



**REPORT TO COUNCIL AND
HOUSING AUTHORITY
City of Sacramento
915 I Street, Sacramento, CA 95814-2671
www.CityofSacramento.org**

**Discussion
March 16, 2021**

Title: (Housing Authority/City Council): Implementation of the X Street Navigation Center

Location/Council District: 2970 X Street, District 5

Recommendation: 1) adopt a City Council Resolution: a) providing \$6,945,281 in funding to the Housing Authority for a two year period for the operations of the X Street Navigation Center comprised of \$5,000,000 from the Kaiser foundation, \$819,100 from the State Homeless Housing, Assistance and Prevention (HHAP) funds, and \$1,126,181 from City General Funds; b) directing the Sacramento Housing and Redevelopment Agency to take all actions necessary to allocate \$762,743 in Emergency Solutions Grant Coronavirus (ESG-CV2); c) authorizing the City Manager, or City Manager's designee, to negotiate, enter into and amend the Administrative Service Agreement entered into by and between the City and the Housing Authority of the City dated as of March 10, 2020, as amended from time to time (ASA), to include the X Street Navigation Center; d) authorizing the City Manager, or City Manager's designee to provide insurance coverage for the X Navigation Center; and e) making related findings; and 2) adopt a Housing Authority Resolution: a) amending the Housing Authority's budget in the amount of \$6,945,281; b) authorizing the Executive Director, or the Executive Director's designee to select and enter into a professional services contract with a shelter operator who is well qualified after completing a Request for Proposals process and enter into other contracts with appropriate providers to complement the services of the service operator; c) increasing the Housing Authority's head count by one full-time employee; d) authorizing the Executive Director, or Executive Director's designee, to negotiate, enter into and amend the ASA to include the X Street Navigation Center; and e) making related findings.

Contact: La Shelle Dozier, Executive Director (916) 440-1319, Sacramento Housing and Redevelopment Agency, Sarah O'Daniel, Deputy Executive Director (916) 440-1319, Sacramento Housing and Redevelopment Agency

Presenters: Sarah O'Daniel, Deputy Executive Director (916) 440-1319, Sacramento Housing and Redevelopment Agency

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue Detail:

The City of Sacramento has invested a significant amount of resources to increase the access and availability of shelter beds, services and permanent housing to those experiencing homelessness. Despite this significant effort homelessness is still a prevalent issue in Sacramento. From 2017-19 there was a 19% increase in homelessness. In 2019 approximately 10% of overall calls for service (40,707 out of 391,470 calls) were related to homelessness.

In Fall 2018, Mayor Steinberg challenged Council members to help identify opportunities to expand re-housing shelter programs in their districts. On April 23, 2019, City Council approved a Homeless Services Funding plan to allocate funds towards housing the homeless at Capitol Park Hotel and some scattered site shelters.

On August 27, 2019, City staff brought forward three options to allocate \$7.8 million and the Council voted to move forward with implementing the Meadowview and the X Street Navigation Centers.

On October 22, 2019, the Housing Authority of the City of Sacramento (Housing Authority) presented a Five Point Homeless Plan that included the following options: 1) Scattered Sites, 2) Safe Parking Program, 3) Sleeping Tents/Cabins, 4) Motel Conversions and 5) Permanent Supportive Housing.

A follow up meeting took place on December 3, 2019 to discuss funding the options presented at the October 22nd Council meeting. City leadership decided to transition the administration of the Navigation Centers to the Sacramento Housing and Redevelopment Agency (SHRA).

On December 5, 2019, Governor Newsom signed a 100 Day Challenge to California cities and counties, replicating a successful national model to jumpstart action to fight homelessness. Soon after the City of Sacramento adopted a Declaration of a Shelter Crisis on January 14, 2020.

