

**REPORT TO THE
CITY COUNCIL**
City of Salinas, California

DATE: July 12, 2016

FROM: Megan Hunter, Community Development Director, CD Dept.

BY: Anastacia Wyatt, Planning Manager, CD Dept.

SUBJECT: **FY 2016-17 EMERGENCY SOLUTIONS GRANT (ESG); AND AUTHORIZING THE ACCEPTANCE OF APPLICATIONS FOR THE STATE, NON-ENTITLEMENT ESG PROGRAM FOR SAN BENITO AND MONTEREY COUNTIES AND SUBMITTAL OF APPLICATIONS TO THE STATE FOR FUNDING; RENEW THE ANNUAL CONTRACT WITH CITY DATA SERVICES**

RECOMMENDATION:

It is recommended that the City Council adopt a resolution approving the:

- 1) Acceptance of the FY 2016-17 ESG applications for San Benito and Monterey County and authorizing staff to submit applications to the State for funding by July 29, 2016.
- 2) Renew the annual contract with City Data Services.

DISCUSSION:

The City of Salinas was authorized by City Council in May to administer ESG funds through the State Housing and Community Development Department (HCD). The City released an RFP for funding which was posted in newspapers in May 2016 and held an application workshop on June 13, 2016 for San Benito and Monterey Counties. Applications were due on June 24, 2016. Staff is in the process of reviewing applications. The applications will be rated and ranked by City staff and Katherine Thoeni, Executive Officer of the Coalition of Homeless Service Providers and approved by the Coalition of Homeless Service Provider's Board on July 28th in order to be submitted to the State by the July 29th deadline.

Public Hearing and Citizen Participation

A notice of the public hearing was published in The Hollister Free Lance and *The Salinas Californian* on May 20, 2016 and in *El Sol* on May 21, 2016. Copies of the RFP were placed at the following locations:

- John Steinbeck Library, 350 Lincoln Avenue, Salinas;
- Cesar Chavez Library, 615 Williams Road, Salinas;
- El Gabilan Library, 1400 North Main Street, Salinas;
- Housing Division, Community & Economic Development Department, 65 W. Alisal Street, 2nd Floor, Salinas;
- City Clerk's Office, City Hall, 200 Lincoln Avenue, Salinas;
- The Coalition of Homeless Service Provider's Website: <http://www.chspmontereycounty.org/>.

Funding Requests:

The following table shows the funding projected to be available for the State ESG funds for FY 2016-17 (once funded, grantees have 2 years to spend the funds):

Emergency Shelter Grant									
Total 2016 HUD Allocation		\$ 600,878.00							
ESG Components	Allocation %	Available for Funding	Amount Requested	Staff Recommendation		Subcommittee Recommendation			
Program Administration City	2.8%	\$ 16,538	\$ 16,538	\$ 13,538	2.7%	\$ -			
Program Administration Coalition	0.5%		\$ 3,000	\$ 2,858	0.5%				
Prevention	8.20%		\$67,763	\$ -	0.0%	\$ -			
Rapid Rehousing	40.0%	\$ 240,351	\$ 424,583						
HMIS			\$ 30,600						
Outreach & Shelter	0%	\$ -	\$ 291,138	\$ -	0.0%	\$ -			
Totals		\$ 256,889.20	\$ 833,622.00	\$ 16,396.00		\$ -			
STATE ESG Requested Funding			Total Funding Requested	ESG Components Requested Funding Allocations					
Agency	Project or Program			Street Outreach	Emergency Shelter	Homeless Prevention	Rapid Re-Housing	HMIS	Program Administration
Community Human Services	Safe Place Emergency Shelter	\$ 55,000	\$ 5,000	\$ 50,000				\$ -	
Franciscan Workers of Junipero Serra	Women Alive Emergency Shelter	\$ 63,763		\$ 63,763					
County of San Benito	San Benito County Warming Shelter	\$ 252,942		\$ 156,131			\$ 96,811		
Central Coast Center for Independent Living	CCCIL Housing Assistance Program	\$ 150,000	\$ 9,044			\$ 34,781	\$ 91,175	\$ 15,000	
Housing Resource Center of Monterey County	Emergency Rental Assistance Program	\$ 292,170	\$ 7,200			\$ 32,773	\$ 236,597	\$ 15,600	
Coalition of Homeless Providers	Program Administrat	\$ 3,000							\$ 3,000
City of Salinas	Program Administration	\$ 13,365							\$ 13,365
	Total Funding Requested	\$ 830,240	\$ 21,244	\$ 269,894	\$ 67,554	\$ 424,583	\$ 30,600	\$ 16,538	
	Percent Allocations		101%	2.6%	32.5%	8.1%	51.1%	3.7%	2.8%

