



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: APRIL 18, 2017

DEPARTMENT: COMMUNITY DEVELOPMENT

FROM: MEGAN HUNTER, COMMUNITY DEVELOPMENT DIRECTOR

TITLE: FY 2017-18 STATE OF CALIFORNIA HOUSING AND COMMUNITY DEVELOPMENT EMERGENCY SOLUTIONS GRANT FOR SAN BENITO AND MONTEREY COUNTIES

RECOMMENDED MOTION:

No motion required at this public hearing.

RECOMMENDATION:

It is recommended that the City Council conduct a public hearing to receive comments regarding the proposed funding allocations for FY 2017-18 State HCD ESG for San Benito County and Monterey County.

EXECUTIVE SUMMARY:

The City of Salinas was authorized by City Council in May 2016 to administer ESG funds through State HCD. The City released an RFP for funding, which was posted in newspapers December 11, 2016 and December 12, 2016, and held an application workshop on January 13, 2017 for San Benito and Monterey Counties. Applications were due on February 6, 2017. Applications were rated and ranked by City staff and Katherine Thoeni, Executive Officer of the Coalition of Homeless Service Providers. Applications to be submitted to the State HCD office by June 2017.

BACKGROUND:

A notice of the public hearing was published in The Salinas Californian on March 31, 2017 and in El Sol on April 1, 2017. 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 Development Department, 65 W. Alisal Street, 2nd Floor, Salinas;
- City Clerk's Office, City Hall, 200 Lincoln Avenue, Salinas

DISCUSSION:

This is the first of two required public hearings. No action will be taken at the April 18, 2017 City Council meeting. This item will be brought before the City Council on May 2, 2017 for final approval

regarding the proposed funding allocations and application submittal to the State for FY 2017-18 State HCD ESG for San Benito County and Monterey County. The thirty-day comment period ends on May 3, 2017.

The City estimates receiving up to \$533,372 in State HCD ESG funds. However, all proposed budgeted activities will be proportionally increased or decreased from the estimated funding levels to match HCD's final actual allocation.

The following table shows the funding projected to be available for the State HCD ESG funds for FY 2017-18 (once funded, grantees have 2 years to spend the funds):

2017 Funding Allocation	State Fund	State-HUD Fund	Total Funds	
	\$ 219,145.00	\$ 294,362.00	\$ 533,372.00	
ESG Components	Funding Criteria to be met	Amount Requested	Staff Recommendation	
Program Administration	\$ 19,865	\$ 19,865	\$ 19,865	3.7%
Street Outreach		\$ 139,462	\$ 115,712	21.7%
Emergency Shelter		\$ 150,000	\$ 138,595	26.0%
Homeless Prevention		\$ 59,950	\$ 29,950	5.6%
Rapid Re-Housing *	\$ 213,349	\$ 416,075	\$ 214,250	40.2%
HMIS		\$ 21,300	\$ 15,000	2.8%
Totals		\$ 806,652.00	\$ 533,372.00	

* Must meet at least 40% of allocation

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				
County of San Benito	San Benito County Warming Shelter	\$ 190,000		\$ 100,000		\$ 90,000		
Central Coast Center for Independent Living	CCCIL Rapid Rehousing and Homeless Prevention Services for People with Disabilities	\$ 150,000	\$ 16,800		\$ 39,950	\$ 78,250	\$ 15,000	
Housing Resource Center of Monterey County	Emergency Rental Assistance Program	\$ 125,875	\$ 3,750		\$ 20,000	\$ 98,625	\$ 3,500	
Interim Inc.	Site-Specific Homeless Outreach	\$ 113,912	\$ 113,912					
YWCA Monterey County	Transitional Housing support for victims of Domestic Violence	\$ 152,000				\$ 149,200	\$ 2,800	
City of Salinas	Program Administration	\$ 19,865						\$ 19,865
Total Funding Requested		\$ 806,652	\$ 139,462	\$ 150,000	\$ 59,950	\$ 416,075	\$ 21,300	\$ 19,865

STATE ESG Staff Recommendation		Total Staff Recommendation	ESG Components Proposed 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	\$ 48,595	\$ 5,000	\$ 43,595				
County of San Benito	San Benito County Warming Shelter	\$ 185,000		\$ 95,000		\$ 90,000		
Central Coast Center for Independent Living	CCCIL Rapid Rehousing and Homeless Prevention Services for	\$ 140,000	\$ 16,800		\$ 29,950	\$ 78,250	\$ 15,000	
Housing Resource Center of Monterey County	Emergency Rental Assistance Program	\$ 46,000				\$ 46,000		
Interim Inc.	Site-Specific Homeless Outreach	\$ 93,912	\$ 93,912					
YWCA Monterey County	Transitional Housing support for	\$ -						
City of Salinas	Program Administration	\$ 19,865						\$ 19,865
Total Funding Recommended		\$ 533,372	\$ 115,712	\$ 138,595	\$ 29,950	\$ 214,250	\$ 15,000	\$ 19,865

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 \$513,507. Administration is capped by the State at \$19,865.

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 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. They are applying for a regular use permit to operate the shelter year-round beginning in late 2016.	Monterey County	Total: \$48,595 Street Outreach: \$5,000 Emergency Shelter: \$43,595
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: \$ 185,000 Emergency Shelter: \$95,000 Rapid Rehousing: \$90,000
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/Shoreline, and Department of Rehabilitation This includes services such	City of Salinas	Total: \$140,000 Street Outreach: \$16,800 Homeless Prevention: \$29,950

		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.		Rapid Re-housing: \$78,250 HMIS: \$15,000
Housing Resource Center of Monterey County	Emergency Rental Assistance Program	HRC's rapid re-housing and homeless prevention services will enable clients to maintain safe, secure and permanent rental housing, or, will provide rental assistance to help stabilize families and individuals at risk of homelessness.	Monterey County	Total: \$46,000 Rapid Rehousing: \$46,000

Applications are due to the State by June 2017. 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 no later than June 30. Staff expects the State to accept funding recommendations by October 2017 and funds will be released to agencies soon after. Staff will complete funding agreements in this timeframe.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

STRATEGIC PLAN INITIATIVE:

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.

FISCAL AND SUSTAINABILITY 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 HCD ESG funds, to prevent a loss of continued funding in ESG funds to San Benito and Monterey Counties. The City estimates to receive \$300,000 annually for San Benito and Monterey Counties from State HCD ESG 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.