

**Approved**  
**City of Fort Lauderdale**  
**Community Services Board**  
**April 9, 2012 – 4:00 P.M.**  
**City Commission Chambers, City Hall**  
**Fort Lauderdale, FL 33301**

<b>MEMBERS</b>		<b>OCT 2011/SEPT 2012</b>	
		<b>PRESENT</b>	<b>ABSENT</b>
Donald Karney, Chair	P	7	0
Richard Whipple, Vice Chair	P	7	0
Benjamin Bean	P	2	0
Margaret Birch	P	7	0
Earl Bosworth (arr. 4:02)	P	7	0
Wendy Gonsler	P	6	1
Helen Hinton	A	4	3
Bradley Katz	P	1	0
Jasmin Shirley (arr. 4:03)	P	6	1
Kenneth Staab	A	6	1
Joseph Scerbo	A	1	2

**Staff Present**

Jonathan Brown, Manager, Housing and Community Development  
Denise Greenstein, Administrative Aide, Housing and Community Development  
Jeri Pryor, Federal Grants Administrator, Housing and Community Development  
David Harvey, Housing and Community Development  
Lee Feldman, City Manager  
Amanda Lebofsky, Recording Secretary, Prototype, Inc.

**Communications to City Commission**

None.

**I. Call to Order / Roll Call**

Chair Karney called the meeting to order at 4:00 p.m.

- **Quorum Requirement** – As of 4/9/12 there are 11 appointed members to the Board, which means 6 constitutes a quorum. A quorum was present at this time.

**II. Welcome and Board / Staff Introductions**

- **New Member Bradley Katz**

New member Bradley Katz introduced himself to the Board. Mr. Katz is a retired nursing home administrator and home consultant, with expertise in rehabilitating facilities once threatened with closure. He has been appointed as the representative for the HIV/AIDS designated seat on the board.

Mr. Bosworth arrived at 4:02 p.m.

Ms. Shirley arrived at 4:03 p.m.

### **III. City Manager Lee Feldman**

City Manager Lee Feldman advised that he is challenging Staff at all levels and in all Departments to “work smarter” in the coming months in order to extend the existing budget farther. This is particularly true for Housing and Community Development, as federal and State funding sources are decreasing and City expenses are increasing. This leaves less money to address greater needs.

Mr. Feldman noted that when he arrived in 2011, one budget challenge was to look at how much of a subsidy from the General Fund was being provided to Housing and Community Development. He estimated that this was roughly \$460,000 at the time, although the program is intended to be supported entirely from administrative funds allocated by federal and State rules. In the current fiscal year, the General Fund’s subsidy has been decreased to approximately \$200,000. He has charged Staff with eliminating this subsidy entirely from the next fiscal year.

He explained that one option under consideration is outsourcing the administration of federal and State entitlement programs; this option is not currently a priority, however, as there are outstanding issues with both Housing and Urban Development (HUD) and with the State. If administration is to be outsourced, these issues must first be addressed.

Mr. Feldman assured the Board that should outsourcing occur, the CSB will still have an important role in providing an outlet for public participation. There would be no changes to the governance of the system: potential changes would streamline administration only.

Ms. Gonsler asked if other municipalities have outsourced this function. Mr. Feldman said more cities choose to outsource administration each year, primarily for reasons of economy of scale. He observed that this term refers to the overhead cost of multiple programs in multiple jurisdictions. He cautioned, however, that care would be taken to ensure that client services would not be diminished by outsourcing.

Ms. Gonsher asked if the companies to which administration might be outsourced are based in Fort Lauderdale and locally owned and operated. Mr. Feldman said one such firm is based in Tallahassee, although these firms exist throughout the country.

Ms. Gonsher expressed concern that this would mean City tax dollars and/or federal grant dollars would be sent outside Fort Lauderdale. Mr. Feldman said while the City would look for local staffing, some functions do not need to be performed in Fort Lauderdale, such as check cutting or data entry. While he recognized the need for local employment, he stated that there must be administrative changes related to staffing, as the General Fund cannot continue to subsidize Housing and Community Development.

Ms. Birch asked if the current subsidy of approximately \$200,000 could be deducted from funds received from the federal government, such as HOPWA. Mr. Brown explained that the City has maxed out all administrative dollars available to it for the current grant programs.

