THE CITY OF ASHEVILLE

Staff Report

Council Meeting Date: October 27, 2020

Subject: Contract Amendments for Extension of COVID-19 Shelter Operations Agreements

Staff Resource(s): Sam Powers, Director of Community and Economic Development
Brian Huskey, Community Development Analyst

Action(s) Requested: Authorization for City Manager's execution of contract extensions with Red Roof Inn, Inc., Homeward Bound of Western North Carolina, and Axis Security.; and a budget amendment in the Special Revenue Fund in the amount of $680,664 to fund the contract extensions utilizing expected FEMA reimbursement revenue.

Background:

- On May 12, 2020, Council ratified the City Manager's execution of agreements with Red Roof Inn, Inc., Homeward Bound of Western North Carolina, and Axis Security for operations of a COVID-19 motel-based non-congregate emergency homeless shelter for persons experiencing unsheltered homelessness and at significant risk of contracting COVID-19 because of age and/or underlying chronic health concerns.
- On July 28, 2020, Council authorized the City Manager to execute extensions of the existing agreements with Red Roof Inn, Inc., Homeward Bound of Western North Carolina, and Axis Security for a 90-day period, which expires on November 8, 2020.
- Sixty-five (65) people (couples, families occupying some rooms) are currently in shelter and will continue to achieve the public health objective of prevention of COVID-19 among the community's unsheltered homeless population.
- One hundred seven (107) have been served to date.
- To continue to provide services to this vulnerable population, it is necessary to execute the contract amendments prior to November 8th to continue the agreements.
- A transitional exit strategy for those in the shelter is currently being planned.
- The City is preparing to submit its initial reimbursement request to FEMA for operations through August 31, 2020.
- The existing agreements with the vendors allow for extensions to continue operations but additional funding not to exceed $680,664 is necessary.

Council Goal(s):

- A Diverse Community
- A Well-Planned and Livable Community
- Fiscally Resilient City

Committee(s):

- None

Pro(s):

- Continues the successful operation of the existing expanded COVID-19 homeless shelter.
- Allows for additional time to effect housing placement for shelter occupants.
- Addresses public health and safety.
- Non-congregate motel shelter, essential operations, and security costs are eligible for FEMA reimbursement.

Con(s):

- Potential damages incurred at the motel are not eligible for reimbursement from FEMA.

Fiscal Impact:

- The additional contract funding requested for an additional 90-day period as part of this Council action includes:
    - Homeward Bound for essential shelter operations not to exceed $150,000; for 60 rooms nightly at Red Roof Inn not to exceed $274,536; and
    - For 24/7 security provided by Axis Security not to exceed $256,128;
    - For a total not to exceed $680,664.
    - Staff anticipates full FEMA reimbursement for these expenses and thus no City contribution is currently budgeted.

Suggested Motion(s):

- Motion to adopt a resolution to authorize the City Manager's execution of new services contracts Homeward Bound of Western North Carolina, Red Roof Inn incorporated, and Axis Security for shelter rooms, essential operations, and security for up to 90 additional days commencing on November 9, 2020 through February 8, 2021; and a budget amendment in the Special Revenue Fund in the amount of $680,664 to fund the contract extensions utilizing expected FEMA reimbursement revenue.

Attachment(s):

- Resolution
- Budget Amendment

RESOLUTION NO. 20- _____

RESOLUTION TO AUTHORIZE THE CITY MANAGER TO EXECUTE AN EXTENSION OF THE CONTRACTS WITH HOMEWARD BOUND OF WESTERN NORTH CAROLINA, RED ROOF INN, INC. AND AXIS SECURITY TO SUSTAIN OPERATIONS OF A MOTEL-BASED NON-CONGREGATE SHELTER FOR PERSONS EXPERIENCING UNSHELTERED HOMELESSNESS DURING THE COVID-19 PANDEMIC

WHEREAS, the COVID-19 pandemic has presented an unprecedented need for emergency shelter for persons experiencing unsheltered homelessness; and

WHEREAS, the community's existing emergency homeless shelters have been in isolation status, unable to admit new clients, the potential duration of the COVID-19 pandemic remains unknown, and there are persons in the community currently experiencing unsheltered homeless who are at grave risk for contracting COVID-19 because of age and/or underlying chronic health conditions; and

WHEREAS, the City of Asheville has previously executed contracts with Homeward Bound of Western North Carolina, Red Roof Inn, and Axis Security for operations of a non-congregate emergency shelter for persons experiencing unsheltered homelessness; and

WHEREAS, the parties have been successfully providing services as agreed; and

WHEREAS, the parties have agreed to continue these services essential operations services for an additional 90 days as needed; and

WHEREAS, the existing agreements with the parties provide for extensions on mutual agreement between the parties; and

WHEREAS, the incidence of confirmed COVID-19 cases continues to rise and poses grave risk to persons experiencing unsheltered homelessness who have chronic health concerns;

WHEREAS, in order to avoid in lapse in service, it is necessary to execute an contract amendments to extend the duration of existing services contracts;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE THAT:

City Council authorizes the City Manager to execute contract amendments to the existing Services Contract with Homeward Bound of Western North Carolina, Memorandum of Understanding with Red Roof Inn, Inc. and Services Contract with Axis Security to extend the existing shelter operations for up to 90 days commencing November 9, 2020 through February 8, 2021 for the following amounts:

Homeward Bound of Western North Carolina	$150,000
Axis Security	$256,128
Red Roof Inn	$274,536

Read, approved, and adopted this 27th day of October, 2020.

_____ _____

CITY CLERK MAYOR

Approved As To Form:

_____

CITY ATTORNEY

ORDINANCE NO. _____

BUDGET ORDINANCE AMENDMENT

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE

That the City of Asheville Fiscal Year 2019-20 Budget Ordinance be amended to provide an appropriation of $680,664 to fund contract extensions utilizing expected FEMA reimbursements and amend the Special Revenue Fund as follows:

SPECIAL REVENUE FUND

Revenues:

Federal Revenue Distribution - FEMA	$680,664
Total Revenues	$680,664

Appropriations:

COVID-19 Expense	$680,664
Total Appropriations	$680,664

That this ordinance shall be in full force and effect upon the date of final passage.

Read, approved and adopted this the 27th day of October, 2020.

_____ _____

City Clerk Mayor

Approved as to form:

_____

City Attorney