

# Mayor and Council Communication

**DATE:** 11/17/20

**M&C FILE NUMBER:** M&C 20-0848

**LOG NAME:** 19DIRECTIONSHOME&DRCHOMELESS-ESG

**SUBJECT**

(ALL) Authorize Execution of a Contract Up to \$225,000.00 using Federal Grant Funds with Day Resource Center for the Homeless dba DRC Solutions for Cold Weather Sheltering Services and Operation of Emergency Overflow Shelter to Respond to and Prevent COVID-19

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**RECOMMENDATION:**

It is recommended that the City Council:

1. Authorize the City Manager or his designee to execute a contract with Day Resource Center for the Homeless dba DRC Solutions for an amount up to \$225,000.00 using CARES ESG-CV2 funds for cold weather sheltering services and operation of emergency overflow shelter;
  2. Find that the use of funds for this purpose is necessary to respond to the current COVID-19 pandemic; and
  3. Authorize the City Manager or his designee to extend the contract if agency requests an extension and such extension is necessary for completion of the program, or to amend contracts if necessary to achieve program goals, provided any amendment is within the scope of the program and complies with City policies and all applicable laws and regulations governing the use of federal grant funds.
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**DISCUSSION:**

On September 9, 2020, M&C 20-0657, approved the acceptance of Coronavirus Aid, Relief, and Economic Security Act (CARES Act) Emergency Solutions Grant to be Awarded by the United States Department of Housing and Urban Development in an Amount Up to \$6,070,529.00 ("ESG-CV2 Funds"). Of the ESG-CV2 Funds, \$324,000.00 is for emergency shelter purposes in order to support a flexible response to COVID-19 for the homeless population.

The City Manager's Directions Home unit approached the Purchasing Division to issue a Request for Proposal for necessary services for the homeless population. Staff recommended Day Resource Center for the Homeless, dba DRC Solutions (DRC Solutions) to operate the emergency overflow shelter. DRC Solutions was awarded a contract for cold weather sheltering in an amount up to \$150,000.00 using General Fund dollars. However, due to COVID social distancing requirements, cold weather overflow sheltering will require the use of multiple sites which has substantially driven up the expected cost and additional funding is needed. Staff recommends an additional contract with DRC Solutions in the amount of \$225,000.00 utilizing the ESG-CV2 funds to ensure continuous operation of appropriate emergency overflow shelter throughout the 2020-2022 Winter seasons. General Fund dollars will be expended prior to using ESG-CV2 funds.

The term of this contract will begin upon execution and will continue for eighteen (18) months, unless extended by the City to ensure that program goals are met.

By approval of this M&C, the City Council finds that the use of this money for the purpose of providing emergency overflow sheltering is necessary to respond to the current COVID-19 pandemic.

Directions Home services and programs are available in ALL COUNCIL DISTRICTS.

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**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that upon approval of the above recommendations and receipt of grant funds, funds will be available in the current operating budget, as appropriated, of the Grants Operating Federal Fund. This is a reimbursement grant. The Neighborhood Services Department has the responsibility to validate the availability of funds prior to an expenditure being made.

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