

SUBJECT: An Ordinance authorizing a Contract Amendment between the City of Houston and Fulton Village Redevelopment Corporation to amend the scope of work and change funding sources for the Rapid Rehousing Financial Assistance Intermediary	Page 1 of 1	Agenda Item #
--	-----------------------	-------------------------

FROM: Neal Rackleff, Director Housing and Community Development Department	Origination Date 9/02/2015	Agenda Date
---	--------------------------------------	--------------------

DIRECTOR'S SIGNATURE: 	Council District affected: All Districts	
--	--	--

For additional information contact: Roxanne Lawson Phone: 832-394-6282	Date and identification of prior authorizing Council action: 04/29/2015; (O) 2015-0383	
--	---	--

RECOMMENDATION: Approval of an Ordinance authorizing a Contract Amendment between the City of Houston and the Fulton Village Redevelopment Corporation to amend the scope of work and change funding sources for the Rapid Rehousing Financial Assistance Intermediary

Amount of Funding: Removing: \$392,107.01 HHSP and \$384,921 ESG Adding: \$392,107.01 TIRZ	Finance Budget:
---	------------------------

SOURCE OF FUNDING General Fund TIRZ Fund Enterprise Fund

Emergency Solutions Grant (ESG) Fund 5000; Homeless Housing and Services Program (HHSP) Fund 5010;
Tax Increment Reinvestment Zone (TIRZ) Affordable Housing Fund 2409

SPECIFIC EXPLANATION: The Housing and Community Development Department (HCDD) recommends approval of a Contract Amendment between the City of Houston and Fulton Village Redevelopment Corporation to change the scope of work and funding sources of the Rapid Rehousing Financial Assistance Intermediary (FAI).

This Contract Amendment is needed because the state had a six-month delay in executing the Homeless Housing and Services Program (HHSP) contract, which funded a portion of this Fulton Village contract. HCDD received assurances from the state that the HHSP contract could be extended beyond the original August 31, 2015 expiration date. Thirty days prior to the HHSP contract expiration, HCDD requested the extension. Two days prior to the expiration, HCDD was informed by the state that contrary to previous assurances, the HHSP contract legally could not be extended.

To enable the Rapid Rehousing FAI to continue, HCDD requests authorization to amend the Fulton Village contract to replace HHSP funds with an equal amount of TIRZ Affordable Housing funds. The FAI helps homeless households achieve immediate and long-term housing stability by providing short- to medium-term rental assistance, rental and utility deposits, and utility payments, as needed.

The City originally granted Fulton Village up to \$782,209 in a combination of Emergency Solutions Grants (ESG) funds and Homeless Housing and Services Program (HHSP) funds. The project scope of work is to manage, report, and oversee available funding dedicated to Rapid Rehousing. HCDD therefore requests Council amend the contract with Fulton Village to replace \$392,107.01 of unspent HHSP funds with \$392,107.01 of TIRZ funds.

Additionally, HCDD seeks approval to amend the scope of work, resulting in a decrease to the overall budget and allowing for deobligation of the \$384,921 of ESG funds. The new scope will reflect the following program services: (1) management of the Houston/Harris County Continuum of Care Rapid Rehousing Collaborative financial assistance funds, and (2) administration of direct rental and utility assistance to approximately 55 Rapid Rehousing clients.

Funding Source	Funding Period	Amount
HHSP	5/1/15 – 8/31/15	\$5,180.99
TIRZ	9/1/15 – 4/30/16	\$392,107.01
Total Funding		\$397,288.00

HCDD conducted a Request for Proposals for fiscal year 2015 for ESG and HHSP. Fulton Village was the selected agency. The initial Ordinance authorized a 12-month grant period from May 1, 2015 through April 30, 2016, or until funds have been expended.

This item was reviewed by the Housing and Community Affairs Committee on September 15, 2015.

NR:JN:MNB:KS

cc: Legal Department, Mayor's Office, City Secretary, Finance Department

REQUIRED AUTHORIZATION		
Finance Director:	Other Authorization:	Other Authorization: