



TO: Mayor Linda Gorton

Urban County Council

FROM: Polly Ruddick, Director, Office of Homelessness Prevention and Intervention

CC: Sally Hamilton

DATE: May 16, 2019

SUBJECT: Payee Program with Welcome House

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Request

Authorization to execute an agreement with Welcome House Northern Kentucky for the operation of the Lexington Payee Program at a cost not to exceed \$483,557.00, with \$156,054.00 in year 1, \$160,595.00 in year 2, and \$166,908.00 in year 3.

Why are you requesting?

Department needs this action completed because the need for this program results from the recommendation of the *Greater Good* report, VII.B.2., p.43. The Social Security Representative Payment Program (Payee Program) provides financial management of benefits for people who are incapable of managing their payments on their own. While sometimes it is LFUCG through Adult and Tenant Services, Bluegrass.org, other churches or non-profits, it can also be a slumlord or corner liquor store. Based on a survey conducted by New Life Day Center in 2019, over 100 individuals reported need free payee services here in Lexington. Once connected with a payee program, individuals are more likely to remain housed, up to 98% of current Welcome House payee program clients remained housed 2-years or longer utilizing a payee program.

Welcome House was selected through a competitive bid process to operate a 3-year free payee program to provide financial management services for households experiencing homelessness, specifically those within the community that are eligible for benefits but cannot access them without the required payee.



The three-year project cost is not to exceed \$483,577.00 and annual costs not to exceed \$483,557.00, with \$156,054.00 in year 1, \$160,595.00 in year 2, and \$166,908.00 in year 3. Funds for year one are approved in the FY20 Innovative and Sustainable Solutions to End Homelessness Fund. Funds for years two and three will come from funds allocated to the Innovative and Sustainable Solutions to Homelessness Fund subject to the amount allocated to that fund by Council.

What is the cost in this budget year and future budget years?

The cost for this FY is: \$0

The cost for future FY is: \$156,054.00

Are the funds budgeted?

The funds are budgeted or a budget amendment is in process: Yes

Account number: 1145-155003-0001-78112

File Number: 0565.19

Director/Commissioner: Ruddick/Hamilton

