



Date: August 15, 2022

To: Wanda S. Page, City Manager
Through: Keith Chadwell, Deputy City Manager
From: Reginald J. Johnson, Director, Community Development Department
Subject: Contract with Housing for New Hope, Inc. for the Provision of Rapid Rehousing Services

Executive Summary

The City of Durham issued a Request for Proposals (RFP) on April 25, 2022 for providers to provide supportive services in non-congregate emergency shelter, rapid rehousing services and landlord engagement assistance. The RFP requested that contracted Rapid Rehousing providers plan to provide eighteen (18) months of rapid rehousing services from July 1, 2022 through December 31, 2023.

The goal of Rapid Rehousing is to move households experiencing homelessness into permanent housing as quickly as possible. The Rapid Rehousing contract provides funding to pay security deposits, provide short to medium term rental assistance, housing location assistance, and provide supportive services to households once they are housed if needed.

The Community Development Department is requesting that the City Council authorize the City Manager to execute a contract with Housing for New Hope, Inc. for the provision of rapid rehousing services from July 1, 2022 to December 31, 2023.

Motion

To authorize the City Manager to execute an eighteen (18) month contract in the amount of \$233,334, funded with Dedicated Housing Funds, with Housing for New Hope, Inc. to provide rapid rehousing assistance to households exiting homelessness.

Background

Durham's homeless system has responded to the COVID-19 pandemic since the first quarter of 2020 using the U.S. Department of Housing and Urban Development (HUD) Emergency Solution Grant-COVID (ESG-CV) funds, and Federal Emergency Management Agency (FEMA) and Durham County funds for non-congregate shelter. ESG-CV funds enabled the City to provide supportive services to households experiencing homelessness staying in non-congregate shelter and to provide funding to help households exit from homelessness to permanent housing as quickly as possible. Durham expected to expend all of its ESG-CV allocations by June 30, 2022.

In early 2022, Durham Continuum of Care (CoC) members expressed concerns that there would still be a need beyond June 30, 2022 to offer non-congregate emergency

shelter for people experiencing homelessness who are medically vulnerable and to provide additional resources for rapid rehousing. This request was made formally to the Homeless Services Advisory Committee (HSAC) on February 23, 2022. The HSAC approved a recommendation to the City and the County that \$4.1 million be allocated for non-congregate shelter, rapid rehousing, and landlord engagement activity.

City and County staff worked together and identified funding in their respective budgets for these vital services so there would not be interruptions in services after June 30, 2022.

The City of Durham issued a RFP on April 25, 2022, for providers to provide supportive services in non-congregate shelter, rapid rehousing services, and landlord engagement assistance. An evaluation committee composed of City and County and HSAC representatives reviewed the proposals received. Based on the committee's recommendations, Housing for New Hope is being recommended for an 18-month contract in the amount of \$233,334 to provide rapid rehousing assistance to households exiting homelessness.

Issues and Analysis

Due to the continuing COVID pandemic and physical distancing recommendations of the Centers for Disease Control (CDC) still being followed, Durham's homeless system is unable to return to pre-pandemic full capacity congregate shelter. At the same time, Durham's housing market during the pandemic has experienced rapid inflation in housing costs. As a result, exiting homelessness has become increasingly difficult as rents rise and rental property owners are less willing to accept less than highly qualified renters into their units.

In an effort to reduce the impact of these two issues, homeless service providers and the HSAC recommended that funds from the City and County be used to extend non-congregate shelter, to expand rapid rehousing funding, and to launch a new landlord engagement program so that more landlords will make units available to those exiting homelessness and more households will have the opportunity to exit homelessness. This contract is one of several contracts that the City Council is asked to authorize to support the homeless system's continuing response to the COVID-19 pandemic.

Alternatives

The City Council could choose not to approve funding this contract. Should this rapid rehousing contract not be funded, the estimated 25 households experiencing homelessness who would be served under the contract would have fewer resources available to exit to permanent housing resulting in longer experiences of homelessness.

The City Council could choose to reduce the amount of funding for this project in which case the number of households that could be served under the contract also would be reduced proportionally.

Financial Impact

FY2022-2023 Dedicated Housing Funds have been budgeted to fund \$1,050,000 of the contracts arising from the April 22, 2022 RFP, including this contract in the amount of \$233,334.

Equal Business Opportunity Summary

The Finance Department reviewed the proposal submitted by Housing for New Hope and determined that it is in compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting.

This is a project in which there were no subcontracting opportunities identified by the Community Development Department. In the absence of subcontracting opportunities, there were no MUBE or WUBE goals set.

Contractor Workforce Diversity & Hiring Practices

Housing for New Hope completed the required Workforce Diversity Questionnaire. The Questionnaire is an attachment to this memo.

Attachments

Contract

Attachment A: Scope of Work

EBOP Form

Workforce Diversity Questionnaire