

CITY OF SANTA ROSA  
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL  
FROM: KELLI KUYKENDALL, HOMELESS SERVICES MANAGER  
CITY MANAGER'S OFFICE  
SUBJECT: RECOMMENDATIONS FOR HOMELESS SERVICES  
PROVIDERS AND OPERATOR OF THE SAMUEL L. JONES  
HALL HOMELESS SHELTER FOR FISCAL YEAR 2022/2023

AGENDA ACTION: REPORT

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RECOMMENDATION

It is recommended by the City Manager's Office that the Council, by resolution: 1) approve Catholic Charities of the Diocese of Santa Rosa for the provision of City-sponsored homeless services for the following programs – Homeless Services Center, Family Support Center, and Homeless Outreach Services Team; 2) approve YWCA Sonoma County for the provision of City-sponsored homeless services via operation of its Safe House Shelter program; 3) approve Catholic Charities of the Diocese of Santa Rosa as the operator of the Samuel L. Jones Hall Homeless Shelter; and 4) direct staff to prepare agreements for these programs for Council consideration for the initial period July 1, 2022 to June 30, 2023 (Year 1) and continuing for up to five years total (Fiscal Year 2022/2023 to Fiscal Year 2026/2027) on a conditional basis subject to contractor performance and funding availability.

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EXECUTIVE SUMMARY

Following a study session on November 9, 2021, Council directed staff to issue a Request for Proposals (RFP) for the provision of homeless services. The RFP was released on November 15, 2021 with a due date of December 20, 2021 and sought proposals from qualified and experienced organizations to provide homeless services and for operation of the City-owned Samuel L. Jones Hall Homeless Shelter (SJH) for the upcoming Fiscal Year 2022/2023. A total of seven proposals were received: three for SJH (competitive) and four for homeless services from providers which currently contract with the City (non-competitive). Based on the review and scoring of the proposals by an evaluation committee, the proposal submitted by Catholic Charities of the Diocese of Santa Rosa (Catholic Charities) for operation of SJH was the highest scoring. The evaluation committee also reviewed and scored the four proposals for homeless services (3 proposals from Catholic Charities and 1 from YWCA Sonoma

County) and recommends that the City continue with these providers. Subject to Council direction, staff will return with agreements for these programs for Council consideration prior to the start of Fiscal Year 2022/2023 to include a budget, scope of work, and reporting requirements. Funding recommendations will not be made as part of this agenda item.

### BACKGROUND

1. Given the City's increased investment in homeless services over the past several years, the City decided to shift to a competitive funding process through issuance of an RFP. Additionally, the City has not run a competitive process related to homeless services funded through the General Fund since 2004, when Catholic Charities was selected to be the operator of SJH. The City does use a portion of its federal Community Development Block Grant (CDBG) funding for homeless services as part of its Public Services Program, which are made available annually through a competitive application process. This process is administered by the Housing and Community Services (HCS) Department.
2. On November 9, 2021, staff provided a study session to review a draft of the Request for Proposals for the Provision of Homeless Services for Fiscal Year 2022/2023 (RFP). Following the study session, Council directed staff to issue the RFP. The RFP was released on November 15, 2021 with a due date of December 20, 2021 and sought proposals from qualified and experienced organizations to provide homeless services and for operation of the City-owned SJH for the upcoming Fiscal Year 2022/2023.
3. A total of seven proposals were received broken down as follows: three for SJH (competitive) from Catholic Charities, SHELTER, Inc., and DEMA (Disaster Emergency Medical Assistance), Inc.; and four for homeless services from providers which currently contract with the City (non-competitive): three from Catholic Charities (Homeless Services Center, Family Support Center, and Homeless Outreach Services Team) and one from YWCA Sonoma County (Safe House Shelter program).
4. The Living Room and Community Action Partnership of Sonoma County, which currently contract with the City, did not submit proposals in response to the RFP. These agencies have been directed to apply through the City's Public Services Program, which application process opened on February 4, 2022 for the upcoming Fiscal Year 2022/2023.

### PRIOR CITY COUNCIL REVIEW

On November 9, 2021, staff provided a study session to review a draft of the Request for Proposals for the Provision of Homeless Services Homeless Services for Fiscal Year 2022/2023 (RFP). Following the study session, Council directed staff to issue the RFP.

