



Meeting Date: 2 / 13 / 07

ACTION		TYPE OF ITEM	
<input type="checkbox"/>	Approved Recommendation	<input type="checkbox"/>	Info/Consent
<input type="checkbox"/>	Ord. No(s). _____	<input checked="" type="checkbox"/>	Report
<input type="checkbox"/>	Res. No(s). _____	<input type="checkbox"/>	Public Hearing (Info/consent)
<input type="checkbox"/>	Other _____	<input type="checkbox"/>	Other _____

Prepared By: Larry White -8235 *AW* Agenda Item No. 0-1
 Reviewed By: City Manager *MMH* City Attorney *AA* Finance *SW* Other (Specify) _____

DATE: February 7, 2007
TO: City Council
FROM: Sal Gonzalez, Housing Director *SG*
SUBJECT: Rainbow House Recovery Center, 1450 South Rose Avenue

RECOMMENDATION

That City Council consider a report concerning the Rainbow House Recovery Center and authorize staff to invite proposals from other agencies that provide services similar to the Rainbow House Recovery Center for occupancy and use of 1450 South Rose Avenue.

DISCUSSION

Rainbow House Recovery Center recently informed staff it will cease operations in March 2007. This means that the Center will not be occupying the City premises at 1450 South Rose Avenue as contemplated under a lease executed on December 12, 2004.

The City has executed a construction contract with McCarthy Construction to complete the rehabilitation of the site. The City's obligations under the contract are contingent upon the City's execution of a contract with Home-Aid that will allow Centex Homes to provide approximately \$190,000 of labor and material for this project

The City's Homeless Commission recommends another provider be selected to take the place of Rainbow House and who provides similar services. Rainbow House staff has determined that there are other agencies which provide similar services as Rainbow House. City staff is prepared to issue a Request for Proposals to solicit a service provider capable of providing housing to alcohol and drug dependent women. If the City Council decides not to go forward with these contracts and a new provider, the City will be required to repay both the Federal and State grants for this project in the total sum of \$843,858.

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If the City Council decides not to move forward with a new provider, the City could convert the property into another use that would satisfy another goal of the City Council, such as a shelter for women and women with children, or the City could dispose of the property. In either event, the City will lose the grant funding.

FINANCIAL IMPACT

None