

Attachment #2

AN ORDINANCE TO AMEND THE FY2024 ANNUAL OPERATING AND CAPITAL BUDGET FOR ATHENS-CLARKE COUNTY, GEORGIA SO AS TO PROVIDE FUNDING TO THE HOUSING & COMMUNITY DEVELOPMENT DEPARTMENT (HCD) FOR ADVANTAGE BEHAVIORAL HEALTH SERVICES (ABHS) HOTEL VOUCHER SERVICES; AND FOR OTHER PURPOSES.

The Commission of Athens-Clarke County, Georgia hereby ordains as follows:

SECTION 1. The Commission of Athens-Clarke County, Georgia desires to amend the General Fund, General Capital Projects Fund and American Rescue Plan (ARP) Coronavirus State and Local Fiscal Recovery Funds Special Revenue Fund to provide funding to HCD for ABHS hotel voucher services; and for other purposes.

Said Operating and Capital budget is hereby amended as follows:

General Fund:

EXPENDITURES:

Decrease:

Transfers to General Capital Proj. Fd	up to \$100,000
Resiliency Package - Capacity Building	\$25,000
Total	\$125,000

Increase:

HCD - ABHS Hotel Voucher Services	\$125,000
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General Capital Projects Fund:

REVENUES:

Decrease:

Transfers from General Fund	up to \$100,000
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EXPENDITURES:

Decrease:

Central Services Capital:	
Sanctioned Homeless Encampment	up to \$100,000

American Rescue Plan - CSLFRF Special Revenue Fund:

EXPENDITURES

Decrease:

Sanctioned Homeless Encampment	up to \$152,288*
Homelessness SPRPH - All Other (if needed)	up to \$150,000*

Increase:

ABHS Hotel Voucher Services	\$152,288*
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(*Note: the ARPA funding would be used to fill the funding gap between available General Funds described above, and the total project cost of the ABHS Hotel Voucher Services program (\$277,288). The total combined transfer from the two ARPA program budgets would not exceed \$252,288.)

SECTION 2. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

**THE UNIFIED GOVERNMENT OF ATHENS-CLARKE COUNTY
COMMISSION AGENDA ITEM**

SUBJECT: Transition Plan for Sanctioned Homeless Encampment (SHE)

DATE: September 20, 2023

BUDGET INFORMATION:

REVENUES:	\$ 2,542,691	Previous ARPA allocation to Sanctioned Homeless Encampment (SHE)
	\$ 25,000	Previous allocation of General Fund Resiliency Package funds toward Capacity Building Training for SHE operator
	<u>\$ 250,000</u>	<u>Previous allocations to prepare site for SHE operator</u>
	\$ 2,817,691	Total allocation to SHE

EXPENSES:

ANNUAL:

CAPITAL:

OTHER:

Specific for Sanctioned Homeless Encampment

\$2,096,589.25 Payments made to AAC to operate Sanctioned Homeless Encampment as of 9/20/23

\$ 285,000 Projected operations expenses between Oct.-Dec. 2023, based on 3-month average between June-Aug. 2023 (excludes transition activities)

\$ 0 Expenses related to Capacity Building Training for operator
\$ 150,000 Expenses to prepare site for operator, storm damage, etc.

\$ 286,101.75 Remaining from previous allocation to SHE that could be used for transition activities

ARPA Homelessness Funding

\$ 9,867,691 Total ARPA allocation toward homelessness activities

\$ 2,542,691 Previous ARPA allocation to SHE

\$ 2,425,000 Previous ARPA allocation to Eviction Prevention Program

\$ 300,000 Previous ARPA allocation to Homeless Flex Fund

\$ 133,116 Consultant for Homelessness Strategic Plan

\$ 4,466,884 SPRPH proposed allocation of ARPA SLFRF M&C Designation for Homelessness, including \$150,000 toward Housing Surges for Encampments and \$500,000 for “other strategies”

FUNDING SOURCE: American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds

COMMISSION ACTION REQUESTED ON: October 3, 2023

PURPOSE:

To request that the Mayor and Commission (M&C):

- a) Approve proposed transition plan (**Attachment #1**) for the sanctioned homeless encampment operated by Athens Alliance Coalition in anticipation of contract termination date of December 31, 2023;
- b) Approve a MOU between ACCGov and ABHS to provide hotel voucher services through April 30, 2024;
- c) Adopt a budget ordinance (**Attachment #2**) to allocate: \$25,000 of General Funds originally allocated for SHE operator capacity building; up to \$100,000 of General Capital Projects Fund remaining balance of Homeless Encampment setup; up to \$152,288 of ARPA Funds for Sanctioned Homeless Encampment, and, if needed, up to \$150,000 of ARPA Funds from Homelessness SPRPH “all other strategies” to fund the total required for \$277,288 for the ABHS Hotel Voucher Program; and
- d) Authorize the Mayor and appropriate ACCGov staff to execute all related documents.

HISTORY:

1. In 1995, ACCGov applied for and received the first of several Continuum of Care (CoC) Homeless Assistance Grants.
2. Since 2004, the Athens Clarke-County Homeless Coalition has established the primary goals of the Athens-Clarke County Continuum of Care. Those goals include providing housing programs for chronically homeless persons and increasing their access to mainstream medical and mental health services.
3. On June 30, 2009, and as part of the Defense Base Realignment and Closure Act of 1990 (BRAC), the federal government conveyed the Navy Supply School to the community with certain stipulations. The University of Georgia subsequently purchased the property to create the Health Sciences Center campus. The proceeds from the sale of the property were conveyed to establish the Athens Resource Center for Hope (ARCH) and construct the Athens Resource Center on North Avenue. Services provided by the ARCH project included three distinct yet collaborative components* (taken from the ARCH website):
 - ARCH Village:
 - o 23 Units of Transitional Housing for Homeless Families with Children
 - Athens Resource Center:
 - o Wrap Around Support Services and Housing Assistance for Homeless Individuals and Families
 - o Medical Clinic for Homeless Individuals and Families
 - o HIV/AIDS Specialty Care Clinic for Homeless Individuals with HIV/AIDS
 - Little Angels Daycare 2 – permanently closed

4. On November 5, 2013, the Mayor and Commission adopted an ordinance which included the following sections relevant to the matter at hand:

Sec. 1-10-22. - Abandoned property.

No person shall abandon a vehicle or other personal property in any park.

Abandoned property shall be removed, impounded and sold in conformance to Athens-Clarke County ordinances, or as may be determined by the Unified Government.

Sec. 1-10-26. - Camping and overnight use.

No person may erect a tent or related shelter at any time to camp, sleep or park a vehicle overnight at any park or open space, except as authorized by permit, and only in areas designated or marked for such purpose.

