



Date: January 31, 2020

To: Thomas J. Bonfield, City Manager
Through: Keith Chadwell, Deputy City Manager
From: Reginald J. Johnson, Director, Community Development Department
Subject: Interlocal Agreement with Durham County for Joint Funding of an Unsheltered Coordinating Agency

Executive Summary

In response to rising public awareness of encampments, the Durham City Council and County Commissioners each endorsed an encampment response policy to address encampments on public property in June 2019. The policy highlights the importance of providing low barrier services and housing to people experiencing unsheltered homelessness in Durham to prevent the need for a formal encampment response process. The policy also creates the role of an Encampment Lead Agency to coordinate the encampment response process outlined in the policy.

The City planned to issue an RFP for an Encampment Lead Agency that would provide direct services to people experiencing unsheltered homelessness and build upon the existing capacity for street outreach in Durham funded for the last ten years by Alliance Behavioral Healthcare. In June 2019, Alliance gave notice that they would no longer be able to provide funding for street outreach due to a reduction in State funding. This left a much larger gap in services for people experiencing unsheltered homelessness in Durham than could be covered by the planned project budget for the Encampment Lead Agency contract.

Under the terms of the proposed Interlocal Agreement, the City and the County have agreed to jointly fund an Unsheltered Coordinating Agency with a contract managed by the City Community Development Department to guide the Durham Continuum of Care (CoC) on issues related to unsheltered homelessness, connect people experiencing unsheltered homelessness in Durham to services, and serve as the Encampment Lead Agency during an encampment response. The Interlocal Agreement provides for a 2.5 year contract with a \$430,000 project budget split equally between the City and the County.

Recommendation

The Community Development Department recommends that City Council authorize the City Manager to execute an Interlocal Agreement with Durham County to establish the expectations for City and County funds to be used to jointly fund an Unsheltered Coordinating Agency.

Background

While Durham's overall homeless population has remained somewhat stable over the last four years, Durham is experiencing a rise in unsheltered homelessness. Unsheltered homelessness is defined as sleeping in a location not meant for human habitation, such as in a tent, car, or building without basic utilities. As part of its annual Point in Time Count of the homeless population, every year in January the Durham CoC conducts a count of its unsheltered homeless population. The number of unsheltered individuals counted rose from 53 people in 2018 to 81 in 2019.

People experiencing chronic homelessness are those with the longest history of recurrent or uninterrupted homelessness. While not all people experiencing unsheltered homelessness are chronically homeless, there is significant overlap in the populations. Looking at chronic homelessness helps to inform an understanding of those who are the hardest to house and who have the longest histories of homelessness in the Durham community. Between the 2018 and 2019 Point in Time Count Durham saw a rise in this hard to house population. The count of chronically homeless individuals rose from 66 in 2018 to 82 in 2019.

The rise in persistent unsheltered homelessness is a major concern for Durham and has resulted in increasingly visible encampments across the County. This is part of a national trend of increasing numbers of homeless encampments. The ability of the Durham CoC to provide outreach and services to people living in encampments is severely limited by the lack of a publically-funded street outreach project. Furthermore, circumstances do arise in which certain encampments present a particular threat to public health, safety, and/or mobility.

In response to these growing concerns, City Council and the County Commissioners endorsed an Encampment Response Policy in June 2019. In addition to detailing a response process for particularly problematic encampments on public property, the policy outlines a focus on low barrier services to prevent long-term unsheltered homelessness in Durham and reduce the need for encampment response.

The City planned to issue an RFP for an Encampment Lead Agency that would provide direct services to people experiencing unsheltered homelessness and build upon the exiting capacity for street outreach in Durham. Historically, Durham's core street outreach capacity has come from an Assertive Engagement Project run by Housing for New Hope and funded by Alliance Behavioral Healthcare. In June 2019 Alliance gave notice that they would no longer be able to provide funding for Assertive Engagement due to a reduction in State funding. This left a much larger gap in services for people experiencing unsheltered homelessness in Durham than could be covered by the planned project budget for the Encampment Lead Agency contract.

In response, City staff, County Staff, members of the HSAC, and members of the CoC worked together to develop a plan for the City and County to jointly fund an Unsheltered Coordinating Agency (UCA) with a contract managed by the City Community Development Department. The UCA will guide the Durham CoC on issues related to unsheltered homelessness, connect people experiencing unsheltered homelessness in Durham to services, and serve as the Encampment Lead Agency during an encampment response. This proposal was endorsed by the HSAC and was presented to the Joint City-County Committee on October 8, 2019. The Joint City-County Committee directed City and County staff to develop an Interlocal Agreement regarding the joint funding of an Unsheltered Coordinating Agency with a contract managed by the City.

Issues and Analysis

The City and the County have been negotiating for several months to reach an agreement to jointly fund an Unsheltered Coordinating Agency and fulfill the plan for an Encampment Lead Agency while addressing the gap in services for people experiencing unsheltered homelessness. Under the terms of the proposed agreement, the exact amount of annual funding contributed by the City and County respectively will depend on the amount of the award determined through an RFP process managed by the City. The Agreement specifies that the County will match the City's contribution up to specified amounts annually. Under the terms of the agreement, the City and the County will each contribute up to \$79,000 in Fiscal Year 19-20 Funds, \$215,000 in Fiscal Year

20-21 Funds, and up to \$215,000 in Fiscal Year 21-22 Funds. Once executed, the Interlocal term is three years with option for renewal.

In parallel with the preparation of the Interlocal Agreement, the Community Development Department issued a Request for Proposals (RFP) for an Unsheltered Coordinating Agency on February 12, 2019. Responses were received on January 30, 2020 and are in the process of being evaluated. Under the terms of the RFP, and subject to the approval of this Interlocal Agreement by the elected bodies of the City and County, the City will execute a contract will be executed with the award recipient for 2.5 years, subject to the achievement of specific performance measures. The longer time period of the contracts reflects takes into consideration the fact that the award recipient will likely have to hire staff specifically for this work. This contract is expected to be presented to City Council for approval in April 2020.

Alternatives

City Council could choose not to approve the Interlocal Agreement to receive funds from the County. In this event, the City would have insufficient funding to enter a contract with an Unsheltered Coordinating Agency for the scope of work in the RFP.

Financial Impact

The City will receive up to \$509,000 in funding from the County in order to fully fund the recipient of the Unsheltered Coordinating Agency RFP issued in December, 2019.

Attachments

Interlocal Agreement with Durham County Durham County for Joint Funding of Unsheltered Coordinating Agency