AGENDA ADDENDUM

The following changes have been made to the City of Evanston Human Services Committee agenda for September 16, 2013:

REMOVED
HH4  Recommendation for funding of a Tenant Based Rental Assistance Program using HOME funds

ADDED
HH4  Emergency Solutions Grant Program (ESG)-Substantial Amendment to the HUD 2013 Annual Action Plan

The entire HH4 Agenda item is attached to this memorandum,
Memorandum

To: Human Services Committee

From: Mark Muenzer, Director of Community Development
Sarah Flax, Housing & Grants Administrator
Mary Ellen Poole, Housing Planner

Subject: Emergency Solutions Grant Program (ESG)-Substantial Amendment to the HUD 2013 Annual Action Plan

Date: September 5, 2013

Recommended Action:
Staff recommends approval to the City Council of a Substantial Amendment to the 2013 Action Plan. The City of Evanston’s 2013 ESG grant of $115,781 is approximately 24% less than the estimated grant used in the Action Plan. Because the reduction is more than 10%, a substantial amendment to the 2013 Action Plan is required. The substantial amendment must be approved by City Council before subrecipient agreements may be executed. All subrecipient agreements must be executed by October 14, 2013 to maintain compliance with ESG requirements.

Funding Source: 2013 ESG entitlement grant from the U.S. Department of Housing & Urban Development.

Summary:
ESG funds will be used to provide eligible programs including essential services, operating expenses of homeless shelters, rapid re-housing for homeless households, homeless prevention for households at high risk of homeless, HMIS and program administration as outlined in the 2013 Action Plan. The only change to the 2013 Action Plan is the amount and percentage of funds for these activities based on the reduced grant amount.

The Substantial Amendment was posted on the City of Evanston website on August 8, 2013, and notice of the amendment and the public comment period of August 15, 2013 to September 13, 2013 was published in the Evanston RoundTable on August 15, 2013 and sent to over 100 organizations that have requested information on HUD funded programs, per the City’s public process in thmmue 2010-2014 Consolidated Plan. Public input on the amendment was invited at the August 23 meeting of the Housing and
Homelessness Commission. One comment was received and has been summarized in the attachment to the substantial amendment.

**Legislative History:**
All programs recommended for funding address goals of the City's 2010-2014 Consolidated Plan and are consistent with the City's 2013 Action Plan that was approved by City Council on November 12, 2012.

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**Attachments:**
Draft Substantial Amendment with Public Comment to date
City of Evanston 2013 One Year Action Plan Substantial Amendment
Emergency Solutions Grant

The City of Evanston was notified that its 2013 Emergency Solutions Grant is $115,781, approximately 24% less than estimated. Because the reduction is more than 10% from the estimated grant amount used in the 2013 One Year Action Plan, a substantial amendment to that Plan is required before programs may be implemented. This substantial amendment replaces pages 25-26 in the 2013 Action Plan.

ESG funds will be used for the activities as in the Action Plan: essential services, operating expenses of homeless shelters, rapid re-housing for homeless individuals and families, homeless prevention for households at high risk of homeless, Homeless Management Information System and program administration. The amendment addresses the amount of funds that will be used for each activity and, in some instances, the percent of total funding for specific activities. In the 2013 Action Plan, the City increased the percent of ESG dollars allocated for re-housing and prevention activities, following the priorities of the HEARTH Act to enable individuals and families who are homeless or at high risk of becoming homeless to achieve housing stability as shown in the table below.

In this amendment, the City has adjusted the percent of funds between re-housing and prevention activities using experience from program implementation in 2012. Re-housing activities have been successful and more funds are needed for this activity. Prevention is more difficult to implement, in part because with ESG, the eligible household income for Prevention was reduced from 50% of the area median income, as in HPRP, to under 30%. This has resulted in fewer income eligible households that are able to increase their income enough during a short- to medium-term rent subsidy (3-6 months) to maintain their housing independent of that subsidy. The recently approved Tenant Based Rental Assistance program using HOME funds will be used to assist households with children under the age of 18 that require a longer subsidy and additional supports including education and training to achieve self sufficiency. Additional adjustments, including shifting funds between Re-housing and Prevention, may be made during the course of the program year in response to programmatic needs. Any such changes will not exceed 10% of the grant total, so will not require an amendment.