5. On December 22, 2017, ACCGov completed the purchase from the Clarke County School District of the North Athens School, located at 1000 Barber Street. This purchase was made to strategically support a future expansion of the Beacham Water Treatment Plant and was funded by the Public Utilities Enterprise Fund.
6. In January 2020, Athens-Clarke County's Point in Time Count took place. At the time 210 individuals were counted as homeless -143 sheltered individuals and families and 67 unsheltered individuals.
7. In March 2020, and in response to the COVID-19 pandemic, the M&C allocated \$150,000 in Indigent Services funds from the ACCGov General Fund Balance to provide relief to the homeless in Athens-Clarke County. These funds were used to provide emergency shelter through local hotels.
8. On March 3, 2020, the M&C extended a \$200,000 no interest loan to Advantage Behavioral Health Systems to renovate a portion of the ACCGov facility located at 250 North Avenue to support the Women's Services Drug and Alcohol Treatment Program. This space provides transitional housing and substance abuse treatment for families (including minor children) struggling with addiction. The program is a significant intervention to prevent homelessness. This space was completed in summer of 2020 and remains operational.
9. On April 8, 2020, the U.S. Department of Housing and Urban Development (HUD) notified Housing and Community Development (HCD) of an allocation of \$829,383 of CDBG-CV funding; this was the first allocation for Athens-Clarke County. CDBG-CV funding was created as a part of the federal response to the COVID-19 pandemic (Allocation I).
10. On July 7, 2020, and in response to the COVID-19 pandemic, the M&C approved the Resiliency Package, which in part allocated \$150,000 in Indigent Services funds from General Fund Balance after an RFP process to provide relief to the homeless in Athens-Clarke County. These funds were used to provide emergency shelter through local hotels.

11. On August 11, 2020, the Mayor and Commission voted to approve a Commission Defined Option that allocated CARES Act Phase One funding, including \$1.86M to financial assistance/food/housing/communication access to M&C designated non-profit agencies.
12. On September 15, 2020, HUD notified HCD of a second allocation of \$893,937 of CDBG-CV funding (Allocation II).
13. In November 2020, it became apparent that some of the agencies awarded CARES Act Phase One funding would exhaust their funding and would be able to provide further assistance to eligible residents before the December 30, 2020 deadline if additional funds were allocated to them for that purpose.
14. On December 8, 2020, the Mayor and Commission voted to approve contract amendments to award an additional \$75,000 each to the Athens Land Trust, Casa de Amistad, and the Ark UMOC to be utilized prior to the December 30, 2020, deadline to support financial assistance needs.
15. In 2020, the Mayor and Commission approved a total of \$447,691 in local funding for indigent services, homeless assistance, and other assistance for underserved communities.
16. In 2020, ACCGov received a total of approximately \$3.58M in federal funding to assist underserved communities at the beginning of the pandemic. These funds were a combination of CDBG-CV and CARES Act Phase 1 funding.
17. At the January 12, 2021 Mayor and Commission (M&C) Work Session, HCD presented recommendations for \$829,383 in CARES Act (CDBG-CV Allocation I) funding. Athens Area Habitat for Humanity, Athens Land Trust, Casa de Amistad, and the Ark UMOC all received CDBG-CV (Allocation I) funding to support financial assistance programs and successfully carried out these programs. All funds were utilized as of August 2021, assisting 660 households.
18. On January 27, 2021, Athens-Clarke County's Sheltered Homeless Point in Time Count took place, and 133 individuals were counted. The Unsheltered PIT count for 2021 did not take place due to safety concerns related to the pandemic, and ACCGov subsequently received an exemption from HUD.
19. At several retreats regarding the FY22 budget planning, the M&C identified homelessness and affordable housing as major priorities.
20. During 2020-2021, several informal homeless encampments were dismantled on both public and private property:

- **Public Property:**
 - 1) at the Beacham water treatment plant for security purposes;
 - 2) on ACCGov-owned property following an incident where residents were involved in an assault utilizing a knife; and
 - 3) in ACCGov parks according to existing ordinance prohibiting camping in such areas.
- **Private Property:** Numerous complaints were received from adjacent property owners to the ARCH on North Avenue with respect to loitering, trash, and panhandling.

21. On March 11, 2021, the American Rescue Plan Act of 2021 (ARPA) was signed into law. The \$1.9 trillion package is intended to combat the COVID-19 pandemic by stabilizing state and local government operations, households, and small businesses.
22. On April 6, 2021, the M&C approved an additional round of funding in the amount of \$460,000 for indigent services and relief to the homeless, allocating General Fund Balance from the Resiliency Package.
23. On April 27, 2021, the Central Services Department opened a purchase order with S&ME Inc. to conduct a hazardous materials assessment for the Kelley Diversified facility located at 395 Willow Street. This assessment was ordered because staff was pursuing an architectural and engineering study to repurpose this facility for possible uses to support homelessness, economic development, and/or ACCGov facility space programming.
24. On June 2, 2021, the M&C attended a virtual roundtable hosted by the Athens Homeless Coalition to hear from several homeless service providers regarding the needs of homeless individuals and families.
25. As of June 2021, there had been a 46% increase (YTD) in the number of cases requiring Athens-Clarke County Police Department (ACCPD) response when compared to the same timeframe in 2020. Additionally, ACCPD has seen a 64% increase (YTD) in the number of homeless individuals involved in incidents when compared to the same timeframe in 2020. At that point in time in 2021, ACCPD had responded to and investigated 11 sexual assault cases where the victim and/or suspect is homeless.
26. In early June 2021, and in keeping with the existing ACCGov code of ordinances, Leisure Services staff asked the homeless residents at the North Oconee River Park (west) at the time to relocate, and after several days a private contracted firm removed refuse from the site.
27. On June 15, 2021, the Central Services Department received the Hazardous Materials Assessment Report for the Kelley Diversified facility. This report found that hazardous conditions associated with asbestos, lead, PCBs, and mold would need to be addressed before the building is occupied again. Subsequently, History Item #22 was put on hold.

28. On June 15, 2021, the M&C approved the FY22 ACCGov General and Operating Budget, which included a Homeless Specialist position in the Housing and Community Development Department - utilizing CDBG-CV funds. Through a Commission Defined Option, the Commission also approved an allocation of local funding in the amount of \$220,000 to the Athens Area Homeless Shelter.
29. On June 15, 2021, the Athens-Clarke County Mayor and Commission adopted approved a Resolution to Address Homelessness with Immediacy and Strategic Planning. The resolution included 13 action items to guide a response to growing homelessness in Athens-Clarke County. One contributing factor to the immediacy of resolution was related to a pending eviction action planned for the CSX property on or around September 5, 2021.
30. On July 19, 2021, Manager Williams distributed the first draft of the *Sanctioned Homeless Encampment Initial Recommendations* to the Mayor and Commission and homeless service/shelter provider stakeholders.
31. On July 22, 2021, and as indicated by the resolution, ACCGov staff met with homeless shelter and service providers to listen to feedback on both site and operational considerations associated with a sanctioned encampment. Also discussed were potential interventions to have positive impacts on homelessness in Athens-Clarke County. Non-profit agencies represented at the meeting included the following:
 - Athens Area Homeless Shelter
 - Athens Alliance Coalition
 - Athens Homeless Coalition
 - Advantage Behavioral Health
 - The Salvation Army
 - The Ark
 - Bigger Vision
 - Family Promise
 - Athens Downtown Development Authority
 - Project Safe
 - The Backpack Project
32. At the August 3 special called meeting, M&C approved and directed the Manager to cause the following to occur:
 - Prepare the North Athens School site (1000 Barber Street) to house a temporary sanctioned homeless encampment – for an operational period of 22 months, or June 30, 2023;
 - Release an RFP to identify a third-party operator(s) for the encampment for turn key services, including case management;
 - Provide up to \$250,000 of General Fund Capital Contingency to the Central Services Department to begin site improvements;

- Provide \$50,000 of General Fund Capital Contingency to the Housing and Community Development Department to facilitate a comprehensive homeless services strategic plan to inform future steps, prioritization, and resourcing.

