

Salinas Project Reclamation for Families – Work Plan

Part 1: Summary of Proposal

Over the past five years, the City of Salinas Community Development Department - Housing Division has demonstrated regional and jurisdictional leadership to address the homeless crisis via use of best practices, strong policy decisions, progressive initiatives, and the forging of several innovative project collaborations. Each year, the City has incrementally deepened its' commitment to its unhoused community members, sheltered and unsheltered, through direct initiatives, and advocacy for low-barrier access amongst newly awarded projects.

In 2016, the City stepped up to be the only City jurisdiction in the State to serve as an Administrative Entity (AE) for State Emergency Solutions Grant funds for the local Continuum of Care 506 (Monterey & San Benito Counties) and has since administered over \$5 million in homeless funds on behalf of the region. In 2017, the City of Salinas, in conjunction with regional HUD leadership, set a precedent that our, then mostly reluctant, services providers must transition to a best-practice Housing First model.

The City has consistently prioritized the development of affordable housing projects for very-low-and low-income individuals, including the development of nearly 300 units of permanent supportive housing. Additionally, we worked closely with the region's largest mental health service provider, Interim Inc., to rehabilitate two facilities, bringing 22 units of permanent supportive housing for the chronically and severely mentally ill into our community.

Through an effective partnership with the County of Monterey and Coalition of Homeless Services Providers, the City added of a 125-bed housing navigation center with RV trailers, serving homeless families and individuals, called the SHARE Center. The awardee and our primary partner for this grant application, Bay Area Community Services (BACS), is the operator. To address the diversity of homeless subpopulations, utilizing CESH/ESG funding, the City increased the availability of emergency shelter beds by erecting and funding a 50-bed Chinatown Navigation Center and Sprung Shelter, including 5 RV trailers, with tandem housing navigation services, for disabled, chronically homeless singles and couples.

During the COVID-19 pandemic, the City's leadership became most evident in serving the chronically homeless, aging, and medically fragile. Last December, the City assumed operation of Project Roomkey (PRK) from the Coalition of Homeless Services Providers and the County of Monterey. Currently, the program provides up to 60 emergency shelter motel rooms and a comprehensive group of service providers actively working to house residents. In addition to \$12 million Homekey Round 1 award, the City recently received an additional \$29.5 million of Homekey Round 2 funds resulting in the conversion of more than 200 motel units to permanent supportive housing at the three sites.

Our Covid-funded expansion efforts continued with the development of a Salinas Outreach and Response Team (SORT) to focus on the engagement of the City's unsheltered encampment residents, including families, living in places not meant for habitation, with the intention to establish pathways to housing. The Team is focused on the implementation of an emerging \$4.1 million Cal ICH Encampment Resolution Grant,

awarded in March 2022, to address encampments at Natividad Creek Park and along three associated waterways. It incorporates an equity piece, unique to our COC, that will serve 55 households, of which 30 are undocumented long-time Salinas residents. SORT has already assisted 10 households with an interim housing placement and await decision regarding our request for an early start date.

Our City has continued to respond to the dire needs of the community by also becoming a direct service provider through a collaboration with United Way of Monterey County to provide Emergency Rental Assistance in response to the COVID 19 pandemic and having delivered \$8.5 million in assistance to nearly 1,500 households.

This proposal will forward the City's momentum, enabling us to tackle the federally prioritized subpopulation of families with children experiencing homelessness – a staggering need in Salinas and in Monterey County, to ensure that a family's homelessness is a "one-time" event. In addition to the overwhelming number of homeless families documented by local school districts, over 175 families are currently waitlisted at the City's only shelter with capacity to serve families - indicating the strong need for targeted support.

This reflects our community's housing market, in which families are barred from rent or purchase of a suitable family home due to low affordable housing stock and an increasingly competitive market, particularly for those who have very-low and extremely - low incomes. The competitive market system is intricate, yielding de facto screen-outs of families experiencing homelessness and often without explanation. Many Salinas residents are undocumented, speaking English as a second language, and struggle to navigate the system.

Despite recent increases in the availability of housing vouchers, Salinas continues to experience a sustained low rate of landlord acceptance regardless of significant incentives. Prior efforts include proactive engagement of property managers/landlords, extended eviction protections and ERAP payments for COVID-19 pandemic arrears, and marketing of the availability of flexible housing subsidies and other one-time financial incentives – again, it's simply not enough. With a very low acceptance rate, the vouchered homeless must ask the local Housing Authority repeatedly for extensions. Some, on eligibility lists for years, end up forfeiting and their households must start over.

