



Legislation Details (With Text)

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**Title:** Communication from the City Manager and Community Development Director with a Request to Concur with the Recommendation from the Heart of Illinois Homeless Continuum of Care (CONTINUUM), to APPROVE the FUNDING REALLOCATION of 2016 Emergency Solutions Grant (ESG) Funds to South Side Office of Concern.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. AGMT NO 17-171 Friendship House, 2. AGMT NO 17-171 South Side Office of Concern, 3. City ESG 2017 - Funding Reallocation Request, 4. Letter from Continuum of Care

Date	Ver.	Action By	Action	Result
6/27/2017	1	City Council	approved	Pass

**ACTION REQUESTED:**

Communication from the City Manager and Community Development Director with a Request to Concur with the Recommendation from the Heart of Illinois Homeless Continuum of Care (CONTINUUM), to APPROVE the FUNDING REALLOCATION of 2016 Emergency Solutions Grant (ESG) Funds to South Side Office of Concern.

**BACKGROUND:** On Tuesday, September 22, 2015 (Item # 15-317) City Council approved a request from the Heart of Illinois Homeless Continuum of Care (Continuum) to be the entity to review applications and make ESG funding recommendations to City Council.

On Tuesday, December 8, 2015 (Item # 15-395) City Council concurred with the recommendation from the Continuum for funding allocations to specified agencies for 2015-2016 ESG Grant funds. As a result of this action, two-year contracts were executed with each agency for 2015 and 2016 ESG funds. This action allocated 19.7% of the City's 2015 and 2016 ESG grants to Friendship House to support its Rapid Rehousing Program. 21.96% of the City's 2015 and 2016 ESG grant was allocated to a Rapid Rehousing program managed by South Side Office of Concern. Each organization successfully expended 2016 funding in support of their respective programs.

Due to a loss of State Rapid Rehousing funding and other reasons outlined in the attached letter from the CEO of Friendship House, they have requested that their 2016 grant be reallocated to another provider. South Side Office of Concern (SSOC) has agreed to take on the additional program funding. They have the capacity to utilize it efficiently in service of the Peoria community. This is evidenced in that the original amount allocated to SSOC for 2016 is nearly expended 6 months prior to the end of the year. The 2016 funding has been used to help permanently house 10 formerly homeless individuals. The Continuum recommends this reallocation as stated in the attached letter from the Continuum Director.

**Notes:**

- **Rapid Rehousing** is a housing program directed toward individuals experiencing homelessness. The model capitalizes on existing housing stock in the private rental market to offer a permanent housing solution without the cost burden and time constraints of developing new construction. Outreach personnel and case managers work with individuals experiencing homelessness in order to find decent and affordable rental units. The program provides at least 3 months, but up to 24 months of rent, a security deposit and case management oriented

around employment-seeking, financial training and obtaining household necessities. With the HUD Emergency Solutions Grant, the City issues funding for rent, security deposits and program staff costs.

- **Funding year:** since the City often does not receive its allocation from HUD until the middle of a particular year, a specific year's ESG grant is subcontracted for the following year's programming. In this case, the 2015 grant (which the City received in the middle of 2015) is subgranted to providers for a 2016 program. In the above, 2015 and 2016 grant funds support programs operated in 2016 and 2017.

**FINANCIAL IMPACT:** \$25,667.72 (19.7%) of the City's 2016 ESG grant will reallocated from Peoria Friendship House to South Side Office of Concern at the request of Peoria Friendship House.

**NEIGHBORHOOD CONCERNS:** None at this time.

**IMPACT IF APPROVED:** The 2016-2017 contract with Friendship House will be revised to reflect a decrease in 2017 funding by \$25,667.72. The 2016-2017 contract with South Side Office of Concern will be revised to reflect an increase in 2017 funding by \$25,667.72. Individuals experiencing homelessness will continue to be provided permanent housing with the use of these funds.

**IMPACT IF DENIED:** No funding change would occur and Friendship House would still be contractually obligated to utilize the funding at reduced capacity and inconsistent with the stated wishes of the organization. This may pose a risk to the City that funds would not be expended in advance of HUD deadlines and ultimately not be put to use in support of the effort to end homelessness in the community.

**ALTERNATIVES:** None identified at this time.

**EEO CERTIFICATION NUMBER:** SSOC: 00706-160630

**WHICH OF THE GOALS IDENTIFIED IN THE COUNCIL'S 2014 - 2029 STRATEGIC PLAN DOES THIS RECOMMENDATION ADVANCE?**

1. Financially Sound City Government, Effective City Organization
2. Choose an item.
3. Choose an item.

**WHICH CRITICAL SUCCESS FACTOR(S) FROM THE COMPREHENSIVE PLAN DOES THIS RECOMMENDATION IMPLEMENT?**

1. Have an efficient government.
2. Reduce crime.
3. Choose an item.

**DEPARTMENT:** Community Development