

City of Alexandria, Virginia

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6-24-03

MEMORANDUM

DATE: JUNE 19, 2003

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: PHILIP SUNDERLAND, CITY MANAGER ^{PS}

SUBJECT: AUTHORIZATION FOR GRANT SUBMISSION TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT TO FUND BUILDING RENOVATION AND OPERATING COSTS OF A PROPOSED SAFE HAVEN FACILITY

ISSUE: City Council consideration of the Alexandria Community Services Board (CSB) and Sheltered Homes of Alexandria (SHA) application for grant funds from the United States Department of Housing and Urban Development (HUD) for the establishment of a Safe Haven permanent housing facility for homeless men and women diagnosed with mental illness and sometimes co-occurring substance abuse disorders.

RECOMMENDATION: That City Council:

- (1) Authorize an application for \$750,000 from HUD to establish a Safe Haven facility that will provide permanent housing and supportive services, including outreach, assessment, crisis intervention, supportive counseling, case management, and access to all CSB sponsored vocational, day treatment, outpatient, and detoxification services, to chronically homeless men and women;
- (2) Approve the identification of the current Clubhouse property at 115 North Patrick Street, which is owned by the City, as the currently proposed location for this facility (recognizing that additional analysis of the feasibility of this property needs to be undertaken before a final decision can be reached); and
- (3) Authorize 6.0 full-time FTEs (1 therapist and 5 residential counselors), plus a 0.5 FTE part-time case manager, to provide on-site clinical services and 24-hour supervision for the program.

BACKGROUND: At its June 10 legislative meeting, Council recommended that the CSB pursue a grant from HUD to establish a Safe Haven facility in the City of Alexandria. The need for a Safe Haven is evidenced by the fact that in January of this year there were 515 homeless people in the City of Alexandria, 113 of whom were unsheltered. Surveyors identified 19 persons who, with targeted outreach, would be willing to participate in a Safe Haven program. In

response to the needs of this homeless population, the City identified housing and support services for difficult-to-serve chronically homeless persons as a high priority in the adopted FY 2000-2005 Consolidated Plan for Housing and Community Development and the CSB's Proposed FY 2004 - FY 2008 Housing Plan, also being considered by Council at its June 24 legislative meeting. In addition, creating a Safe Haven program has been identified as a priority objective of Alexandria's Homeless Services Coordinating Committee, a coalition of 42 public and private homeless services agencies, faith-based organizations, businesses and individuals interested in alleviating homelessness in Alexandria.

This program is designed to fill a gap in Alexandria's services for homeless people with mental illness and sometimes co-occurring substance abuse disorders. The needs of many homeless people with these disorders frequently cannot be met with traditional outreach and shelter services. These individuals are among the most vulnerable of our citizens. They are often chronically homeless, have medical and dental needs, and are often involved in "nuisance" type crimes (panhandling, public drunkenness). Traditional shelter and treatment services have not worked for this population due to the structured nature of these standard services. Safe Haven programs offer an alternative in the form of a homelike atmosphere with a strong emphasis on nurturing and support rather than demanding compliance with treatment. Typically, Safe Havens provide residential and support services for approximately seven or eight individuals at any one time and assist individuals to progress to more independent or long-term living situations, such as a CSB independent living program or a Section 8 apartment. This model has proven to be highly successful with individuals who are homeless and have mental illness and sometimes substance abuse problems. For example, there are two Safe Haven programs in Northern Virginia (Susan's Place in Arlington and Max's in Fairfax), both of which have been successful in stabilizing individuals and obtaining more permanent housing for residents.

A goal of a Safe Haven is for residents to participate fully in their recovery process. Although this model is oriented more towards support than rules, there are rules regarding safety and consequences for breaking those rules (e.g., hospitalization, removal from the program) similar to other programs operated by the CSB. No individuals would be permitted at the Safe Haven who are assessed to present a risk to themselves or others. If such an assessment were made, the individual would be transported to a treatment facility. Individuals not complying with program rules would be removed from the program.