Mr. Katz observed that the HOPWA grant has a built-in administrative component, and noted that an outside firm might lack the compassion currently shown by Staff. He felt it was possible that citizens receiving HOPWA aid might be shortchanged in the long run. Mr. Feldman agreed that HOPWA and other federal programs allocate funds within their allotment toward administrative costs. He noted, however, that the City's General Fund is helping subsidize the administrative costs of this County-wide program, while Broward County is not currently assisting the City in its administration of HOPWA.

He continued that a competitive proposal process must be ensured in order to provide the quality to which Mr. Katz had referred, and advised that other clients of competitive firms could be asked to describe their experiences. If the firm provides minimal service, it should not be recommended to the City Commission for hire. If the standard for quality of care cannot be met, the City would need to consider another alternative.

Ms. Shirley noted that the City is eligible for HOPWA not because it has the largest population within Broward County, but because it has the largest distribution of HIV/AIDS cases. Other eligible metropolitan areas (EMAs) also qualify by the number of cases. Mr. Feldman said his understanding was that eligibility was based upon the largest City population within the EMA; other municipalities, such as Pembroke Pines, are qualified within Fort Lauderdale's EMA.

Vice Chair Whipple asked if other cities have outsourced HOPWA administration, noting that there is a high level of confidentiality associated with these services. Mr. Brown said the city of Los Angeles has outsourced the monitoring functions

associated with HOPWA; however, he had not spoken to representatives of other municipalities who have outsourced this administration. Vice Chair Whipple stated that the City should ensure that this outsourcing is allowed before proceeding. Mr. Feldman said the request for proposal (RFP) is currently on hold while a best practices analysis of other agencies is done to determine the necessary staffing levels.

Ms. Birch asked if discussions were underway with the County with respect to the administrative costs carried by Fort Lauderdale. Mr. Feldman said there have been no specific conversations on this topic at this point, but a series of discussions with the County are planned with regard to financing.

Ms. Shirley asked if the City will also discuss its plans with the consumers of these services. Mr. Feldman said if the City proceeds with outsourcing, a conversation of this nature will be held with clients through the CSB. He was not certain if this discussion would occur before or after an RFP is sent out, as there are other issues within Housing and Community Development that must be addressed before outsourcing is pursued.

Mr. Bean asked how much savings would be anticipated through outsourcing, and how these savings could be obtained without reducing services. Mr. Feldman said the goal is to have a program that operates using the administrative dollars allocated within the available grants; how the City can best reach this goal has not yet been determined.

Chair Karney asked when this and other changes are expected to be made. Mr. Feldman estimated it would be after the summer break, during discussions of budget details; if changes are not made by that time, they would be realized during the next programmed year.

The Board thanked Mr. Feldman for attending today's meeting.

**Motion** made by Vice Chair Whipple, seconded by Ms. Birch, to accept the [March 12, 2012) minutes as they stand. In a voice vote, the **motion** passed unanimously.

#### **IV. CDBG Projects**

- **Agency Scoring and Ranking**

Chair Karney noted that scores have been calculated, and requested that the members review their scoring sheets at this time. It was confirmed that nine members had rated the Applicants. Vice Chair Whipple briefly reviewed the scores.

Ms. Pryor noted that a total of \$218,000 was requested by the top-ranked Applicants in each category, while the Board has only \$153,574 to provide. Mr. Brown noted that the City Commission also appropriates \$15,000 for fair housing activities as required by HUD and \$50,000 for homelessness prevention.

Ms. Gonsler requested further clarification of the amount requested. Mr. Brown noted that the total for top rated requests should be adjusted to \$268,574, while the total amount of CDBG funds available were \$153,574. He also observed that HUD is projecting a reduction of approximately \$300,000 in CDBG funds over the current and upcoming years.

Ms. Birch recalled that in previous years, the Board had concluded it was not worth the effort for Staff to award amounts less than a certain figure. Mr. Brown confirmed that this amount was \$10,000. He pointed out that in a previous year, an agency had returned their \$10,000 award due to the administrative responsibilities that accompanied it.

Ms. Gonsler suggested that the Board should look at the top choices individually to determine if cuts could be made to the allocated funding without compromising the integrity of the program. She noted that Jack and Jill Children's Center, for example, received the top ranking in its category: if their total request was not met, it would not affect the integrity of the program, but would instead mean they had fewer scholarships to award.

