



Date: February 6, 2020

To: Thomas J. Bonfield, City Manager
Through: Keith Chadwell, Deputy City Manager
From: Reginald J. Johnson, Director, Department of Community Development
Subject: Contract between the City of Durham and the Housing Authority of the City of Durham for the provision of Tenant Based Rental Assistance services

Executive Summary

The Housing Opportunities for Persons with AIDS (HOPWA) program provides housing assistance and related supportive services for low-income persons living with HIV/AIDS and their families who are homeless, at risk of homelessness, or unstably housed. The program provides housing and other support to help the most vulnerable households with multiple health and life challenges to achieve housing stability. HOPWA serves as a cost-effective housing intervention that increases access to care, reduces emergency care costs, and improves life outcomes for beneficiaries. HOPWA funds managed by the City of Durham serve the Eligible Metropolitan Statistical Area (EMSA) that includes Durham, Orange, Chatham and Person counties

On January 27, 2016, the City of Durham entered into a contract with The Housing Authority of the City of Durham (DHA) to administer Tenant Based Rental Assistance (TBRA) under the Housing Opportunities for Persons with AIDS (HOPWA) program. This is a multi-year activity requiring corresponding multi-year funding commitments that will ensure long-term funding of HOPWA eligible activities.

The proposed contract is a continuation of existing TBRA assistance being provided by the DHA through the end of 2020. The contract, in the amount of \$172,186 will allow for continuation of long-term rental assistance to the 20 households currently being served under the program and will allow for the DHA to expand assistance to two (2) additional households to serve up to 22 households. Unspent funds from the previous year's HOPWA contract—obligated, but currently unspent due to the uncertainty inherent in program operations—will be unencumbered and added to this contract once the funds are reconciled in February of 2020. To the extent that funds in the currently proposed contract need to be carried over into the following year, the language in the proposed contract also gives the City Manager the authority to amend the contract accordingly, so long as the subsequent contract is also for HOPWA eligible activities.

Recommendation

The Department of Community Development recommends that City Council (1) approve a 12-month Contract with the Housing Authority of the City of Durham for the delivery of the Housing Opportunities for Persons with AIDS-funded Tenant Based Rental Assistance (TBRA) voucher program administration in the amount of \$172,186 and (2) authorize the City Manager to approve the addition of unexpended funds from the previous DHA contract for Housing Opportunities for Persons with AIDS, signed on January 30, 2019 with an expiration date of December 31, 2019, by amendment without further City Council action.

Background

The City of Durham was awarded HOPWA funds in Fiscal Year 2015-2016. Program funds are used to assist HOPWA eligible participants in maintaining stable housing arrangements, reducing their risk of homelessness and improving their access to care. This is done through Tenant-Based Rental Assistance (TBRA), Short-Term Rental, Mortgage, and Utility Assistance (STRMU), and supportive services. Supportive services, usually tied to HOPWA housing assistance, include intensive case management.

Last year, the Community Development Department of supported the following organizations with HOPWA funds:

- The Durham Department of Social Services provides case management services to HOPWA eligible individuals and provides STRMU and case management to eligible HIV/AIDS individuals.
- The Housing Authority of the City of Durham administers the TBRA programs for the program. Case management services for these households are provided by the Durham County Department of Social Services.

Since January of 2016, DHA has been providing TBRA for up to 20 households. The overwhelming majority of households served continued receiving HOPWA housing subsidy assistance into the next operating year.

The proposed contract, in the amount of \$172,186 will allow for continuation of long-term rental assistance to the 20 households currently being served under the program and will allow for the DHA to expand assistance to two (2) additional households to serve up to 22 households.

Issues/Analysis

Federal requirements of the HOPWA program requires that there be a continuity of service for individuals in the program to maintain housing stability and extension of the contract would allow services to continue for these beneficiaries. The City is also putting in place a new contract with the Durham Department of Social Services (DSS) to provide case management for clients assisted with tenant based rental assistance, as well as STRMU assistance.

During the last full fiscal year of implementation, DSS served 75 unduplicated households with combined STRMU, permanent housing placement services, and tenant based rental assistance subsidies. Primary activities during this FY have been to provide individuals at risk of losing their housing with rental assistance, followed by assistance with utilities (primarily electricity).

In addition, 20 TBRA vouchers were utilized and three of those vouchers are slated to become available to new individuals on the waitlist as the Durham Housing Authority transitions those three individuals into traditional Housing Choice Vouchers. Nineteen of the 20 available TBRA vouchers are utilized (1 family is currently searching for a unit), and protocols for providing HOPWA services are established and will be well-defined.

Community Development is currently working with community based organizations and other local governments to develop a strategic plan for HOPWA activities in the EMSA in the coming years. HOPWA funding is expected to increase over the coming years as a result of changes in HUD's formula calculation, and the goal of this planning process is to build consensus on HOPWA funding priorities going forward. CDD expects that this work may lead to expansion or changes to the HOPWA program in the future. However, the proposed contract with DHA is intended to maintain current services through calendar year 2020, to allow for this planning process to be completed.

Alternatives

The City could elect to allow the current contract to end and not enter into this new contract. This option would result in a termination of rental assistance for current HOPWA beneficiaries which could result in their eviction from housing.

Financial Impact

This 12-month contract for \$172,186 uses FY 2015-16, FY 2016-17 and FY 2017-18 HOPWA funding allocation to administer the Tenant Based Rental Assistance (TBRA) element of the HOPWA program. These funds are available for use.

Obligated but currently unspent HOPWA funding from FY 17/18 will be added to this contract, without further action by the City Council.

Equal Business Opportunity Summary

This item relates to a federal grant and an agreement for continuity of services made to fulfill the grant requirements. It was not reviewed for compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting.

Attachments:

- Contract
- Budget
- Scope of Work
- HOPWA Funding Agreements
- HOPWA HMIS Manual
- HOPWA Oversight Resource Guide
- HOPWA CAPER
- Clauses for Contracts Involving Federal Financial Assistance