

Casa Esperanza Homeless Center



BOS Hearing
December 9, 2014

Summary

- ◆ This item is on the Board of Supervisors agenda in order to:
 - Receive a presentation on the Casa Esperanza Organizational Assessment.
 - Allocate funds to Casa Esperanza in the amount \$120,000 as approved by the Board of Supervisors during budget adoption.
 - Allocate funds to Casa Esperanza for transitional beds in the amount of \$19,305.
 - Ensure compliance with County policies regarding the provision of contracts for services in amounts over \$100,000.
 - Ensure that the Board of Supervisors is aware of the total amount of funding allocated to Casa Esperanza as of this date.

Background

- ◆ Fiscal Year 2014/2015 Funding Request
- ◆ Board of Supervisors Direction
 - Approved \$120,000
 - Directed staff to conduct a review and return with information

Review

- ◆ Program
- ◆ Finances
- ◆ Debt Overview/Restructure Plan
- ◆ Staffing
- ◆ Shelter Comparisons
- ◆ Challenges & Opportunities
- ◆ Recommendations

Program Changes

- ◆ Sober Only Shelter
 - 100 Beds Year-round
 - Increase to 200 Beds from December - March
- ◆ No Day Center
- ◆ No Drop-In Lunches
- ◆ 850 Unduplicated Individuals

Program Outcomes

- ◆ Placement in Treatment Facilities-70
- ◆ Permanent Housing-70
- ◆ Reunification with Families-70
- ◆ Obtain Employment/Benefits-300
- ◆ Retain Employment/Benefits-200

Financial/Debt Overview

- ◆ Borrowed Money – 6 year period
 - \$2.5 million total
- ◆ Building Debt
 - \$1 million (\$1million forgiven in September)
 - County Loan \$500,000
- ◆ Revenue Sources
 - 34% Foundation
 - 24% Contributions
 - 42% Government

Financial Overview

- ◆ FY 2014 Actual
 - Ended with slight excess
- ◆ FY 2015 Budget
 - 67% Budgeted Revenues received to date
- ◆ Government Funding = 42%
 - 13% City General Funds
 - 17% County General Funds
 - 12% Federal/State Funds

Restructure Plan

- ◆ Raise Funds Immediately
 - \$300,000 goal/\$428,000 actual
- ◆ Develop Reasonable Budget for FY14
 - Reduced by approx. \$1 million
 - Closed Day Center and Drop-In Lunch
 - Reduced staff and salaries
- ◆ Restructure Balance Sheet

Restructure Plan

- ◆ Restructure Balance Sheet
 - Negotiated Direct Debt Reduction Plan
 - \$1.1 million forgiven
 - Fully Amortized Loans
 - Reduced Interest from 5% to 3%
 - Donation of \$75,000 per year to offset payments
 - Plan to Refinance Mortgage to reduce monthly expense