Another major compounded barrier identified in family service delivery is the lack of regular collaboration with local school districts and any uniform standardization for creating and initiating effective referrals and linkages across the network of providers.

In absence of funding opportunities such as this, our community anticipates sustained, crisis level numbers of families unable to secure housing. Very likely are rising levels of subhuman, overcrowded standards of living, minimally. In one Salinas district alone, there are over 4,000 individuals, many in families, living in make-shift structures, overcrowded garages, and in risky couch-surfing settings.

This proposal targets access to and optimization of affordable housing, including the acquisition of housing stock and the development of self-sufficiency plans for homeless families through a spectrum of essential supportive services. Further, it involves significant systems development – providing a more effective, functional model of referral and fulfillment. A centerpiece is the strengthening of existing, and the forging of new collaborative partnerships with key partners, to forge viable pathways to housing

through a relevant and replicable model, ensuring family homelessness is a “one time” experience for 50+ family members.

This project takes advantage of market conditions, as well as new and emerging opportunities coming forward from both the State and City of Salinas related to Accessory Dwelling Units, to initiate an economically viable model that side-steps barriers to access and affordability. More specifically, one that targets the purchase of single-family homes with the unique addition of ADUs, to increase both capacity and numbers served. Minimally, and dependent upon the actual properties purchased, the project will ultimately place 5 families of up to 6 individuals in existing homes and up to an additional 5 families of up to 4 individuals in added ADUs for a total of 50 persons served.

The obvious need to overcome availability and access issues - via the creation of increased stock of affordable rental units, at lower overall cost – is great. Many new-construction affordable housing projects are facing 10-year development timelines and ever-rising costs, upwards of \$700,000 per studio apartment build. This project abbreviates acquisition of existing single-family homes, where the entirety of expense costs less than a newly built affordable housing and optimizes occupancy and capacity through the addition of ADUs.

Reducing family homelessness is a complex problem. Without a model promoting immediate acquisition and addressing access issues with coordinated systems improvement as a foundation and guided “one-time” assistance and the unique needs of each waitlisted family,

In Salinas, families with prominent roots in the agricultural and tourism industries are tipping factors, whether field workers or housekeepers or those disabled. They continue to experience limited access points to safe, suitable rentals, let alone ownership. This approach restores stability and dignity to the lives of poor families with children through direct acquisition of properties that BACS will own/operate and complement with integrated supportive services.

Part 2: Target Population

According to USA by Numbers, the City of Salinas ranks # 2 of 15 cities in the rate of homelessness nation-wide. The target population of this proposal are working-class and disabled families, with dependent minors, who are experiencing homelessness and require supportive services to fortify the economic, social, and health needs of their families. Many are living in cars, with limited access to food, no restful place to sleep, and inadequate medical care. Some reside in make-shift structures in backyards, parks/ wooded areas, or in conditions federally defined as not habitable for human beings - lacking running water, heat, and adequate cooking facilities. Others are couch surfing and vulnerable in overcrowded conditions. Most are long-time residents, many monolingual Spanish-speaking, employed in low-paying agricultural and service-sector jobs unable to obtain an affordable, habitable place to live and to raise their children, who were born here.

The target population was selected based on federal and regional priorities, such as the Lead Me Home Plan, as well as a local imperative coming from the City of Salinas City Council. As of this proposal submission there are 175 families on the

SHARE Center waitlist, representing 525-700 persons, the majority being female-headed single parent households. Of this, 60% require some type of supportive services and 40% are estimated to need active care coordination.

Outcomes are proposed at 50 family members housed and served resulting in direct reductions to waitlists and homeless counts. Further attention to current waitlists to develop housing pathways and supportive service referrals, speaking to the unique need of each family is part of this workplan.

According to the 2017 national PIT count, one-third of all people experiencing homelessness are persons in families which speaks to importance in terms of strategically addressing the diversity of homelessness. Salinas' education system reported over 4,000 homeless students in its Monterey County 2020/2021 Count of Homeless Students in Districts and Charter Schools.

Our community has two identified waitlists. The households will be located and engaged by SORT, the school district Homeless Liaisons, and with assistance from community partners. Outreach teams will facilitate forums for those on the SHARE Center Waitlist list, as well as prioritizing those on the MCOE School District Homeless Count, locating them in the community, thereby cross-referencing and fine-tuning referral follow-up with family engagement. Families not in the HMIS/CARS data bases will be added and existing entries will receive an updated assessment.