33. On August 4, 2021, the Central Services Department began immediate preparation of the site located at 1000 Barber Street for eventual occupancy as a homeless encampment.

34. On Monday August 23, 2021, the Request for Proposals was released to solicit an operator for the sanctioned homeless encampment.

35. On September 13, 2021, a mandatory site visit for interested parties was held at 1000 Barber Street to walk through the site and answer questions about the property and future site development. The following organizations attended this meeting:

- Advantage Behavioral Health System
- Athens Alliance Coalition
- Bigger Vision
- Sparrow's Nest

36. On September 22, 2021, staff received the sole response to the RFP from the Athens Alliance Coalition.

37. At the October 1, 2021, regular voting meeting, the M&C approved a Memorandum of Understanding with Advantage Behavioral Health Systems to create an Alternative Response Team, a civilian community response team, for non-emergency behavioral events was approved by the M&C.

38. On October 7, 2021, the RFP evaluation committee met to discuss and evaluate the proposal submitted by Athens Alliance Coalition. There was a consensus of the evaluation committee regarding concerns of funding the proposal.

39. On October 13, 2021, staff received Athens Alliance Coalition's completed risk assessment and evaluated the organization for risk of noncompliance with federal regulations.

40. In October 2021, staff met with Athens Alliance Coalition on multiple occasions to refine understanding of the respondent's approach to the encampment and work through additional questions from staff.

41. In late October 2021, the site preparation was completed. This preparation included demolition and debris removal; structure boarding; landscape management; utility service connection; security fencing; pavement repair; and ground material layout, among other items.

42. In November, 2021, staff met with Athens Alliance Coalition several times to continue discussions related to the budget, policies and procedures, and insurance requirements for the operation of the sanctioned encampment.

43. On December 7, 2021, M&C approved the following:

- Athens Alliance Coalition as the sole and most responsive offeror to the Sanctioned Encampment Provider RFP;
- A contract with the agency for operation of the encampment for an initial 12-month period and potential 10-month renewal (full 22-month period contract cost of \$2,542,691);
- An additional \$25,000 for Non-Profit Capacity Building for the AAC; and
- A lease with the agency for the property located at 1000 Barber Street for the operation of the encampment.

44. On February 18, 2022, the contract between ACCGov and Athens Alliance Coalition to create and managed the sanctioned encampment at 1000 Barber Street was executed, which officially began the 22-month term.

45. In March 2022, Athens Alliance Coalition (AAC) began operating the “First Step” sanctioned encampment with Mr. Charles Hardy serving as the Executive Director for the program.

46. On March 1, 2022, the M&C approved a budget allocating ARPA SLFRF to various programs, including a budget of \$5,000,000 to address homelessness. This action included a strategic planning process, followed by an RFP, and the associated timeline. The M&C also designated the existing Athens Homeless Coalition (AHC) as the advisory committee for the homeless ARPA allocation.

47. On April 28, 2022, HCD staff sent a letter to Mr. Hardy and Mr. Marcel Mincey (Executive Assistant Director of AAC at the time) expressing concerns regarding certain allegations regarding the operations of the First Step encampment, including:

- That Mr. Hardy engaged in a fist fight with an employee at the encampment immediately after the employee either quit or was terminated.
- That the same employee was hired in violation of AAC’s obligation pursuant to Section 4.1(A)(15) of the Scope of Services / RFP to ensure that all encampment employees pass a criminal background check.
- That Mr. Hardy sexually harassed a female employee at the encampment.
- That Mr. Hardy had been purchasing items using ARPA funds that are not authorized by the contract and are not reimbursable.

The letter requested a response with factual information about each allegation, what policies AAC had in place in regard to the allegations and/or any internal complaint process, what AAC concluded in regard to the allegations, and what, if any, action AAC undertook or planned to take as a result of its findings.

48. On May 3, 2022, AAC submitted to staff a written response to the April 28, 2022 letter (History #47).
49. On June 10, 2022, the Manager's Office distributed a Notice of Proposed Administrative Action to the M&C regarding CDBG-CV (Allocation II). This memo outlined a staff proposal to deploy remaining CDBG-CV funds with a limited focus to address homeless services.
50. On June 13, 2022, ACCGov rereleased a request for proposals for the SPRPH.
51. On July 10, 2022, HCD released a request for applications for CDBG-CV (Allocation II) funding to address homeless emergency service activities. On July 22, 2022, HCD received 14 notices of intent totaling \$1,874,838 in funding request for CDBG-CV (Allocation II). This accounted for approximately 210% of the available funding
52. On September 6, 2022, the M&C authorized staff to contract with The Cloudburst Group for the development of the SPRPH. As a part of its scope, this plan would develop the HOME-ARP Allocation Plan by the fall of 2023.
53. On September 8, 2022, HCD staff sent a letter to Mr. Hardy and AAC Board Co-Chairs Melissa Barnett and Brent Temple regarding four key concerns related to project time sheets and monthly reporting.
54. On August 29, 2022, Mr. Hardy and a former encampment resident were arrested for a physical altercation at the encampment site. While section 9.1 of the contract stated that "ACCGov may suspend or terminate this Agreement immediately upon delivery of written notice to the Subrecipient if ACCGov loses funding or discovers any illegal conduct or allegation of illegal conduct on the part of the Subrecipient," staff gave Mr. Hardy the opportunity to utilize the due process of the judicial system to demonstrate his innocence before taking action on the status of the contract.
55. On September 29, 2022, at the request of HCD staff, AAC submitted a Continuity of Operations Plan (COOP) for the encampment and conducted an internal investigation about the incidents described on History #54.
56. On October 31, 2022, HUD released Notice CPD-22-13 which notified all Participating Jurisdictions of a March 31, 2023 deadline for the submission of all HOME-ARP Allocation Plans.
57. On December 13, 2022, HCD staff sent a letter to the AAC Board Co-Chairs regarding staff's concerns regarding project leadership. Specifically, the letter addressed an October 31, 2022 incident between an employee and Mr. Hardy at the employee's mother's residence, as well as other complaints/concerns from AAC employees regarding Mr. Hardy's leadership (generally, those complaints asserted that Mr. Hardy was creating a hostile work environment).

58. Between November 2022-August 2023, HCD staff collaborated with The Cloudburst Group to complete the Strategic Plan to Reduce & Prevent Homelessness, in consultation with the ARPA Homelessness Advisory Committee.

