



Meeting Date: June 12, 2007

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: Will Reed

Agenda Item No. 0-3

Reviewed By: City Manager

(A. Holmberg)
City Attorney *AKH*

Finance *SW*

Other (Specify) N/A

DATE: June 4, 2007

TO: City Council

FROM: Sal Gonzalez, Housing Director
Housing Department *SG*

SUBJECT: Residential Treatment Center Proposal for 1450 Rose Avenue (formerly the Rainbow House site)

RECOMMENDATION

That the City Council approve the selection of Miracle House of Ventura, for use and operation of the City-owned site at 1450 South Rose Avenue and authorize the Housing Director to negotiate a lease with Miracle House for use of the site.

SUMMARY

This report describes the three (3) proposals the City received for the use of the site at 1450 South Rose Avenue; the fact that all of the proposals were for use of the site as a residential treatment center for homeless women with alcohol and chemical dependencies, and that no proposals were submitted for the use of the site as a shelter for homeless single women and women with children. The report also describes the assessment of the three (3) proposals and the reasons why the proposal from the Miracle House Recovery Center from Ventura is the recommended selection.

DISCUSSION

At its February 13, 2007 meeting, City Council instructed City staff to issue a Request for Proposals for the use of the City-owned building and the site at 1450 South Rose Avenue. The Site became available for use by others after the Rainbow House Recovery Center, the agency that had been planned to relocate to the site, went out of business and informed the City that it would not be moving to the new site.

City Council directed that the RFP include two (2) potential uses, as either a (1) residential treatment center for homeless women with alcohol and chemical dependencies, or as a (2) shelter for homeless single women and women with children. The City Council wanted to consider both uses since the site had been planned for relocation of the Rainbow House Recovery Center which had been a residential treatment center for homeless women with alcohol and chemical dependencies, and secondly, because

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the City's Commission on Homelessness and City Council had previously determined that a shelter for homeless women and women with children is a priority need in the City.

On March 19, 2007, City staff issued the RFP, as instructed by City Council. The RFP was advertised in several local papers. Also, a site visit was conducted to provide interested responders with an opportunity to review the site and raise questions about the site.

The City received three responses to the RFP. All of the responses included use of the site as a residential treatment center for homeless women with alcohol and chemical dependencies. There were no proposals for use of the site as a shelter for single women and women with children. Even the Lighthouse Women's and Children's mission, a shelter facility based in Oxnard, submitted a proposal for use of the site as a residential treatment center for homeless women with chemical and alcohol dependencies. The Lighthouse explained that it wanted to expand its services at another site and relieve some space at its shelter at 104 North Hayes Street, which is frequently occupied by women experiencing alcohol and chemical abuse problems.

Most of the responses were from outside agencies, a likelihood expressed by City staff at the February 13, 2007 meeting of the City Council. Most inquiries about the site had come from agencies outside of the City. Also, staff was not aware of another agency in Oxnard that was providing the same services that Rainbow House had been providing in Oxnard.

The City received the following:

1. Lighthouse Women & Children's Mission
104 & 150 North Hayes Street
Oxnard, CA 93031
2. Miracle Recovery Centers
1997 East Main Street
Ventura, CA 93001
3. Services United, Inc.
1300 West Gonzalez Road, Suite 102A
Oxnard, CA 93030

A Review Committee (Committee) of three (3) individuals with knowledge of homeless needs and fiscal responsibilities was established and they accepted the task of reviewing the applications on Wednesday, April 25, 2007. The scoring criteria (see attached) was established directly from the RFP, and there was also a list of questions prepared by the Committee (see attached) to ask each respondent during the review period. There were six scoring areas and a total of 100 possible points that could be earned by each respondent by each reviewer, for an overall total of 300 possible points. Housing Department Staff Members Larry White - Management Analyst III, and Will Reed - Homeless Assistance Coordinator, sat in on the review and interviews, but only as staff support. Although staff was not a part of the review and scoring process, they did conduct an independent assessment of the proposals prior to and again at the conclusion of the Review Committee's process.

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The three-person committee was comprised of representatives of Home Aid, Ventura County Human Services, and Interface. It was important to include Home Aid in the selection process since Home Aid is contributing about \$150,000+ in donated materials and services during the construction rehabilitation of the project.

The scoring criteria and maximum points available in each category based on the Request for Proposal advertised were as such:

1. Project Planning Capacity (10 points): The organization's track record and history regarding project planning and implementation. Respondents were asked to provide an example of effective project design and articulate from concept to implementation.
2. Managerial Capacity (10 points): The organization's track record, history and experience in project management, specifically in the areas of housing and service related projects.
3. Administrative Capacity (10 points): The organization's administrative capacity, specifically to the protocols and procedures established to assure efficiency and accountability with programs and services under the organization's administration.
4. Program/Service Delivery Capacity (10 points): The programs and/or services that the organization currently offers or has offered in the past, in particular with regards to housing and supportive services that address the needs of homeless persons and addressing the needs of a diverse community.
5. Financial Capacity (10 points): The organization's financial capacity, including the financial structure, development of budgets, existing funding sources, and, if applicable, their positioning if they are under a larger regional or national umbrella.
6. Project Concept (50 points): The organization's plans on the utilizing the Rose Avenue facility. This is inclusive of the proposed program and operating budget, staff design, treatment model, and expected outcomes.

