


City of Alexandria, Virginia

MEMORANDUM

DATE: MARCH 11, 2010

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER 

SUBJECT: AUTHORIZATION TO FUND THE HOMELESS INTERVENTION PROGRAM FROM THE DESIGNATED FUND BALANCE

ISSUE: Authorization to fund \$125,000 from designated fund balance to the Department of Human Services' Homeless Intervention Program to support the continuation of client services in FY 2010.

RECOMMENDATION: That City Council authorize the inclusion of \$125,000 from the City's designated fund balance to the Department of Human Services' Homeless Intervention Program in the supplemental appropriations ordinance to be docketed on April 13, 2010.

BACKGROUND: As part of the City's Approved FY 2010 Budget, City Council set aside \$400,000 to address one-time acute human services needs in the designated fund balance. This action was taken in response to the economic downturn. It was stipulated that Department of Human Services staff would update the City Council on identified critical needs in Alexandria and seek authorization for recommended allocations.

The Homeless Intervention Program provides mortgage and rental assistance to prevent homelessness. The program provides temporary assistance and supportive services to individuals and families experiencing a financial crisis due to unforeseen circumstances. In all cases, they have exhausted all personal resources and are on the verge of homelessness. Once approved for assistance, the program pays up to four months of rent and provides case management services to prevent eviction and help stabilize the household. Due to the economy, there has been an increase in the number of requests for financial assistance from individuals and families. As the Department has nearly exhausted all of the funds allocated to support this program, additional funds are needed to continue the provision of this safety net service.

DISCUSSION: This year, there has been a 76 percent increase in the number of households assisted through the Homeless Intervention Program. In 2009, the State supplemented the initial budget with \$71,163 for total client expenditures of \$276,756. In FY 2010, the State funding has been cut by 10 percent or \$26,997. The FY 2010 Budget for homeless prevention is \$211,044. At the end of the first quarter, the program spent \$104,008 or 50 percent of the budget, an

increase of 136 percent over last year's expenditures of \$76,048 for the first quarter. Unless this fund is supplemented with \$125,000, the Department of Human Services will be forced to discontinue the program on April 1, through June 30, 2010, impacting approximately 68 clients.

FISCAL IMPACT: The Department of Human Services requests that City Council authorize \$125,000 of the \$400,000 of the Safety Net Reserve be allocated from the designated fund balance and appropriated to the Department of Human Services' Homeless Intervention Program to support the continuation of client services for FY 2010.

STAFF:

Debra R. Collins, Assistant City Manager for Community and Human Services

Ann Moore, Director, Office of Community, Department of Human Services

Laura Morrison, Fiscal Officer III, Department of Human Services

Kendel Taylor, Financial Management Coordinator, Office of Management and Budget