59. During the March 7, 2023 Regular Session, M&C approved staff's proposed allocation of \$2,506,309 of HOME-ARP funds that ACCGov received from HUD. The approved allocation, which HCD submitted to HUD on March 21, 2023, included:

Acquisition, construction & rehabilitation of affordable rental housing	\$1,300,000
Supportive services (e.g., financial assistance, mental health, etc.)	\$ 625,000
Non-profit operating costs (must be tied to another HOME-ARP activity)	\$ 125,315
Non-profit capacity building (must be tied to another HOME-ARP activity)	\$ 125,315
ACCGov administration and planning costs	\$ 330,679

60. On May 2, 2023, Mr. Hardy was convicted of one count of battery, two counts of simple battery, and one count of disorderly conduct for the incidents described on History #54. This resulted in a sentence of 24-month probation, 72 hours in confinement, a \$1,000 fine + surcharges, a requirement to participate in anger management training, a requirement for a behavioral health assessment, and no further contact with the victims.

61. On May 3, 2023, Manager Williams sent a letter to the AAC board requesting that they implement the following risk mitigation measures as a result of incidents described on History #60:

- o On or before close of business on May 5, 2023, Mr. Hardy should no longer be associated with the encampment and not allowed to return to 1000 Barber Street. As a result, Mr. Hardy would not be eligible for compensation through the project contract.
- o On or before close of business on May 5, 2023, AAC should implement the Continuity of Operations Plan (History #49) previously submitted to HCD staff;
- o On or before close of business on May 5, 2023, Mr. Hardy should no longer have access to project-related accounts;
- o Fill any resulting executive staff vacancies by July 31, 2023.

62. On May 5, 2023, the AAC Board submitted a response letter to Manager Williams' May 3rd letter (History #61). In that letter, the board stated they had physically removed Mr. Hardy from the encampment but would allow him to continue to telework. Upon completion of his obligations to the Court (History #60), the Board sought to assess Mr. Hardy's continued association with the encampment.

63. On May 10, 2023, Manager Williams sent a response letter to the May 5 AAC Board letter (History #62) to highlight that the agency was still in violation of contractual obligations of the project scope and contract, and the risk mitigation measures outlined on the May 3rd

letter (History #61), by continuing to allow Mr. Hardy physical access to the encampment (as evidenced in a May 6, 2023 Facebook post) and allowing him to telework.

64. On May 10, 2023, Manager Williams, Assistant Manager Jones and HCD staff met with the AAC Board, Mr. Charles Hardy and Mr. Marcel Mincey (AAC Assistant ED) to discuss next steps. Agenda items included the success of the encampment to date, status of their Continuity of Operations Plan, findings from the single audit, and areas of improvement for the remainder of the program as outlined in an “Improvement Plan” document shared during the meeting (Facts & Issue #16).
65. On May 11, 2023, via a letter in response to Manager Williams’ May 10th letter (History #63), the AAC Board stated that:
 - o Mr. Hardy had been suspended from the project, was instructed to turn in keys and bank card/checks to security, and told not to step on the property. The letter stated that Mr. Hardy had not accepted those instructions and had made moves to shutter the project in the following 30 days.
 - o AAC Board would follow the original Continuity of Operations Plan (History #55), wherein Mr. Marcel Mincey would take over Executive Director position
66. On May 13, 2023, Mr. Hardy took steps to dissolve the AAC by submitting a Notice of Intent to Dissolve and Articles of Dissolution with the Office of the Secretary of State (“SoS”) without consent of the AAC Board and having apparently made false statements regarding the grounds for dissolution.
67. On May 14, 2023, the AAC Board of Directors submitted an updated Continuity of Operations Plan whereby Mr. Marcel Mincey and Ms. Tershant Smith would manage daily operations of the encampment under direct supervision of the Board.
68. On May 16, 2023, upon learning of Mr. Hardy’s actions described on History #66, Manager Williams sent a letter to the AAC Board inquiring as to their intentions to reinstate the organization with the SoS. In that same letter, HCD staff also asked that AAC provide bank documents confirming that Mr. Hardy no longer had access to project bank accounts as a requisite to receiving the scheduled advanced installment payments.
69. On May 16, 2023, First Step Project Director Ms. Smith dropped off requested bank documentation and updated Certificate of Insurance that HCD staff submitted to Safety & Risk department for review.
70. On May 16, 2023, staff received a copy of the required independent auditor’s report on the ARPA funding expenditures of the encampment for the year ending on December 31, 2022. The auditors identified 3 material weaknesses (a-c, below) and one significant deficiency not considered a material weakness (d, below) related to internal control over financial reporting and the program, including:

- “The organization’s financial structure lacks appropriate segregation of financial duties. Adequate segregation of financial duties is not present among purchasing, receipting, and approval of financial transactions” (Finding 2022-001)
- “The Organization’s Chief Executive Officer utilizes a debit card for federal award program purchases. Effectively, the Chief Executive Officer executes and authorizes his own purchases” (Finding 2022-002)
- “The Organization’s procurement policy does not clearly describe and document the details required for adequate financial management of the Organization.” (Finding 2022-003)
- “The Organization does not maintain supporting documentation for approved payrates in employee personnel files” (Finding 2022-004)
- “... monthly expenditure reports were not filed accurately or by the required deadline, the 5th day of the subsequent month.”

71. On May 17, 2023, the AAC Board responded to Manager Williams’ May 16th letter (History #68), stating that Mr. Hardy dissolved the organization without approval of the Board and would thus work with the SoS to reinstate their status. The letter also provided updates on key encampment operations.

72. On June 6, 2023, as part of a Commission Defined Option, the M&C approved the FY2024 ACCGov Annual Budget including, but not limited to:

- a. Allocated \$300,000 of the ARPA homelessness funding toward a “Flexible Housing Fund” to support individuals experiencing or at risk of homelessness;
- b. Moved \$100,000 from the ARPA homelessness funding to help balance the General Fund budget; and
- c. Increased funding for Homeless Street Outreach program by \$100,000 from general funds.

After these changes, \$4,466,884 of ARPA homelessness funding remains to be allocated by M&C. The SPRPH includes a proposed allocation for the majority of that funding.

73. On August 1, 2023, Charles Hardy filed a Discrimination Complaint against Manager Williams and AAC Board Chair Brent Temple. The Attorney’s Office assigned the administrative investigation to outside counsel.

74. On August 21, 2023, Mr. Carl Johnson, an encampment resident, filed a Discrimination Complaint against AAC staff members. The Attorney’s Office assigned the administrative investigation to outside counsel.

75. On August 31, 2023, outside counsel investigating Mr. Hardy’s discrimination complaint did “not find reasonable grounds to support the Complaint’s allegations of racial discrimination against Mr. Williams or Mr. Temple.”