COVID-19

The coronavirus started spreading throughout the United States in early 2021, and significantly impacted the nation including the Sacramento community. On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES), Public Law 116-136 was approved which made \$5 billion in Community Development Block Grant Coronavirus (CDBG-CV) and \$4 billion in Emergency Solutions Grant Coronavirus (ESG-CV) funds available to respond to the growing effects of the historic COVID-19

public health crisis on the community. HUD allocated funding in April and June 2020. The second round (CV2) included \$10,205,871 in ESG funding.

Since April 2020, the Sacramento City Council, Sacramento County Board of Supervisors and Sacramento Continuum of Care have been implementing the COVID-19 Homeless Response Plan utilizing CARES and other federal, state and local funds. These efforts prevent, prepare for, and respond to the coronavirus pandemic among individuals and families who are homeless or receiving homeless assistance and to support additional homeless assistance and homelessness prevention activities to mitigate the impact of COVID-19. The addition of shelter beds utilizing COVID-19 protocols will help prevent the spread of the virus.

During the past 12 months, as part of implementing the Five-Point Plan, SHRA acting as the Housing Authority has overseen the operations of three temporary emergency shelters in the City of Sacramento; Emergency Bridge Housing at the Grove, Meadowview Navigation Center and Capitol Park Hotel.

Emergency Bridge Housing at the Grove (Council District 2)

On February 18, 2020 the Housing Authority came forward with a plan to house 48 homeless transitional aged youth (TAY) in 24 cabins on Grove Avenue. The City Council allocated \$5.6 million of Homeless Assistance, Prevention Program (HHAP) grant funds for the construction and operations of the initiative. Site preparation and cabins were constructed and in June 2020, in partnership with First Step Communities, this initiative was operationalized. However, due to the onset of the COVID-19 pandemic, each cabin has single occupancy for social distancing.

24 TAY are currently housed receiving robust services from various agencies including but not limited to the Youth Help Network, Young People in Recovery, Sacramento Public Library Van, WEAVE, mental health clinicians, Goodwill WIOA (Workforce Development). Trainings have included but not limited to; building resumes and interview preparation, positive personal development, relapse prevention, ready to rent training, anger management, stress management, organization and planning. Many of the youth are currently employed and despite the pandemic, 16 TAY are now in permanent housing.

Meadowview Navigation Center (Council District 8)

On June 30, 2020 City Council approved the Housing Authority to oversee operations at the Meadowview Navigation Center to house 100 homeless women in sprung structures. Guests receive three meals a day, restrooms, showers and laundry are onsite in addition to kennels for dogs. The Housing Authority contracted with Volunteers of America of Northern California and Northern Nevada (VOA) to be the on-site shelter operator.

Extensive case management is provided from various agencies including but not limited to Elica Medical Services, mental health clinicians, Downtown Streets team (employment). Trainings have included but not limited to; anger management, building resume and interview preparation, grief and loss counseling, moral injury, ready to rent, relapse prevention, goal setting, women's group, and others.

All supports are conducted to stabilize the women so they can eventually transition to housing. The shelter operates from a housing first, low-barrier approach to provide services and support.

Construction of the sprung structures and accompanying modular units were completed in late September, 2020 and October 1st operations commenced at the Meadowview Center. Due to COVID-19, the site currently houses 50 homeless women to ensure safe distancing. Since opening in October 2019, 6 women were placed in permanent housing.

Capitol Park Hotel (District 4)

On October 31, 2020 the Capitol Park Hotel closed as a temporary emergency shelter. Mercy Housing will be rehabilitating the property and transitioning to permanent supportive housing. As background, on April 13, 2019 the City Council requested SHRA to oversee the operations of the Capitol Park Hotel Temporary Shelter. SHRA contracted with VOA to be the on-site shelter operator.

Guests received 3 meals each day and were given access to supportive services, clean linens, laundry facilities and showers. Examples of on-site service providers include: California State University, Sacramento, Elica Medical Services, Wellspace Health, Sacramento County Mental Health, Alcoholics Anonymous and American River College. The Capitol Park Hotel Temporary Shelter provided shelter for about 115 people each night until COVID-19 when sleeping arrangements changed from double-occupancy rooms to single-occupancy rooms.

