



## Legislation Text

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File #: 09-1091, Version: 1

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Resolution to Approve a \$30,500.00 Contract with the Shelter Association of Washtenaw County and a \$129,000.00 Contract with Interfaith Hospitality Network to provide short-term housing/shelter with support services to homeless individuals and families and Appropriate \$159,500.00 from the Ann Arbor Housing Trust Fund (\$159,500.00 Ann Arbor Housing Trust Fund)

The Office of Community Development is requesting that City Council approve a \$30,500.00 contract with the Shelter Association of Washtenaw County and a \$129,000.00 contract with Interfaith Hospitality Network and appropriate \$159,000.00 from the Ann Arbor Housing Trust Fund to provide short-term housing/shelter with support services to homeless individuals and families. Community Development is working with these nonprofit providers to develop a short-term response to the unprecedented incidence of homelessness in our community as winter approaches.

### **Background**

The challenging economic climate has had broad-reaching negative impacts on residents and communities, and Ann Arbor has not been immune to these impacts. The local poverty rate, including students, is nearly twenty-five percent, which is an increase of five percent since 2007. Unemployment is 9.3%, and Ann Arbor experienced a five percent loss in jobs from August 2008 to August 2009.

Evictions and foreclosures are on the rise as well. While complete eviction data is not available, it is estimated that at least 1,200 county residents were evicted last year. Foreclosures increased 105% from 2006 to 2008, and the Ann Arbor foreclosure rate is two percent, compared to one percent in Detroit. The County Treasurer sold forty-five foreclosed parcels at auction in October, compared to an average of eleven in previous auctions.

Other indicators also convey the difficult economic environment. Since 2007, the Humane Society of Huron Valley has seen a fifty percent increase in pet surrenders for reasons of "owner cannot afford" and "owner evicted/foreclosure." From 2008 to 2009 Food Gatherers has seen a thirty-five percent increase in requests for food, and statewide one in seven residents is receiving some form of food assistance. The Department of Human Services, the state agency charged with administering food stamps, Medicaid, and cash assistance to impoverished residents, has experienced an increase in caseloads from 300 to almost 600 per worker.

Local nonprofits are on the front lines responding to the unprecedented need in our community, and they are being stretched to meet the increased demand. They are responding to increase requests for food, shelter, and other basic needs at a time when public and private funding is decreasing. Sixty-five percent of local nonprofit agencies reported a decrease in philanthropic gifts and overall revenues in 2009.

Our local homelessness system of care is experiencing a twenty percent increase in demand this year for single adults, families, and youth experiencing homelessness or housing crisis. Of those seeking shelter locally, sixty percent report being homeless for the first time, eighty-seven percent of

adults identified employment challenges as the reason for being homeless, and sixty-five percent of children served were under ten years of age.

In addition to the increased numbers of homeless people interfacing with the local sheltering system, there appears to be an increased incidence of homeless encampments in and around Ann Arbor. The numbers of individuals sleeping outside - in tents, cars, or other circumstances - is not fully known, but the impending winter creates a potentially dangerous situation.

The local emergency shelter system is working to ensure that individuals, families, and youth experiencing homelessness have access to needed shelter and support. This system maintains 189 beds for those experiencing homelessness, but demand exceeds this capacity.

To respond to this situation, Community Development is working with the Shelter Association of Washtenaw County, Interfaith Hospitality Network, and other service providers to develop short-term shelter/housing options for some of those experiencing homelessness this coming winter.

Specifically, the Shelter Association will increase its annual rotating winter shelter to provide an additional fifty spaces for homeless individual adults needing emergency, overnight shelter. Twenty-five of these spaces will be provided by adding cots to the second floor of the Delonis Center, and an additional twenty-five spaces will be provided utilizing space within local faith congregations on a rotating basis. This intervention will be offered from December 1, 2009 through March 31, 2010 to expand access to safety and warmth for single adults experiencing homelessness through the winter months.

For families experiencing homelessness, the Interfaith Hospitality Network will work with Avalon Housing and other local landlords to provide eight twelve-month housing vouchers (subsidies) with support services. These subsidies with needed housing support services will maximize the ability of parents experiencing homelessness to move beyond homelessness while providing the safety and stability crucial to the current and future well-being of their young children. In addition to being consistent with best practices, and the community's housing first approach to ending homelessness, providing twelve-month vouchers with supports to eight families is equivalent in cost to offering a congregate shelter for eight families through the winter only.

It is widely understood that permanent affordable housing - and not temporary shelter - is the solution to homelessness. City Council has demonstrated an understanding of this by providing millions of dollars in funding for the creation and maintenance of 219 units of affordable housing since 2005, and has provided millions more in funding for support services to help people maintain their housing. Unfortunately, the economic climate has curtailed the development and redevelopment of affordable housing units at the same time as an unprecedented number of people are at-risk for losing their housing. Given this, a short-term intervention - one which maximizes safety through the coming winter - is recommended.