76. On August 31, 2023, AAC Board Chair Brent Temple communicated to HCD and Manager's Office staff that the entity had begun process to register First Step as a new non-profit entity to address actions described on History #66. Staff notes that the process of creating a new non-profit entity may take anywhere between 2-6 months, so there is no guarantee that it will be completed before contract termination on December 31, 2023.
77. Between September 5, 2023 – October 3, 2023, HCD staff managed a public input process surrounding the Strategic Plan to Reduce & Prevent Homelessness.
78. On September 5, 2023, HCD staff sent the AAC Board and executive staff a letter outlining a series of activities that must take place in, at minimum, the remaining 90 days of the contracted performance period before termination on December 31, 2023). The letter also included HCD staff's suggested guidance to ensure:
 - o The safe, efficient and effective transition of all current residents from the First Step encampment at 1000 Barber Street by no later than December 31, 2023
 - o The closure of the encampment itself, to include the preparation of the property for return to ACCGov on December 31, 2023; and
 - o The completion of certain project close-out activities as described in the contract and pursuant to 2 C.F.R. § 200.344 by March 30, 2024.

The recommended transition plan is in alignment with Key Strategy #5 of the Strategic Plan to Reduce & Prevent Homelessness ("Organize Housing Surges for Encampments").

79. On September 6, 2023, during a call between HCD and AAC Board, the AAC Board shared that they would be submitting an alternative approach to the encampment closure by September 15, 2023.
80. On September 8, 2023, Manager Williams informed AAC Chair Brent Temple on September 8, 2023 of the legal uncertainty of the current contract and ACCGov's inability to continue with this corporate entity in its current form (stemming from actions described in History #66). Manager Williams asked for AAC's assistance in giving proper notice to the residents of the impending deadline, and Chair Temple assured AAC's cooperation. Mr. Temple informed the Manager that AAC is developing an alternative proposal for homeless services.
81. On September 12, 2023, The Cloudburst Group presented an overview of the SPRPH, including a proposed allocation of the remaining \$4,466,884 in ARPA Homelessness funding, to the M&C during a Work Session meeting.
82. On September 15, 2023, the AAC Board submitted an alternative proposal that would allow the organization to continue operating the encampment (Facts & Issues #24).

83. On September 19, 2023, the outside counsel investigating Mr. Johnson's discrimination complaint issued their findings, stating that they could not "find reasonable grounds that any discriminatory conduct has occurred."

FACTS & ISSUES:

1. For years, Athens-Clarke County has been a community that has experienced a sizable homeless population. Being a regional urban center, the community hosts many non-profits that provide critical services to persons without shelter. Traditionally, as a local government, the Unified Government of Athens-Clarke County's (ACCGov) role in homeless services has been performed through two primary functions:
 - a. Conduit for federal grants and resources – over the years, ACCGov has conveyed such funds to local non-profits for the purpose of supporting and sheltering homeless persons; and
 - b. Facilitator for coordination of homeless service provider efforts and data collection
 - c. Collaborative applicant for Continuity of Care funds.
2. ACCGov has not previously played a role as a direct provider of homeless services. ACCGov has traditionally worked with local affordable housing partners, including Athens Housing Authority, Athens Land Trust, and Habitat for Humanity to increase the affordable housing stock through the conveyance of federal grant funds in the form of Community Development Block Grant funds or HOME Investment Partnership Program funds from HUD.
3. Homelessness was exacerbated by the COVID-19 pandemic throughout the country, and Athens-Clarke County is no exception.
 - a. Between 2021 and 2022, there was a 22 percent increase in the number of people experiencing homelessness, increasing from 3,295 people to 4,003 people (HMIS data)
 - b. 2023 PIT count indicates there has been a 61 percent increase in the number of people experiencing homelessness within the last five years.
4. Without a ready supply of assets on the continuum of affordable housing, and with the increasing demand that is growing as a result of the pandemic and heightened mental health/substance abuse issues, there are a number of persons in this community who are homeless.
5. Per the Strategic Plan to Reduce & Prevent Homelessness, although the overall call volume to the police for incidents involving people experiencing homelessness has increased, the vast majority of these calls are not for violent crimes. In fact, many calls may simply be a consequence of the experience of homelessness itself. Analyzing the top thirty incident types involving people experiencing homelessness in 2023, out of the 1,057 incidents recorded, just over a quarter were trespassing-related and only 5 percent were violent crimes (e.g., battery, threats, stalking, assault).

6. As approved by the M&C, ACCPD has engaged the Jerry B. NeSmith Mental Health Co-responder Teams to proactively engage persons at homeless camps to offer services to individuals in need. The ACCPD has further worked with property owners and community stakeholders to facilitate a warm handoff when unsheltered individuals are being asked to leave private property.
7. Further, the ACCPD Crime Analysis Unit works with the Co-Responder Units to enhance data tracking and mapping of incidents with a homelessness nexus, as well as mapping of homeless encampments in the community (still under development). The ACCPD Special Victims Unit has been working with other agency partners on the Western Judicial Circuit Sexual Assault Response Team (SART) to enhance the community's response to homelessness and reduce the levels of victimization among the homeless population.
8. There are many unsanctioned homeless encampments across Athens-Clarke County. Encampments can generate a great deal of refuse, most often through the donations of well-intentioned residents and non-profits. Because these encampments generally lack access to restroom facilities, they result in untreated human waste that is at a high risk of introducing fecal coliforms that are capable of further impairing our local rivers, streams, and drinking water sources.
9. For almost a decade, Leisure Services staff have asked homeless persons who have set up camp in ACCGov parks to relocate as dictated by sections of the Parks Ordinance as approved by the M&C. This practice continues today - serving a 72-hour advance notice in person before any clean-up action is taken.
10. One major item the resolution (History #29) directed was to identify a site suitable for a sanctioned encampment by July 20 or at another date approved by the Mayor. To be responsive to this deadline, staff reviewed all ACCGov-owned sites within the Loop 10 bypass, as well as several ACCGov sites outside the Loop that were close to ACC Transit service. The overarching goals for site selection included:
 - a. The site should be large enough to support 30-50 individuals, with an opportunity to expand the facility if needed.
 - b. The site should be close to existing homeless service providers, transit services, groceries, and pedestrian and bike infrastructure.
 - c. The site should be accessible by individuals with disabilities.
 - d. The site should be served by utilities including water, sewer, power, and broadband.
 - e. The site should minimize impact on historical and sensitive environmental resources. Special care should be given to avoid sites in the flood zone.
 - f. The site should be free from deed restrictions that may create legal challenges.
 - g. The site should provide a safe environment for its residents and adjacent communities.

11. In the report *Exploring Homelessness Among People Living in Encampments and Associated Costs - City Approaches to Encampments and What They Cost*, it mentions requirements of shelter systems as a barrier to participation:

- I. *"Requirements in emergency shelter systems are consistently identified in the literature as a primary factor that "pushes" people to form encampments...In Chicago, Houston, and Philadelphia, shelter beds are available but go unused because of rules or conditions that are incompatible with the potential clients' expectations or needs. Those reasons may be separation from a partner or pet, shelter entry or exit times that are inconvenient or incompatible with people's schedules, including employment; concerns about personal health and safety, as well as safety of belongings; and rules such as sobriety requirements and entry fees."*
- II. *"The availability and the type of shelter available seem to be key drivers of encampments, as people weight the disadvantages of staying in a shelter against their tolerance for the difficulties of staying in an unsheltered location."*

12. Per Uniform Guidance 2 CFR Part 200.332, staff created a Risk Assessment tool for agencies that receive the Coronavirus State and Local Fiscal Recovery Funds (aka ARPA funds) as required by the federal government. Staff used this tool to assess AAC's risk for noncompliance based on a number of factors, including:

- Prior experience with the same or similar subawards;
- The results of previous audits including whether or not the subrecipient receives a Single Audit;
- Whether the subrecipient has new personnel or new or substantially changed systems; and
- The extent and results of Federal awarding agency monitoring (e.g., if the subrecipient also receives Federal awards directly from a Federal awarding agency).