The Alexandria CSB grant application, due on July 15, 2003, to the Federal Office of Housing and Urban Development, is available for review in the CSB administrative offices at 720 N. St. Asaph Street ((703) 838-4455).

DISCUSSION: The CSB is preparing a grant application to HUD to establish a Safe Haven to serve up to eight residents at any one time, which identifies the current CSB Clubhouse at 115 North Patrick Street as the location currently proposed for the facility. Although the Clubhouse property, after relocation of the Clubhouse program, was planned to be used as office space by a City agency, staff is recommending that the property be included in the HUD application as the

currently proposed site for a Safe Haven. However, a final decision on the feasibility of this property for the Safe Haven program is subject to many variables, and cannot be made until several issues are resolved. If the grant is awarded, its acceptance will be brought back to Council, at which time we will know if the Patrick Street site is the best choice for this program. Announcement of grant awards will be made in December.

As you know, the Clubhouse, a mental health day support and vocational training program, will be moving to 4480 King Street early in 2004. The Patrick Street site is well located for a Safe Haven because these programs are most successful when they are linked to other community resources, such as those targeted for employment, social services, mental health services, permanent housing, and outreach. At Patrick Street, residents will have accessibility to these services in a homelike environment. The building is also a familiar location for the target population and thus, can enhance the success of outreach efforts.

Operating Costs: If the grant is awarded to Alexandria, HUD will provide between 75% and 80% of the operating funds for the project, on an ongoing basis (subject, of course, to continued federal appropriations), with the match funding coming from Medicaid and client fees. No funding is expected to be required from the City for annual operating costs. The grant would also permit additional outreach services to other homeless persons on the streets. The grantee is permitted to pay fair market rent for the site. Assuming yearly rent of \$100,000 payable to the City, annual operating costs for an eight-resident facility are projected at approximately \$565,000. The annual operating costs include five additional full-time FTEs to provide 7-day a week, 24-hour a day clinical supervision to residents, as well as 1.5 FTEs (1.0 full-time and 0.5 part-time) to provide on-site clinical services.

Capital Costs: At present, no funds are budgeted for capital costs (i.e., acquisition and rehabilitation) associated with a Safe Haven project. The HUD grant application will include \$185,000 for capital costs. A minimum 50% local match is required for capital costs. Rehabilitation of 115 N. Patrick Street may require up to \$1 million, or \$715,000 more than the grant might provide. Staff have not yet determined sources for these capital funds. Possible sources are the Housing Trust Fund, the Virginia Department of Housing and Community Development (DHCD), the City's Capital Improvement Program, and the Home Investment Partnerships (HOME) program. There may be \$275,000 available from the HOME program (pending a determination of eligibility from HUD). CSB staff are also investigating applying to HomeAid of Northern Virginia for assistance. This group of builders and contractors works with non-profits and local governments in Northern Virginia to increase bed space in programs that serve needy persons. The City's 2004 Capital Improvement Program (CIP) calls for rehabilitation of 115 North Patrick Street at \$795,000, but the City may need those funds to renovate another site for the City offices that are now planned for the property after the Clubhouse program relocates.

Zoning: Initial review indicates that Safe Haven would be an approved use at 115 N. Patrick Street, but that a Special Use Permit (SUP) would be needed to provide the required parking

spaces off-site (i.e., in the City lot across the street from the Clubhouse). The parking needs of a Safe Haven program are considerably less than what is needed for the current Clubhouse operations.

City Space Planning: The City had planned to use the Patrick Street property for another City agency. If the Safe Haven program goes into this location, it will need to pay rent to the City which can be used to cover some or all of the costs of renting other space for the agency now planned to occupy the Clubhouse property.

Public input: The CSB will hold community meetings to provide the public with information about the Safe Haven program and to answer questions from residents about the Safe Haven program. Should a SUP be required for the site, the public would have additional opportunities to comment to the Planning Commission and Council.