Over the life of the Capitol Park Hotel Temporary Shelter,

- 420 unduplicated people were sheltered
- 42,613 meals were served
- Guests stayed for 27,182 bed nights
- 149 guests moved into permanent housing
- 8 guests moved in with friends or family
- 8 guests moved into transitional housing

X Street Shelter

In August 2019, the City Council provided guidance to City staff to move forward with the X Street Navigation Center to house up to 100 homeless adults on a property owned by CalTrans. It is located under Business 80 at the intersection of Broadway and Alhambra.

The site is being developed with 2 Sprung Structures (for dining and sleeping quarters) with accompanying restrooms, laundry and showers, and administrative space for case management services. Daily meals will be provided and kennels are onsite for animals.

This shelter will give priority to the unsheltered homeless in the immediate community in Oak Park and Curtis Park and in the Alhambra/Broadway corridor and allow access through a referral process only. Individuals will not be allowed to queue up outside the

shelter premises. The selected operator is expected to operate from a housing first, low barrier approach where sobriety and addiction treatment are not conditions to receive services.

Services provided onsite will include but not be limited to: mental health service, anger management, recovery assistance, conducting activities of daily living, rent to rent training, employment connections, access to critical documents, arts and crafts, addressing credit/eviction issues, significant re-housing efforts and much more. Due to COVID-19, all necessary operational protocols will be implemented and personal protective equipment will be provided for residents and staff.

The City worked very closely with Caltrans to receive a signed lease. Getting this approval took longer than anticipated due to federal approvals required by Caltrans. The lease between Caltrans and the City of Sacramento was signed in late November, 2020. The City awarded the construction contract to G&G Builders in 2020 and construction on the site commenced in January, 2021. It is anticipated that construction will be completed by summer 2021.

SHRA acting as the Housing Authority of the City of Sacramento will oversee the operations of the site. The estimated costs for this project over a two year period are as follows:

Operations	Two Year Budget
Operator Contract	\$3,500,000
Re-Housing funds	\$1,440,000
Facility Maintenance	\$240,000
Caltrans lease	\$10,024
Onsite cameras	\$60,000
Trailer rentals	\$80,000
24 hour security around premises	\$430,000
Utilities	\$200,000
Street Navigator	\$100,000
Coordinated Entry Process	\$150,000
Personal Protective Equipment (PPE)	\$30,000
Street outreach/cleanup	\$600,000
Contingency	\$100,000
Subtotal	\$6,940,024
Administration	Two Year Budget
Salaries, benefits and overhead	\$768,000
TOTAL	\$7,708,024

A variety of funding sources are gathered to fund the operations of the X Street Navigation Center over a two year period. The City in partnership with the Housing Authority applied for and was awarded \$819,100 of state HHAP funds. Under the leadership of Mayor Steinberg, \$5 million was received from the Kaiser Foundation for the operations at this site. This report recommends allocation of \$1,126,181 from City General Funds (that was previously allocated for Capitol Park Hotel operations) and

directs SHRA to take all actions necessary to allocate \$762,743 from ESG CV2 funds. SHRA staff will return to City Council for an Action Plan amendment to allocate the ESG-CV2 funds to this initiative.

X Street Shelter	Funding		Beds	Due/Open Date
	Amount	Source		
Operations	\$5,000,000 \$819,100 \$358,181 \$762,743	Kaiser Foundation State HHAP I City General Fund* ESG CV2**	100	Fall 2021
Administration/Project Delivery	\$768,000	General Funds*		

* Previously allocated for Capitol Park Hotel operations

** Requires subsequent City Council Action

A Request for Proposal to hire a service operator will be released upon approval of this initiative. Housing Authority staff and the hired operator will work closely with the neighboring community and community organizations to ensure their concerns are appropriately addressed prior to, and while operating the shelter. The operator will be required to adhere to the Good Neighbor policy developed for this initiative. Funds requested will be utilized to enter into a contract with a qualified shelter operator. Additional contracts will also be required with partners for coordinated access to the Center, outreach, clean up services around the premises and others.