A dedicated, full-time Community Development Analyst will be responsible for project management and will head-up collaboration with the school districts and the developing provider network, ensuring oversight and documentation of successful, critical linkages across the network. Typical wait-time to receipt of benefit or service will

be reduced. Further, the resolution of legal barriers and critical self-sufficiency service needs will be made priority through intensive case management, expediting essential document acquisition required to apply for services and immigration remedies, thus reducing wait-times and accomplishing the objectives of the Family Self-Sufficiency Plan.

Part 3: Self-Identified Prioritized Objective

Salinas Project Reclamation's prioritized objective is to create a "one-time" intervention by creating affordable, permanent housing options for families experiencing homelessness by purchasing single-family homes, optimized through new ADUs, and integrated with the overall system of care. Sites are identified for purchase based on suitability and reviewed for ADU feasibility. This highly efficient model requires no lifetime operating subsidy because the asset is owned and the rental income, as well as some services revenue, covers all operating expense.

BACS data, derived from other existing models and spanning nearly 40 years, demonstrates this model is the fastest and most affordable way to end family homelessness in the long term. More than 95% of those housed will maintain affordable housing. Through the provision of service coordination, at least 50% of tenants show significant improvement in increased employment/income and benefits access.

Part 4: Self-Identified Progress Goals

As stated previously, Salinas Project Reclamation's prioritized objective is to create a "one time" intervention by creating affordable, permanent housing options for

families experiencing homelessness by purchasing single-family homes, optimized through new ADUs, and integrated with the overall system of care.

Acquisition and Development Goals include:

- Acquisition and occupancy of five (5) properties within six months
- ADU integration across properties within 18-24 months after award

Operational Goals include:

- 1: 95% of tenants will maintain affordable housing after 1 year housed
- 2: 95% of tenants will create a family self-sufficiency plan within 3 months of occupancy
- 3: 75% of tenants will be provided with critical self-sufficiency linkages within 6 months of occupancy
- 4: 50% in targeted reductions of highest need, most vulnerable on the Family Homelessness Waitlist, projected to be 61 families, within 3 to 6 months
- 5: 100% adherence to a “closed-loop” referral and linkage system with associated data compliance resulting in the transformation key collaborative partnerships – as supported by available technical assistance within 12 months

Operational Goals 1 and 2 are based on BACS outcome data collected from regular BACS housing stabilization services, tracked individually through BACS’ Care Data System, and systemically through HMIS. Nearly 40 years of honing this model demonstrates that this is feasible, and this project will be held to the same high standard.

Operational Goals 3, 4 and 5 aim to reduce the existing absence of a “closed-loop” referral system and create opportunities for enhanced collaboration. The methodology behind the shift will be informed by the SAMSA model of effective referral and collaboration, adapted for families. Success with this goal is integral to quality improvement and we hope it will serve as a scaffolding for system-wide adoption, informing all linkage and referral protocol across COC 506.

Utilizing the HMIS and the Neighborly Software platforms, the Salinas Outreach and Response Team and City personnel will be responsible for running the data completeness reports and fiscal year progress reports which will include the closed loop referral system which will demonstrate the successful shelter and service linkages.

As an Administrative Entity, the City of Salinas understands that documentation is equally important to the actual services provided. Data is projected to be available in real time, which we refer to as “working data” elements. More comprehensive data can be reported out in a 30-day or a quarterly period to track trends and address emergent issues. City and BACS staff are trained on data collection techniques, COC policies and requirements, data validity and reliability standards, and input procedures, including an expectation of timeliness of data entry. Using Neighborly or HMIS, data elements can in fact be pulled and relied upon.

Part 5: Key Implementing Partners and Personnel

The City’s primary partner, Bay Areas Community Services (BACS) has been a leader in community-based, deeply affordable housing preservation work for nearly 50 years. Traditionally, BACS provides housing for single adults, but with Salinas Project

Reclamation for Families will translate and expand upon prior success operating Supported Independent Living Program (SILP) homes in three counties into serving families experiencing homelessness. BACS has worked in Salinas, since 2020, operating the Salinas Housing Advancement, Resources, and Education (SHARE) Center. The SHARE Center is a “housing first” low-barrier program, welcoming people with children, pets, unique challenges, and barriers to an interim housing site. Our Housing Navigators work with clients on an individualized basis to help clients end their own cycle of being unhoused and help them find permanent, sustainable housing, and provide consistent support for 6 months afterwards to ensure housing stability.