FISCAL IMPACT: The CSB is requesting a total of up to \$750,000 from the U.S. Department of Housing and Urban Development. Required matching funds of approximately \$119,000 for ongoing operating costs will come from Medicaid and client fees. Matching funds of \$185,000 for capital costs as well as the additional funds needed for rehabilitation of the current Clubhouse facility, if its use for the Safe Haven program is feasible, might come from the City's Capital Improvement Program, the Housing Trust Fund, Virginia DHCD, the Home Investment Partnerships (HOME) program (pending a determination of eligibility from HUD), and possibly assistance from HomeAid of Northern Virginia.

STAFF:

Michael Gilmore, Ph.D., Director, MH/MR/SA

Sam Bauman, Director of Extended Care Services, MH/MR/SA

Ilene Steiman, Assistant to the Director, MH/MR/SA

City of Alexandria, Virginia

MEMORANDUM

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6-24-03

DATE: JUNE 23, 2003
TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL
FROM: PHILIP SUNDERLAND, CITY MANAGER ^{PS}
SUBJECT: SAFE HAVEN DOCKET ITEM

ISSUE: U.S. Department of Housing and Urban Development (HUD) grant application for the Safe Haven Program.

RECOMMENDATION: That this item be withdrawn from the June 24 Council docket.

DISCUSSION: Mental Health, Mental Retardation and Substance Abuse staff have just learned from HUD that the way in which the City intended to structure the financing for the Safe Haven project is not in accord with HUD grant rules. When City staff were preparing the Safe Haven budget and application several weeks ago, they contacted the HUD Technical Assistance Center concerning the financing of new projects. Staff were told then that all or a part of the \$750,000 grant was available for staff and other supportive services (which was consistent with the Question and Answer section of the HUD application packet). Today, however, staff learned from a more senior HUD representative that the grant only covers "housing" activities (i.e., acquisition and renovation) and "operation" activities (i.e., rent and utilities), and that it does not cover staffing or supportive services. Staff were told that such services could be funded by using HUD funds now used in other MH/MR/SA projects. However, the department does not wish to do this.

Supportive services is a large part (over \$450,000 a year) of the proposed Safe Haven budget, and the department lacks its own funds to provide such services on an on-going basis.

For these reasons, staff will not be submitting an application to HUD for a Safe Haven facility in this funding cycle, and are withdrawing the recommendation set out in the docket memorandum on this item. Over the next few months, staff will investigate other opportunities for financing a Safe Haven in the City.

STAFF:

L. Michael Gilmore, Ph.D., Executive Director, MH/MR/SA Department

Sheltered Homes of Alexandria

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6-24-03

June 23, 2003

Hon. Kerry J. Donley, Mayor
Hon. Members of City Council
301 King Street
Alexandria, VA 22314

Dear Mayor Donley and Members of City Council:

The Board of Directors of Sheltered Homes of Alexandria unanimously supports the location of a Safe Haven program at 115 North Patrick Street and urges you, at your Tuesday, June 24 meeting, to confirm 115 North Patrick Street for this purpose.

This location is ideal for providing critical services for a population that is difficult to serve. (1) It is located in the type of neighborhood setting in which HUD requires Safe Havens to be placed. (2) The Alexandria Community Services Board (ACSB) Clubhouse program, soon to vacate this location, currently serves consumers with mental illness and substance abuse problems in greater numbers on a daily basis than would be served by a Safe Haven program in the same location. (3) Potential consumers for the services of a Safe Haven are in the vicinity.

As with our prior successful partnerships with the ACSB, Sheltered Homes of Alexandria looks forward to working with the ACSB to ensure a successful Safe Haven. We urge you to vote in support of 115 North Patrick Street as the ready-made site for this success. We truly appreciate your support in this effort.

Sincerely,

Barbara Brenman

Barbara Brenman, Chair

cc: Michael Gilmore, Ph.D., Executive Director, Alexandria Community Services Board
Mary Riley, Vice Chair, Alexandria Community Services Board
SHA Trustees