Staffing

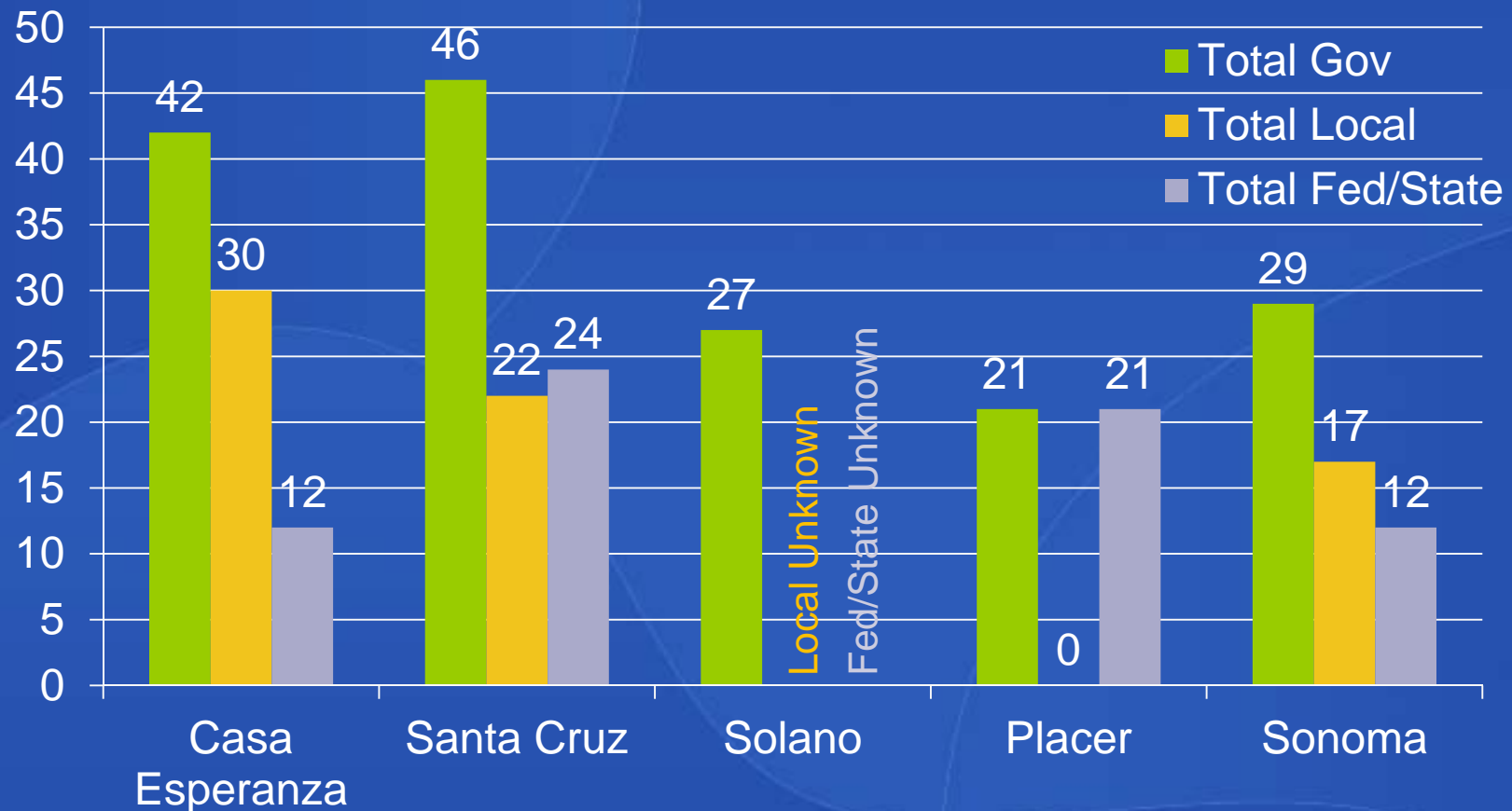
- ◆ March 2014
 - Laid Off Management Team
 - Operating Under Volunteer Interim Directors
- ◆ New Managing Director – Jessica Wishan
 - 14 Full-time
 - 8 Part-time

Shelter Comparisons

- ◆ Four Chosen for Comparison based on:
 - Population
 - Number of beds
 - Individuals served, not just families
- ◆ Difficult Process
 - Shelter Models