Ms. Birch said all funds requested were based on programs that would provide services for a certain number of individuals. She felt the main issue facing the Board was how much to award each organization.

Chair Karney noted that the top-ranked organizations in two categories had also been awarded funds the previous year, and pointed out that one of the Board's goals is to prevent organizations from becoming dependent upon CDBG funds. He asked if the Board members would be in favor of providing these organizations a lesser amount than requested.

Vice Chair Whipple asked if all the top-ranked agencies were represented at today's meeting. He explained that the Board could ask if they were willing to accept a reduced amount. Mr. Brown advised that representatives of two top-ranked agencies were present at the meeting.

Ms. Gonsler estimated that 60% of the funds requested were available, and proposed that each request might be reduced by 40%. Another option would be establishing a specific dollar amount. Mr. Bean suggested that the total amount to be awarded could be divided evenly among the six top-ranked organizations. Another solution could be to reduce each organization's allotment by its

proportion of the total request. It was agreed that this percentage would be determined for each of the top-ranked agencies.

Vice Chair Whipple advised that the agencies with representatives at the meeting could be asked if they were willing to accept the lesser amounts available to them. Ms. Gonsler stated that she did not believe it was fair to ask the two organizations present at the meeting to state whether or not the reduced amounts were acceptable, as other organizations would have more time to consider the question and discuss it with their organizations. Mr. Brown agreed to send an email to each agency, advising them of the recommendations for funding and requesting that they respond in writing to accept or decline the offered funds.

**Motion** made by Vice Chair Whipple, seconded by Ms. Birch, that the amounts that were given, that Staff take direction to email [these amounts] out and go from there.

Chair Karney confirmed the following funding amounts:

- Jack and Jill Children's Center: \$28,590
- Susan B. Anthony Center: \$22,057
- Broward Performing Arts Foundation: \$25,731
- Neighborhood Housing Services: \$28,590
- Luz del Mundo: \$20,016
- Hope South Florida, Inc.: \$28,590

In a voice vote, the **motion** passed unanimously.

Ms. Pryor noted that this recommendation would be presented to the City Commission meeting at their April 17, 2012 meeting.

Vice Chair Whipple commented that he would like future applications to require at least one representative of the applying agencies to appear at the Board meeting. He added that not all Applicants had completed both questions, including the amounts requested and number of clients helped.

Vice Chair Whipple asked if there was a reason why incomplete applications are accepted. Ms. Pryor explained that in a perfect scenario, Staff would review the applications for accuracy and completion before sending them on to the Board. For this year's process, however, this step had not been done. She asserted that in the future, Staff would review all applications and inform the Board if there were errors or omissions. She added that this could be discussed further throughout the year, as some responses can be left off the application without disqualifying the Applicant.

Ms. Birch asserted that in past years, the Board has agreed that an incomplete application should not be brought before the members.

Vice Chair Whipple continued that the Board should take additional action to establish parameters that must be met when the same agencies request CDBG dollars in consecutive years. He felt if this was not reconciled, the agencies would continue to change or add services and return to make CDBG requests, which would defeat the purpose of encouraging new agencies to apply. Mr. Brown said whatever the Board recommends and the City Commission approves will determine the direction of the program, irrespective of what HUD does or says.

Ms. Gonsler commented that the evaluations of many organizations were related to monitoring information: for example, they had provided attendance sheets to the Board to indicate how many individuals were present at a given class or function, rather than providing information on how the program works. She explained that the measurable goals were intended to determine the program's effectiveness, and suggested that this portion of the application be clarified.

She continued that she would like to see the addition of a Neighborhood Enrichment or Neighborhood Focus category to the prioritized list, as this category would address grant programs with a much smaller focus, such as community adoption programs within a neighborhood.

Ms. Birch stated that the Board should also consider reviewing Applicants' financial reports. She also expressed concern with applications that come in with a different address for the same agency from one year to the next. She cited the example of a recent application with an invalid address. Mr. Brown proposed that a question regarding length of time at an address could be included on the application, if the Board wished.

Ms. Gonsler said she felt it was useful to see the scores assigned each Applicant by each Board member. Ms. Pryor added that the scores must be received by the established deadline, as otherwise it was not possible to provide the Board members with the results in a timely manner.

