



Date: July 6, 2021

To: Wanda S. Page, City Manager
Through: Keith Chadwell, Deputy City Manager
From: Reginald J. Johnson, Director
Community Development
Subject: Contract with the Housing Authority of the City of Durham for the provision of Tenant Based Rental Assistance services for two years, 2021-2023

Executive Summary

The U.S. Department of Housing and Urban Development’s (HUD) 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.

Since January 27, 2016, the City of Durham has had a contract with The Housing Authority of the City of Durham (DHA) to administer Tenant Based Rental Assistance (TBRA) under 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 June 30, 2023. The contract, in the amount of \$598,044.79 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 an additional 10 households so a total of 30 households will be provided vouchers. 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 August 2021.

Motion

To authorize the expenditure of \$208,981.52 of FY2019, \$209,621 of FY2020, and \$205,801 of FY2021 Housing Opportunities for Persons with AIDS (HOPWA) funds as well as \$11,947.29 in City Dedicated Housing Funds;

To authorize the City Manager to execute a contract in the amount of \$636,350.81 with the Housing Authority of the City of Durham (DHA) for the provision of Tenant Based Rental Assistance services for two years, July 1, 2021- June 30, 2023; and

To authorize the City Manager or designee to amend the contract, if necessary, in order to approve the addition of unexpended funds from the HOPWA grant agreement with DHA, Contract Number 17351.

Background

The U.S. Department of Housing and Urban Development's (HUD) 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.

The City of Durham is awarded HOPWA funds annually to support people living with HIV/AIDS in the Durham EMSA. 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, Short-Term Rental, Mortgage, and Utility Assistance (STRMU), and supportive services. Supportive services, usually tied to HOPWA housing assistance, include intensive case management.

The Community Development Department (CDD) has provided HOPWA funds to the following organizations to provide services to those living with HIV/AIDS:

- 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 \$636,350.81 will allow for the 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 an additional 10 additional households to serve at least 30 households over the course of the contract.

Issues and Analysis

Federal requirements of the HUD HOPWA program requires that there be a continuity of service for individuals in the program to maintain housing stability. 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.

As noted above, this contract represents the continuation of a program already in process. In the interest of efficiency, CDD is requesting that City Council authorize the City Manager or designee

to approve the addition of any unexpended funds from DHA's prior HOPWA grant agreement with the City without further City Council action.

Alternatives

City Council could decide not to approve this contract and instruct staff to identify a different program sponsor to complete this activity. A decision not to execute this contracted service could result in a delay in the delivery of rental assistance to both current and new TBRA recipients.

Financial Impact

\$208,981.52 of FY2019 and \$209,621 of FY 2020 of HOPWA Funds are available and have been budgeted for this contract. FY2022 Dedicated Housing Funds in the amount of \$11,947.29 have been budgeted and are available to fund a small portion of this contract. \$205,801 of FY2021-2022 HOPWA funds have been allocated to the City of Durham but are not able to be encumbered until a final contract with HUD is executed. The FY2021-2022 funds will be encumbered once the contract with HUD is executed and MUNIS codes for those funds are established.

Equal Business Opportunity Summary

This is a contract that was not reviewed by the Department of Equal Opportunity/ Equity Assurance for compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting as it is made up of Federal Funds.

Contractor Workforce Diversity & Hiring Practices

Due to the nature of this agenda item, obtaining Contractor Workforce Diversity & Hiring Practices information is not applicable.

Attachments

DHA HOPWA Contract