

City of Sacramento

Legislation Text

File #: 2021-00159, Version: 1

Title:

(Housing Authority/City Council) Implementation of the X Street Navigation Center [Published for 10-Day Review 03/04/2021]

File ID: 2021-00159

Location: 2970 X Street, District 5

Recommendation:

Adopt: 1) a City Council Resolution: a) providing \$6,945,281 in funding to the Housing Authority for a two-year period for the operations of the X Street Navigation Center comprised of \$5,000,000 from the Kaiser foundation, \$819,100 from the State Homeless Housing, Assistance and Prevention (HHAP) funds, and re-allocation of \$1,126,181 of remaining City Measure U Funds that were previously allocated and distributed to the Sacramento Housing and Redevelopment Agency (SHRA) for Capitol Park Hotel Operations ; b) directing SHRA to take all actions necessary to allocate \$762,743 in Emergency Solutions Grant Coronavirus (ESG-CV2); c) authorizing the City Manager, or City Manager's designee, to negotiate, enter into and amend the Administrative Service Agreement entered into by and between the City and the Housing Authority of the City dated as of March 10, 2020, as amended from time to time (ASA), to include the X Street Navigation Center; d) authorizing the City Manager, or City Manager's designee to provide insurance coverage for the X Navigation Center; and e) making related findings; and 2) a Housing Authority Resolution: a) amending the Housing Authority's budget in the amount of \$6,945,281; b) authorizing the Executive Director, or the Executive Director's designee to select and enter into a professional services contract with a shelter operator who is well qualified after completing a Request for Proposals process and enter into other contracts with appropriate providers to complement the services of the service operator; c) increasing the Housing Authority's head count by one full-time employee; d) authorizing the Executive Director, or Executive Director's designee, to negotiate, enter into and amend the ASA to include the X Street Navigation Center; and e) making related findings.

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Presenter: Sarah O'Daniel, Deputy Executive Director, (916) 440-1319, Sacramento Housing and Redevelopment Agency

Attachments:

1-Description/Analysis

2-City Council Resolution

3-Housing Authority Resolution

- 4-Administrative Services Agreement for X Street Shelter with Exhibits
- 5-Exhibit A-3 Draft Scope of Services for W/X Street Navigation Center
- 6-Exhibit B-3 W/X Street Navigation Center Budget

Description/Analysis

Issue Detail: The City of Sacramento has invested a significant amount of resources to increase the access and availability of shelter beds, services and permanent housing to those experiencing homelessness. Despite this significant effort homelessness is still a prevalent issue in Sacramento. From 2017-19 there was a 19% increase in homelessness. In 2019 approximately 10% of overall calls for service (40,707 out of 391,470 calls) were related to homelessness.

In Fall 2018, Mayor Steinberg challenged Council members to help identify opportunities to expand re-housing shelter programs in their districts. On April 23, 2019, City Council approved a Homeless Services Funding plan to allocate funds towards housing the homeless at Capitol Park Hotel and some scattered site shelters.

On August 27, 2019, City staff brought forward three options to allocate \$7.8 million and the Council voted to move forward with implementing the Meadowview and the X Street Navigation Centers.

On October 22, 2019, the Housing Authority of the City of Sacramento (Housing Authority) presented a Five Point Homeless Plan that included the following options: 1) Scattered Sites, 2) Safe Parking Program, 3) Sleeping Tents/Cabins, 4) Motel Conversions and 5) Permanent Supportive Housing.

A follow up meeting took place on December 3, 2019 to discuss funding the options presented at the October 22nd Council meeting. City leadership decided to transition the administration of the Navigation Centers to the Sacramento Housing and Redevelopment Agency (SHRA).

On December 5, 2019, Governor Newsom signed a 100 Day Challenge to California cities and counties, replicating a successful national model to jumpstart action to fight homelessness. Soon after the City of Sacramento adopted a Declaration of a Shelter Crisis on January 14, 2020.

COVID-19

The coronavirus started spreading throughout the United States in early 2021, and significantly impacted the nation including the Sacramento community. On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES), Public Law 116-136 was approved which made \$5 billion in Community Development Block Grant Coronavirus (CDBG-CV) and \$4 billion in Emergency Solutions Grant Coronavirus (ESG-CV) funds available to respond to the growing effects of the historic COVID-19 public health crisis on the community. HUD allocated funding in April and June 2020. The second round (CV2) included \$10,205,871 in ESG funding.

Since April 2020, the Sacramento City Council, Sacramento County Board of Supervisors and Sacramento Continuum of Care have been implementing the COVID-19 Homeless Response Plan utilizing CARES and other federal, state and local funds. These efforts prevent, prepare for, and respond to the coronavirus pandemic among individuals and families who are homeless or receiving homeless assistance and to support additional homeless assistance and homelessness prevention activities to mitigate the impact of COVID-19. The addition of shelter beds utilizing COVID-19 protocols will help prevent the spread of the virus.

During the past 12 months, as part of implementing the Five-Point Plan, SHRA acting as the Housing Authority, has overseen the operations of three temporary emergency shelters in the City of Sacramento; Emergency Bridge Housing at the Grove, Meadowview Navigation Center and Capitol Park Hotel.

