

STAFF REPORT

City of Lancaster

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Date: July 12, 2011

To: Mayor Parris and City Council Members

From: Elizabeth Brubaker, Housing and Neighborhood Revitalization Director

Subject: **Ratify Lease Agreement and Operational Agreement between the Lancaster Redevelopment Agency and Grace Resources Incorporated**

Recommendation:

Ratify Lease Agreement and Operational Agreement between the Lancaster Redevelopment Agency and Grace Resources Incorporated.

Fiscal Impact:

The Lancaster Redevelopment Agency, as the Lessor, maintains the Lancaster Community Shelter building at a cost of approximately \$25,000.00 per year, which comes from the Lancaster Redevelopment Agency's Low- and Moderate-Income Housing Fund, Account No. 920-3102-821.

Background:

The Lancaster Community Shelter ("Shelter") was built by community volunteers and the Lancaster Redevelopment Agency in 1989 and fourteen transitional family units were added in 2008. Catholic Charities has operated the Shelter on behalf of the Lancaster Redevelopment Agency since December 1, 1989. The Shelter is approximately 11,358 square feet comprised of a recreational room, offices, men's and women's dormitories, family units, restrooms, laundry facilities, dining area, and restaurant-quality industrial kitchen.

The Shelter is the only one of its kind in the Antelope Valley serving both men and women. Men and women are housed in separate dormitories. The Shelter provides 30-day emergency and 6-months of transitional housing. It is a 52-bed facility that includes 2 family units and 45 cots. The 52 beds, including the six beds in the two family units, are designated for the transitional housing program that serves 205 men and women, 32 families with 104 children and 611 persons off the street annually. The Shelter provides 10 emergency shelter beds, 32 transitional beds, 10 Department of Mental Health beds and 10 cots year around for walk-ins off the street. The Shelter provides emergency housing during cold weather from November to March and adds approximately 35 more cots for men and women off the streets.

The goal of the Shelter is to provide shelter, food and case management services to homeless men, women, and children in the Antelope Valley. In doing so, the clients, upon successful completion of the program, will leave the Shelter with permanent housing and income necessary to sustain an independent and self-sufficient lifestyle. The Shelter is committed to the Continuum of Care Concept and strives to utilize both internal and external resources to help the homeless

move into transitional and permanent housing. The Shelter provides comprehensive case management services designed for residents seeking to achieve greater self-sufficiency and end homelessness. Case management is viewed as a critical component in the rehabilitative process. Case management includes screening, assessment, developing realistic goals, developing an appropriate plan, providing adequate training and referrals to offer support and guidance to each resident. All shelter residents participating in the Transitional Housing Program are required to participate in the case management program and are asked to see the case manager on a regularly scheduled basis.

Catholic Charities is operating the Shelter in the red, estimated at a negative \$90,000.00 per year. After exhausting all avenues to find additional funding to operate the Shelter, Catholic Charities informed the Agency that they could no longer operate the Shelter.

On May 4, 2011, a Request for Proposal (“Proposal”) was made available to the public seeking appropriately qualified Shelter Providers(s) to fund and manage emergency and transitional housing for men, women and children at the Lancaster Community Shelter. On June 6, 2011, no later than 5:00PM, the Proposals were hand delivered to the Lancaster Redevelopment Agency, Housing and Neighborhood Revitalization Department.

Discussion:

On November 20, 1995, the Agency authorized solicitation of responses to a Request for Proposals for the Shelter. The Agency received two responses, one from Grace Resources and the other from Catholic Charities. Catholic Charities was selected to continue operating the Shelter

On May 4, 2011, the Agency released a Request for Proposal (RFP) to find a qualified operator to fund and manage emergency and transitional housing for men, women and children at the Lancaster Community Shelter. The successful operator is expected to provide temporary housing accommodations and social services to homeless individuals and families until permanent housing alternatives become available. The Proposal was mailed to over a dozen qualified operators of shelters throughout California and the nation. The notice for the Proposal was published twice in the Los Angeles Times and in the Antelope Valley Press and was made available on the City’s internet site. On June 6, 2011, the Agency received only one timely response. Grace Resources was the only entity who responded to the Proposal.

On June 9, 2011, a panel comprised of staff members from the City of Lancaster initially interviewed the applicant. In addition to questions regarding management skills, fiscal responsibility and access to community assistance, the applicant was also asked to describe their proposed operations and philosophies in providing services for the homeless.

Grace Resources has approximately twenty (20) years of experience in assisting the homeless population in the Antelope Valley. Grace Resources has a thirteen (13) Board of Directors, a four (4) Executive Board of Directors, an Executive Director, fourteen (14) full time employees, and over four hundred fifty (450) volunteer workers.

Currently, the organization provides services to persons in crises who need assistance in preventing homelessness and to those persons who have become homeless due to an unusual or unfortunate experience in life. At present, Grace Resources provides emergency groceries and food, which is distributed to about 96,000 people per year. Three years ago, the County of Los

Angeles Department of Children and Family Services (DCFS) asked Grace Resources to become the lead agency in the Antelope Valley in a Prevention Initiative Demonstration Project (PIDP) to reduce child abuse in the Antelope Valley. This was a one-year grant. However, Grace Resources was so successful in pulling together forty-five (45) agencies as partners and making strides in reducing child abuse that the grant was extended; and, Grace Resources is entering into its fourth year. Following that grant, DCFS asked Grace Resources to train parent coaches to provide monitored visitation for parents in the system.

Grace Resources has been successful in its fund raising activities and generating revenue from the thrift store to provide services to disadvantaged persons and families. Grace Resources plans to combine homeless activities and its food distribution services, which will enable funds to be used more effectively to operate the shelter. In addition, the Lancaster Redevelopment Agency, on behalf of Grace Resources, will obtain funding from Los Angeles Homeless Authority for the Year Round Program and Winter Shelter Program, United States Department of Housing and Urban Development for transitional housing, the County of Los Angeles Department of Mental Health for the Basic Living Support Services and other funds available for operating a homeless shelter.

The goal of Grace Resources is to provide shelter, food and case management services to homeless men, women, and children in the Antelope Valley. In doing so, the clients, upon successful completion of the program, will leave the Shelter with permanent housing and income necessary to sustain an independent and self-sufficient lifestyle. Grace Resources is committed to the Continuum of Care Concept and strives to utilize both internal and external resources to help the homeless move into transitional and permanent housing. Grace Resources will provide comprehensive case management services designed for residents seeking to achieve greater self-sufficiency and end homelessness. Grace Resources and the Lancaster Redevelopment Agency will work in partnership to operate the Shelter and achieve the goals of Grace Resources, the Lancaster Redevelopment Agency and the Community.