



Legislation Text

File #: 72116, **Version:** 1

Fiscal Note

The proposed resolution authorizes a sole source contract with Fiscal Assistance, Inc. to facilitate the provision of housing assistance-related payment services. The will be effective through June 30, 2022 and is not to exceed \$420,000. The contract will be funded using federal HOME Tenant-Based Rental Assistance (TBRA) funds. No additional appropriation is required.

Title

Authorizing the Mayor and City Clerk to enter into a sole-source emergency contract with Fiscal Assistance, Inc. to facilitate the provision of housing assistance-related payment services using federal HOME Tenant-Based Rental Assistance (TBRA) funds, to supplement resources that support participants of the City's Unsheltered Response Initiatives programs.

Body

BACKGROUND

In 2021, as part of an effort to find safer, and legal, alternatives for persons camping in the City's Reindahl Park, as well as other unsheltered locations, the Common Council authorized the use of American Rescue Plan Act (ARPA) funds to develop and implement non-congregate shelter alternatives for adults experiencing unsheltered homelessness (RES-21-00621, Legistar File #67137; and RES-21-00770, Legistar File #68103). As a result, the City established the Dairy Drive sheltered campground, operated by MACH OneHealth and Kabba Recovery Services, and an Unsheltered Response Hotel Shelter Program, operated by Focus Counseling, which, together, had capacity to accommodate approximately 80 individuals. The hotel shelter program, established to utilize a specific available hotel property, was authorized through June 30, 2022, after which the property will no longer be available.

These initiatives have included efforts to help connect participants to housing opportunities. As people have exited to housing, new participants who were residing at unsheltered locations were brought in to take their places. However, given the scheduled June 30 end date for the hotel shelter program, the practice of adding new participants there ended in April. As of early June, 38 individuals in 28 households (18 single persons and 10 couples) remained there. Some of them have been approved for Rapid Rehousing assistance or Emergency Housing Vouchers through the community's Coordinated Entry system, but others do not have access to resources to support permanent housing options.

The 2020-2024 City of Madison Consolidated Plan contemplates the use of federal HOME Tenant-Based Rental Assistance (TBRA) funds for households experiencing homelessness. These funds (up to \$400,000) could be used provide rental and utility assistance for the participants of the city's hotel shelter. CDD proposes to use the TRBA funds in combination with other previously authorized ARPA resources to support a Rapid Rehousing effort focused on the participants of the City's Unsheltered Response Initiatives that would be similar to Dane County's Hotel to Housing Program.

ACTION

WHEREAS, as part of an effort to find safer, and legal, alternatives for persons camping in the City's Reindahl Park, as well as other unsheltered locations, the Common Council authorized the use of ARPA funds to develop and implement non-congregate shelter alternatives for adults experiencing unsheltered homelessness; and,

WHEREAS, the Dairy Drive sheltered campground, operated by MACH OneHealth and Kabba Recovery Services, and the City Unsheltered Response Hotel Shelter Program, operated by Focus Counseling, became the two elements of that effort; and,

WHEREAS, the hotel shelter program is scheduled to end on June 30, 2022 after which the hotel property will no longer be available, and 28 previously unsheltered households are being supported at the hotel as of early June; and,

WHEREAS, the City of Madison's 2020-2024 Consolidated Plan identifies the use of federal HOME Tenant-Based Rental Assistance (TBRA) funds for households experiencing homelessness; and,

WHEREAS, up to \$400,000 in HOME TBRA funds are currently available, and could provide housing payment assistance, including security deposits, and up to 12 months of rent and utility payments, for those participant households in the City's hotel shelter program that are not already connected to other housing resources; and,

WHEREAS, on June 7, the Common Council authorized the extension of the City's contract with Focus Counseling through June 30, 2023 (RES-22-00448, Legistar File # 71642) to allow that agency to continue providing housing search and stabilization services to the hotel program participants; and,

WHEREAS, the supportive services that will be provided by Focus Counseling, in combination with HOME TBRA funds, will allow the Community Development Division (CDD) to create a Rapid Rehousing program for the benefit of the participants of the City's Unsheltered Response Initiatives, similar to Dane County's Hotel to Housing Program; and,

WHEREAS, the ability to carry out this effort in a timely manner requires the services of an agency that is qualified, and eligible, to work closely with CDD and Focus Counseling to ensure that TBRA funds are disbursed, in accordance with HOME program regulations, to eligible property owners and utility companies on a monthly basis; and,

WHEREAS, in November 2021, Dane County selected Fiscal Assistance, Inc., a local nonprofit financial services agency serving people with disabilities, to provide housing assistance payments for the County's Hotel to Housing Program through a Request for Proposal process in which Fiscal Assistance, Inc. was the sole bidder; and,

WHEREAS, Fiscal Assistance, Inc. has been providing such services under contract with Dane County under the County's Hotel to Housing Program and has supported hundreds of persons experiencing homelessness and is willing to extend the same services to the City's effort at the same unit-based reimbursement rate negotiated by the County; and,

WHEREAS, the estimated cost for providing housing payment services is up to \$20,000 a year; and,

WHEREAS, in order to select a provider in a timely manner, CDD staff recommend awarding a financial services contract to Fiscal Assistance, Inc. through a non-competitive selection process; and,

WHEREAS, under MGO 4.26(3) and (4), a service contract of \$50,000 or more that was not competitively selected must be approved by the Common Council and must meet one of the exceptions in MGO 4.26(4)(a), and this contract meets the "public exigency" exception in MGO 4.26(4)(a)1. because the emergency conditions will not permit delay caused by a competitive selection process; and,

WHEREAS, when spending federal grant money, federal guidelines typically require a formal competitive procurement for a contract that exceeds the Simplified Acquisition Threshold of \$250,000; however, per the HOME regulations at 24 CFR 92.2, the selection of a subrecipient is not subject to these procurement procedures and requirements; and,

WHEREAS, funds to cover costs will be paid out of HOME funds allocated in the Community Development Division's 2022 Adopted Operating Budget.

NOW, THEREFORE, BE IT RESOLVED, that the Common Council authorizes the use of up to \$420,000 of HOME funds to pay for rental and utility payment assistance and financial services needed to make housing assistance payment services for approximately 25 participant households of the City's Unsheltered Response Initiatives; and,

BE IT FURTHER RESOLVED, that the Common Council hereby authorizes the Mayor and City Clerk to sign a noncompetitive contract for purchase of services with Fiscal Assistance, Inc. to take effect upon adoption of this Resolution through June 30, 2023 for an amount not to exceed \$420,000, using the federal HOME funds for the purposes and in the amounts described above.