13. At the time of contract approval (History #43) staff considered Athens Alliance Coalition as a high-risk recipient of federal funds – specifically staff noted they were at high risk of noncompliance. This determination was made due to the following reasons:

- AAC had never received federal funding,
- Had never received an audit or Single Audit,
- Did not have a financial management in place
- Did not have a staff experienced in grant and financial management, and
- Had never been monitored for compliance with federal regulations.

14. AAC's First Step encampment has operated at or near capacity (55 individuals) since operations began in March 2022. As of August 31, 2023:

- 330 individuals have been served by the encampment, as of August 31, 2023
- 52 (16%) have exited to permanent housing

- 43 (14%) have exited to temporary or transitional housing, or recovery programs

15. Throughout the contract period, HCD staff has provided a significant amount of technical assistance to AAC particularly around compliance with federal regulations related to procurement processes and allowable expenses, the submission of accurate monthly reports on time, high staff turnover, leadership concerns, and more.

16. The “Improvement Plan” submitted to the AAC Board on May 10, 2023 (History #64) included:

- Establishment of at least bi-weekly 1-hour calls between AAC board and HCD staff;
- Corrective actions stemming from the material weaknesses and significant deficiencies identified in the Single Audit (History #70);
- Actions to ensure that all residents were aware of supportive services, to increase number of referrals to wrap-around residents, and an inventory of First Aid supplies;
- Actions to improve intake and exit processes for residents, to ensure resident and staff safety and accurate data collection for HMIS;
- Actions to reduce high staff turnover;
- Due to noncompliance with capacity building training requirements for AAC Board and staff (History #43c), HCD would procure and schedule needed workshops by end of the contract period;
- Actions to improve security at the encampment; and
- Other actions related to financial and grant management improvements.

17. Since May 2023, staff has worked diligently with the AAC Board and executive staff to address disruptions caused by Mr. Hardy, while ensuring the delivery of services to residents (as per scope of work), compliance with federal regulations, staffing, and other concerns detailed on the Improvement Plan (Fact & Issue #16) including addressing and correcting all audit findings (History #70). As of September 2023, HCD staff has noticed significant improvement in all areas of encampment operations since Mr. Hardy’s departure, particularly as it relates to compliance issues.

18. In August 2022, AAC staff completed training on conflict de-escalation and equal opportunity employment as part of contractual terms. However, despite HCD staff’s repeated reminders to AAC for their board and staff to complete other required training on topics like board governance and homeless service provision, AAC had not completed any additional trainings as of May 2023. As such, the May 10 Improvement Plan (Fact & Issue #16) stipulated HCD would procure and schedule these trainings.

After Mr. Hardy’s departure from AAC in May 2023 (History #65), HCD’s priority turned to supporting AAC in stabilizing encampment operations and the capacity building training activities were postponed. By the time that operations were stabilized (August 2023), it was not deemed logistically feasible to procure and schedule trainings as AAC staff had to turn their attention to end-of-contract transitioning of residents.

19. Between March 2022 and September 20, 2023, AAC has received a total of \$2,096,589.25 to operate the encampment. Between June-August 2023, AAC operated the First Step encampment on an average of \$95,000/month. Based on this rate, HCD staff estimates that AAC will have expended approximately \$2,381,589.25 of the \$2,542,691 contracted amount by December 31, 2023 on regular operations. Without transition activities proposed, the remaining projected balance on the PO will be \$161,101.75.

However, transitioning the First Step encampment residents will require expenses outside of AAC's normal expenditures as described on the Transition Plan (**Attachment #1**), such as personal property storage, additional transportation costs, etc. HCD staff will work with AAC to use the remaining balance on encampment PO prior to December 31, 2023 to pay for these expenses.

20. As of August 31, 2023, staff has identified 40 expenses incurred by AAC between February-June 2023 (totalling \$69,675.49) that are disallowed. Each expense was disallowed due to at least one of the following reasons: inadequate documentation (per 2 CFR 200.403(g)), reasonableness of expense (per 2 CFR 200.403(a) and 2 CFR 200.404), inconsistency with contract budget or unnecessary to carry out purpose of federal award (per 2 CFR 200.403 (a)(b) and (c)), noncompliance to procurement standards (per 2 CFR 200.318(i)), violation of the False Claims Act (per 2 CFR 200.435(a)(3)(iii)), or was an expense that extended past contract time period (per 2 CFR 200.403(h)).

Of the 40 disallowed expenses:

- 33 expenses (totaling \$62,579.41) have the potential to be allowed if AAC is able to provide adequate documentation (e.g., receipts, adequate procurement documentation, etc.). To date, AAC has been unable to provide this documentation as Mr. Hardy did not provide it to his staff prior to his departure in May 2023. AAC has communicated to staff that they have requested this documentation from Mr. Hardy multiple times, to no avail.
- 7 expenses (totaling \$7,096) cannot be remedied.

21. Throughout the contract period, AAC has generally used ARPA funds appropriately to purchase a variety of equipment and supplies necessary to the operation of the sanctioned encampment (e.g., tents, cots, security radios, heaters, office supplies, etc.). HCD has maintained an inventory of equipment given that per AAC-ACCGov contract Section 8.6, all equipment, supplies and proceeds stemming from federal funds shall, upon ACCGov's sole discretion, transferred to ACCGov, or retained after compensating ACCGov for an amount equal to current fair market value.

22. AAC board has reported to staff that Mr. Hardy removed several pieces of equipment purchased with ARPA funds from the encampment soon after his departure in May 2023. AAC has also reported that Mr. Hardy has been unwilling to return the equipment, as

requested by the board. AAC has since begun an insurance claim to recover the missing equipment.

23. Staff's proposed transition plan (History #75) shared with the AAC Board on September 5, 2023 outlines activities for a three-phased approach to the encampment closure:

- a. Phase 1: Assessments, Transition Planning & Alternative Placement (Sept. – Dec. 2023)
 - Collaborate with ABHS' Street Outreach team to assess and transition residents using the VI-SPDAT (Vulnerability Index Tool), including identifying 2 alternative placement options for each resident.
 - No new residents accepted to encampment after September 30, 2023
 - 60-day Notices to Vacate given to all residents on October 1, 2023
 - All residents transitioned from encampment by December 31, 2023
- b. Phase 2: Encampment Closure (Oct. - Dec. 2023)
 - Continue Phase 1 to transition residents
 - Communicate with staff about end of contract to ensure AAC remains in compliance with all applicable labor laws
 - Contact appropriate vendors and service providers to cease services by 12/31/23
 - Coordinate with ACCGov to implement measures necessary (e.g., fencing, landscaping) to ensure site doesn't become an illegal encampment
 - Site returned to ACCGov effective 1/1/24
- c. Phase 3: Project Close-out (Jan. - March 2024)
 - Complete a variety of project close-out activities described in contract and pursuant to C.F.R. § 200.344, such as disposing of program assets, submit all financial performance and other reports required, and repaying any disallowed costs to ACCGov.

