

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: KELLI KUYKENDALL, HOUSING AND COMMUNITY SERVICES
MANAGER
HOUSING AND COMMUNITY SERVICES
SUBJECT: ADDITIONAL HOMELESS SERVICE INVESTMENTS – CAPITAL
AND PROGRAMMING IMPROVEMENTS AT SAMUEL L. JONES
HALL HOMELESS SHELTER

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Housing and Community Services Department that the Council, by resolution, authorize the expenditure of up to \$1.6 million remaining from an Affordable Housing Pilot Program Notice of Funding Availability (NOFA) for capital and programming improvements associated with the replacement of the roof and modification of the large dorm, including activation of a navigation center, at the Samuel L. Jones Hall Homeless Shelter.

EXECUTIVE SUMMARY

Staff is proposing to use up to \$1.6 million remaining from an Affordable Housing Pilot Program Notice of Funding Availability (NOFA) for capital and programming improvements associated with the replacement of the roof and modification of the large dorm, including activation of a navigation center, at the Samuel L. Jones Hall Homeless Shelter (Shelter). It is recommended that approximately \$400,000 of the \$1.6 million in NOFA funds will be used towards the replacement of the roof. That \$400,000 will be combined with \$1.2 million in State Homeless Emergency Aid Program (State HEAP) funds awarded to the City by Home Sonoma County, for a total of \$1.6 million for the roof replacement. The balance of NOFA funds (approximately \$1.2 million) will be used for additional capital and programming improvements to provide increased privacy and accommodations as well as enhanced services to assist with retention of Shelter clients and improved housing outcomes in alignment with the Council's Housing First Strategy and regional efforts through Home Sonoma County.

BACKGROUND

1. Samuel L. Jones Hall Homeless Shelter (Shelter) is a City-owned facility which has been operated by Catholic Charities of the Diocese of Santa Rosa (Catholic Charities) since it opened in November 2005. The initial year-round 80-bed occupancy has increased over time with the consolidation of the Brookwood Shelter (40 beds) in 2009 and more recently, in November 2014, Council approved a modification to the Conditional Use Permit allowing an increase in year-round beds from 120 to 138, plus 50 winter shelter beds between November and March.
2. In Fiscal Year 2017/2018, Council approved additional funding for the consolidation of the year-round and winter shelter programs into a housing-focused shelter (Housing Focused Program) and providing additional beds to support shelter needs identified through the Homeless Encampment Assistance Pilot Program (HEAP Program) or during emergent situations. This was achieved under the flexibility provided by the proclamation of local homeless emergency without the need for a formal modification to the Conditional Use Permit.
3. The Housing Focused Program provides up to 213 year-round beds, 138 of which are set aside for individuals with highest vulnerability in conjunction with Coordinated Entry, plus up to 75 beds prioritized for individuals identified through the HEAP Program or during emergent situations.
4. The City's current operating agreement with Catholic Charities for Fiscal Year 2019/2020 is funded with the following sources:

\$ 71,600 – Community Foundation Sonoma County
\$ 255,000 – County of Sonoma (\$165,000 operations; \$90,000 rapid rehousing)
\$1,022,731 – City of Santa Rosa General Fund
\$1,349,331 – Total
5. Catholic Charities has also received an annual funding allocation from the Sonoma County Continuum of Care, recently rebranded Home Sonoma County, in the approximate amount of \$175,000 which provided for 24/7 operations starting in 2014, resulting in a combined program operating budget of approximately \$1.5 million.
6. On April 17, 2019, Home Sonoma County's Leadership Council approved \$1.2 million in State Homeless Emergency Aid Program (State HEAP) funds, which have been prioritized for the replacement of the roof at the Shelter. The roof has been identified by the City's Department of Transportation and Public Works (TPW) as a Priority 1 need (currently critical, requiring immediate attention, 0-12 months). The total estimated cost to replace the roof is \$1.6 million, leaving a gap of approximately \$400,000. This work is anticipated to be completed prior to the 2019/2020 winter season.

7. Staff has identified a potential source of funds to address the \$400,000 gap for the replacement of the roof, that is, the remaining fund balance from an Affordable Housing Pilot Program Notice of Funding Availability (NOFA), issued in 2016 in the amount of \$3 million as part of the City's Housing Action Plan. Of the four (4) developers awarded funding through this NOFA, two (2) developers ultimately withdrew from the program, resulting in a balance of \$1.6 million available for use subject to Council direction.
8. After use of the \$400,000 for replacement of the Shelter roof, staff is proposing that the balance of the NOFA funds, approximately \$1.2 million, be used for additional capital and programming improvements to provide increased privacy and accommodations as well as enhanced services to assist with retention of Shelter clients and improved housing outcomes in alignment with the Council's Housing First Strategy and regional efforts through Home Sonoma County.