ESG funds may be spent on five categories of activities: emergency shelter, homeless prevention, street outreach, rapid re-housing, and implementation of the Homeless Management Information System (HMIS). The State has a requirement that forty percent (40%) of the total grant is spent on Rapid Rehousing.

The following is a summary of the applications for the total funding of \$600,878. Administration is capped by the State at \$16,538. This funding will be split between the Coalition and the City. The City will take \$16,538 and the Coalition will receive the remaining \$3,000.

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STATE ESG APPLICATION SUMMARY

Agency	Program	Summary	Service Area	Ask
Community Human Services	Safe Place Emergency Shelter	Safe Place provides comprehensive services to run away and homeless youth unduplicated anywhere in Monterey County. The facility, located at 590 Pearl St., houses two main programs, the Basic Center Program, which provides individual and group counseling and family reunification or alternative living arrangements, and the Street Outreach Program, which engages youth on the streets and provides informal counseling, education and prevention services, survival aid including food and clothing, and information and referral. Two licensed crisis resolution homes located in Monterey are provide temporary shelter for youth up to age 17. A temporary, 12 bed shelter was permitted at Safe Place by the City of Monterey in January of 2016. We are applying for a regular use permit to operate the shelter year-round beginning in late 2016.	Monterey County	Total: \$55,000 Street Outreach: \$5,000 Emergency Shelter: \$50,000
County of San Benito	San Benito County Warming Shelter	The San Benito County Warming Shelter will be in their second year of existence and will be the only Warming Winter Shelter available in the County. In its first year of existence, the Warming Shelter was funded in partnership with the City of Hollister and Intergovernmental Transfer funds. The County will seek out additional funding for this endeavor due to the need in the community. ESG funding will make the potential of having a shelter be available to the community during the winter months.	San Benito County	Total: \$ 252,942 Emergency Shelter: \$156,131 Rapid Rehousing: \$96,811
Central Coast Center for Independent Living	CCCIL Housing Assistance Program	CCCIL Housing Assistance Program will serve Salinas residents and Veterans with disabilities who have low to moderate incomes. Consumers will receive case management service to address the following needs: homeless prevention services, rapid re-housing and outreach. Case management services will include employment referral services to resources such as the America Job Center, Goodwill/Shorline, and Department of	City of Salinas	Total: \$150,000 Street Outreach: \$9,044 Homeless Prevention: \$34,781

		<p>Rehabilitation</p> <p>This includes services such as housing counseling in connection with tenant-based rental assistance and affordable housing projects, energy auditing, preparation of work specifications, loan processing, inspections, tenant selection, management of tenant-based rental assistance, and other services related to assisting owners, tenants, contractors, and other entities participating or seeking to participate in the HOME program.</p>		<p>Rapid Re-housing: \$91,175</p> <p>HMIS: \$15,000</p>
Housing Resource Center of Monterey County	Emergency Rental Assistance Program	HRC's rapid re-housing and homeless prevention services will enable clients to either obtain and maintain safe, secure and permanent rental housing, or, will provide rental assistance to help stabilize families and individuals at risk of homelessness.	Monterey County	<p>Total: \$292,170</p> <p>Street Outreach: \$7,200</p> <p>Homeless Prevention: \$32,773</p> <p>Rapid Rehousing: \$236,597</p> <p>HMIS: \$ 15,600</p>
Franciscan Workers of Junipero Serra	Women Alive Emergency Shelter	Our Women Alive Emergency Shelter program provides a low-barrier, nightly shelter that provides basic needs (meal, hygiene, clothing, counseling) and essential services (HMIS Vulnerability Index, Coordinated Entry, case management during the day) with the goal of moving chronically homeless women out of nightly shelter and into permanent housing, meeting National Objectives.	City of Salinas	<p>Total: \$63,763</p> <p>Emergency Shelter: \$63,763</p>

