



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: JUNE 8, 2021

DEPARTMENT: COMMUNITY DEVELOPMENT DEPARTMENT

FROM: MEGAN HUNTER, DIRECTOR

BY: ROD POWELL, PLANNING MANAGER

TITLE: FY 2021-2022 AGREEMENT FOR SERVICES WITH BAY AREA
COMMUNITY SERVICES FOR SHARE CENTER OPERATIONS

RECOMMENDED MOTION:

A motion to approve a resolution for a Fiscal Year (FY) 2021-2022 Agreement for Services (Agreement) with Bay Area Community Services (BACS) not to exceed \$400,000 for SHARE Center operations.

RECOMMENDATION:

The Community Development Department recommends that City Council approve an Agreement for Services with BACS for FY 2021-2022 in an amount not to exceed \$400,000 for SHARE Center operations.

EXECUTIVE SUMMARY:

The SHARE Center recently opened on May 31, 2021 with BACS providing twenty-four (24) hour, seven (7) day per week operational support through an initial three (3) month, pre-operational contract with the County of Monterey. Moving forward under the existing MOU between the City and Monterey County, each jurisdiction has agreed to fund an equal split of total SHARE Center operation expenses in subsequent fiscal years. The proposed Agreement seeks to fund a portion of the City's share of operational costs, \$1,105,179, for FY 2021-2022. The City will fund the remaining balance of its portion of SHARE Center operational costs with previously approved Federal and State CARES Act Emergency Solutions Grant funding.

BACKGROUND:

On September 26, 2017, the Salinas City Council (Council) and County Board of Supervisors (BOS) executed a Memorandum of Understanding (MOU) authorizing the opening of the Warming Shelter and agreed to work collaboratively toward the future construction and operation of a new year-round shelter. This MOU was later replaced by a new MOU approved by the Council and BOS on September 25, 2018, which established responsibilities related to the construction of the shelter and selection of a future operator. On May 29, 2019, the County was

awarded \$6,018,100 in funding through the Homeless Emergency Aid Program (“HEAP”) by the Continuum of Care for Monterey and San Benito Counties for the construction of a year-round Shelter at 845 East Laurel Drive. After the distribution of a community-wide survey, the Council and BOS adopted the name of the Salinas Housing Advancement, Resources & Education Center (SHARE Center) for the new shelter and navigation center. On October 28, 2020, the City released a Request for Proposal (RFP) seeking a qualified service provider to serve as the new SHARE Center operator and after conducting a rating and ranking process involving a technical panel, Bay Area Community Services (BACS) was recommended to be the operator of the SHARE Center. At a joint meeting of the Council and BOS, BACS was formally selected as the Operator. At the end of April, the County entered into a contract with BACS to begin operations by the end of May.

DISCUSSION:

Under agreed upon terms contained in an MOU approved by the City and County of Monterey (County) on September 25, 2018, the City and County have agreed to coordinate and share development and operational costs of the SHARE Center located at 845 E. Laurel Drive. Per the approved MOU, the City and County have each agreed to fund fifty percent (50%) of operational costs. SHARE Center operator, Bay Area Community Services (BACS) has proposed a \$2,211,438 budget to provide 24 hour, 7 days per week operations for FY 2021-2022. Through the proposed Agreement, the City will contribute \$400,000 of General Fund from FY 2021-2022 and Measure G FY 2020-2021 Capital Improvement Program (CIP) 9187 – Shelter Operations towards operational costs of the SHARE Center. The balance of shared operational costs for the SHARE Center will come from other City and/or County administered federal, state and County funds.

Although the Governor has announced the re-opening of businesses across California impacted by COVID-19 by June 15th, it is expected that occupancy restrictions will remain for congregant facilities. The SHARE Center is considered a congregant facility and has been restricted to roughly 50% occupancy moving forward. The addition of three trailers will enable greater capacity, but it is likely that occupancy will be limited to 50 to 70 persons per night. Once restrictions are lifted capacity will increase to 100 to 120 persons.

The agreement with BACS includes the following performance metrics:

1. Maintain a nightly bed occupancy rate of ninety percent (90%).
2. Exit seventy percent (70%) of clients from SHARE Center beds to permanent housing destinations.
3. Exit one hundred percent (100%) of clients to known destinations.
4. Provide up to twelve (12) months of financial assistance to one hundred percent (100%) of clients receiving short-term rental subsidies using flexible funds.
5. Complete HMIS project entries and exits within seventy-two (72) hours for one hundred percent (100%) of clients served.
6. Maintain one hundred percent (100%) HMIS data completion rate for HMIS Universal Data Elements (UDEs).

Community Development Department staff will monitor performance and support BACS in achieving these outcomes, which will be reported to City Council at the end of the year.

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 Agreement will help advance the following City Council strategic goals: 1) Investment Strategies/Risk Management, 2) Operational Efficiencies, and 3) Public Safety by funding operation of the SHARE Center, a 24-hour, year-round shelter and navigation center focused on permanently housing those experiencing homelessness.

DEPARTMENT COORDINATION:

This agenda item is solely administered by the City's Community Development Department Housing Division. However, other City departments, including Finance and Legal, have contributed staff time, expertise, and resources. There has also been significant collaboration and coordination between the Housing Division and the Monterey County Department of Social Services.

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

FISCAL AND SUSTAINABILITY IMPACT:

Funding for the proposed Agreement will include \$200,000 of CIP 9187 – Shelter Operations (Measure G) funds from FY 2020-2021 and \$200,000 of FY 2021-2022 General Funds. All other FY 2021-2022 operational funding for the SHARE Center will come from other federal, state or County sources. The contract will be executed after adoption of the 2021-2022 Operating Budget.

ATTACHMENTS:

- A. Resolution
- B. FY 2021-2022 BACS SHARE Center Operations Budget
- C. Agreement for Services – BACS FY 2021-2022 SHARE Center Operations