



Agenda Report

File #: 20-0264

**AGENDA REPORT
REQUEST FOR CITY COUNCIL ACTION**

DATE: 04/01/2020

TO: Honorable Mayor and City Council Members

FROM: Management Services Department

SUBJECT:
Funding Options for Inclement Weather/ Emergency Shelter Motel Voucher Program.

**RECOMMENDED ACTION:
That the City Council:**

- a. Select a funding option outlined in this agenda staff report.
- b. Authorize the City Manager or his designee to execute a First Amendment to the Professional Services Agreement and approval to execute all no-cost and non-substantive amendments between the City of Corona and Kingdom Causes, Inc. DBA City Net, a California Domestic Nonprofit Corporation (City Net). The First Amendment will reflect funding option selected by City Council.
- c. Approve extension of Exception to Bid for the City Net Agreement pursuant to Corona Municipal Codes (C.M.C.) 3.08.140 (A) and C.M.C. 3.08.140 (E). Extension period defined by funding option selected by City Council.
- d. Authorize the City Manager or his designee to negotiate and execute a contract with the County of Riverside and/or the Riverside Continuum of Care in an aggregate amount not to exceed \$100,000 to support the continuation of the City's Motel Voucher Program during the COVID-19 Stay at Home Order.

ANALYSIS:

In an effort to provide inclement weather shelter, meals, and case management services to Corona's homeless residents during the FY 2020 winter season, the Homeless Solutions Coordinator developed a Motel Voucher Program in collaboration with the Homeless Strategic Plan Ad Hoc Committee. The

program was officially launched on January 13, 2020 with \$100,000 in City General Funds allocated to address homelessness in the City of Corona.

City Net was selected to provide contract services given their experience with Motel Voucher Programs. The City Net agreement was originally approved with an Exception to Bid (ETB) justification. Due to the urgent need for an immediate emergency shelter solution, it was in the best interest of the City to waive the bidding process in accordance with Corona Municipal Code (C.M.C) Section 3.08.140(E) for a non-public project: C.M.C. Section 3.08.140 (E) Purpose of bidding is otherwise accomplished when the purchasing agent and the authorized contracting party, with the approval of the City Manager, determine that it is in the best interest of the city and its administrative operations to dispense with public bidding for non-public projects under this chapter.

To ensure that there is continuity of service to meet emergency shelter needs during the COVID-19 health crisis and to comply with legal requirements associated with *Martin v. City of Boise*, staff recommends that the ETB be extended in accordance with the funding option selected by City Council.

The ETB extension is recommended in accordance with C.M.C Section 3.08.140(E) to serve the best interests of the City and C.M.C. Section 3.08.140 (A) covering emergencies like the COVID-19 pandemic: C.M.C. Section 3.08.140 (A) Emergencies: When the purchasing agent and the authorized contracting party, with the approval of the City Manager, determine that an emergency exists, as defined in § 3.08.010. 3.08.010 Definitions (H) "Emergency" for purposes of public projects shall have that meaning provided in Cal. Public Contract Code §§ 22035 and 22050. "Emergency" for all other purchasing or contracting purposes means a situation which makes competitive bidding, either formal or informal, impractical or not in the best interests of the city.

The motel voucher program was structured to provide flexibility to find available motel rooms and to develop a case management plan and services based upon the needs of each individual or family. Since program inception on 1/13/20, 38 homeless individuals from the City of Corona have been served. The program is currently serving 30 homeless individuals, including seniors, unaccompanied adults, and families with children in 15 motel rooms throughout the City of Corona. To date, 6 homeless individuals have exited the program for longer-term shelter or permanent housing opportunities and 2 individuals have exited the program because of compliance issues.

To date, the average motel cost per night is \$72.95, the average supportive service/case management cost is \$18.12 per night and the fully loaded program cost per motel room, per night is approximately \$91.07. From the date of program inception to the date the \$100,000 agreement is anticipated to be spent (approximate three-month period), the program is projected to provide a total of 1,098 motel nights and 1,929 per person bed nights.

The target date for full expenditure of program funds was initially estimated to be 4/8/20; however, based on client exit data, the new target date for full expenditure of program funds is between 4/17/20 - 4/25/20.