Policy Considerations: The actions recommended in this report are consistent with the Homeless Services Funding Plan approved by Council on April 23, 2019, the draft Homeless Strategy that was presented to Council on August 27, 2019 and the 5 Point Homeless Plan.

Recommendations are also consistent with the Governors Executive Order N-23-20 to reduce street homelessness, break down barriers to homeless individuals accessing health care and other critical services, and to increase housing options for those experiencing homelessness.

Economic Impacts: Not applicable.

Environmental Considerations:

California Environmental Quality Act (CEQA): This low barrier navigation project is not a subject to the California Environmental Quality Act (CEQA) pursuant to Government Code §§ 65660 & 65662, and is exempt as a project necessary to mitigate an emergency pursuant to CEQA Guidelines §15269(c).

National Environmental Policy Act (NEPA): The operation of the shelter is categorically excluded under the National Environmental Policy Act (NEPA) pursuant to 24 CFR 58.35(b)(2) and (3).

Sustainability Considerations: Not applicable.

Rationale for Recommendation: The City of Sacramento declared a shelter crisis emergency indicating that there are not enough beds to serve individuals experiencing homelessness and shelter beds need to be made available as soon as possible. The addition of shelter beds implements measures to prevent, prepare for and respond to COVID-19 for those experiencing homelessness. The United States Interagency Council on Homelessness recommends that “shelters must be low barrier, focus on assessment and triage, and intentionally link to permanent housing resources so that people move through to housing quickly”. The Housing Authority’s significant experience in providing housing and services to people in need throughout Sacramento makes the agency a natural partner to the City to administer the shelter operations and re-housing strategy for people experiencing homelessness in Sacramento.

Financial Considerations: It will cost \$7,708,024 to operate the X Street Navigation Center over a two year period. \$1,126,181 of this budget is City General Funds that was previously allocated to the Capitol Park Hotel operations. SHRA staff will return to City Council for an Action Plan amendment to allocate ESG-CV2 funds to this initiative. Funds are allocated over two years to operate and maintain the site, pay the site operator who has staff on the property 24 hours a day, seven days a week, 24 hour security roaming the perimeter of the property, robust coordinated case management, 3 meals each day for each guest, coordinated access for entry, outreach services, assistance from medical/service providers, and a significant portion of the funds are allocated to re-house the adults in permanent housing.

LBE - M/WBE and Section 3 requirements: Minority and Women’s Business Enterprise requirements will be applied to all activities to the extent required by federal funding to maintain that federal funding. Section 3 requirements will be applied to the extent as may be applicable.

Respectfully Submitted by:



LA SHELLE DOZIER
Executive Director

Attachments

- 1-Description/Analysis
- 2- City Council Resolution
- 3-Housing Authority Resolution
- 4- Administrative Services Agreement for X Street Shelter with exhibits

