

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 10, 2006

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER

SUBJECT: BUDGET MEMO 96: SUPPLEMENTAL FUNDING PROPOSED IN THE
BASE BUDGET FOR COMMUNITY LODGINGS, INC.

This information is in response to Councilman Krupicka's request regarding the \$63,250 proposed for Community Lodgings, Inc. (CLI) in the Department of Human Services' (DHS) budget.

On September 23, Community Lodgings Executive Director Bonnie Baxley wrote a letter to the City requesting financial help in addressing a short-term financial shortfall which was affecting its operations. The City regards the transitional housing and support services provided by CLI vitally important and essential services.

In November of 2005, City Council approved a one-time emergency grant in the amount of \$63,250 for the transitional housing and support services.

According to Ms. Baxley, CLI has been successful in making up the FY 2006 deficit going in to FY 2007, except for the funds needed to subsidize rents for their transitional housing residents. The FY 2007 City budget proposes at least one additional year of funding in DHS' FY 2007 budget for the transitional housing portion of CLI's budget in order to allow them additional time to search for a funding source that will cover rent subsidies. While there are outside sources (such as federal funds) which DHS provides to the City's homeless shelters, there will be no funds in the Department of Human Services' budget (State, federal or local) that could be applied to transitional housing, except at the expense of other vital services. Since transitional housing is often the next step for a homeless person or family after staying in a homeless shelter, providing a core level of funding so that CLI can continue to provide transitional housing is warranted.

DHS staff will monitor CLI's progress in meeting their program outcomes as well as their success in securing a stable funding source for subsidizing the transitional housing rents. Should they be unsuccessful in securing a stable funding source for transitional housing assistance, staff will look at other options including possibly continuing the \$63,250 or some other dollar amount for FY 2008 and beyond.