<table>
<thead>
<tr>
<th>Eligible Activities</th>
<th>% of 2012 Grant</th>
<th>% of estimated 2013 grant in Action Plan</th>
<th>% of actual 2013 grant in Substantial Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street Outreach</td>
<td>10.76%</td>
<td>10.00%</td>
<td>10.0%</td>
</tr>
<tr>
<td>Emergency Shelter</td>
<td>36.88%</td>
<td>33.50%</td>
<td>33.5%</td>
</tr>
<tr>
<td>HMIS</td>
<td>5.00%</td>
<td>5.00%</td>
<td>5.0%</td>
</tr>
<tr>
<td>Rapid Re-housing</td>
<td>19.93%</td>
<td>22.00%</td>
<td>25.0%</td>
</tr>
<tr>
<td>Homelessness</td>
<td>19.93%</td>
<td>22.00%</td>
<td>19.0%</td>
</tr>
<tr>
<td>Administration</td>
<td>7.50%</td>
<td>7.50%</td>
<td>7.5%</td>
</tr>
</tbody>
</table>

Evanston’s 2013 ESG funds will be allocated to activities and subrecipients as shown in the table below:

<table>
<thead>
<tr>
<th>Eligible Activities</th>
<th>City of Evanston</th>
<th>YWCA Evanston/North Shore</th>
<th>Connections for the Homeless</th>
<th>Totals</th>
<th>% of Grant</th>
</tr>
</thead>
</table>

1
entry

City of Evanston 2013 One Year Action Plan Substantial Amendment
Emergency Solutions Grant

<table>
<thead>
<tr>
<th>Entry</th>
<th>Shelter</th>
<th>$10,042</th>
<th>$10,000</th>
<th>$28,787</th>
<th>$38,787</th>
<th>33.5%</th>
<th>10.0%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outreach</td>
<td></td>
<td>$11,578</td>
<td>$11,578</td>
<td>$25,472</td>
<td>$25,472</td>
<td>22.0%</td>
<td></td>
</tr>
<tr>
<td>Prevention</td>
<td></td>
<td>$5,789</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5.0%</td>
</tr>
<tr>
<td>HMIS</td>
<td></td>
<td>$8,684</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>7.5%</td>
</tr>
<tr>
<td>Totals:</td>
<td></td>
<td>$10,000</td>
<td>$97,097</td>
<td>$115,781</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

In addition to 2013 ESG funds, the City is allocating unexpended Emergency Shelter Grant funds totaling $10,042 that remain in the City’s line of credit for two activities eligible under that program. Of those funds, $3,042 will be allocated for essential services to Entry Point, Connections for the Homeless’ street outreach program that engages homeless individuals, provides case management and connects them with housing and mainstream services, and $7,000 will be allocated for shelter operations to Interfaith Action of Evanston’s Hospitality Center, a day shelter used primarily by the residents of Hilda’s Place and Entry Point. This enables the City to maintain support for Interfaith Action’s day shelter and provides additional funding for street outreach, which is the primary means of identifying people in need and connecting them with housing and other services.

The combined total of $125,824 in 2013 Emergency Solutions Grant funds and unexpended Emergency Shelter Grant funds will be used to support the same subrecipients and programs as in 2012, with the exception of Family Promise’s Day Shelter for families with children. The recently approved Tenant Based Rental Assistance Program being undertaken with HOME funds greatly expands housing resources for homeless families with children under the age of 18. With TBRA, families will have their own apartments rather than temporary housing in the facilities of faith-based organizations, which will reduce the need for a day shelter and contribute to family stability.

<table>
<thead>
<tr>
<th>Eligible Activities</th>
<th>City of Evanston</th>
<th>YWCA Evanston/ North Shore</th>
<th>Connections for the Homeless</th>
<th>Interfaith Action of Evanston</th>
<th>Totals</th>
<th>% of Funds</th>
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<tr>
<td>Street Outreach</td>
<td>$14,620</td>
<td></td>
<td></td>
<td></td>
<td>$14,620</td>
<td>11.6%</td>
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<tr>
<td>Emergency Shelter</td>
<td>$10,000</td>
<td>$28,787</td>
<td>$7,000</td>
<td>$45,787</td>
<td></td>
<td>36.4%</td>
</tr>
<tr>
<td>Homeless Prevention</td>
<td>$25,472</td>
<td></td>
<td></td>
<td></td>
<td>$25,472</td>
<td>20.2%</td>
</tr>
<tr>
<td>Rapid Re-housing</td>
<td>$25,472</td>
<td></td>
<td></td>
<td></td>
<td>$25,472</td>
<td>20.2%</td>
</tr>
<tr>
<td>HMIS</td>
<td>$5,789</td>
<td></td>
<td></td>
<td></td>
<td>$5,789</td>
<td>4.6%</td>
</tr>
<tr>
<td>Administration</td>
<td>$8,684</td>
<td></td>
<td></td>
<td></td>
<td>$8,684</td>
<td>6.9%</td>
</tr>
<tr>
<td>Totals:</td>
<td>$8,684</td>
<td>$10,000</td>
<td>$100,140</td>
<td>$7,000</td>
<td>$125,824</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

City staff will continue to participate in the committee with service providers that reviews and approves households for ESG Prevention and Re-housing funds to ensure all program requirements are met.
Evanston’s 2013 ESG funds will be matched on a one-to-one basis using Mental Health Board funds from the City’s general fund budget, State funds and other resources, including in-kind contributions, depending on the individual resources of funded agencies as required by ESG.