Upon completing its review the proposals and interviewing the respondents, the Committee rated them as follows:

Review Summary – Out of a possible 300 points, the Review Committee scored the respondents as follows: Miracle Recovery – 275; Lighthouse – 213; and Services United, Inc. – 194. While Services United had bi-cultural/bi-lingual staff and years of experience providing alcohol and substance abuse treatment to men, their experience providing treatment to women was not as extensive. Lighthouse, on the other hand, had all of the experience but because of their requirement that participants must attend a religious service, staff could not recommend their selection. The review committee also expressed concerns about the manner in which applicants would be providing transportation for the clients if they would be referred for off-site treatment. However, staff learned from the Lighthouse staff that the treatment referral would be controlled by the Lighthouse. However, they are the most fiscally sound organization which displayed their sustainability. Miracle Recovery exhibited the strongest model with the in-house experience for providing the substance and alcohol treatment to the proposed population and the bi-cultural/bi-lingual staff on hand to address more sensitive cultural issues. They also are a fiscally sound agency. For these reasons and many others, the Review Committee scored them considerably higher than the other two (2) respondents and recommended Miracle Recovery to be the provider to occupy 1450 South Rose Avenue. (See proposed uses below).

Proposed Uses

Miracle Recovery

Miracle Recovery proposed to use the facility as a Homeless Shelter for Women with Alcohol and Chemical Dependencies. Currently they operate two (2) facilities in Ventura; a 10-bed/90-day intensive residential treatment center for women, and 5-bed/9-month transitional living program for newly graduated women. The organization's proposal will relocate their existing operation of to the Rose Avenue property. Approximately 40 percent of their current caseload is Oxnard residents, but they anticipate after relocation to the Rose Avenue facility that the Oxnard resident caseload will rise to 60 percent. As a part of the County-wide consortium they would continue to accept referrals from other jurisdictions

Miracle Recovery is strong in staff experience and the agency has the highest level of state licensing available, with three (3) clinically licensed staff members. As an agency, their primary focus is women with chemical and other dependencies. Also, because the state operating licenses are directly tied to a facility rather than individuals, they have already contacted the state offices regarding an impending need to transfer those licenses. They have provided the necessary documentation validating their fiscal soundness, proving their capabilities to manage and maintain the overall project. The agency does have bilingual/bicultural staff.

Lighthouse Women and Children's Mission

Lighthouse submitted a proposal to utilize the facility as a shelter for homeless women with chemical and alcohol dependencies. Its proposal would add 25 new beds to their current inventory of 50 beds for emergency shelter and recovery programs for a total of 75 beds. Also, Lighthouse is under the umbrella of the Rescue Mission and has more than \$11 million in assets and they have no need of additional federal or state funding as their revenue generating projects include grant writing, corporate giving, Thrift Store operations, and various fund raising projects. They also have the necessary state certifications. Additionally, Lighthouse has many agreements with other state and city organizations that will ensure the successful long-term operation of the project.

However, the proposed project by Lighthouse will not include permanent supportive, single room occupancy units, emergency shelter and/or transitional housing beds. Lighthouse is not clinically licensed, but provides referrals to clinically licensed partners, and they use a 5-phase/12-month treatment program and provide transportation to and from various services. Also, with their outsourcing of clinical sources, their clients are required to utilize public transportation to and from appointments when in-house transportation isn't available. This can be detrimental to their recovery process, especially in the early stages according to the review committee.

Its program, as with many traditional 12-Step models, is a biblically based model that encourages belief in God and attendance to at least one worship service each week. Participants are also required within their first three (3) weeks to have attended at least one worship service. If this requirement is not met, the person could be released from the program pending a meeting with the program administrators and in-house counselors. Federal guidelines under the Faith-Based legislation specifically state "...Under this final rule, directly funded religious organizations are prohibited from discriminating against beneficiaries on the basis of religion or religious belief. In addition, the rule provides that religious organizations may not use direct funding from HUD for inherently religious activities, that such activities must be offered separately, in time or location, from services directly funded by HUD, and

that no beneficiary served by a HUD-funded provider directly funded by HUD will be required to participate in inherently religious activities as a condition of receiving services.”

Services United

Services United proposed to use the project as a facility for Transitional Housing Beds and Emergency Shelter Beds for Homeless Women ages 18 and up. The project would provide 15-25 beds for homeless women suffering from alcoholism and chemical dependencies coupled with layers of emotional, physical, and sexual abuse. Services United also has successful and healthy agreements with city, county, and statewide agencies that have contributed to their success over the years, with fully bi-lingual/bi-cultural staff on board. Additionally, they do charge for services using a “sliding scale” fee for services which allows them to adjust their fees when applicable, and also not charge at all if need be. They also can charge insurances, food stamps, and SSI if applicable. They have set aside \$75,000 as start-up capital if they are awarded the lease option. Finally, Services United has state licenses for each facility operated under their umbrella.

Services United relies heavily on fundraising activities to generate operating capital. However, they traditionally have provided treatment service for Latino men (and they have also implemented many programs recently solely for Spanish speaking clients). The service that they have provided to women has been through their Psychotherapy for individuals and families program, but no services for women in the area of inpatient treatment for chemical dependencies. For this reason they would have to hire additional staff to take on the project.

The City has an agreement with HUD to complete and occupy the facility by September 1, 2007.

Finally, there are no additional financial impacts for the City with regards to the project. However, the City has already invested federal, state and local funds totaling approximately \$1.9 million in the project.

FINANCIAL IMPACT

N/A