City Data Services

The City entered into its first contract with City Data Services (CDS) in 2010. CDS provides customized, web-based data management services for a web-based data management program developed for the City by CDS in 2010 for use in its Community Development Block Grant (CDBG), ESG, and Residential Rehabilitation Multi-Family Programs.

CDS allows for simplicity for City staff and subrecipients by allowing an online application system. This year, CDS created an online rating and ranking system allowing staff to rate and rank and the system provides a spreadsheet of the rating and ranking, saving staff time and money. Additionally, CDS worked with staff to automate funding agreements through the website.

The CDS contract provides service for the three modules: Community Development Block Grant (CDBG) for \$6,780 annually; Housing Loan Module for \$2,940 annually; and the Multi-Family Housing Module at \$4,800 annually. The total contract is for \$14,520 annually. HUD, the annual single auditors and other communities agree that this service is beneficial to enhance the tracking and compliance of HUD, State and local programs.

ISSUES:

Shall the City Council adopt a resolution approving the:

- Acceptance of the FY 2016-17 ESG applications for San Benito and Monterey County and authorizing staff to submit applications to the State for funding by July 29, 2016.
- Renew the annual contract with City Data Services.

FISCAL IMPACT:

HUD programs such as ESG return federal tax dollars to the community. The City of Salinas accepted the regional responsibility of administering the State, Non-Entitlement ESG funds to prevent a loss of \$600,000 in ESG funds to San Benito and Monterey Counties for FY 16-17 and approximately \$300,000 annually each year after. Had the City not accepted this responsibility, the two Counties would have had to apply for funding to the State directly with no guarantee of funding and with only the opportunity to receive 1/3 of the funds. The City has secured this funding for the region with a simpler system to receive the funds.

Due to the constant need for services from the homeless populations in both counties, this funding is vital to enhance services to the homeless community through agencies in both counties that administer services.

TIME CONSIDERATIONS:

Applications are due to the State by the end of July. It is imperative that Council accept applications and authorize staff to submit applications and allow the Coalition's Board to finalize funding recommendations to submit to the State by July 29th. Staff expects the State to accept funding recommendations by October 2016 and funds will be released to agencies soon after. Staff will complete funding agreements in this timeframe.

ALTERNATIVES/IMPLICATIONS:

Council may:

- 1) Direct Staff to move forward and finalize the rating and ranking of applications and take those recommendations to the Coalition's Board for the finalization of the applications to submit to the State on July 29th;
- 2) Not accept the applications; or
- 3) Provide other direction to staff.

CITY COUNCIL GOALS:

The CDBG, HOME, and ESG funding received by the City allows the undertaking of a variety of programs that are instrumental in providing affordable housing, providing homeless and homelessness prevention services, improving public facilities, making infrastructure improvements in lower income areas, and furthering partnerships with public service organizations addressing the human service needs of the City's low-income, elderly, and special needs communities. The funding and its implementation supports activities and projects that implement all of the City Council's strategic goals: 1) Economic

Diversity and Prosperity; 2) Safe, Livable Community; 3) Effective, Sustainable Government; 4) Excellent Infrastructure; and 5) Quality of Life.

CONCLUSIONS:

Following consideration of any public hearing, Council will consider the Acceptance of the FY 2016-17 ESG applications for San Benito and Monterey County and authorizing staff to submit applications to the State for funding by July 29th, 2016. Council will also approve the renewal the annual contract with City Data Services.

Back Up Pages:
City Data Services Contract
City Council Resolution