



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: AUGUST 13, 2019

DEPARTMENT: COMMUNITY DEVELOPMENT DEPARTMENT

FROM: MEGAN HUNTER, DIRECTOR

BY: CHRISTOPHER VALENZUELA, PLANNING MANAGER

TITLE: AGREEMENT FOR PROFESSIONAL SERVICES WITH
COMMUNITY HOMELESS SOLUTIONS FOR SALINAS
WARMING SHELTER

RECOMMENDED MOTION:

A motion to approve a resolution for a Professional Services Agreement with Community Homeless Solutions (CHS).

RECOMMENDATION:

The Community Development Department recommends that City Council approve a Professional Services Agreement with CHS for Fiscal Year (FY) 2019-20 in an amount not to exceed \$200,000.

EXECUTIVE SUMMARY:

The City Council approved Measure G funding during the annual FY 2019-20 budget process in the amount of \$200,000 for Capital Improvement Program 9187 – Shelter Operations (CIP) regarding the Salinas Warming Shelter (Shelter) located at 111 W. Alisal Street. The Shelter is currently in operation and has been operated since December 2017 by a local non-profit agency Community Homeless Solutions (CHS). The CIP Measure G funding for this Professional Services Agreement with CHS will help provide essential operational funding in partnership with the Monterey County Department of Social Services (MCDSS). The City of Salinas (City) and MCDSS have entered into a Memorandum of Understanding (MOU) and agree to coordinate and share responsibilities of the Shelter until a permanent shelter to be located at 855 E. Laurel Drive is developed and in operation.

BACKGROUND:

Homelessness is a serious and ongoing problem in the City and throughout the County of Monterey (County) and requires support among the City and County for the preservation of public peace, health, and safety of our community. The number of homeless individuals and families has persisted countywide. Persons experiencing homelessness are at high risk for physical and mental health issues, and other chronic illnesses.

The Shelter originally opened on December 1, 2017 and is scheduled to continue operating until a permanent shelter to be located at 855 E. Laurel Drive is developed and in operation. The Shelter currently operates 7 days a week from 4:00 p.m. to 8:00 a.m. providing shelter and safety for families and individuals experiencing homelessness, nightly dinner, and supportive services. The Shelter has the capacity to serve up to seventy (70) persons nightly.

DISCUSSION:

Under agreed upon terms contained in an MOU approved by the City and County on September 25, 2018, the City and County have agreed to coordinate and share responsibilities of the Shelter. The total estimated cost to operate the Shelter for FY 2019-20 is based on an average monthly expense of \$65,000 or \$780,000 annually. Shelter funding for FY 2019-20 is proposed to be comprised from the following funding sources and estimated dollar amounts listed in the table below.

Proposed FY 2019-20 Salinas Warming Shelter Budget			
Administrative Entity	Funding Source Credit	Funding Source	Dollar Amount
City of Salinas	City of Salinas	CIP 9187 (Measure G)	\$200,000
City of Salinas	City of Salinas	HUD Emergency Solutions Grants (ESG)	\$49,152
City of Salinas	City of Salinas	HCD Emergency Solutions Grants (ESG)	\$52,736*
City of Salinas	County of Monterey	HCD Emergency Solutions Grants (ESG)	\$52,736*
City of Salinas	City of Salinas	HCD California Emergency Solutions & Housing (CESH) - Round 1**	\$22,688*
City of Salinas	County of Monterey	HCD California Emergency Solutions & Housing (CESH) - Round 1**	\$22,688*
County of Monterey	County of Monterey	General Fund	\$200,000
County of Monterey	City of Salinas	Homeless Emergency Aid Program (HEAP)	\$90,000*
County of Monterey	County of Monterey	Homeless Emergency Aid Program (HEAP)	\$90,000*
Total			\$780,000

**Regional funding to be credited 50%/50% among City and County*

***Pending FY 2018-19 CESH (Round 1) Final Rating & Ranking Results*

Some of the funding dollar amount estimates in the table above may change in FY 2019-20 based on final funding award amounts and the timing of certain federal and state grant contracts being

available to the City and County. Regarding non-federal funding sources such as the City CIP 9187 (Measure G) and County General Fund, the goal was to equitably allocate the same dollar amount among each jurisdiction to equally share operational Shelter expenses. Although, the County approved a total of \$391,600 of General Fund funding in FY 2019-20, they may not need to utilize the entire dollar amount due to other regional funding sources being available. As part of the overall cost sharing methodology any regional funding whether it be administered by the City such as HCD ESG, HCD CESH or County such as HEAP would also be credited equitable to each jurisdiction on a 50%/50% cost share basis. Among the funding sources and methodology listed above the Shelter is proposed to be fully funding for FY 2019-20.

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 Professional Services Agreement will help advance the following City Council strategic goals: 1) Economic Diversity and Prosperity; 2) Safe, Livable Community; 3) Effective, Sustainable Government and 4) Quality of Life.

DEPARTMENT COORDINATION:

This agenda item is solely administered by the City's Community Development Department Housing Division. However, other City departments that contributed with their staff time and resources included Finance and Legal. The Housing Division was also required to coordinate with MCDSS.

Department	Contribution
Finance	Assists in helping manage expenditures related to the Professional Services Agreement.
Legal	Provides legal guidance on all contracts and legal documents related to this agenda item.

FISCAL AND SUSTAINABILITY IMPACT:

The City Council approved CIP – 9187 (Measure G) funding in the amount of \$200,00 for Shelter operations as part of the FY 2019-20 annual budget. All other FY 2019-20 Shelter funding is proposed to derive from other federal, state or County funds.

ATTACHMENTS:

- Resolution
- Professional Services Agreement