Emergency Bridge Housing at the Grove (Council District 2)

On February 18, 2020, the Housing Authority came forward with a plan to house 48 homeless transitional aged youth (TAY) in 24 cabins on Grove Avenue. The City Council allocated \$5.6 million of Homeless Assistance, Prevention Program (HHAP) grant funds for the construction and operations of the initiative. Site preparation and cabins were constructed and in June 2020, in partnership with First Step Communities, this initiative was operationalized. However, due to the onset of the COVID-19 pandemic, each cabin has single occupancy for social distancing.

24 TAY are currently housed receiving robust services from various agencies including but not limited to the Youth Help Network, Young People in Recovery, Sacramento Public Library Van, WEAVE, mental health clinicians, Goodwill WIOA (Workforce Development). Trainings have included but not limited to; building resumes and interview preparation, positive personal development, relapse prevention, ready to rent training, anger management, stress management, organization and planning. Many of the youth are currently employed and despite the pandemic, 16 TAY are now in permanent housing.

Meadowview Navigation Center (Council District 8)

On June 30, 2020, the City Council approved the Housing Authority to oversee operations at the Meadowview Navigation Center to house 100 homeless women in sprung structures. Guests receive three meals a day, restrooms, showers and laundry are onsite in addition to kennels for dogs. The Housing Authority contracted with Volunteers of America of Northern California and Northern Nevada (VOA) to be the on-site shelter operator.

Extensive case management is provided from various agencies including but not limited to Elica Medical Services, mental health clinicians, and Downtown Streets team (employment). Trainings have included but not limited to; anger management, building resume and interview preparation, grief and loss counseling, moral injury, ready to rent, relapse prevention, goal setting, women's group, and others.

All supports are conducted to stabilize the women so they can eventually transition to housing. The shelter operates from a housing first, low-barrier approach to provide services and support.

Construction of the sprung structures and accompanying modular units were completed in late September, 2020 and October 1, 2020 operations commenced at the Meadowview Center. Due to COVID-19, the site currently houses 50 homeless women to ensure safe distancing. Since opening in October 2019, 6 women were placed in permanent housing.

Capitol Park Hotel (District 4)

On October 31, 2020, the Capitol Park Hotel closed as a temporary emergency shelter. Mercy Housing will be rehabilitating the property and transitioning to permanent supportive housing. As background, on April 13, 2019 the City Council requested SHRA to oversee the operations of the Capitol Park Hotel Temporary Shelter. SHRA contracted with VOA to be the on-site shelter operator.

Guests received 3 meals each day and were given access to supportive services, clean linens, laundry facilities and showers. Examples of on-site service providers include: California State University, Sacramento, Elica Medical Services, Wellspace Health, Sacramento County Mental Health, Alcoholics Anonymous and American River College. The Capitol Park Hotel Temporary Shelter provided shelter for about 115 people each night until COVID-19 when sleeping arrangements changed from double-occupancy rooms to single-occupancy rooms.

Over the life of the Capitol Park Hotel Temporary Shelter,

- 420 unduplicated people were sheltered
- 42,613 meals were served
- Guests stayed for 27,182 bed nights
- 149 guests moved into permanent housing
- 8 guests moved in with friends or family
- 8 guests moved into transitional housing

X Street Shelter

In August 2019, the City Council provided guidance to City staff to move forward with the X Street Navigation Center to house up to 100 homeless adults on a property owned by CalTrans. It is located under Business 80 at the intersection of Broadway and Alhambra.

The site is being developed with 2 Sprung Structures (for dining and sleeping quarters) with accompanying restrooms, laundry and showers, and administrative space for case management services. Daily meals will be provided and kennels are onsite for animals.

This shelter will give priority to the unsheltered homeless in the immediate community in Oak Park and Curtis Park and in the Alhambra/Broadway corridor and allow access through a referral process

only. Individuals will not be allowed to queue up outside the shelter premises. The selected operator is expected to operate from a housing first, low barrier approach where sobriety and addiction treatment are not conditions to receive services.

Services provided onsite will include but not be limited to: mental health service, anger management, recovery assistance, conducting activities of daily living, rent to rent training, employment connections, access to critical documents, arts and crafts, addressing credit/eviction issues, significant re-housing efforts and much more. Due to COVID-19, all necessary operational protocols will be implemented and personal protective equipment will be provided for residents and staff.

The City worked very closely with Caltrans to receive a signed lease. Getting this approval took longer than anticipated due to federal approvals required by Caltrans. The lease between Caltrans and the City of Sacramento was signed in late November, 2020. The City awarded the construction contract to G&G Builders in 2020 and construction on the site commenced in January, 2021. It is anticipated that construction will be completed by summer 2021.