24. The letter from the AAC board received on September 15, 2023 (History #79) highlights program successes and key learnings. It also proposes two scenarios in which AAC might continue to operate the sanctioned encampment:

- a. Option 1: continue the sanctioned encampment, and work toward reducing onsite services and staffing (e.g., no meals, no transportation, no 24/7 security, etc.).
- b. Option 2: close the encampment with the intent to reopen in 9-12 months, with reduced services and staffing.

In both cases, AAC suggests reducing onsite services and staffing projects in order to operate with \$304,500/year (vs. current approximately \$1,380,000/year). Upon review of AAC's proposal, staff does not believe either option is adequate or feasible from a budgeting perspective, and that reducing security and services so drastically does not align with the original vision for a sanctioned encampment.

25. The SPRPH provides background information on the context of homelessness in Athens-Clarke County, current funding, resources to address homelessness and housing insecurity, and the data collection process for this strategic plan. It suggests six overarching goals, each with specific strategies to further that goal. It does not recommend continuation of a sanctioned homeless encampment.

26. The SPRPH includes a proposed allocation plan for the remaining \$4.46M of ARPA Homelessness funds.

Strategy	Proposed Allocation
Key Strategy #1: Staff the Coalition	\$400,000
Key Strategy #2: Increase participation from persons with Lived Experience Engagement	\$30,000
Key Strategy #3: Improve Coordinated Entry Policy and Implementation	\$350,000
Key Strategy #4: Establish Comprehensive Street Outreach	\$200,000
Key Strategy #5: Organize Housing Surges for Encampments	\$150,000
Key Strategy #6: Increase Low-Barrier Shelter Units	\$2,200,000
Key Strategy #7: Implement Diversion and Rapid Exit	\$200,000
Key Strategy #8: Create Support Fund to End and Prevent Homelessness	No additional allocation, given that M&C already allocated \$300,000 through FY24 budget process.
Key Strategy #9: Engage in Landlord-Focused Initiatives	\$240,000
Key Strategy #10: Establish Partnerships for Employment	\$195,000
All other strategies	\$500,000

27. Staff has identified three realistic alternatives related to the encampment's closure. The alternatives are not necessarily independent of each other. These alternatives are in alignment with Key Strategy #5 of the Strategic Plan to Reduce & Prevent Homelessness ("Organize Housing Surges for Encampments").

a. *Option #1—Alternative Placement (Staff Recommended)*

As described in **Attachment #1**, all current encampment occupants would be relocated following Housing First protocols. Relocation options may include hotel vouchers pending placement, emergency shelter, transitional housing, permanent supportive housing, rapid rehousing or reunification with family/friends.

b. *Option #2 - Extension of ABHS Hotel Voucher Program through April 2024 (Staff Recommended in tandem with Option #1)*

ABHS is currently managing a Hotel Voucher program through CDBG-CV funding (approximately \$100,000 remaining as of September 2023). Staff recommends extending this program for up to four months (January-April) to provide inside

shelter and services to remaining encampment residents during the winter and colder months of spring. Because the CDBG-CV funding is limited, extension of this program will require ARPA or other available funds to support the existing CDBG-CV contract, or an MOU will be required between ACCGov and ABHS for provision of this assistance. Based on current hotel voucher program, the expected costs to extend it through April 2024 for 25 individuals (should ABHS be willing to) are: \$277,288.00.

Individuals Served	Service Type	Service Number	Service Price	Total Service Price
Up to 25	Hotel Voucher	Up to 120 days/ 4 months	\$595 week	\$238,000.00
Up to 25	ABHS Staffing (Direct & Admin)	Up to 120 days/ 4 months	\$4,822 per month	\$19,288.00
Up to 25	Direct Client Support	Up to 120 days/ 4 months	\$500 per week	\$20,000
ESTIMATED ARPA TOTAL				\$277,288.00

c. *Option #3 – ABHS Proposal for Encampment Transition*

ABHS submitted an independent transition proposal for funding to support a 12-month hotel voucher program. The ABHS plan proposes to support the existing encampment for residents with short-term hotel vouchers for a 90- to 180-day timeframe and requests funding for up to 12 months.

Activity	Service Description	Service Price	Total Service Price
Hotel Voucher Support	25 single rooms in scattered hotel locations with existing hotel partners.	25 units @ \$85 per night x 12 months	\$765,000.00
Support Services	2 full time case managers	\$40K annual salary + 44.65% fringe rate x 2 FT employees	\$115,720.00
Direct Client Support	Food and supplies	\$500 per client during program stay- estimated for 65 total program participants	\$32,500.00
Administrative Support	Indirect expenses associated with grant management, fiscal compliance, employee support and program evaluation/continuous quality improvement	10% of total direct service expenses	\$91,322.00
TOTAL			\$1,004,542.00

28. Staff recommends the M&C approve Options 1 and 2 outlined in Fact & Issue #26 (**Attachment #1**). In order to fund the cost of Option 2, staff recommends the following funding strategy:

- a. M&C could consider reallocating any remaining funds in the encampment PO at project close-out toward this purpose. At the current rate of expenditures, the PO for the encampment would have approximately \$161,101.75 remaining ARPA funds that could be reallocated. Note that this estimate does not include potential transition-related expenses (e.g., storage, transportation, etc.)
- b. M&C could consider reallocating \$25,000 in General Funds originally allocated toward non-profit capacity training for AAC, which as of September 12, 2023, remain unspent.
- c. If needed, M&C could consider allocating a portion of the \$500,000 of ARPA Homelessness funds that the SPRPH proposes be allocated toward “all other strategies” (Fact & Issue #25).

29. These recommendations support the following Mayor and Commission Strategic Commitments:

- Healthy, Liveable, Sustainable Athens-Clarke County;
- Shared Prosperity;
- Safe and Prepared Community

OPTIONS:

1. Mayor and Commission:
 - a. Approve proposed transition plan (**Attachment #1**) for the sanctioned homeless encampment operated by Athens Alliance Coalition in anticipation of contract termination date of December 31, 2023;
 - b. Approve a new MOU between ACCGov and ABHS to provide hotel voucher services through the April 30, 2024;
 - c. Adopt a budget ordinance (**Attachment #2**) to allocate: \$25,000 of General Funds originally allocated for SHE operator capacity building; up to \$100,000 of General Capital Projects Fund remaining balance of Homeless Encampment setup; up to \$152,288 of ARPA Funds for Sanctioned Homeless Encampment, and, if needed, up to \$150,000 of ARPA Funds from Homelessness SPRPH “all other strategies” to fund the total required \$277,288 for the ABHS Hotel Voucher Program; and
 - d. Authorize the Mayor and appropriate ACCGov staff to execute all related documents.
2. Mayor and Commission defined option.

