

**CITY COUNCIL ACTION REQUEST**

<b>Department(s):</b> Housing	<b>CEQA:</b> Not a Project, File No. PP10-066(e), Agreements and Contracts	<b>Coordination:</b> CAO, CMO, Budget	<b>Dept. Approval:</b> /s/ Jacky Morales-Ferrand
<b>Council District(s):</b> Citywide			<b>CMO Approval:</b> 

**SUBJECT: CONTRACT AMENDMENT WITH SAN JOSE STREETS TEAM FOR PLACE-BASED RAPID RE-HOUSING PROGRAM SERVICES**

**RECOMMENDATION:**

Approve the Second Amendment to the Agreement for Rapid Re-Housing Services between the City of San José and San José Streets Team to increase the maximum funding by \$230,000, from \$1,950,000 to \$2,180,000, and to retroactively extend the Place-Based Rapid Re-Housing Program by four (4) months from March 1, 2017 through June 30, 2017.

**BASIS FOR RECOMMENDATION:**

San José Streets Team is currently under contract with the City to retain the services of six case managers to provide housing and employment services to 100 homeless households in San José. Outcomes include:

- 75% of the participants will attain permanent housing within four months of intake;
- 75% of the participants will secure employment and/or display increased economic self-sufficiency within 12 months of being permanently housed; and
- 80% of participants will maintain permanent housing for at least 12 consecutive months.

Currently, there are 66 households participating in the program with an additional 5 households seeking housing. Since the program's inception, the program has housed 110 households. 91 of those households (83%) have secured and maintained employment for at least 90 days. Most significantly, 31 households have graduated from the program and maintained their housing without additional assistance or rental subsidy.

The original contract included options to extend the agreement for up to an additional four years. The first option was exercised for FY 2015-2016. The initial \$650,000 agreement was amended to increase funding an additional \$650,000, for a total of \$1,300,000. Staff exercised the second option for FY 2016-2017 to increase total funding to \$1,950,000. The term for the second option expires as of February 28, 2017. Staff is recommending that the agreement be amended to allow the program to continue to house participants and provide employment placement services for an additional term retroactive from March 1, 2017 through June 2017 to ensure long-term stability. Staff is choosing not to exercise the original third option which would extend the services through FY 2017-2018. Instead, staff intends to issue a Request for Proposals within the next two months to redesign the overall program and align services with current evidence-based, best practice standards for rapid re-housing services. Staff will bring a recommendation to City Council by June 2017 to implement the new program.

**COST AND FUNDING SOURCE:**

The table below identifies the fund and appropriations proposed to fund the contract extension recommended as part of this memorandum:

Fund #	Appn #	Appn..Name	Total Appn.	Amt. for Contract	2016-2017 Adopted Budget (Page)	Last Budget Action (Date, Ord. No.)
001	2062	Homeless Rapid Rehousing	\$5,228,00	\$230,000	IX-21	2/14/17, Ord. No. 29880

**FOR QUESTIONS CONTACT:** Ray Bramson, Division Manager, at (408-535-8234)