SHRA acting as the Housing Authority of the City of Sacramento will oversee the operations of the site. The estimated costs for this project over a two-year period are as follows:

Operations	Two Year Budget
Operator Contract	\$3,500,000
Re-Housing funds	\$1,440,000
Facility Maintenance	\$240,000
Caltrans lease	\$10,024
Onsite cameras	\$60,000
Trailer rentals	\$80,000
24-hour security around premises	\$430,000
Utilities	\$200,000
Street Navigator	\$100,000
Coordinated Entry Process	\$150,000
Personal Protective Equipment (PPE)	\$30,000
Street outreach/cleanup	\$600,000
Contingency	\$100,000
Subtotal	\$6,940,024
Administration	Two Year Budget
Salaries, benefits and overhead	\$768,000
TOTAL	\$7,708,024

A variety of funding sources are gathered to fund the operations of the X Street Navigation Center over a two-year period. The City in partnership with the Housing Authority applied for and was awarded \$819,100 of state HHAP funds. Under the leadership of Mayor Steinberg, \$5 million was received from the Kaiser Foundation for the operations at this site. This report recommends re-allocating \$1,126,181 of remaining City Measure U Funds that were previously allocated and were distributed to SHRA for Capitol Park Hotel operations. This report also directs SHRA to take all actions necessary to allocate \$762,743 from ESG-CV2 funds. SHRA staff will return to City Council for an Action Plan amendment to allocate the ESG-CV2 funds to this initiative.

X Street Shelter	Funding		Beds	Due/Open Date
	Amount	Source		
Operations	\$5,000,000 \$819,100 \$358,181 \$762,743	Kaiser Foundation HHAP I City Funds* ESG	100	Fall 2021
Administration/Project Delivery	\$768,000	Measure U		

* Re-allocation of City Measure U Funds from Capitol Park Hotel operations to this initiative

** Requires subsequent City Council Action

A Request for Proposal to hire a service operator will be released upon approval of this initiative. Housing Authority staff and the hired operator will work closely with the neighboring community and community organizations to ensure their concerns are appropriately addressed prior to, and while operating the shelter. The operator will be required to adhere to the Good Neighbor policy developed for this initiative. Funds requested will be utilized to enter into a contract with a qualified shelter operator. Additional contracts will also be required with partners for coordinated access to the Center, outreach, clean up services around the premises and others.

Policy Considerations: The actions recommended in this report are consistent with the Homeless Services Funding Plan approved by Council on April 23, 2019, the draft Homeless Strategy that was presented to Council on August 27, 2019 and the 5 Point Homeless Plan.

Recommendations are also consistent with the Governor's Executive Order N-23-20 to reduce street homelessness, break down barriers to homeless individuals accessing health care and other critical services, and to increase housing options for those experiencing homelessness.

The Sacramento City Code Section 4.04.020 and Council Rules of Procedure (Chapter 7, Section E.2.d) mandate that unless waived by a 2/3 vote of the City Council, all labor agreements and all agreements greater than \$1,000,000 shall be made available to the public at least ten (10) days prior to council action. This contract was published for 10-day review on March 4, 2021 as required.

Economic Impacts: Not applicable.

Environmental Considerations:

California Environmental Quality Act (CEQA): This low barrier navigation project is not a subject to CEQA, pursuant to Government Code §§ 65660 & 65662, and is exempt as a project necessary to mitigate an emergency pursuant to CEQA Guidelines §15269(c).

National Environmental Policy Act (NEPA): The operation of the shelter is categorically excluded under NEPA, pursuant to 24 CFR 58.35(b)(2) and (3).

Sustainability: Not applicable.

Commission/Committee Action: The Sacramento Housing and Redevelopment Commission (Commission) heard this item at its meeting on March 3, 2021. Staff will notify the Council in the event the item is not approved.

Rationale for Recommendation: The City of Sacramento declared a shelter crisis emergency indicating that there are not enough beds to serve individuals experiencing homelessness and shelter beds need to be made available as soon as possible. The addition of shelter beds implements measures to prevent, prepare for and respond to COVID-19 for those experiencing homelessness. The United States Interagency Council on Homelessness recommends that “shelters must be low barrier, focus on assessment and triage, and intentionally link to permanent housing resources so that people move through to housing quickly”. The Housing Authority’s significant experience in providing housing and services to people in need throughout Sacramento makes the agency a natural partner to the City to administer the shelter operations and re-housing strategy for people experiencing homelessness in Sacramento.

Financial Considerations: It will cost \$7,708,024 to operate the X Street Navigation Center over a two-year period. \$1,126,181 of this budget is the re-allocation of City Measure U Funds (already provided to SHRA) from Capitol Park Hotel operations to this initiative. SHRA staff will return to City Council for approval of an Action Plan amendment to allocate ESG-CV2 funds to this initiative. Funds are allocated over two years to operate and maintain the site, pay the site operator who has staff on the property 24 hours a day, seven days a week, 24-hour security roaming the perimeter of the property, robust coordinated case management, 3 meals each day for each guest, coordinated access for entry, outreach services, assistance from medical/service providers, and a significant

portion of the funds are allocated to re-house the adults in permanent housing.

Local Business Enterprise (LBE)/Minority and Women's Business Enterprise (MBE/WBE):

Minority and Women's Business Enterprise requirements will be applied to all activities to the extent required by federal funding to maintain that federal funding. Section 3 requirements will be applied to the extent as may be applicable.