### ANALYSIS

1. On January 21, 2022, an evaluation committee met to review and score the proposals, facilitated by staff from the City Manager's Office. The evaluation committee was comprised of nine members, including City staff from the Police, Fire, and Human Resources departments; staff from the Sonoma County Health Services Department and Sonoma County Community Development Commission; staff from the cities of Rohnert Park and Healdsburg; and Council Members Rogers and Sawyer.
2. A summary of the proposals received for SJH is provided below:

#### Catholic Charities

- Experience – Catholic Charities has more than 30 years of experience serving vulnerable populations in Sonoma County, including operating SJH since the facility opened its doors in 2005. Catholic Charities also operates the following programs currently funded by the City – Homeless Services Center, Family Support Center, and Homeless Outreach Services Team and was recently selected (December 2021) through a competitive process to be the operator of the Safe Parking Pilot Program. Additionally, Catholic Charities operated the City's COVID-19 programs – Finley Safe Social Distancing Program and Non-Congregate Shelter program at the Sandman Hotel – as well as a Warming Center in response to extreme cold weather conditions in December 2021. Catholic Charities was an early adopter of "Housing First" in Sonoma County and has received an "excellent" rating (178 out of 180 points) as part of a Sonoma County Continuum of Care (CoC) assessment.
- Proposal – For the past 16 years, the City has partnered with Catholic Charities to grow SJH from its original 80-bed, evening only shelter with no case management to a 24/7, 213-bed low barrier shelter providing basic and wrap-around services plus housing-focused case management. This includes the addition of the SJH Annex, a new facility constructed in 2021 to restore shelter capacity to pre-COVID levels. Catholic Charities proposes to continue operating SJH in this capacity and, ultimately, to operate the SJH Annex as a navigation center to serve Sonoma County's most vulnerable individuals experiencing homelessness. Catholic Charities' proposal demonstrates the agency's strength at partnering with community agencies to offer enhanced services at the SJH, including on-site medical services with Santa Rosa Community Health and Providence Mobile Health Clinic. In response to feedback received from the

community and participants, Catholic Charities proposes to utilize Pulse for Good kiosks at SJH to promote opportunities for participant engagement as well as allowing participants to provide feedback easily and anonymously. Additionally, Catholic Charities proposes to partner with HomeFirst, based in Santa Clara County, to diversify its housing navigation case management services.

- Budget – \$2,493,454. This is consistent with the current operating budget and the lowest of the three proposals received. The budget assumes a cost of \$32/night/person based on full occupancy (213 beds) and includes additional services outlined in Catholic Charities’ proposal (Pulse for Good and HomeFirst). In addition to operating staff, the staffing model proposes two case managers (compared to eight for the other two proposals) and leverages additional case management support from existing programs while maintaining best practice case management to participant ratios (1:25). This contributes, in part, for lower operating costs compared to the proposals submitted by SHELTER, Inc. and DEMA, Inc. Catholic Charities also leverages \$431,118 in funding other than the City to operate the shelter, which is included in the total budget (\$2,493,454).

#### SHELTER, Inc.

- Experience – SHELTER, Inc., based in Concord, has nearly four decades of experience serving vulnerable populations, currently working in Contra Costa, Solano, and Sacramento counties. The agency operates three emergency shelters: a 38-bed family shelter in Martinez (operated since 1993), a 138-bed facility in Fairfield, and a 122-bed facility in Sacramento as well as three Project Roomkey shelters (COVID-19 motel/non-congregate shelter). SHELTER, Inc. operates a wide range of programs in support of persons experiencing homelessness or at risk of homelessness, including prevention, emergency shelter, rapid rehousing, and permanent supportive housing programs as well as programs for veterans and the re-entry population (formerly incarcerated). Additionally, SHELTER, Inc. was an early adopter of Housing First and Coordinated Entry, helping to create Contra Costa’s system, implemented in 2017. The agency has also been called on to take over underperforming programs or to assist in addressing gaps in services.
- Proposal – SHELTER, Inc. proposes to operate SJH as a low-barrier, housing-focused shelter consistent with the requirements outlined in the RFP. This includes providing basic services as well as comprehensive wrap-around case management with the ability to provide a range of services onsite such as eligibility, employment, housing, and mental health. Based on SHELTER, Inc.’s proposal, the agency’s approach to service delivery is participant driven placing an emphasis on working with participants for the “long haul” and incorporating client feedback into its practices via a Participant Advisory Council (PAC). While SHELTER, Inc. has extensive experience working in the Bay Area, it does not currently operate in Sonoma County, which makes it challenging to compete with an established, local provider such as Catholic Charities.