**One-year goals and specific action steps for reducing and ending homelessness through reaching out to homeless persons (especially unsheltered persons) and addressing their individual needs.**

Entry Point, Connections for the Homeless’ homeless outreach program, is the largest provider of services to Evanston’s homeless population, including the unsheltered homeless. Entry Point addresses a wide range of needs. Case managers develop individualized case plans for each client, assist them to obtain housing and access services that may include employment counseling/placement, health services, substance abuse counseling and education. Emergency Solutions Grant funds are a primary funding source to identify and address the needs of homeless individuals and families in Evanston. Connections served approximately 373 people through that program in 2012 and anticipates serving similar numbers in 2013. In addition, Connections anticipates that 5-10 homeless households will achieve housing stability through short- and medium-term rental subsidies of up to six months through the ESG Re-housing program.

City staff will continue to work with Connections for the Homeless and the faith-based community to provide emergency shelter for homeless people during the winter months when the nighttime temperatures are forecast to be extremely cold. In prior years, Connections for the Homeless handled program intake and a church near downtown Evanston has served as the shelter, with volunteers handling much of the on-site work. There continues to be significant demand for basic needs including food and clothing at social services agencies such as Connections, the Salvation Army and area soup kitchens.

**One-year goals and specific action steps for reducing and ending homelessness through addressing the emergency shelter and transitional housing needs of homeless persons.**

Hilda’s Place, Connections for the Homeless’ 20-bed transitional shelter, and the YWCA Evanston-North Shore’s 34-bed domestic violence shelter are supported by the City with ESG and Mental Health Board funds. Each provides shelter for up to 90 days. Connections estimates that Hilda’s Place will serve 120 single adults and the YWCA will provide shelter for an estimated 230 women and children who are victims of domestic violence in 2013.

Evanston has a significant shortage of emergency and transitional housing, as well as housing affordable to very low income households. The newly formed Housing and Homelessness Commission (HHC) has been tasked with developing strategies to address those needs and will look at community-wide strategies to address gaps in housing and services. Emergency Solutions Grant funds will continue to be used to provide operating support for emergency shelters and transitional housing and help individuals and families who are homeless or at high risk of becoming homeless secure rental housing or remain housed through the Re-housing and Prevention components of ESG that implement the HEARTH Act.
The HHC will also look at broader policy responses to homelessness, including discharge planning and the creation of additional affordable units appropriate for homeless households.

HOME, ESG and CDBG funds may be used as sources of funding to develop additional supportive housing units and shelters, however, additional funding for supportive services is also required. The City recently approved a HOME-funded TBRA program, which will provide rental assistance for homeless households with children under 18; this program will be implemented by Connection for the Homeless. Connections has secured additional funding to provide case management, education/job training and supportive services. This TBRA program provides longer term rental assistance for households with children that are ineligible for Re-housing under ESG to achieve housing stability.

The Evanston Continuum of Care (CoC) merged with the Suburban Cook County Continuum and the Suburban Cook County Alliance on Homelessness, lead agency for the Suburban Cook County Continuum, prepares and oversees implementation of the combined CoC plan. Evanston maintains strong involvement in the Suburban Cook County Alliance to End Homelessness. The City’s Housing and Grants Administrator is a member of the board of directors and staff members of Evanston agencies are also board members. This facilitates implementation of the uniform intake and assessments and other requirements of the HEARTH Act.

One-year goals and specific action steps for reducing and ending homelessness through helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living by:

- **Shortening the period of time that individuals and families experience homelessness.**

  The City will use ESG funds for Re-housing as its primary strategy to reduce the amount of time that individuals and families experience homelessness.

- **Facilitating access for homeless individuals and families to affordable housing units.**

  The City has recently approved HOME funds for Tenant Based Rental Assistance to address both the shortage of available affordable units, particularly for larger households, and the inability of some households to pay rents generally considered affordable due to the lack of ability to earn a living wage. Households with children under the age of 18, including those with children enrolled in Evanston schools that are doubled-up/unstably housed (category 2 in the new definition of homeless) are a priority population for the program.

