



Date: September 16, 2014

To: Thomas J. Bonfield, City Manager
Through: Keith Chadwell, Deputy City Manager
From: Reginald J. Johnson, Director
Department of Community Development
Subject: Award of CDBG funds to Durham Hospitality Network, Inc. for Case Management Services to Homeless Families

Executive Summary

In response to the City of Durham’s application for funding of CDBG, HOME, ESG and Dedicated Housing Funds for FY 2014-2015, Durham Interfaith Hospitality Network, Inc. (DIHN) submitted an application for a grant of \$40,000 to assist with the cost of providing case management for homeless families in their shelter network. On May 5, 2014, the City Council approved the Community Development Department’s Annual Action Plan, which included this CDBG grant.

Recommendation

The Department of Community Development recommends that City Council authorize the expenditure \$40,000.00 in Community Development Block Grant (CDBG) funds and authorize the City Manager to execute a grant contract with DIHN for the purpose of supporting case management services to homeless families.

Background

The Annual Action Plan presented to City Council on May 5, 2014 included a recommendation by the Department of Community Development (DCD) to fund DIHN with a CDBG grant for \$40,000.00. This funding was requested by DIHN as a part of the competitive application process for CDBG, HOME, ESG and Dedicated Housing Funds.

Issues/Analysis

DIHN coordinates the efforts of more than 20 churches and civic organizations in the City of Durham that provide temporary housing and services to homeless families with children. A full-time case manager, DIHN’s only staff, works closely with the client families to ensure that they receive – either from DIHN directly or through other agencies in their network – the services they need to move out of homelessness and toward self-sufficiency including intake interviews and ongoing needs assessment; employment assistance (resume building and references to potential employers);

financial management and credit repair counselling; support for securing food stamps, child support, Work First, Medicaid, Disability, and unemployment benefits; group and independent counselling; and referrals to landlords with affordable housing.

During the period July 2013 to June of 2014 DIHN served 42 families. 35 of these families moved out during the year - all but 3 moved into permanent housing - a success rate of 91%. The high success rate was tied in part to the availability of assistance through the Rapid Re-Housing Program administered by Housing for New Hope.

The grant contract will provide reimbursement for pre-approved case management activities at a rate of \$2,000 per family assisted. A grant of \$40,000 will support the coordination of services for 20 families, but the work is ongoing and will continue after the grant contract term date.

Alternatives

If the funding is not approved by Council, DIHN will have to find alternative sources of funding to pay the salary of the case worker. Finding additional funding would be challenging, and without the case worker's knowledge of the service network in Durham the families may not get the services they need to move toward self-reliance.

Council could elect to provide a lesser amount of funding, but that too, would make it difficult for homeless families to secure services they need to get back on their feet.

Financial Impact

CDBG funds are budgeted and available for this activity. Providing services to homeless families is a priority for both the City of Durham and for the U.S. Department of Housing and Urban Development (HUD) which is the source of CDBG funding.

SDBE Summary

N/A

Attachments:

Grant Contract