- **Performance Indicators**

Mr. Brown said Staff would like the Board to recommend performance indicators along with projects. He explained that before contracting with the top-ranked agencies, it is important to know if there are any specific performance indicators the Board would like to see. This will determine what information is reported back to the Board from the individual Applicants. He requested that this information be provided by August 2012.

Mr. Bosworth asked if the performance indicators would be considered part of the scope prior to the execution of agreements. Mr. Brown confirmed this.

It was determined that a discussion of performance indicators would be scheduled for an upcoming meeting. Mr. Brown advised that the annual action plan for CDBG grants must go to the City Commission in August.

## **V. HOPWA Discussion**

- **RFP-Board Logistics**

Ms. Pryor stated that the RFP is currently in draft form and is undergoing its final revision before its release. She estimated that this would occur within the next three to four weeks. The RFP must be on the street for at least 30 days, which would mean proposals would be received in June. Approximately another two weeks would be required for logistics and review prior to the Board meeting, as the review session is likely to occur at a different time and Staff members, including Procurement Staff, must attend. She concluded that the proposal is likely to come before the Board in June, which would put the members on a very tight deadline in order to send their recommendations to the City Commission by July for award.

Vice Chair Whipple recommended that the performance indicators might be best discussed in May if the RFP is likely to come before the Board in June. Mr. Brown said he was confident that, barring unforeseen difficulties, the RFP will be out on the street by the time the Board meets in May.

Ms. Pryor advised that the Board members will need time to review each proposal. She stated that she would show the Board a PowerPoint presentation on this process, as it is critical to understand two major changes in the HOPWA RFP: providers must now show the costs of their expenditures, and several programs must be consolidated into facility-based housing before they are reported to HUD at the end of the year. Vice Chair Whipple requested that this presentation be shown at the Board's June meeting.

Pablo Calvo, representing Broward Regional Health Planning Council, requested clarification of the handout labeled "HOPWA Needs Assessment." He asked if it was possible to obtain a list that showed ranking based on how many clients were served. He felt this would provide a different ranking order than what is shown in terms of services, as different programs serve different numbers of clients.

Ms. Pryor explained that at the February Board meeting, a list of clients served was provided to the members. She offered to provide this list to Mr. Calvo, noting



that it is based on end-of-year reporting figures. This list shows how many clients are served in each program for each agency.

Mr. Calvo requested that the list reflect not only the number of clients served, but a ranking based on this number, rather than a full table. Ms. Pryor said the breakouts shown on the worksheet are reported to HUD, but did not show a breakdown of how many people were served by specific programs, as an individual client moving from one service to another would be duplicated.

Ms. Pryor explained that over the last two years, HOPWA has been involved in the Ryan White Needs Assessment Survey, which means a survey is done every year to determine priorities based on community needs. Staff has requested that housing questions be included in this survey. For the first year, a provider survey went out to only HIV service providers, including all providers associated with the Ryan White HIV/AIDS Program as well as HOPWA. This provided a full spectrum of services rather than only those services specific to HOPWA. Providers were asked to prioritize services associated with housing. Providers' lists showed short-term help with paying for rent, mortgage, and utilities as the greatest perceived need.

Ms. Pryor continued that the consumers using these services ranked their needs differently than the providers had. In 2011, the City's expenditures for each category are also listed. She noted that while the greatest amount of funding was spent on facility-based housing, this was the top-ranked priority for use of funds.

She advised that the needs assessments and the utilization assessments were provided in this manner because Staff wished to discuss priorities with the Board while they are finalizing the RFP. They will need to know whether to prioritize the funding in these categories based on consumer needs, provider needs, or a hybrid of the two. There is also a scale showing a breakout of what Staff projects the funding could be, based on the needs assessment surveys as well as the utilization survey.

She concluded that the Board is not obliged to agree with the surveys, and may advise Staff to consolidate the three assessments.

Ms. Shirley asked if examples of facility-based housing could be provided. Ms. Pryor explained that this is housing provided within a community living facility, in which the client is assigned a room and services are provided within the facility. Some individuals might receive different types of assistance, such as substance abuse treatment or assistance with daily living; others may be living at the facility until they are able to get back on their feet. Clients do not choose where they live within the confines of a building.

She emphasized that facility-based housing is not designed to be permanent; however, some clients may live in facility-based housing for a long time.