Another key partner is the Coalition of Homeless Service Providers, providing systems facilitation, HMIS data quality improvement, and technical assistance in best practices across the COC. The City of Salinas is seeking to improve existing service system delivery in uniformity of HMIS reporting and by transitioning to a more user-friendly and robust data and grant management system, Neighborly Software.

Another instrumental partnership is the collaboration with the Monterey County Office of Education Homeless Children and Youth Services Program. This collaboration provides further opportunities to improve service delivery, such as the implementation of a close loop referral system for identifying/connecting families with support that will include social, educational, and housing needs. The partnership with MCOE is a vital stepping-stone, with the expected release of the Youth Homelessness Demonstration Project RFA, creating a future opportunity to further strengthen and collaborate on addressing Transition Age Youth (TAY) parenting youth ages 18-24 with children.

Additional partnerships include those providing self-sufficiency, legal, and financial literacy services such as the Housing Resource Council (HRC), Catholic Charities, and Central Coast Center for Independent Living (CCCIL), providing expertise in the fruition of self-sufficiency plans, with legal/immigration service needs and/or need of HUD certified Housing Counselors.

In terms of data coordination, the City expects to be able to customize reports and improve workflow. It is expected by the first month to complete an administrator and service provider training on the utilization of the Neighborly Software system. Within the new fiscal year, the partners in this proposal will be expected to utilize this grant management and reporting tool to demonstrate their program services and expenditures. Key staffing roles related to this proposal are listed below:

Position	Agency	Duties	FTE	Funding
Chief Program Officer	BACS	Program design, implementation, oversight	0.1	Leveraged funds
Property Manager	BACS	Property management of acquired homes	0.1	Leveraged funds
Property Supervisor	BACS	Property support, maintenance, and vendor management	0.5	FHC-1
Care Coordinators	BACS	Tenancy sustaining and housing retention services	1.5	FHC-1
Services Supervisors	BACS	Services and administrative oversight	0.5	FHC-1
Quality Improvement	BACS	Quality assurance, data oversight and reporting	0.5	Leveraged funds
Accountant	BACS	Rent and property revenue and expense oversight	0.25	Leveraged funds
Homeless Services Manager	City of Salinas	Project oversight and management of homeless services programs, support for property acquisition and facilitation of ADU implementation	0.25	Leveraged funds
Community Development Analyst	City of Salinas	Direct project management, systems development, implementation oversight, data analysis/reporting	1.0	FHC-1
Community Outreach Assistants	City of Salinas	Outreach and engagement of homeless families and coordination of service referrals	2	Leveraged funds

In terms of data coordination, the City expects to be able to customize reports and improve workflow. It is expected by the first month to complete an administrator and service provider training on the utilization of the Neighborly Software system. Within the new fiscal year, project partners and sub-contracted providers will be required to use the Neighborly Software platform to ensure uniform, accessible, and compliant reporting of identified outcomes and expenditure milestones.

Part 6: Implementing the Proposal Summary of Proposal

FHC-1 funding will be administered by the City of Salinas Community Development Department's (CDD) - Housing Division and implemented by the Bay Area Community Services Housing Corporation in conjunction with the Salinas Outreach and Response Team. Additional service providers, such as Catholic Charities, Housing Resource Center, YWCA, and Salvation Army, will likely be sub-contracted to provide critical linkages and specialized supports to homeless families.

The following table provides a summary of all proposed eligible uses, each of which attends to affirmed local plans such as the City of Salinas Strategic Plan 2022-2025, and the CoC 506 Lead Me Home 5-year Plan to End Homelessness.

Eligible Use Category	Amount	Explanation
Services Coordination	377,063.00	BACS Staff Costs Associated with Delivery of Tenant Retention Services
Systems Support	387,410.00	City Project Management and Development of Family Focused Service System; Sub-contracts to External Providers for Specialized Housing Support Services
Delivery of Permanent Housing	4,501,500.00	Acquisition and Rehab Costs for 5 Homes and Addition of 5 ADUs; Construction/Project Management
Residual	70,000.00	BACS Property Management and Maintenance of Acquired Homes

Administrative Costs	70,000.00	Grant Management Software
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Requested project funds will result in direct, measurable impacts, particularly regarding the explicit need to develop equitable, affordable housing for families with very low and low incomes, within an emerging specialized, family-focused system that seeks to make homelessness a “one-time” experience.