- **Preventing individuals and families who were recently homeless from becoming homeless again.**

  ESG funds for Homeless Prevention address this need. ESG-supported programs are required to provide
case management and supportive services, and to connect clients with mainstream resources to increase their likelihood of achieving long-term housing stability. ESG-funded clients will receive follow-up contact to determine their housing status 6 and 18 months after termination of assistance as required and provide additional supports as needed to prevent households from becoming homeless again, as well as determine program outcomes. As noted above, heads of households in the TBRA program will receive education/job training in addition to rent assistance to develop the ability to earn living wages to maintain market rate housing independent of a subsidy.

One-year goals and specific action steps for reducing and ending homelessness through helping low-income individuals and families avoid becoming homeless, especially extremely:

- **Low-income individuals and families (in general)**

ESG Prevention funds will be used as described above to help households with incomes below 30% of area median avoid becoming homeless and Re-housing funds will be used to help low-income households achieve housing stability. 2013 ESG Prevention funds are expected to help 6 – 15 households.

- **Low-income individuals and families who are being discharged from publicly funded institutions and systems of care, such as healthcare facilities, mental health facilities, foster care and other youth facilities; and corrections programs and institutions**

Evanston has two large Institutes of Mental Disease (IMDs) with a total of 562 beds whose residents are being evaluated for the capacity to live in community-based settings according to the terms of the Williams Consent Decree. City staff works with mental health agencies and the State of Illinois to identify potential housing options for eligible clients who choose to live in Evanston. The Alliance to End Homelessness in Suburban Cook County has a working group that is developing discharge policies and procedures for the region. In addition, the HHC is evaluating whether to form a local Discharge Planning working group to look at community needs and policies that relate to the transition of households from publically funded institutions and hospitals.

- **Low-income individuals and families who are receiving assistance from public and private agencies that address housing, health, social services, employment, education, or youth needs**

All agencies receiving ESG funds are required to connect households to mainstream benefits as available and appropriate for their needs. In addition, the City’s Mental Health Board evaluates the effectiveness of collaborations/referrals of agencies applying for funds as a criterion for funding. One of the responsibilities of the HHC is to maintain and expand the coordination of community resources that are not under city control, and look for gaps in services and ways to improve efficiency.

Specify the activities that are planned for the next year to address the housing and supportive service needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs.
City of Evanston 2013 One Year Action Plan Substantial Amendment
Emergency Solutions Grant

The City of Evanston will undertake some housing activities to benefit special needs populations in 2013, including home rehabilitation to provide access ramps, lifts, accessible bathrooms, etc., for persons with mobility impairments through the CDBG-funded Housing Rehab program. The City will continue to monitor the progress of the Williams Consent Decree which will move some residents of the IMDs into community-based housing and require affordable and accessible housing units.

Housing Options for the Mentally III, an Evanston agency that provides permanent supportive housing for persons with mental illnesses, was approved in 2013 for $458,777 in HOME funds to rehabilitate 10 existing scattered-site rental units. In addition, foreclosed homes acquired through the City’s NSP2 program are rehabbed as accessible housing where practical, based on the individual properties. One accessible single-family home for ownership was constructed through that program and is currently listed for sale. Emerson Square, a new Urbanist development funded with NSP2, HOME, LIHTC and other sources, exceeds 504 requirements for accessible and visitable units. Four units in that development are restricted to households with incomes that do not exceed 30% of the area median income and are homeless, at risk of homelessness or with a disabled head of household. CDBG funds have been allocated for rehab to the Patricia Lloyd Townhomes owned by SHORE Community Services that house adults with developmental disabilities.

Housing Options for the Mentally III is receiving $20,000 in CDBG Public Service funds to expand its I-WORK program to serve persons with mental illnesses who are not in their residential program. I-WORK staff places clients in jobs that are compatible with their interests and abilities and provides supportive services to both the employee and employer.

Written standards for providing ESG assistance

The City’s written standards are attached. The City and Evanston agencies are involved in the development of these standards for the Suburban Cook County Continuum of Care by the Alliance to End Homelessness in Suburban Cook County. Evanston’s standards will be reviewed against those standards when they are available.

Description of the Continuum of Care’s centralized or coordinated assessment system (as set forth in 24 CFR 576.400(d))

The City of Evanston is part of the Suburban Cook County Continuum of Care. The Alliance to End Homelessness in Suburban Cook County, lead agency for the Cook County CoC has developed a common intake form and data entry standards for HMIS. The City requires all its ESG subrecipients to use the common intake form and to comply with all data requirements.