Riverside County COVID-19 Motel Program:

On March 23, 2020, the Public Health Department issued a press release indicating that the County would be providing emergency motel housing for unsheltered homeless individuals during the State's order to "stay at home." This temporary housing is part of a regional program that includes case management, medical and wrap-around services.

Eligible unsheltered homeless individuals for this program include those who are 65 and older, pregnant, have a serious chronic health condition such as heart disease, diabetes, or lung disease, or have a compromised immune system.

Because the County's motel program is serving a very specific, high-risk homeless sub-population and must cover an extremely large geographic region, it is difficult to estimate if any or how many of the homeless in the City of Corona will be served. The County received over 400 calls for motel shelter on the first day of operation. Information on how to access the County's motel housing program has been posted to the City's Homeless Solutions Webpage.

Potential County Funding:

To leverage the City's limited funding resources, the Homeless Solutions Coordinator has been collaborating with the County of Riverside Housing and Workforce Department. Staff at the County have indicated that a grant of \$34,440 to \$68,000 may be available to support the City's motel voucher program during the COVID-19 stay at home order.

County staff members are researching available funding and contract options. If awarded, the grant may be split between two contracts: one with the County of Riverside Housing and Workforce Department and one with the Riverside Continuum of Care. Because the funding details are fluid, staff recommends authorization to execute contracts in an aggregate amount not to exceed \$100,000.

Justification to Continue Program:

Justification to continue program activities includes: 1) COVID-19 stay at home order; 2) City's long-term shelter options are still being developed as part of the Homeless Strategic Plan; 3) the five dedicated Path of Life Emergency Shelter beds are not adequate to address the unmet homeless needs in Corona; and 4) there is no guarantee if County grant funds will be awarded.

Funding Options for Council Selection:

1. Allocate \$50,000 to extend the program for approximately 1.5 months to serve existing 30 homeless clients. Allow flexibility to serve wait list clients if any existing clients exit program;
2. Allocate \$100,000 to extend the program for approximately 1.5 months to serve existing 30 homeless clients and the expand program to serve an additional 30 homeless clients;
3. Allocate \$100,000 to extend the program for approximately 3 months to serve existing 30 homeless clients. Allow flexibility to serve wait list clients if any existing clients exit program;

4. Allocate \$200,000 to extend the program for 6 months to serve existing 30 homeless clients. Allow flexibility to serve wait list clients if any existing clients exit program;
5. Allocate \$200,000 to extend the program for 3 months to serve existing 30 homeless clients and expand the program to serve an additional 30 homeless clients;
6. Alternate ideas and direction from Council.

Any funding received from the County will reduce City general funds allocated to aforementioned funding options as long as the funds are utilized during the COVID-19 stay at home order. Timing of contract execution and the stay at home order will impact timing and expenditure of any potential funds received from the County.

COMMITTEE ACTION:

On March 29, 2020, the Homeless Strategic Plan Ad Hoc Committee concurred with staff recommendations.

STRATEGIC PLAN:

The item supports the City's Strategic Plan Goal 4: Actively Engage in Public and Private Partnerships to Provide Services and Amenities.

FISCAL IMPACT:

In Fiscal Year 2020, the City Council allocated \$1,000,000 to address homelessness in the City of Corona. To date, these funds have been used to fund one contract with the Path of Life, two contracts with City Net (Outreach/Engagement and Motel Program), one part-time Homeless Solutions Coordinator, and facility costs associated with the Harrison Shelter facility. The current unexpended balance of the funding is \$868,387.72. If the City of Corona does not receive any grant funds from the County or Continuum of Care for COVID-19 and if Council selects the highest funding option of \$200,000, there are adequate funds in the budget to support the proposed program activities. If grant funds are awarded to the City of Corona, staff will return to City Council for approval of the associated budgetary actions.

ENVIRONMENTAL ANALYSIS:

No environmental review is required because the proposed action is not a project governed by the California Environmental Quality Act.

PREPARED BY: KAREN ROPER, HOMELESS SOLUTIONS COORDINATOR

REVIEWED BY: SCOTT BRIGGS, PURCHASING SPECIALIST V

REVIEWED BY: KIM SITTON, ACTING ADMINISTRATIVE SERVICES DIRECTOR

SUBMITTED BY: JACOB ELLIS, CITY MANAGER

Attachments:

1. Professional Services Agreement with City Net