Ms. Gonsher requested clarification between help paying for permanent or long-term housing and long-term or permanent help paying for housing. Ms. Shirley said the difference is between assistance in paying for permanent housing, which might be short-term assistance, and permanent help in paying for housing, such as vouchers. Ms. Pryor advised that the latter category often applies to clients on a fixed income, such as Social Security, who are not able to support themselves without assistance.

Vice Chair Whipple said he felt the RFP should consider the needs of clients first. Ms. Pryor directed the members' attention to the consumer survey, where clients' priorities were listed; she added that a needs assessment focus group for homeless individuals with HIV/AIDS is also included in the members' information, noting that these individuals' greatest concern is affordability of housing, as they would prefer to live on their own with assistance rather than live in facility-based housing.

Ms. Gonsher stated that she would not feel comfortable making major changes in funding levels if the utilization survey suggested a large number of clients were using a particular service. Mr. Brown advised that the perceived needs seem to differ from the actual use of services. Ms. Birch pointed out that the utilization figures reflect use of existing services rather than what the clients may want, such as greater independence. She felt the delivery system for services had evolved with a facility-based approach.

Ms. Pryor added that the members' information packets also include a National Strategy to End Homelessness, which states the greatest priority is to transition clients to permanent housing. The focus of HUD is to move people into permanent supportive housing, where there is greater stability. This is another reason for the higher use of vouchers, as they make this transition possible.

Vice Chair Whipple asked if the RFP would reflect a breakdown of service categories. Ms. Pryor said the way the RFP is written requires that each prospective provider must show how many clients they would expect to serve, how much this would cost, and what kind of housing assistance would be provided for these clients.

Francisco Gomez, senior housing case manager with Care Resource, pointed out that one goal is to educate clients on what is required of them in order to live in permanent housing. He stated that housing case managers provide a link between an agency, a community, and clients. They can also provide unique insight into how a particular system is working.

Ms. Pryor added that Care Resource receives funding for housing case management, and noted that one of its main goals is to perform an assessment for that client to determine what housing difficulties he or she may be experiencing. This allows them to educate clients on how to deal with the specific issues they are facing, put them in touch with the services that can best provide the assistance they need, and help them through the application process for these services.

Mr. Bean asked if other programs may work in conjunction with facility-based housing. Ms. Pryor confirmed this, stating that it reflects the holistic view: a client may enter facility-based housing, become assessed and stabilized, and then transition into greater self-sufficiency.

She observed that another tool for this transition is the Homeless Management Information System (HMIS), a computerized system that allows for the sharing of data across different providers. If a client goes from one agency to another, the new agency may access the client's information through HMIS. This also helps to correct discrepancies if clients do not give providers all their information, as providers can learn what kind of treatment or housing a client received in the past.

Ms. Shirley said she did not agree that facility-based housing may be better for clients. She stated while this type of housing is good for individuals who need a great deal of support to become stabilized, most clients do not need this specific service over the longer term. Once a client is stable and functioning, he or she may be able to seek services that will assist in the transition to more permanent housing.

Mr. Bean commented that in 2011, facility-based housing received 32% of funds, while the proposed percentage for fiscal 2012/13 is 23%. He asked if this meant facility-based housing is less needed or overfunded. Ms. Shirley said the issue is not that there is too much facility-based housing, but explained that it was the first means to address homelessness in individuals with HIV/AIDS. Clients now need more long-term living arrangements.

Ms. Gonsler asked if the issue facing individuals with HIV/AIDS was similar to deinstitutionalization for persons with mental disabilities, as it sought to move individuals from facility-based housing to a less restrictive setting. Ms. Shirley said she felt the issue was a combination of people living longer and consumers being asked to identify their own needs. In the beginning, clients were not often asked to give input on how they perceived these needs. She added that there has not been a corresponding change in the public mindset that allows for more programs to help people with very limited incomes become self-sufficient and move from facility-based housing.

Ms. Pryor noted that when she first became a HOPWA administrator, there was a six-year waiting period for permanent housing through the tenant-based vouchers. This meant many clients could not get permanent subsidized housing for a very long time. She recalled that when the voucher list was opened to new clients, over 900 individuals responded, although the program could only accept 300 due to limitations on funding. She contrasted this with transitional housing, which does not have a very long waiting list. There is now more demand for permanent supportive housing than there is funding available for it.

