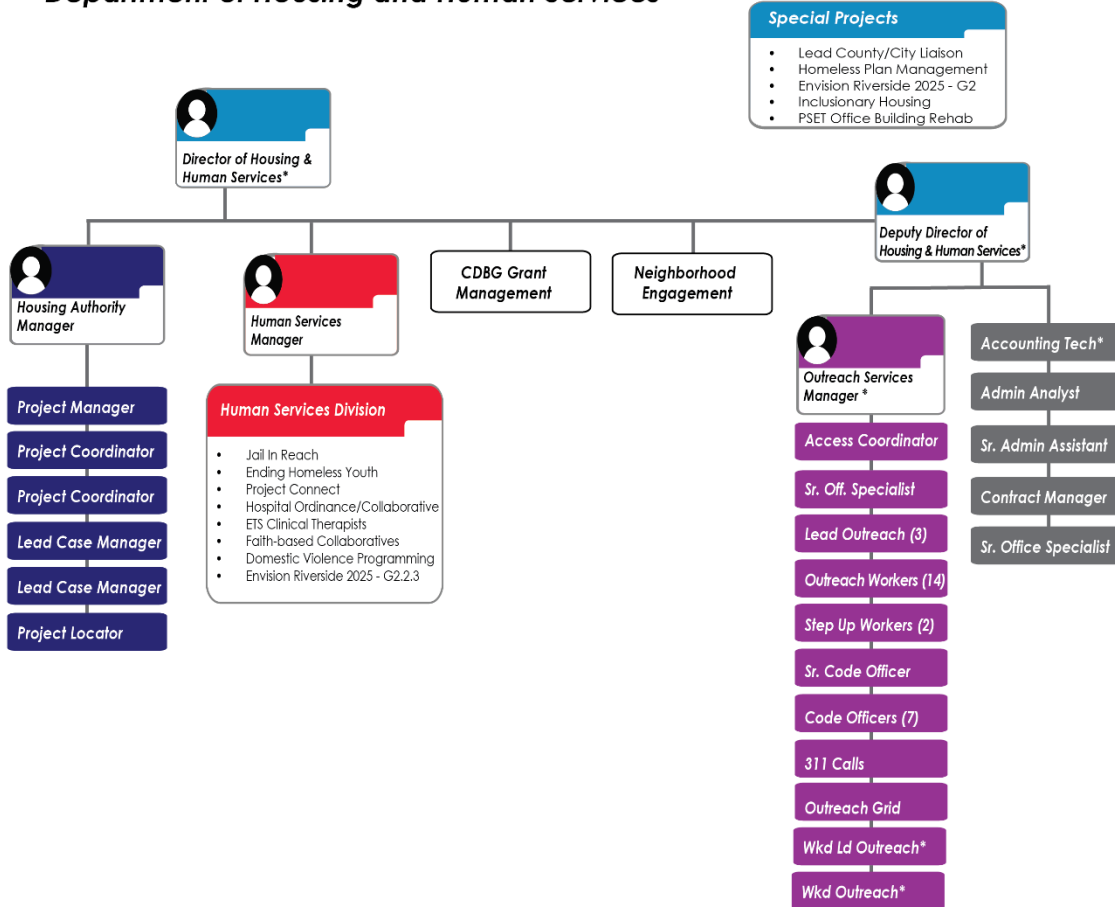
Municipalities nationwide have established similar department models to stabilize communities through centralizing programming and resources (Attachment – Index of Cities). While department structure is tailored to funding and community needs, trends in the sector of housing and human services emerge, focusing on affordable housing, prevention programming & partnerships, and case management.

The proposed **Department of Housing and Human Services** established for the Riverside community will consist of six department divisions including Housing Authority, Administration, CDBG Management, Human Services, Neighborhood Engagement, and Outreach Services. While division efforts will cross pollinate, the divisions are structured to allow for a quick response to department and community needs.

The staffing structure will include staff previously assigned to the Housing Authority, Office of Homeless Solutions, and PSET and will also include the following additional positions:

- Housing and Human Services Director
- Housing and Human Services Deputy Director
- Outreach Services Manager
- Accounting Technician
- Lead Outreach Worker
- Outreach Worker

Department of Housing and Human Services



Request Summary

Description	Expenditure	Ongoing Cost	One-Time
Housing and Human Services Director (7976)	\$ 304,233.80	X	
Housing and Human Services Deputy Director (8152)	\$ 217,389.90	X	
Outreach Services Manager (8132)	\$ 150,938.31	X	
Accounting Tech - Administration (0465)	\$ 86,669.10	X	
Weekend Lead Outreach Worker (8757)	\$ 78,145.00	X	
Weekend Outreach Worker (8756)	\$ 78,113.52	X	
Total Personnel	\$ 915,489.63		

Cellphones/Laptops Purchase	\$ 21,000.00		X
Cellphone Service	\$ 7,200.00	X	
Uniforms/Gear	\$ 3,000.00	X	
Training	\$ 10,000.00	X	
Office Supplies	\$ 5,000.00	X	
Total Non-Personnel	\$ 46,200.00		

When fully staffed, the additional personnel costs are estimated to be \$915,489.63 annually. Non-personnel resources for year one are estimated to be \$46,200 and approximately \$20,200 annually resulting in a total estimated expense of \$961,689.63 in a fully staffed year one and ongoing estimated expense of \$940,689.63 annually. The supplemental funding request includes six months appropriation of Personnel Expenses in the amount of \$457,744.82 and \$46,200.00 in Non-Personnel Expenses for a total supplemental appropriation in Fiscal Year 2023/24 of \$503,944.82.

Staff is exploring opportunities to offset the costs associated with this proposal on an ongoing basis as well as through the upcoming budget development process.

STRATEGIC PLAN ALIGNMENT:

The work contributes to Strategic Priority No. 2 *Community Well-Being* and supports Goal No. 2.4 - Support programs and innovations that enhance community safety, encourage neighborhood engagement, and build public trust and Goal No. 2.5 - Foster relationships between community members, partner organizations, and public safety professionals to define, prioritize, and address community safety and social service needs.

The proposed establishment of the Housing and Human Services Department aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** - PSET’s focus is directly responsible for addressing issues/concerns from the community. The goals and accomplishments of the PSET team serve the public interest, benefit the City’s diverse populations, and result in the greater public good.
2. **Equity** - Through the development of a dedicated department to meet the Housing Authority, PSET, and Office of Homeless Solution needs, the City team is better equipped to meet the needs of the Riverside community and advancing equitable distribution of services.
3. **Fiscal Responsibility** - Through aligning programming objectives, the Department of Housing and Human Services effectively maximizes staffing and city resources to provide programming to the community.
4. **Innovation** - The establishment of a Department of Housing and Human Services is inventive approach designed to meet the community’s changing needs and prepares for the future through collaborative partnerships and adaptive processes.
5. **Sustainability & Resiliency** – The Department of Housing and Human Services is committed to meeting the needs of the present without compromising the needs of the future and ensuring the City’s capacity to persevere, adapt and grow.

FISCAL IMPACT:

The total fiscal impact of this action is approximately \$10,623,944.82 which includes a supplemental appropriation in the amount of \$503,944.82 and Interfund Transfers from existing department budgets of approximately \$10,120,000. The Department of Housing and Human Services budget for subsequent fiscal years will be folded into the budget development process.

Prepared by:	Megan Stoye, Principal Management Analyst
Certified as to availability of funds:	Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by:	Mike Futrell, City Manager
Approved as to form:	Phaedra A. Norton, City Attorney

- Attachments:
1. Index of Cities
 2. Presentation