



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: JULY 2, 2019

DEPARTMENT: COMMUNITY DEVELOPMENT DEPARTMENT

FROM: MEGAN HUNTER, DIRECTOR

TITLE: AGREEMENT FOR PROFESSIONAL SERVICES WITH
DOWNTOWN STREETS TEAM

RECOMMENDED MOTION:

A motion to approve a resolution for a Professional Services Agreement with Downtown Streets Team (DST).

RECOMMENDATION:

The Community Development Department recommends that City Council approve a Professional Services Agreement with DST for a one-year in an amount not to exceed \$405,000.

EXECUTIVE SUMMARY:

City Council approved funding during the budget process for a program through Downtown Streets Team (DST) focused on ending homelessness by restoring the dignity and rebuilding the lives of unhoused men and women. The DST program in Salinas would launch cleanup crews in Chinatown and Downtown comprised of Team Members who would receive services and a basic needs stipend for their participation. Team Members will be provided with case management services related to goal setting including housing stability. Team Members will also receive employment services to graduate into regular employment.

DST would maintain a Team of at least twenty-five (25) members and serve one hundred (100) individuals experiencing or at risk of homelessness over the course of one year. The Team would be deployed Monday through Friday from 8:00 am to 12:00pm in Chinatown and Downtown and eventually could be moved to other areas in the City in need of clean-up efforts.

BACKGROUND:

Community Development Department (CDD) Staff have been evaluating best practices on reducing homelessness over the last few years and learned of a highly successful program known as Downtown Streets Team (DST). DST has been named as one of only five evidence-based best practices by the League of California Cities and the State Association of Counties' Homelessness Task Force. The model provides individualized paths out of homelessness, environmental benefits, community beautification and visual response to homelessness.

Over the last two CDBG cycles, DST has applied for funding through a competitive process. Although their application was well developed, staff was unable to recommend funding because the program just falls outside of the eligibility criteria for the CDBG category of economic development. Throughout this process, the City Council CDBG and Housing Subcommittee became aware of the DST proposal and the challenge with CDBG eligibility. Members expressed interest in pursuing this opportunity by exploring other funding sources. With growing costs related to homeless encampment cleanups, there was a heightened interest in developing more sustainable solutions to remove trash and debris. DST offers just such a solution by providing more than just a clean-up program but offering outreach and case management to homeless individuals while preventing future waste streams.

In recognition of the need to both reduce homelessness and address waste from encampments, the City Council allocated \$80,000 for DST in February 2019 through the Mid-Year Budget. With continued delay in state homeless funding and disqualification of the program for CDBG economic development category, the City Council also approved an allocation of \$325,000 in the FY 19/20 Budget to initiate DST this fiscal year.

DISCUSSION:

DST currently operates programs in 12 Bay Area project areas, spanning seven counties. Beginning in 2005 in Palo Alto, DST has had tremendous success including:

- 1,600 homes and jobs for participants – 811 employed, 848 housed
- Average 9 job placements per month
- 91% of graduates keep their job for 90 days or more
- 75% reduction in panhandling in Palo Alto between 2005-2013
- Over 3,000 tons of debris moved from urban waterways
- 1.9 million cigarette butts collected from streets
- 200 33-gallon bags of trash removed per day; In San Jose 4,000 cubic yards of trash removed in one project area over 2 years

It is anticipated that DST will achieve the following outcomes related to shelter, housing, health, mental health substance abuse, employment, income and self-sufficiency in Salinas:

	Description of Activity	Expected Outcome	Est. Completion Date
Activity #1	Removing self-sufficiency barrier	Removing self-sufficiency barriers for 50 individuals	6/30/20
Activity #2	Graduating Team Members into employment	Graduating 10 Team Members into employment lasting at least 90 days	6/30/20
Activity #3	Placing participants into housing	Place 8 Team Members directly into housing from homelessness	6/30/20
Activity #4	Debris Removal	Remove over 28.8 cubic yards of debris from Team cleanup activities	6/30/20

DST expects to start services within 45 days of execution of the contract. Prior to initiating operations, DST will hire staff, set up a local office, and establish community partnerships. DST has already identified a Program Manager from Monterey County who has worked with organization for two years. Two additional full-time case managers will be hired for the Salinas program.

DST addresses homelessness in a comprehensive manner. DST's approach is two-pronged: provide a level of structure and support for individuals in our community who are eager to work and build upon their skills, and to be a benefit to the neighborhood at-large through cleaner streets, brighter neighborhoods and reduced blight. In addition to direct housing placements, DST will report on debris removal, needles removed and most importantly, the number of barriers removed to self-sufficiency. It should be noted that DST has already been engaged in Chinatown through its work on the Trash Committee.

Although this contract did not follow a typical request for proposal (RFP) process, it should be noted that DST is uniquely qualified to conduct this work. Prior to reaching out to DST, CDD Staff conducted research on various best practices in California in reducing homelessness. DST was recognized as one of only five evidence-based best practices by the League of California Cities and the State Association of Counties' Homelessness Task Force. Furthermore, DST was the only program that demonstrated housing and employment outcomes while both removing debris and reducing future waste streams. DST has gone through two cycles of a competitive application process through CDBG and scored well. Unfortunately, the Housing Division Staff in consultation with the United States Department of Housing and Urban Development (HUD) could not confirm the program's eligibility. DST has been presented to the City Council CDBG and Housing Subcommittee and it was recommended that staff explore other funding sources. Through the 18/19 Mid-Year and 19/20 Annual Budgets, City Council approved funding for this unique program.

CEQA CONSIDERATION:

The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) per Guidelines Section 15378. 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:

This contract will help advance all City Council Strategic Plan goals including: Economic Diversity and Prosperity; Safe, Livable Community; Effective, Sustainable Government; Well

Planned City and Excellent Infrastructure; and Quality of Life by assisting Salinas' residents experiencing homelessness secure employment and stable housing while tackling health and safety concerns through removal of debris. The City's partnership with DST achieves the specific objective of continuing collaboration with social service providers to address the needs of the homeless. By focusing activities in Chinatown and the Downtown, the City can also further revitalization efforts within these communities, which are also objectives outlined under the goal of Economic Diversity and Prosperity.

DEPARTMENTAL COORDINATION:

The Housing Division of Community Development Department has taken the lead in coordinating the review of DST applications, coordinating with the CDBG and Housing Subcommittee, coordinating budget requests through the City Manager's Office and Finance Department, and developing the draft Professional Services Agreement. The City Manager has spearheaded discussions regarding a more comprehensive approach to reducing homelessness and addressing clean-up efforts of the encampments. The Legal Department was instrumental in reviewing the draft Professional Services Agreement for DST.

FISCAL AND SUSTAINABILITY IMPACT:

The City Council allocated funding in the amount of \$405,000 for the DST contract, \$80,000 through the General Fund in the 18/19 Mid-Year Budget and \$325,000 through Measure G in the 19/20 Annual Budget. This seed funding will allow the City to initiate the program this year and demonstrate its effectiveness. CDD Staff will work with DST to secure grant funds for future program years.

ATTACHMENTS:

- City Council Resolution
- Proposed Agreement for Professional Services between the City of Salinas and Downtown Streets Team