



Board Agenda Item 64

DATE: December 10, 2019

TO: Board of Supervisors

SUBMITTED BY: Delfino E. Neira, Director, Department of Social Services

SUBJECT: Landlord Engagement and Risk Mitigation Fund Agreement

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute an Agreement with RH Community Builders for Landlord Engagement and Risk Mitigation Fund services, effective upon execution through June 30, 2024, total not to exceed \$1,093,335.

Approval of the recommended action will allow the Department to provide Landlord Engagement and Risk Mitigation Fund services to landlords in Fresno and Madera counties to increase access to housing for homeless individuals and families, with no Net County Cost. This item is countywide.

ALTERNATIVE ACTION(S):

There is no viable alternative action. Should your Board elect not to approve the recommended action, the Department would be out of compliance with the spending plans submitted to the California Department of Social Services (CDSS) and for the California Emergency Solutions and Housing (CESH) program.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The maximum cost of the recommended agreement is \$1,093,335 and will be entirely offset with California Work Opportunities and Responsibility to Kids (CalWORKs) Housing Support Program (HSP) and CESH funds. There is no matching contribution requirement for either funding source. Sufficient appropriations and estimated revenues are included in the Department's Org 5610 FY 2019-20 Adopted Budget and will be included in subsequent budget requests.

DISCUSSION:

On June 4, 2019 and July 9, 2019, your Board approved the first and second in a series of agreements for CESH funding, as part of a plan to create a comprehensive continuum of services to provide individuals and families with appropriate housing interventions. The recommended agreement is the next in the series, providing essential services as part of the continuum.

Landlord Engagement and Risk Mitigation services are new strategies for increasing access to housing for homeless individuals and families. Many homeless households have difficulty securing appropriate rental housing due to past evictions, poor credit, and other barriers to attaining a lease on the open rental market. Landlord Engagement and Risk Mitigation services seek to increase the inventory of housing available to this population by recruiting and retaining landlords to house homeless families.

The recommended agreement includes two separate services for landlord recruitment and retention to house homeless households. The primary service is Landlord Engagement, a strategy which involves providing outreach, support, and information to landlords in the community and encourages them to rent to homeless individuals and families in Fresno Madera Continuum of Care (FMCoC) programs. Secondary is the Risk Mitigation Fund, which provides financial compensation to landlords that have rented to FMCoC clients and experienced monetary losses beyond the security deposit. Taken together, these services are intended to increase the pool of landlords willing to lease to homeless households and help to move those households from homelessness to permanent housing more quickly.

Landlord Engagement and Risk Mitigation Fund services were solicited through Request for Proposal (RFP) No. 19-056 issued on March 8, 2019 and closed on April 5, 2019, with no bids received. The Department sought out a local housing developer and property manager involved in the FMCoC to provide the requested services. The Department developed the proposed agreement in alignment with the services solicited through the RFP.

CESH funds allocated to the FMCoC remain under its jurisdiction, with the County, through the Department, serving as the Administrative Entity with responsibility for overseeing procurement, contract monitoring, and reporting requirements. Administrative costs are offset with a portion of funding retained by the Department from each program.

CalWORKs HSP funds are allocated to the Department, and the Department's HSP plan dedicates a portion of the HSP allocation to Landlord Engagement and Risk Mitigation Fund services. Proposed services would be in support of both HSP households, many of whom struggle to secure rental housing on the open market, and of the larger population of homeless households in FMCoC programs.

REFERENCE MATERIAL:

BAI #59, September 10, 2019
BAI #72, July 9, 2019
BAI #17, June 4, 2019
BAI #55, November 6, 2018

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement with RH Community Builders

CAO ANALYST:

Sonia M. De La Rosa