Vice Chair Whipple asked if it is proven that permanent supportive housing provides a more stable environment for clients. Ms. Pryor confirmed this, noting that when individuals have the appropriate housing, they tend to take better care of themselves and become more self-sufficient.

Sharon Bryant, representing Mount Olive Development Corporation, stated that lack of funding in the tenant-based voucher program creates a bottleneck in other agencies. The result is that programs become permanent, as there is no transition of clients into other programs or systems.

Ms. Gonsler asked how newly identified individuals in need of support get help in addition to those individuals who have moved into long-term supportive housing. Ms. Pryor said this is done through attrition, as some clients move away or leave the program in other ways. She recalled that approximately 60 individuals were helped in a previous year by the voucher program through this rate of attrition; however, lack of funding can result in a "freeze" of the program, creating the bottleneck to which Ms. Bryant had referred.

Ms. Pryor continued that by regulation, the grantee may not charge more than 3% of the grant for administration, which meant \$267,000 was allocated for City Staff. Providers may charge a maximum of 7% for administration. Mr. Brown clarified that HOPWA administrative dollars are sufficient to cover that program's administrative expenses. These funds must be used in compliance with HUD regulations. Staff oversees the funding and ensures that clients are served and needs assessments and other reports are done. Funds cover the salaries of anyone who must work on HOPWA-related items. Hours are verified through time cards.

Vice Chair Whipple noted that a larger agency may use more administrative dollars to pay for salaries, while a smaller agency might provide the same services but use fewer administrative dollars and spend more on client services. Ms. Pryor said the 7% allowed to providers covers overhead and other indirect services, which include essential services that may not be directly linked to a client. Direct services include funds allocated for activities directly related to a client's needs, such as salaries for housing case managers or specialists.

Vice Chair Whipple observed that this could create an “unleveled field,” as smaller firms would receive a smaller allotment of money to cover their administrative costs. Ms. Pryor added that the 7% is taken directly off a provider’s allocation, which means larger agencies would receive more money. Vice Chair Whipple asked if this would be an item on which potential providers would be graded during the RFP selection process. Ms. Pryor confirmed this, as each agency must submit an itemized budget including the administrative funds as well as their direct program costs and operational costs.

Mr. Brown confirmed that HOPWA is moving to a cost reimbursement system, noting that the City Commission had approved cost reimbursement to begin in fiscal 2012/13; since that time, HUD has specified that the City must document actual costs. If a Staff salary is included in the administrative costs, but the actual salary goes over the projected cost, the overage in salary must be found elsewhere.

Vice Chair Whipple asked what documentation an agency must provide in order to be reimbursed. Ms. Pryor said in a cost reimbursement system, agencies must provide the actual costs associated with serving these clients, as required by HUD. Mr. Brown continued that when Staff monitors service, they request receipts reflecting actual verifiable costs.

Ms. Pryor continued that the only programs in HOPWA that presently do not use cost reimbursement are facility-based housing programs. They are different because they function under a transitional model. Vice Chair Whipple asked if it was possible to make local changes so all programs operate with the same model. Mr. Brown reiterated that the City Commission has already approved cost reimbursement for all programs, and HUD requires the City to verify actual costs.

Chair Karney recalled that the question before the Board is “need versus utilization,” and asked the members’ opinions on which direction they should take. Ms. Shirley said she would prefer to use the clients’ responses to the survey about their needs rather than the perceptions of the providers or the services used. Ms. Gonsler also noted that while housing case management is the fourth priority for clients’ needs and third by the providers, it is recommended at a lower priority because of the utilization survey.

Mr. Brown observed that the current year’s funding allocation is \$8.6 million, while next year HOPWA funding is projected at \$9.4 million. Ms. Pryor pointed out that while the overall projection for 2012 may be \$9.4 million, Staff costs and HMIS must be deducted from this before available funding is released to providers. The result would be approximately \$9.1 million.

Mr. Bean stated he did not understand why they must make a choice between need and utilization rather than taking all factors into account. Ms. Shirley said

her choice of need-based programming would base priorities on clients' perceptions of their needs, so programs would help pay for long-term or permanent housing as a top priority. The programming budget would be based on what is appropriate based on the needs as perceived by the consumers. Mr. Bean explained that his question was why they must choose one system over the other rather than looking at all the information available. Ms. Shirley said the clients' response was based upon their unmet needs, which she felt must take priority.