Part 7: Proposal’s Budget and Fiscal Strategy

Project Reclamation for Families is easily scalable at increments of \$175,000 for ADUs and \$750,000 for homes, per recent comparable local listings, where each funding commitment results in 1 to 2 families permanently ending their homeless status. Any increase/decrease in funding would result in a corresponding change to the number of families placed and served. Given the startling numbers of homeless families in Salinas, a project of this type could easily request the entire allocation for FHC-1 without long timelines before people are housed and we begin to make significant progress in providing housing for working-class and disabled homeless families.

Salinas Project Reclamation for Families is a solution that works for the *people served*, the neighborhood, and the community. Families served, get dignified, deeply affordable housing with supportive services, yet without the typical stigmatization associated with Section 8 vouchered tenants. Higher need families are seamlessly integrated into the community in homes thus reducing the potential negative impacts of NIMBYism.

The ever-regular presence of BACS Care Coordination staff on-site, helping residents with their other needs across SAMHSA’s Eight Domains of Wellness¹ further supports the project’s explicit intent to make homelessness for families a “one-time” event. The ongoing supportive services provided by BACS include serving as a primary point of contact for any rare neighborhood issue, and the development of ongoing, positive community-focused relationships.

For the community at-large, developing these scattered site homes in neighborhoods is not only more sustainable in cost and production timelines, but also works against zoning restrictions that force many affordable housing projects to be far from neighborhoods and residents’ home communities. Across California, as much as 75% of developable land is zoned only for single-family housing, according to UC Berkeley research², and there are significant restrictions in where new affordable housing can be built. Acquiring homes under the Project Reclamation for Families model works to preserve not just affordable housing options, but the demography and culture of local communities as it is dedicated to those being displaced and rooted in a commitment to preserving historically diverse neighborhoods where they are, in perpetuity – standing as statements against the effects of systemic racism displacing families from their rightful communities – while further integrating neighborhoods across socioeconomic divisions by expanding affordable housing options.

The economic model includes a 20-year schedule of cash flow, revenue over expenses, capital reserve, presumed vacancy rate of 5%, and augmented financial

¹ Substance Abuse and Mental Health Administration (SAMHSA), “Creating a Healthier Life: A Step-by-Step Guide to Wellness” (2016). <https://store.samhsa.gov/sites/default/files/d7/priv/sma16-4958.pdf>

² Healey, Jon and Ballinger, Matthew, “What Just Happened With Single-Family Zoning in California.” (Los Angeles Times, 2021) <https://www.latimes.com/homeless-housing/story/2021-09-17/what-just-happened-with-single-family-zoning-in-california#>

support through services contracts (Medi-Cal Specialty Mental Health service billing or Enhanced Care Management and In Lieu of Services contracts through the Managed Care Plans and Cal AIM). Since most of our clients/tenants are Medi-Cal beneficiaries, and BACS is an eligible provider, this revenue provides increased support when needed, to our deeply affordable permanent housing with supportive services.

Based on BACS' extensive experience with this proposed project model, the cost of one home, housing six individuals permanently, is approximately \$750,000, with supportive services and ongoing operations supported by rent collection from the tenants. In comparison, a single person receiving Permanent Supportive Housing for life costs \$600-800k. Essentially, for the comparative cost of housing one person with a PSH voucher (which does not result in building community assets since private landlords can sell or raise rents any time), we can permanently house a family for life in their own home, with their own lock and key, with supportive services and non-profit ownership to hold the site in community trust.

This project is well positioned to expend awarded funds both effectively and efficiently. All the acquisition and rehab capital funds (at total of over 83% of the funds requested) are anticipated to be expended within 12-18 months of award, well within the June 30, 2024, expenditure deadline. Requested funding for staffing and other operational costs (approximately 16% of the remaining budget) will likewise be spent within first two years of project operations, well before the June 30, 2026, 100% expenditure deadline.

Part 8: Unscored, Required Questions

Technical assistance would be useful to support the overall system of care in preventing homelessness before it starts for families in Salinas and for further developing strategies and services in support of the explicit “one-time” intent of this model. While this Technical assistance is not a requirement for this specific proposal, we see it as a necessary component of helping the overall effort to reduce family homelessness in succeeding.

FHC-2 funding for Project Reclamation would unequivocally create more permanent housing options in Salinas for families experiencing homelessness. As mentioned above, this project is uniquely scalable. We anticipate that Round 2 funding would further support additional acquisition, construction of ADUs and supports for any opportunistic activities or services that may come forward as a result of the intended systems development and/or technical assistance provided.