To this end, Community Development is requesting the appropriation of \$159,500 from the Ann Arbor Housing Trust Fund to support the following services beginning in December 2009 (FY 2010):

Rotation Shelter Coordinator	Delonis/SAWC	\$11,000.00
Operations Assistant	Delonis/SAWC	\$19,500.00
Case Management	IHN	\$43,000.00

Housing Subsidies	IHN	\$86,000.00
TOTAL		\$159,500.00

Additional funding to support this effort is being considered by the Ann Arbor Downtown Development Authority and Washtenaw County.

The Office of Community Development recommends City Council approval of the \$30,500 contract with the Shelter Association of Washtenaw County and the \$129,000 contract with Interfaith Hospitality Network and appropriation of \$159,000 from the Ann Arbor Housing Trust Fund to provide for short-term shelter/housing for homeless adults and families.

Sponsored by: Mayor J. Hieftje, Councilmembers S. Smith, S. Briere

Prepared by: Mary Jo Callan, Community Development Director

Reviewed by: Jayne Miller, Community Services Administrator

Whereas, The challenging economic climate has had broad-reaching negative impacts on residents and communities, and Ann Arbor has not been immune to these impacts;

Whereas, Evictions, foreclosures, unemployment, and poverty have risen in Ann Arbor;

Whereas, Our local homelessness system of care is experiencing a twenty percent increase in demand this year for single adults, families, and youth experiencing homelessness or housing crisis. Of those seeking shelter locally, sixty percent report being homeless for the first time, eighty-seven percent of adults identified employment challenges as the reason for being homeless, and sixty-five percent of children served were under ten years of age;

Whereas, In addition to the increased numbers of homeless people interfacing with the local sheltering system, there is an increased incidence of homeless encampments in and around Ann Arbor, and the impending winter creates a potentially dangerous situation;

Whereas, The local emergency shelter system maintains 189 beds for those experiencing homelessness, but demand exceeds this capacity;

Whereas, To respond to this situation, Community Development is working with the Shelter Association of Washtenaw County and Interfaith Hospitality Network to develop short-term shelter/housing options for some of those experiencing homelessness this coming winter;

Whereas, the Shelter Association will increase to its annual rotating winter shelter to provide an additional fifty spaces for homeless individuals needing emergency, overnight shelter. Twenty-five of these spaces will be provided by adding cots to the second floor of the Delonis Center, and an additional twenty-five spaces will be provided utilizing space within local faith congregations on a rotating basis. This intervention will be offered from December 1, 2009 through March 31, 2010 to expand access to safety and warmth for single adults experiencing homelessness through the winter months;

Whereas, For families experiencing homelessness, the Interfaith Hospitality Network will work with Avalon Housing and other local landlords to provide eight transitional housing vouchers (subsidies) with support services. These twelve months subsidies with needed housing support services will maximize the ability of parents experiencing homelessness to move beyond homelessness while providing the safety and stability crucial to the current and future well-being of their young children. In

addition to being consistent with best practices, and the community's housing first approach to ending homelessness, providing twelve-month vouchers with supports to eight families is equivalent in cost to offering a congregate shelter for families through the winter only;

Whereas, The economic climate has curtailed the development and redevelopment of affordable housing units at the same time as an unprecedented number of people are at-risk for losing their housing. Given this, a short-term intervention - one which maximizes safety through the coming winter - is recommended;

Whereas, Foreclosures depress property values for neighbors and communities and ultimately reduce assessed values and property tax revenue;

Whereas, There is an urgent need for individual mortgage foreclosure prevention counseling and intervention and community financial literacy education;

Whereas, The Washtenaw County Treasurer's office in collaboration with the Office of Community Development, MSU Extension, Legal Services of South Central Michigan, the Housing Bureau for Seniors and the Mortgage and Tax Foreclosure Taskforce have created a comprehensive response to address the significant rise in mortgage and tax foreclosures in the community; and

Whereas, Community Development is requesting that \$159,500 be appropriated from the Ann Arbor Housing Trust Fund to support the following services beginning in December 2009 (FY 2010):

Rotation Shelter Coordinator	Delonis/SAWC	\$ 11,000.00
Operations Assistant	Delonis/SAWC	\$ 19,500.00
Case Management	IHN	\$ 43,000.00
Housing Subsidies	IHN	\$ 86,000.00
TOTAL		\$159,500.00

RESOLVED, That Council approve a \$30,500.00 contract with the Shelter Association of Washtenaw County for Short-term Shelter for Homeless Single Adults;

RESOLVED, That Council approve a \$129,000.00 contract with Interfaith Hospitality Network for Short Term Housing and Support for Homeless Families;

RESOLVED, That the Mayor and City Clerk be hereby authorized and directed to execute the contracts with The Shelter Association of Washtenaw County and Interfaith Hospitality Network consistent with this resolution subject to approval as to substance by the City Administrator and approval as to form by the City Attorney with funds to be available until expended without regard to fiscal year;

RESOLVED, That Council appropriate \$159,500.00 from the Ann Arbor Housing Trust Fund prior year fund balance for these contracts; and

RESOLVED, That the City Administrator, or his designee, be authorized to take necessary administrative actions and to execute any documents necessary to complete these transactions and to implement this resolution.

**As Amended by Ann Arbor City Council on November 5, 2009**