Ms. Gonsher said when she looked at last year's use of facility-based housing, which received 32%, the current proposal of 23% for this housing would represent a 35% reduction in funding. She said this seemed to be an extreme reduction over one year, even though there is a move toward permanent supportive housing rather than facility-based housing.

Mr. Katz said facility-based housing is used by clients because there is not sufficient permanent supportive housing available; in addition, the cost of facility-based housing is more expensive than community-based housing. He also pointed out that some clients are using facility-based housing because there is no alternative currently available to them. This meant the utilization survey results are skewed toward facility-based housing.

Ms. Gonsher asked if a large reduction in funding for facility-based housing would result in moving a great many people out of this program before they are ready. Mr. Katz said the utilization survey shows that some individuals should have already moved out of facility-based housing and into community-based housing. He reiterated that facility-based housing is also more expensive, and pointed out that a greater number of clients could be served by moving funding to community-based housing.

Vice Chair Whipple stated he felt they should keep HUD's direction in mind; in addition, he felt this was a good direction for the reasons Ms. Shirley had raised earlier. He felt moving clients from a temporary to a permanent setting would provide them with a better environment.

Mr. Brown advised that the proposed percentages are not "locked in," but are open to questions and changes if that is the Board's desire. Ms. Pryor also noted that when the RFP is issued and proposals are presented to the Board, it is possible that the members may change their minds regarding funding allocations.

**Motion** made by Ms. Gonsher, seconded by Ms. Shirley, to accept the recommendations of Staff as a working figure to begin the RFP process. In a voice vote, the **motion** passed unanimously.

Mr. Brown stated for clarification that going with Staff's recommendation would represent a shift in percentages: providers of facility-based programming must now participate in a more competitive process, as less funding will be available. Vice Chair Whipple pointed out that because they are using a working figure, the Board has the option of changing this number after seeing presentations and before making a recommendation to the City Commission. Ms. Pryor added that it may also be possible that the City Commission does not award the project to the Board's first choice.

Mr. Brown asked if the Board would like to see Staff continue to work with contracts that can be renewed for up to three years, or if they would like the RFP to be sent out again next year. Ms. Shirley asked who makes the decision to renew the contract. Mr. Brown said it would be brought back before the Board for review prior to renewal, and their recommendations would be taken to the City Commission.

Ms. Pryor said because her office has limited resources, she had no issue with three-year contracts; however, they must ensure that language may be added to or removed from the contract. She pointed out that each year's HOPWA allocation is different, which means the renewal would use a new budget. She also noted that the disadvantage of renewed contracts is that the possibility of using a new agency as provider would be locked out.

Vice Chair Whipple commented that a yearly contract might serve both Staff and the Board better, as the Board members are being educated on the procedure for the first time in 2012.

Mr. Brown noted that if an agency is not performing in accordance with their stated goals, the Board could bring in a new agency through another competitive process.

Ms. Shirley stated that a contract that may be renewed up to a total of three years offers greater stability in providers.

**Motion** made by Vice Chair Whipple, seconded by Mr. Bosworth, that it be a one-year contract.

Ms. Shirley advised that a one-year contract would mean the Board must plan to go through the RFP process again within as brief a time as four months. Vice Chair Whipple said he is more concerned about the Board being both educated in the details of the RFP process and being responsible and accountable for the money about which they will make a recommendation to the City Commission. Ms. Shirley noted that there are "out" clauses for nonperformance in any City contract. She pointed out that this could also increase the City's administrative costs and create a level of instability in housing.

Vice Chair Whipple and Mr. Bosworth withdrew their **motion** and **second**.

**Motion** made by Ms. Shirley, seconded by Ms. Birch, that [the Board] move with a one-year contract, with the option to renew for two additional one-year terms. In a voice vote, the **motion** passed unanimously.

Mr. Brown advised that site visits to agencies are not recommended by the City Attorney's Office or by Procurement Services.

#### **VI. Items for the Next Agenda**

Chair Karney recalled that the Board will discuss CDBG performance indicators at the next meeting.

#### **VII. Communications to City Commission**

None.

#### **VIII. Adjournment**

There being no further business to come before the Board at this time, the meeting was adjourned at 6:58 p.m.

[Minutes prepared by K. McGuire, Prototype, Inc.]