

**CITY OF SAN ANTONIO
DEPARTMENT OF COMMUNITY INITIATIVES
CITY COUNCIL AGENDA MEMORANDUM**

TO: Mayor and City Council

FROM: Dennis J. Campa, Director, Department of Community Initiatives

SUBJECT: Housing Assistance Payments Contract for up to \$308,352 with the San Antonio Housing Authority for Continuation of the Dwyer Avenue Center Single Room Occupancy Program

DATE: November 18, 2004

SUMMARY AND RECOMMENDATIONS

This ordinance authorizes the execution of a Housing Assistance Payment (HAP) contract with the San Antonio Housing Authority (SAHA) for continuation of the rental subsidy program for Single Room Occupancy (SRO) units at the Dwyer Avenue Center. One year funding of up to \$308,352 will be provided by SAHA to support this program for the contract period of September 17, 2004 to September 16, 2005.

Staff recommends approval of this ordinance.

BACKGROUND INFORMATION

When the City of San Antonio opened the Dwyer Avenue Center in 1992, the City and SAHA entered into a 10-year contract through which SAHA would provide project-based rental subsidies for homeless singles residing at the City-operated Dwyer Avenue Center. The initial 10-year contract expired in September 2002 and has been renewed annually as authorized by the U.S. Department of Housing and Urban Development (HUD). This ordinance will authorize a third contract for one-year and will continue the collaborative agreement with SAHA until September 16, 2005. Delays in SAHA's contractual agreement with HUD also made this agreement with the City of San Antonio late. Although the contract was delayed, SAHA has made payments to the City at the new rate.

The Dwyer Avenue Center, which is owned by the City of San Antonio, is operated with federal grant funds from HUD and income from the Dwyer Center Rental Income Trust. Dwyer staff provide a wide array of supportive services, along with transitional housing, to homeless singles in San Antonio. There are 88 Single Room Occupancy (SRO) units at the Dwyer Avenue Center. The current occupancy rate is 86%. Vacancies are attributed primarily to delays in the intake process, room repairs and follow-up inspections by SAHA. The current occupancy rate translates to 27,623 resident days over the term of the HAP contract. The average length of stay for SRO residents is 12 months.

Also, 16 family units are for transitional housing at the Dwyer Avenue Center and an additional 20 units are designated as emergency shelter for women and their young children.

City staff, along with staff of collaborative agencies like Family Violence Prevention Services, the Food Bank and CentroMed, provide SRO residents with:

- substance abuse and mental health counseling
- life skills classes and financial literacy training
- medical care
- emergency assistance
- job training

The San Antonio Food Bank operates the Culinary Arts Training program at the Center. This effort, which began in October 2003, teaches homeless individuals skills necessary to work in a commercial kitchen. The program offers a six-week course that instructs homeless individuals in skills such as cooking, baking, dishwashing, and dressing appropriately.

These services are designed to assist homeless individuals accomplish the three goals developed by the U.S. Department of Housing and Urban Development:

- achieving residential stability
- increasing skill levels and/or incomes
- obtaining greater self-determination (i.e. responsibility for decisions that affect their lives)

It is projected that 62% of SRO participants will achieve residential stability (remain in permanent housing at least six months after leaving the program), 26% will increase their skill level, and 60% will increase their level of self-determination (transition into permanent housing after exiting the program). Participants' progress toward reaching these goals is measured through caseworker reviews, with the ultimate goal to enable homeless clients to move into permanent housing. SRO residents may reside at the Dwyer Avenue Center for up to 24 months and follow up is provided for six months after participants leave the Dwyer facility.

POLICY ANALYSIS

This ordinance supports existing City policy of providing Safety Net services through the provision of transitional housing and comprehensive services to homeless people. This ordinance will continue the City's collaborative relationship with SAHA in support of homeless singles.

HUD provides these funds through SAHA and has announced that subsequent contracts will be one year in duration. The FY 05 allocation of \$308,352 is an increase over last year of \$9,504.

FISCAL IMPACT

This ordinance authorizes a contract with SAHA in an amount not to exceed \$308,352 for the one-year period from September 17, 2004 to September 16, 2005. Residents pay up to 30% of their adjusted income toward rent and SAHA subsidizes the remaining portion. Rental payments made by residents, as well as the subsidies from SAHA, are deposited into a dedicated revenue

account, which supports operations at the Dwyer Avenue Center. In the proposed contract, HUD has increased the monthly fair market rent for the SRO units from \$283 per unit to \$292. SAHA is currently paying the new rental subsidy rate while the contract is being finalized. This action requires no additional general fund commitment.

COORDINATION

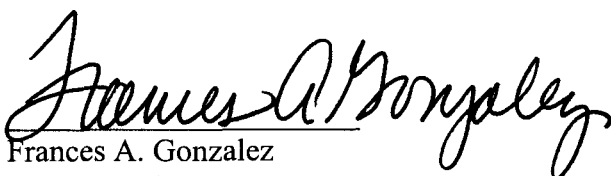
Coordination has taken place with the Finance Department, City Attorney's Office, Office of Management and Budget and the San Antonio Housing Authority.

SUPPLEMENTARY COMMENTS

Requirements of the City's Ethics Ordinance do not apply.



Dennis J. Campa Director
Department of Community Initiatives



Frances A. Gonzalez
Assistant City Manager



J. Rolando Bono
Interim City Manager