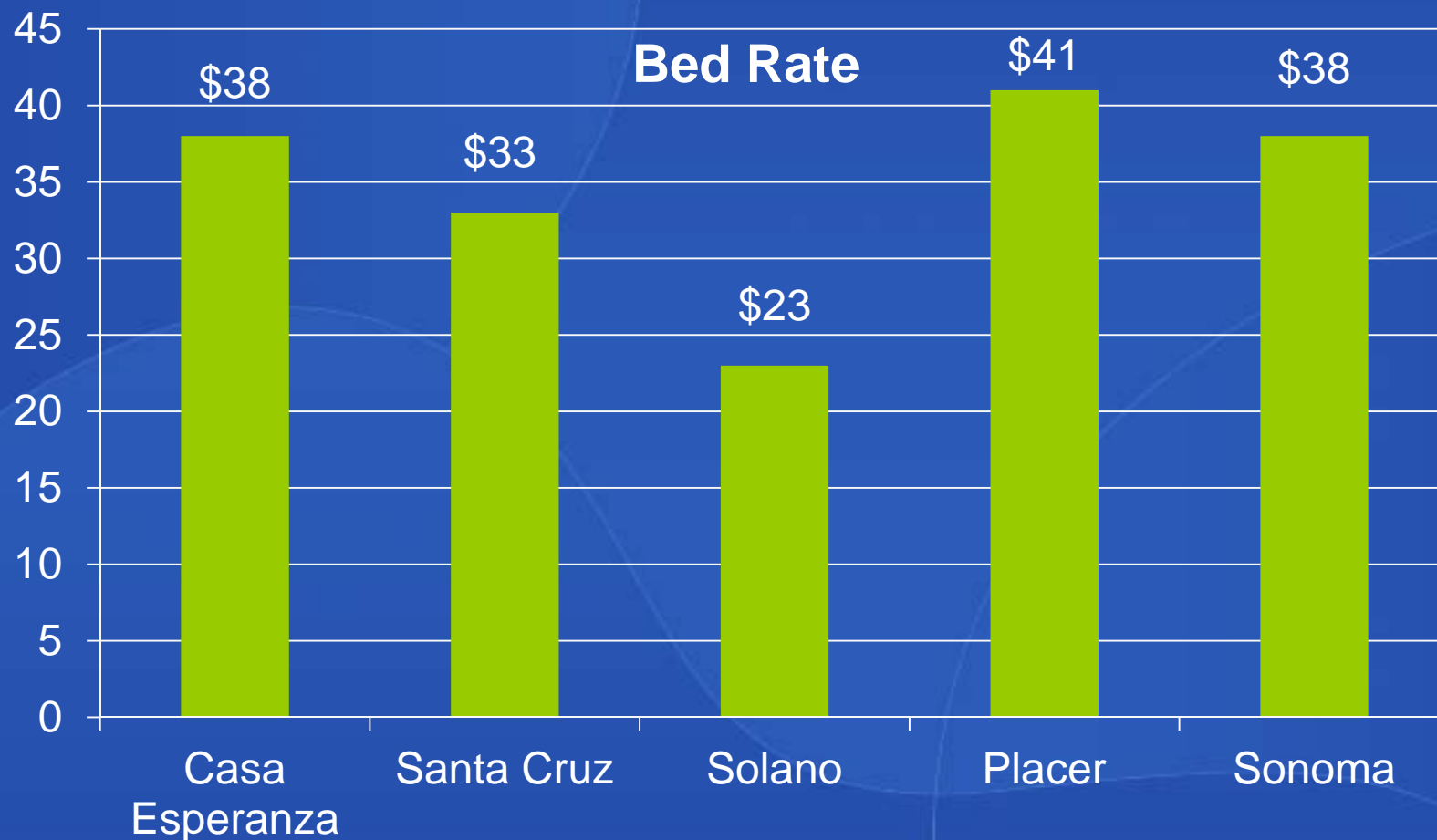
Shelter Comparisons

Percentage Government Funded



Shelter Comparisons

Daily Bed Rate



Challenges/Opportunities

- ◆ Merger Potential
 - People Assisting The Homeless (PATH)
- ◆ Neighborhood Relations
 - Planning Commission Report
 - Milpas Action Task Force
- ◆ Ongoing Funding
 - Prior Funders
 - New Sources
 - Reimbursement Levels
- ◆ Council Policy Decision – City Contribution

Conclusions

- ◆ Ended FY 2014 with a slight surplus
- ◆ Adopted realistic budget for FY 2015
- ◆ Strengthened finances and operations
- ◆ Dealing with outstanding debt
- ◆ Become better neighbors
- ◆ Recruited experienced Managing Director
- ◆ Considering merger

Total County Funding FY 2014/2015

CASA ESPERANZA FY 2014-15 EXISTING AND PROPOSED FUNDING

EXISTING AWARDS

Department	Service	Amount	Action Request
Community Services Department	Shelter Operations General Fund	\$ 110,710.00	Board action to approve on August 14, 2014
Community Services Department	Emergency shelter & Rapid re-housing	\$ 22,280.00	Separate Board Letter January 2014
ADMHS	Shelter Beds	\$ 66,000.00	Approve and ratify Purchase Order/Contract
ADMHS	Case Management	\$ 61,200.00	Approve and ratify Purchase Order/Contract
Public Health	Clinic Space	\$15,000.00	Approve and ratify Purchase Order/Contract
Human Services Commission	General Operations	\$ 11,480.00	Board Contract December 2, 2014
Probation	Shelter beds for Probation Clients	\$ 60,000.00	Purchase Order/ Contract
	Sub-total	\$ 346,670.00	

PROPOSED AWARDS

Department	Service	Amount	Action Request
County Executive Office (General Fund)		\$ 120,000.00	Authorize and Approve Contract
Social Services	Short term beds for clients receiving APS	\$ 19,305.00	Purchase Order/Contract
	Sub-total	\$ 139,305.00	
	Grand Total	\$ 485,975.00	

Recommendations

1. Receive and file a report regarding the Casa Esperanza Operational Assessment;
2. Approve and authorize the Chair to execute a Shelter Operations General Fund Grant Agreement in the amount of \$120,000 with Casa Esperanza Homeless Center through June 30, 2015;
3. Approve and authorize the Chair to execute an Agreement for Services of Independent Contractor with Casa Esperanza Homeless Center to provide short term beds for Department of Social Services clients who are receiving Adult Protective Services (APS) while arrangements are made for transitional and/or permanent housing in an amount not to exceed \$19,305;

Recommendations (cont'd.)

4. Approve and ratify the following Purchase Orders with Casa Esperanza Homeless Center:

Department	Service	Amount
ADMHS	Shelter Beds	\$66,000.00
ADMHS	Case Management	\$61,200.00
Public Health	Clinic Space	\$15,000.00
Probation	Shelter beds for Probation Clients	\$60,000.00

5. Find that the proposed actions do not constitute a “Project” within the meaning of California Environmental Quality Act, pursuant to 14 CCR 15378(b)(2), as they consist of general policy and procedure making.

Operational Assessment Recommendations

- ◆ Release \$60,000 upon execution of the contract.
- ◆ Allocate remaining \$60,000 funds on a monthly basis (\$10,000 per month).
- ◆ Should additional funds be requested for FY 2015/16, Casa Esperanza would need to request via the budget development process.

Questions?

- ◆ Casa Esperanza Representatives
 - Jessica Wishan, Managing Director
 - Joe Tumbler, Interim Executive Director