



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** June 23, 2009

**TO:** Mayor and Councilmembers

**FROM:** Housing and Redevelopment Division, Community Development Department

**SUBJECT:** Agreement For Use Of Coastal Zone Affordable Overnight Accommodation Funds

### RECOMMENDATION:

That Council approve and authorize the Community Development Director to negotiate and execute, subject to approval of the City Attorney, a grant agreement between the City of Santa Barbara and Transition House in the amount of \$45,000 for the use of Coastal Zone Affordable Overnight Accommodation Funds for a pilot program to provide emergency hotel vouchers for homeless persons waiting to get into an emergency shelter or transitional shelter/housing.

### BACKGROUND:

On February 24, 2009, Council approved, as a package, the twelve recommended strategies outlined in *Strategies to Address Community Issues Related to Homelessness in the City of Santa Barbara*; which was developed by the Council Subcommittee on Homelessness and Community Relations. Recommendation #10 states that the City should work with service providers to secure funding for relocation funds and emergency hotel vouchers and programs to help reconnect people with their families.

This recommendation included the use of interest income from the Coastal Zone Affordable Overnight Accommodation Fund for a program providing emergency hotel vouchers for vulnerable populations. Staff was directed to create a pilot program with a non-profit agency to deliver these program services as soon as possible, generally coincident with other recommended strategies that are based on enforcement;

### DISCUSSION:

Staff met with Transition House to develop the Hotel Voucher Pilot Program for families waiting to get into their shelter. Since 2008, Transition House has been turning families away in unprecedented numbers due to lack of available bed space. This is due to an increase in need as a result of the economic crisis and high rates of unemployment.

The Hotel Voucher Pilot Program will allow Transition House to provide a form of shelter for eligible families when the facility is full. The program is intended to serve families who are interested in Transition House's comprehensive anti-poverty services, including shelter and case management. The program is not intended to be used as an alternative to shelter. If beds are available at the shelter, vouchers will not be distributed. Families will be given a voucher for one night. They must contact Transition House the next day to see if bed space has become available. If there is available bed space, they must enter Transition House. If they refuse to enter the shelter, they will be denied another hotel voucher. If space is unavailable, the family will be given a voucher for another night. Families will be able to utilize up to a week of vouchers if bed space is unavailable.

Several of the twelve recommended strategies, including this one, require the development of assessment protocols to measure their effectiveness. The Subcommittee on Homelessness and Community Relations met on June 11 to discuss and approve outcome measures. The agreement with Transition House includes the collection of the following information for voucher recipients: number of vouchers given; number of families served; demographics including race, income level, sex, prior address and prior living situation; and outcomes including whether the recipients entered a program, left town, found housing, etc. The grant agreement is for a one-year period and the program, along with the other strategies, will be reviewed at that time.

#### **BUDGET/FINANCIAL INFORMATION:**

In Fiscal Year 2006, the Redevelopment Agency received \$1,140,794 for an overnight accommodation mitigation fee from the Entrada Project in conjunction with the issuance of their Coastal Development Permit. The Agency is to use these funds and any interest earned, at its discretion, to mitigate the loss of the low-cost lodging that was provided by the former Californian Hotel. Opportunities for new development or rehabilitation of such lodging have not materialized. As of June 30, 2008, the fund had earned \$123,500 in interest. At a yield rate of 4%, the existing fund would earn approximately \$45,000 per year. In order to preserve the original mitigation fee for a future low-cost lodging opportunity, the intention is to use only the annual interest earnings to fund the Hotel Voucher Pilot Program.

**PREPARED BY:** Brian Bosse, Housing and Redevelopment Manager/SLG

**SUBMITTED BY:** Paul Casey, Community Development Director

**APPROVED BY:** City Administrator's Office