- Budget – \$3,974,904. This exceeds the current operating budget and is the second highest of the three proposals received. The budget assumes a cost of \$51/night/person based on full occupancy (213 beds). In addition to operating staff, the staffing model proposes eight case managers. Although the case manager to participant ratio (1:25) is reasonable and in-line with best practices, this does account, in part, for higher operating costs above the current budget for SJH. The cost of living in Contra Costa County compared to Sonoma County, which translates to higher hourly wages, is a contributing factor as well. The budget does provide for a match of \$111,104 for staff/indirect costs for the first year of operations, reducing the City's contribution by that amount.

#### DEMA Consulting and Management

- Experience – DEMA, Inc. has been operating in Santa Rosa for two years and also operates two medical clinics for underserved areas of Harris County, Texas. The agency has operated numerous programs for the County of Sonoma in response to the COVID-19 pandemic, including non-congregate shelter (NCS), alternate care sites (ACS), and transitional/supportive housing in Santa Rosa, Windsor, Sebastopol, and Healdsburg, which serve approximately 225 individuals. DEMA, Inc.'s staff has extensive experience serving vulnerable populations, including persons experiencing homelessness. Their service delivery model includes a community health based holistic approach with an emphasis on improving health outcomes for the persons they serve.
  - Proposal – DEMA, Inc. proposes to operate SJH as a low-barrier, housing-focused shelter consistent with a majority of the requirements outlined in the RFP. This includes basic services as well as comprehensive wrap-around case management with the ability to provide in-house, on-site medical services, a strength of their proposal. DEMA, Inc. is a new non-profit with limited experience submitting proposals of the size and scope required by the RFP. The quality of their proposal is reflected in the scoring by the evaluation committee.
  - Budget – \$4,994,983. This exceeds the current operating budget and is the highest of the three proposals received. The budget assumes a cost of \$64/night/person based on full occupancy (213 beds). In addition to operating staff, the staffing model proposes eight case managers, two of which are registered nurses and paid at a higher rate than non-medical staff/case managers. Although the case manager to participant ratio (1:25) is reasonable and in-line with best practices, this does account, in part, for higher operating costs above the current budget for SJH. The budget does not leverage or identify funding sources other than the City. DEMA did communicate a willingness to work with the City to adjust its budget based on available funding to operate the shelter.
3. Based on the scoring of proposals by the evaluation committee the proposal submitted by Catholic Charities for the operation of SJH was the highest scoring. Staff is recommending Catholic Charities as the operator based on the average

score in the table below. The evaluation committee further compared the scores by removing the highest and lowest scores as well as forced ranking, which is being provided for informational purposes only. For forced ranking, five evaluation committee members ranked Catholic Charities the highest followed by three for SHELTER, Inc. and one for DEMA, Inc. Across all three ranking methodologies, Catholic Charities was the highest scoring. The full criteria utilized to determine scores is on page 11 of the RFP, included as part of this agenda item, and will be covered in greater detail during the presentation.

	<b>Average Score</b>	<b>Highest &amp; Lowest</b>	<b>Forced Ranking</b>
<b>Catholic Charities</b>	91.2	89.5	5
<b>SHELTER, Inc.</b>	80.9	83.1	3
<b>DEMA, Inc.</b>	61.2	68.9	1

4. In addition to the proposals for SJH, the City received four proposals for homeless services from providers which currently contract with the City, summarized below. Although these proposals were non-competitive, the evaluation committee did review and score the proposals. Staff recommends that the City continue with these providers.

	<b>Program/Type of Service</b>	<b>Operating Budget</b>	<b>City Funding FY 21/22</b>	<b>Average Score</b>
<b>Catholic Charities</b>	Homeless Services Center – Day Services	\$338,000	\$202,000	89.8
<b>Catholic Charities</b>	Family Support Center – Emergency Shelter	\$1,302,665	\$196,000	90.7
<b>Catholic Charities</b>	Homeless Outreach Services Team – Street Outreach/Encampment Resolution	\$1,563,316*	\$1,035,450	89.9
<b>YWCA Sonoma County</b>	Safe House Shelter – Emergency Shelter/Domestic Violence	\$1,403,591	\$50,000	81.1

\*This includes funding from the County of Sonoma and City of Rohnert Park. City funding is dedicated to services within city limits.

## FISCAL IMPACT

Funding levels will be determined as part of the Fiscal Year 2022/2023 budget process. They are anticipated to be consistent with Fiscal Year 2021/2022 unless directed otherwise by Council.

### ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

### BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable

### NOTIFICATION

Not applicable

### ATTACHMENTS

- Request for Proposals for the Provision of Homeless Services Homeless Services for Fiscal Year 2022/2023
- Resolution

### CONTACT

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