PRIOR CITY COUNCIL REVIEW

On June 19, 2018, Council approved an Agreement for the Operation and Use of the Samuel L. Jones Hall Homeless Center Housing Focused Program (SJH Agreement), in the amount of \$1,349,331, for the period July 1, 2018 to June 30, 2019 (Year One). The SJH Agreement continues in effect until terminated subject to appropriation of funding by Council, the County of Sonoma, and the Community Foundation Sonoma County, as funders of the Shelter, and by amendment to the SJH Agreement by the Director of Housing and Community Services.

On February 12, 2019, Council, directed staff to submit an application to the Sonoma County Community Development Commission, lead agency for Home Sonoma County, for \$3.6 million in State HEAP funding for the replacement of the roof at the Shelter and for the activation of a navigation center at the former Bennett Valley Senior Center, the Santa Rosa Navigation Center.

On June 18, 2019, Council approved the City's Fiscal Year 2019/2020 budget, including an appropriation for the Shelter in the amount of \$1,349,331 as well as the transfer of \$1.6 million remaining from an Affordable Housing Pilot Program Notice of Funding Availability (NOFA) from Fund 2130 (Operating Reserves) to Fund 1209 (Homeless Shelter Operations).

ANALYSIS

1. In alignment with the Council's Housing First Strategy and regional efforts through Home Sonoma County, the Shelter employs a housing-focused, low-barrier model aimed at serving individuals facing the highest vulnerability and need for assistance. This has proven challenging for providers throughout the system of care serving individuals with unique and complex needs particularly in a large congregate setting such as the Shelter. Lessons learned through the

- implementation of the Housing Focused Program point to a need for improving the current shelter model.
2. With the announcement of the State HEAP and an allocation of \$12.1 million for Sonoma County, staff worked with Catholic Charities to develop a proposal for the activation of a navigation center at the former Bennett Valley Senior Center (BVSC), the Santa Rosa Navigation Center. This proposal included the relocation of forty (40) beds from the Shelter plus the use of the parking lot for temporary structures, providing up to twenty (20) additional beds.
 3. The reuse of the BVSC as a navigation center presented a number of opportunities, including relief to the Shelter which has maximized its capacity as well as the ability to better serve highly vulnerable individuals on a smaller scale (up to 60 beds versus 213 at the Shelter) and to provide more options to accommodate persons with disabilities in smaller dorms and classrooms available at BVSC.
 4. The City's application to Home Sonoma County requested a total of \$3.6 million in State HEAP funding: \$1.6 million for the Shelter plus \$2 million for the Santa Rosa Navigation Center. The City was awarded \$1.2 million in State HEAP funding, which has been prioritized for the replacement of the roof at the Shelter. In light of this decision and as an alternative to activating the former BVSC, Housing and Community Services worked with Catholic Charities to identify potential facility and programming improvements in coordination with staff from the departments of TPW (Facilities), Planning and Economic Development (Building), and Fire. Staff also identified a resource through the balance of NOFA funds in the amount of \$1.6 million.
 5. Proposed capital improvements at the Shelter include modifying the large dorm to create three (3) smaller dorms: a 38-bed navigation center to serve individuals prioritized through the Homeless Outreach Services Team (HOST) and two (2) smaller dorms (15 and 18 beds) to provide increased privacy and accommodations for clients. Subject to Council direction, staff will work with a consultant on the redesign of the large dorm. If the project requires an outside contractor for construction, staff will return with a contract for Council consideration at a future Council meeting.
 6. Under this proposal, the Shelter will provide capacity for up to 208 beds, a slight reduction from its current capacity of 213 beds, as follows: 38-bed navigation center, 138 beds set aside for Coordinated Entry plus capacity for an additional 32 cots for the City's HEAP Program or during emergent situations. The 38-bed navigation center will also support the City's HEAP Program.
 7. Pending final cost estimates for the replacement of the roof and modifications to the large dorm, staff is proposing that the remaining NOFA funds be utilized for the implementation of a one-year pilot program providing enhanced services to

promote retention of Shelter clients and improve housing outcomes in alignment with the Council's Housing First Strategy and regional efforts through Home Sonoma County. This includes Behavioral Health Specialists and Shift Leads to better serve highly vulnerable individuals plus leveraging funding for master leasing recently awarded to Catholic Charities by Home Sonoma County.

8. Subject to Council direction, staff will return with a contract for the pilot program to include a budget and scope of work for Council consideration at a future Council meeting. Upon completion of the initial one-year pilot, staff will evaluate the program and develop recommendations for next steps.

FISCAL IMPACT

There will be no additional impact to the General Fund as the \$1.6 million is the balance of funds available from an Affordable Housing Pilot Program Notice of Funding Availability (NOFA) issued in 2016 as part of the City's Housing Action Plan. As part of the City's Fiscal Year 2019/2020 budget, Council approved the transfer of the NOFA funds from Fund 2130 (Operating Reserves) to Fund 1209 (Homeless Shelter Operations). These funds will be used for the proposed capital and programming improvements subject to Council direction.

ENVIRONMENTAL IMPACT

The proposed project 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

- Resolution

CONTACT

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