



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: MARCH 20, 2018

DEPARTMENT: COMMUNITY DEVELOPMENT DEPARTMENT

FROM: MEGAN HUNTER, DIRECTOR

BY: ANASTACIA WYATT, PLANNING MANAGER

TITLE: ADMINISTRATIVE REPORT ON CITY PARTNERSHIP WITH MONTEREY COUNTY ON THE DEVELOPMENT OF A PERMANENT HOMELESS SHELTER AT 1220 NATIVIDAD ROAD

RECOMMENDED MOTION:

No motion is required, but staff is requesting direction from City Council on how to proceed with the development of a permanent homeless shelter. A future partnership agreement would be presented to the Salinas City Council in April and to the County Board of Supervisors for consideration.

RECOMMENDATION:

It is recommended that City Council receive an Administrative Report on the proposed partnership with Monterey County on the development of a permanent homeless shelter to be located at 1220 Natividad Road and provide direction to staff on how to proceed.

EXECUTIVE SUMMARY:

In September 2017, the City and Department of Social Services for Monterey County executed a Memorandum of Understanding (MOU) to establish a temporary warming shelter in the Downtown and to enter into discussions about the development of a permanent shelter at 1220 Natividad. As a result of these discussions, City and County staff have been able to reach agreement on the objectives for the development of the site and are seeking direction from both the County Board of Supervisors and City Council on a formal partnership agreement. This partnership agreement would be presented for approval at a future date. The agreement would allow City staff to serve as a project manager to help solicit and identify a developer/operator for the permanent homeless shelter.

Immediately prior to the City Council meeting on March 20, 2018, City staff met with the Monterey County Board of Supervisors to present a similar Administrative Report on the proposed permanent homeless shelter to be located at 1220 Natividad Road. City staff will share the

direction provided by the Monterey County Board of Supervisors.

BACKGROUND:

The results of the 2017 Homeless Census & Survey showed an increase of 23% in sheltered and unsheltered homeless population in Monterey County from the last census and survey conducted in 2015. Within the City of Salinas, the sheltered and unsheltered homeless population increased to 1,361, making this a 57% increase from 2015. Currently there are no permanent year-round homeless shelters to serve this segment of the population within Monterey County.

Recognizing the great need for a permanent year-round shelter, the City and County began discussions on potential sites for a permanent shelter. Ultimately, both the County and City agreed to locate this permanent year-round shelter at 1220 Natividad. On September 26, 2017, the City and County adopted an MOU related to the establishment of a temporary warming shelter and commitment to the development of the permanent homeless shelter. This MOU has no termination date, unless both parties agree to terminate. Since then, City and County staffs have met multiple times to discuss objectives for the development of 1220 Natividad. Objectives for the 1.8 acre site include: a permanent homeless shelter, homeless services, and the possibility of permanent support housing.

Should the Monterey County Board of Supervisors agree, the City will move forward with County staff to begin drafting a partnership agreement on the development at 1220 Natividad Road. City staff would bring this agreement document to the City Council on April 17, 2018.

DISCUSSION:

As a result of the ongoing discussions with the County, staff have jointly created a framework for the site to include a year-round homeless shelter that serves 100-150 nightly guests with meals, health and social services, and housing navigation. In addition, the site would be developed with 40 to 70 studio units qualifying as permanent supportive housing. Depending upon the intensity of development, estimated construction costs could range between \$30 million to \$70 million. By providing housing, a potential developer could utilize tax credits to fund the development, like Moon Gate Plaza, the MidPen project in Chinatown.

To quickly jumpstart the development of the site, City and County staff are recommending that City staff assume a more active role as “project manager”. City staff have greater capacity and experience in this area, especially with the recent success in Chinatown. The City’s primary role would be to assist the County with pre-development due diligence, draft a developer request for proposals, help select the developer/operator, and identify potential sources of funding.

If both the County Board of Supervisors and City Council provide direction for staff to proceed, a formal partnership agreement would be drafted and presented to both legislative bodies for approval. The goal would be to present the formal agreement at the April 17, 2018 Board and City Council meetings for consideration. With the diligent efforts of both the City and County, it is anticipated that the project could be built in 2-3 years. In the meantime, staff will continue to work together on a plan for the temporary warming shelter.

Although the City is assuming great responsibility to facilitate development of 1220 Natividad, the Mayor, City Council, and City Manager have been clear that a similar development must be constructed on the Monterey Peninsula. While the City has a large homeless population, it cannot serve as the homeless epicenter for the entire county. Therefore, it is important to continue the work on the Coalition for Homeless Service Providers Leadership Council to include a similar development on the Monterey Peninsula in the Lead Me Home Plan.

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). 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.

STRATEGIC PLAN INITIATIVE:

This administrative report for the development of a permanent homeless shelter and permanent supportive housing furthers the following City Council strategic goals: 1) Safe, Livable Community; 2) Well Planned City with Excellent Infrastructure, and 2) Quality of Life.

FISCAL AND SUSTAINABILITY IMPACT:

This is a presentation only. Therefore, there will be no impact on the City's General Fund.

ATTACHMENTS:

None