DEPARTMENT RECOMMENDED ACTION: Option #1 a, b, c and d

DEPARTMENT: Housing & Community Development
Prepared by: Alejandra Calva

Roderick Wallace

9/21/2023

Roderick Wallace
HCD Director

Date:

ADMINISTRATIVE COMMENTS: Option #1 a, b, c and d

Roderick Wallace

Manager

September 25, 2023

Date:

ATTACHMENTS:

Attachment #1 – Recommended SHE Transition Plan

Attachment #2 – Budget Ordinance

Attachment 1: Sanctioned Homeless Encampment End of Contract Transition Plan

The current contract between ACCGov and the Athens Alliance Coalition (AAC) to operate the sanctioned homeless encampment on 1000 Barber Street will terminate on December 31, 2023. The purpose of this document is to outline staff's recommended transition plan that should begin, at minimum, in the remaining 90 days of the contracted performance period.

The following transition activities are designed to (1) effectively, efficiently and safely transitions all residents from the encampment by December 31, 2023, and (2) offer shelter and services to remaining encampment residents during the winter and colder months of spring

Phase One: Assessments, Transition Planning and Alternative Placement Immediately – December 31, 2023

AAC staff, with assistance from ABHS Street Outreach staff, should engage each resident of the First Steps Encampment to determine appropriate placements at the conclusion of the contract, including temporary and permanent placement options. Activities should include:

- **Immediately** begin assessing and transitioning residents as follows:
 - Utilizing the VI-SPDAT (Vulnerability Index tool), AAC and Street Outreach staff should assess each resident's needs and preferences for housing. Upon consent, ABHS may enroll each resident into Coordinated Entry in HMIS, which provides shelter and housing access for most programs in Athens-Clarke County.
 - Once an initial assessment of needs has been conducted, AAC staff, with assistance from Street Outreach staff, should **create a reasonable and realistic transition plan** for each willing resident. Individual transition plans should include **at least two alternative placement options** (emergency shelter, reconciliation with family, transitional housing, etc.).
 - As soon as an opportunity is available for alternative placement, AAC should coordinate transportation and personal effects storage efforts, as needed, to ensure successful transition out of the encampment.
 - AAC should conduct weekly reviews of resident transitional plans to determine status of alternative placement and to add any updated alternatives, as applicable. The reviews will cease when the encampment closes or all residents find alternative placement (whichever comes first).
- No new residents should be accepted to the First Step encampment after **September 30, 2023**
- If Mayor & Commission approve transition plan at the October 3, 2023 regular session, 60-Day Notices to Vacate must be provided to all residents still on site on or before **October 5, 2023**
- All residents must be fully transitioned from the First Step encampment by **December 31, 2023 in concert with the finite term of the present contract**.

Through December 31, 2023:

- Based on recent average expenditure rates (approximately \$95,000/month), HCD staff estimate that as of December 31, 2023, AAC will have spent approximately \$2,381,589.25 of the \$2,542,691 contracted amount by December 31, 2023 on regular operations. The remaining projected balance on the PO is \$161,101.75.
- Transitioning the encampment residents will require expenses outside of AAC's normal expenditures (e.g., personal property storage, additional transportation costs). HCD staff will work with AAC to use the remaining balance on encampment PO prior to December 31, 2023, to pay for these expenses.
- Upon termination of the contracts, AAC will be required to return to ACCGov all equipment, materials, and supplies purchased with federal funds for the operation of the encampment.

Staff recommends continued engagement by Street Outreach for any individuals experiencing homelessness that opt to transition to another encampment or unhoused situation.

Phase Two: Temporary Hotel Voucher Program

January 1, 2024 – April 30, 2024

ABHS is currently managing a Hotel Voucher program through CDBG-CV funding (approximately \$100,000 remaining as of September 2023). M&C may consider extending this program for up to four months (January-April) to provide inside shelter and services to remaining encampment residents during the winter and colder months of spring.

Because the CDBG-CV funding is limited, extension of this program will require an MOU between ACCGov and ABHS for provision of this assistance. Based on current hotel voucher program, the expected costs to extend it through April 2024 for 25 individuals (should ABHS be willing to) are: \$277,288.00.

Individuals Served	Service Type	Service Number	Service Price	Total Service Price
Up to 25	Hotel Voucher	Up to 120 days/ 4 months	\$595 week	\$238,000.00
Up to 25	ABHS Staffing (Direct & Admin)	Up to 120 days/ 4 months	\$4,822 per month	\$19,288.00
Up to 25	Direct Client Support	Up to 120 days/ 4 months	\$500 per week	\$20,000
ESTIMATED ARPA TOTAL			\$277,288.00	

In order to **fund the cost of Phase 2**, staff recommends the following funding strategy:

- a. M&C could consider reallocating \$25,000 in General Funds originally allocated toward non-profit capacity training for AAC, which as of September 12, 2023, remain unspent.

- b. M&C could consider reallocating any remaining funds in the encampment PO at project close-out toward this purpose. At the current rate of expenditures, the PO for the encampment would have approximately \$161,101.75 remaining ARPA funds that could be reallocated. Note that this estimate does not include potential transition-related expenses (e.g., storage, transportation, etc.)
- c. If needed, M&C could consider allocating a portion of the \$500,000 of ARPA Homelessness funds that the SPRPH proposes be allocated toward “all other strategies”.

Dedicated Resources for Transition Planning and Alternative Placement

The following are suggestions of dedicated resources to accomplish the activities listed above. AAC is encouraged to seek additional funding and support from its network to complement and/or supplement its ARPA funding, as needed.

Alternative Placement:

Encampment occupants should be relocated following Housing First protocols, and common relocation options may include hotel vouchers pending permanent placement, emergency shelter, transitional housing, permanent supportive housing, rapid rehousing, or reunification with family members. Local options include:

- Advantage Behavioral Health Systems (ABHS) is currently operating a Hotel Voucher program with CDBG-CV funds that are available until December 31, 2023. If ABHS should require additional funds to expand their current program to support eligible encampment residents through December 31, 2023, HCD will consider a cooperative proposal between AAC and ABHS related to remaining funds authorized for use by the encampment.
- Advantage Behavioral Health Systems provides transitional housing, permanent supportive housing and rapid rehousing assistance to individuals and families.
- Salvation Army’s Center of Hope has a total of 74 emergency shelter beds (32 regular, 4 veteran’s beds for men; 26 women’s beds; 2 family units with 6 beds each). A weekly fee of \$5 is required.
- Bigger Vision provides nightly, communal emergency shelter for up to 35 guests. Individuals that are employed or in a short-term workforce development program may apply for continuous shelter stay.
- Athens Area Homeless Shelter (AAHS) provides emergency shelter services to families with children under the age of 18. Shelter participants may also qualify for rapid rehousing or transitional housing program assistance.
- Family Promise of Athens (FPA) provides emergency shelter services for up to three families with children.
- Athens Area Habitat for Humanity provides affordable rental housing opportunities, including dedicated units for individuals and families experiencing homelessness.
- Family reunification with family members, including the provision of housing.