

ITEM #: 43
DATE: 06-25-24
DEPT: ADMIN

COUNCIL ACTION FORM

SUBJECT: **AGREEMENTS WITH ASSET AGENCIES TO PROVIDE RELOCATION SERVICES TO TENANTS AT 228 AND 232 WELCH AVENUE**

BACKGROUND:

On May 31, 2024, tenants at 228 and 232 Welch Ave were notified by the City's Inspection Division that unless the rental property meets code, all occupants will be required to vacate the structure within 30 days of the date of the notice. A financial assistance resource page from United Way for those needing help with housing was provided with the notice. Most of these tenants are low income and will need assistance to find comparable housing opportunities.

At the June 11 City Council meeting, the Council received a letter from Good Neighbor Emergency Assistance requesting financial assistance for tenants at the affected properties (see attached). The estimated amount of need identified in the letter was \$25,000, where \$18,500 would go towards deposit and first month's rent assistance and \$6,500 would go towards emergency temporary shelter. Council referred the item to staff for a memo to be placed on a future agenda.

The approved City Council ASSET's funding recommendations for FY 2023/24 included setting aside \$181,650 for ASSET Funders to engage in a Request for Proposal (RFP) process for emergency shelter services. Of the \$181,650 that was set aside for this purpose, \$66,258 was the City's portion. The RFP was conducted in May-July 2023 and no award was made.

On May 14, the City Council approved allocating \$40,000 of the City's set aside amount (\$66,258) to The Salvation Army to provide emergency shelter services/hotel vouchers. **Therefore, there are \$26,258 in unallocated City funds that remain set aside for emergency shelter services.**

If the Council chooses to use these available funds to support the \$25,000 request, staff would request authorization to enter into contract(s) with ASSET agency(ies) for services on a reimbursement basis to provide assistance provided between May 31, 2024 and July 7, 2024. The contracts would stipulate that for an expense to be eligible; the ASSET agency must demonstrate 1) the assistance is being provided to a displaced 228 or 232 Welch tenant, and 2) the service provided must be for emergency temporary shelter, a deposit and first month's rent, or meet the ASSET service code and definition (2.01) emergency assistance for basic material needs. While it is anticipated that contracts will be with Salvation Army and Good Neighbor, the final decision about which agency to contract with will be determined based on further conversations with these agencies.

Because of the short timeframe needed to respond to the tenants' needs, the Council's approval will allow staff to enter into agreement(s) with the appropriate human service agencies without returning to the Council for final approval.

ALTERNATIVES:

1. Allocate \$25,000 of unspent FY 2023/24 ASSET funds to be used for assistance to displaced tenants at 228 and 232 Welch Avenue and authorize staff to enter into contracts with ASSET agencies under the contract stipulations mentioned above.
2. Do not approve reallocating ASSET funds nor authorizing staff to enter into contracts.

CITY MANAGER'S RECOMMENDED ACTION:

Housing sheltering remains a priority for the City Council. ASSET agencies have been vetted by the ASSET Board and are capable of providing the type of assistance needed to support these displaced tenants. In the last few weeks, ASSET agencies have reported that tenants at 228 or 232 Welch are seeking their assistance with relocation. Therefore, it is the recommendation of the City Manager that the City Council approve Alternative No. 1 as described above.

ATTACHMENT(S):

[W. Stodden - Financial Assistance.pdf](#)