Identify the process for making sub-awards and describe how ESG funds are made available to private nonprofit organizations, including community and faith-based organizations
City of Evanston 2013 One Year Action Plan Substantial Amendment
Emergency Solutions Grant

City staff develops recommendations for ESG allocations that are proposed to the Housing and Homelessness Commission, which was developed based on the recommendation of the Mayor’s Task Force to Address Homelessness in 2012. Evanston agencies that provide services for the homeless and households at risk of homelessness participated in that task force and remain engaged with staff to address those needs. The HHC makes its recommendation to the Human Services Committee of City Council. The recommendation of that committee is reviewed and approved by the Evanston City Council. All recommendations are discussed at public meetings, whose agendas are published in advance, as required by the Open Meetings Act.

**How does the jurisdiction meet the homeless participation requirement in 24 CFR 576.405(a)?**

The City of Evanston is part of the Suburban Cook County Alliance to End Homelessness, the lead agency for the Suburban Cook County Continuum of Care. The Alliance has homeless or formerly homeless persons on its Board of Directors and in its working groups.

**Plan for reaching out to and consulting with homeless or formerly homeless individuals in considering and making policies and decisions regarding any facilities or services that receive ESG funding**

The City of Evanston will continue to work with the Suburban Cook County Alliance to End Homelessness, which, as described above, has individuals who are homeless or formerly homeless on its board of directors. In addition, the City will continue to seek input from the homeless and formerly homeless in Evanston by publicizing opportunities for input on community needs during the development of the annual Action Plan, as well as in the public comment period. Notification of public meetings are emailed to agencies serving these populations, posted on bulletin boards in community facilities such as the Public Library and Civic Center, published in paid media advertisements and included in City e-newsletters.

**Performance standards for evaluating ESG activities**

The City is using the performance standards developed by the Alliance to End Homelessness in Suburban Cook County shown below:

- Engagement rate: the percent of persons exiting shelter where the destination is known
- Percent of persons exiting shelter who used 30 shelter-nights or fewer
- Percent of persons exited to permanent housing
- Follow up contact to determine housing status 6 and 18 months after termination of assistance

**Describe the consultation with the Continuum of Care that serves the jurisdiction in determining how to allocate ESG funds each program year, develop the performance standards for projects assisted by ESG funds, evaluating the outcomes for projects assisted by ESG funds, and develop funding, policies, and procedure for the administration and operation of HMIS?**
The City provides its ESG funding allocation plans, including this 2013 Substantial Amendments for the Emergency Solutions Grant program, to the Alliance to End Homelessness in Suburban Cook County for input for input during the public comment period. The City has staff representation on the board of directors of the Alliance to End Homelessness, as already described. Connections for the Homeless staff members are part of the Suburban Cook Alliance’s HMIS working group and serve as the local resource to maintain compliance with HMIS policies and procedures. City staff works with agencies providing ESG services to identify local funding needs for HMIS. The City of Evanston has historically provided match funding for HMIS from its Affordable Housing Fund. The need for these matching funds is evaluated annually.
City of Evanston 2013 One Year Action Plan Substantial Amendment Emergency Solutions Grant

Exhibit A: Public Comment

Public Comment on the Emergency Solutions Grant (ESG) Substantial Amendment to the 2013 Action Plan from Sue Calder received on August 23, 2013.

Sue Calder asked about the spelling of re-housing.
  • The City is using the spelling of re-housing to stay consistent with the Suburban Cook County Alliance to End Homelessness and the Continuum of Care spelling of re-housing.

Page 2:
“.... and $7,000 will be allocated for shelter operations to Interfaith Action of Evanston’s Hospitality Center, a day shelter used primarily by the residents of Hilda’s Place and Entry Point”.
  • The City will amend the text to include and Entry Point.

Page 5:
“In addition, the HHC is evaluating whether to form a local Discharge Planning working group to look at community needs and policies that relate to the transition of households from publically funded institutions and hospitals”.
  • The City will amend the text to include and hospitals.

Page 6:
“The City requires all its ESG subrecipients to use the common intake form and to comply with all data requirements”. Sue Calder has commented that domestic violence shelters such as the YWCA has different data reporting requirements to ensure the safety of the residents of the shelter.
  • The comment is accepted

Page 3:
Sue Calder commented that the number we reported for Entry Point should change from 373 to 502 and the number served by Hilda’s Place should be changed from 120 to 134.
  • The City will confirm the numbers and correct if necessary