



Date: June 4, 2019

To: Thomas J. Bonfield, City Manager
Through: Keith Chadwell, Deputy City Manager
From: Reginald J. Johnson, Director
Community Development Department
Subject: Approval of Dedicated Housing Funds to Volunteers of America Carolinas, Inc. (VOAC) to provide services for Homelessness Coordinated Entry with Diversion

Executive Summary

The Community Development Department (CDD) is the Lead Agency for the Durham Continuum of Care (CoC), a local consortium that coordinates housing and services funding for homeless families and individuals. One key CoC requirement is the operation of a coordinated entry process that streamlines how people enter and move through a homeless system.

The City desires to strengthen the coordinated entry system by creating a central front door unit that will serve as the point of entry into Durham's homeless system. This front door unit will be a joint effort between the Durham County Department of Social Services (DSS) and a City-funded homeless service provider. All clients who come through this unit will first be assessed for shelter diversion, a program that attempts to use problem solving and limited flexible assistance to enable households experiencing homelessness to regain stable housing immediately without entering the shelter system. By implementing system-wide shelter diversion, the CoC seeks to reduce the flow of people into homelessness in Durham and prioritize resources for those with the highest needs.

The City has allocated \$706,000.00 from the Dedicated Housing Fund for a pilot program related to the implementation of front door homeless coordinated entry services with system-wide shelter diversion for the Durham CoC. The City has selected Volunteers of America of the Carolinas (VOAC) through a competitive Request for Proposals (RFP) to implement this project for up to two years.

Recommendation

The Community Development Department recommends that City Council authorize the City Manager to execute a contract with Volunteers of America Carolinas, Inc. (VOAC) to provide services for Homelessness Coordinated Entry with Diversion in the amount of \$706,000.00 in Dedicated Housing Funds for up to two years and to allow the City Manager to make modifications to the contract scope without returning to City Council so long as modifications serve the primary functions of the project.

Background

Provisions in the HUD CoC Program interim rule at 24 CFR 578.7(a)(8) require that CoCs establish a Coordinated Entry System (CES). Coordinated Entry Systems plan and streamline the way that people enter and move through a homeless system. HUD sees Coordinated Entry Systems as a way to improve access to homeless services and to prioritize services based on

need. Effective Coordinated Entry Systems use standard assessment processes to identify immediate and long-term needs, create processes across systems for effectively offering services based on level of need, and ensure low barrier access to services.

In 2016 the City of Durham engaged with Focus Strategies to conduct an analysis of homeless system performance and make recommendations for system re-design. The final analysis included the following relevant recommendations:

1. Fully implement coordinated entry and lower program barriers to ensure that literally homeless and higher need households can be prioritized
2. Provide shelter diversion and housing problem solving throughout the system

In 2018, as part of the FY 2018-2019 budget process, the Joint City-County Committee directed the City and County Managers to establish a working group to recommend strategies for reducing homelessness in Durham, with the specific goal of informing the FY18-19 budget preparation process. One of the central budget priorities determined by this working group was the development of a centralized intake process that would serve all people experiencing homelessness in Durham. In order to realize this goal, both the City and the County allocated funds in their FY 2018-2019 budgets for this initiative.

In October 2018, the CoC formed a work group of key community stakeholders to plan the new central front door into Durham's homeless system. The proposal produced by the work group planned for a joint effort by DSS and a city-funded agency to create and staff a central unit that would serve as the front door for Durham's homeless coordinated entry system. In January 2019, CDD issued an RFP for the portion of this project responsibilities delegated to the City. This recommendation to execute a contract with VOA is a result of that competitive RFP process.

Issues and Analysis

Durham has had a centralized intake for homeless families at DSS since 2012. Single adults without children have not been included in this intake process in the past. However, over two thirds of those experiencing homelessness in Durham are single adults. Furthermore, nearly all people experiencing unsheltered and chronic homelessness in Durham are single adults, meaning that the single adult population experiences particularly high barriers to accessing services.

Both the size and unique needs of the single adult population were taken into account during the process of planning the creation of a central front door into services for the entire homeless population in Durham. These considerations highlighted the need for expanded hours and multiple access points in order to achieve the goal of increasing access to services. Given the existing funding made available for this effort at the City and the County, the creation of a joint unit with both City and County resources is the best way to fulfill these needs.

The goals of the Coordinated Entry with Diversion Project are to:

1. Ensure that all those who seek homeless services in Durham can access coordinated entry
2. Plan for a system that can divert as many clients as possible from entering the homeless system
3. Ensure that homeless services are given fairly and to those most in need
4. Track and analyze the flow of the homeless population in Durham
5. Ensure that CoC policies and coordinated entry implementation are aligned

The scope and structure of the Coordinated Entry with Diversion Project was developed through a collaborative process in which key stakeholders were engaged in a project planning work group over the course of eight months. This Project is a pilot and there is a need to be able to modify activities based upon experience in order to achieve the agreed upon outcomes. The Contractor is responsible for implementing their work consistent with the Coordinated Entry Policies and Procedures approved by the CoC. These Policies and Procedures are currently in draft form pending approval by the HSAC. They will be added as Attachment A before contract execution.

This project is a pilot and there is a need to be able to modify activities and reporting requirements based upon experience in order to achieve the agreed upon outcomes. Due to the likelihood of modifications throughout the contract term to achieve the primary functions of the project listed below, a clause has been added to the contract allowing the City Manager to approve these modifications. The City Manager may also approve adjustments in budget line items, so long as the total cost of the project does not increase.

The primary functions of the Project include:

1. Conduct intakes for individuals seeking CoC homeless services
2. Deliver shelter diversion to help as many people as possible end their homelessness without entering a homeless shelter
3. Conduct standard assessments to evaluate client needs and make appropriate referrals
4. Manage the prioritization of shelter beds to ensure that emergency shelter is allocated fairly, efficiently and based on need

The pilot is expected to run up to two years. Based on progress made in the first year, the City will decide whether to continue the pilot for a second year or terminate after one year.

VOAC is one of North Carolina's largest service providers for people experiencing homelessness and has served individuals experiencing homelessness in Durham since 2009. Execution of this contract will allow the Durham CoC to respond to and implement the recommendations provided by Focus Strategies with a particular focus on improving system access and effectiveness for single adults. Anticipated results include reduced experiences of unsheltered homelessness, increased percentage of households/individuals entering the homeless system who are homeless upon entry, improved capacity to track and analyze Durham's homeless population, and improved compliance with CoC Standards intended to ensure prioritization based on level of need.

Alternatives

Council may choose not to fund this expenditure. In that case, the CoC will be unable to create a central front door into the homeless system that will provide services for single adults and families.

Financial Impact

Dedicated Housing Funds in the amount of \$353,000.00 are available in the Department's FY18-19 budget. An additional \$353,000.00 is budgeted in the Department's FY19-20 budget, as part of the Dedicated Housing Funds targeted for homeless programs.

Equal Business Opportunity Summary

This is a grant and was not reviewed by the Office of Equal Opportunity & Equity Assurance for compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting.

Attachments

Coordinated Entry with Diversion Contract

Coordinated Entry with Diversion RFP

Reporting and Performance Requirements

VOAC Coordinated Entry with Diversion Project Proposal

Annual Project Budget