RESOLUTION NO. 2021-

Adopted by the Sacramento City Council

On date of

X STREET NAVIGATION CENTER: OPERATION OF THE X STREET NAVIGATION CENTER

BACKGROUND

- A. At any point in time, approximately 2,800 persons within the City are experiencing unsheltered homelessness, according to the 2019 Homelessness in Sacramento County Point in Time Report.
- B. The City Council has heard extensive testimony on the impacts of homelessness on persons without shelter as well as on the community at large.
- C. On September 24, 2019, the City Council requested a plan regarding homeless strategy options for discussion.
- D. On October 22, 2019, the City Council was presented with a Five-Point Plan that included the following options: 1) Scattered Sites; 2) Safe Parking Program; 3) Sleeping Tents/Cabins; 4) Motel Conversion; and 5) funding to increase permanent supportive housing, upon which the City Council requested further refinement and coordination with the City Manager.
- E. On December 3, 2019, recommendations were presented to the City Council on how to implement the Five-Point Plan with various funding sources and the need for site control in order to initiate an array of shelter programs was discussed.
- F. On December 5, 2019, Governor Gavin Newsom challenged California cities to take action to house 100 unsheltered individuals within 100 days.
- G. On January 14, 2020, the City Council declared a Shelter Crisis Emergency under California Government Code Title 2, Division 1, Chapter 7.8 including in particular sections 8698, 8698.1, and 8698.2 which was extended in January, 2021.
- H. The City Manager was directed to prepare an interim ordinance if required to streamline zoning regulations for privately-owned or operated shelters, including zoning administrator approval of conditional use permits for shelters, allowing small temporary shelters by rite on sites with an approved assembly use, and streamlining approval of city-sponsored shelters on private property that may otherwise require zoning approvals.

- I. A City-owned parcel of land was identified at 2970 X Street for the proposed X Street Navigation Center. The center will be a sprung structure that can temporarily house up to 100 guests nightly.
- J. In addition to providing shelter beds, the proposed low-barrier X Street Navigation Center will include meals, case management, wrap around services, restrooms, and shower facilities. The center will be operated by a selected provider for up to two years.
- K. On March 4, 2020, Governor Newsom proclaimed a State of Emergency as a result of the threat of the coronavirus disease (COVID-19) in the State of California.
- L. On March 5, 2020, the County of Sacramento proclaimed a public health emergency as a result of the threat of COVID-19 (Pandemic) in the County.
- M. On March 13, 2020, the City Council (Council) adopted a resolution declaring a local emergency relating to the Pandemic.
- N. On April 21, 2020, the City received \$89.6 million in Coronavirus Relief Funds from passage of the federal government's Coronavirus Aid, Relief, and Economic Security (CARES) Act.
- O. The CARES Act allocated a second round of Emergency Solutions Grant Coronavirus funding (ESG-CV2) to the City of Sacramento based upon a new formula in the amount of \$10,205,871.
- P. The addition of 100 beds implements City efforts to prevent, prepare for, and respond to the COVID-19 pandemic among the homeless in Sacramento.
- Q. This low-barrier navigation project is not subject to the California Environmental Quality Act (CEQA) pursuant to Government Code §§ 65660 & 65662, and is exempt as a project necessary to mitigate an emergency pursuant to CEQA Guidelines §15269(c). The operation of the shelter is categorically excluded under the National Environmental Policy Act pursuant to Code of Federal Regulations title 24, section 58.35(b)(2) and (3).

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. All of the evidence having been duly considered, the facts as presented and stated above, including the environmental facts and findings, as stated above, are found to be true and correct.
- Section 2. The City will provide \$6,945,281 of funding to the Housing Authority of the City of Sacramento (Housing Authority) consisting of \$5,000,000 from the Kaiser foundation, \$819,100 from the State Homeless Housing, Assistance and Prevention funds, and \$1,126,181 from City General Funds.

- Section 3. The Sacramento Housing and Redevelopment Agency is directed to take all actions necessary to allocate \$762,743 in ESG-CV2 funds to the Housing Authority.
- Section 4. The City Manager, or his designee, is authorized to negotiate, enter into and execute an Amendment to the Master Administrative Service Agreement with the Housing Authority to include the operation of the X Street Navigation Center, and to enter into and execute any contracts and related documents, in a form approved by the City Attorney, for the purpose of operating the X Street Navigation Center.
- Section 5. The City Manager, or his designee, is authorized to insure coverage of the sprung structures, property, and other liabilities.

RESOLUTION NO. 2021-

Adopted by the Housing Authority of the City Sacramento

on date of

X STREET NAVIGATION CENTER: OPERATION OF THE X STREET NAVIGATION CENTER

BACKGROUND

- A. At any point in time, approximately 2,800 persons within the City are experiencing unsheltered homelessness, according to the 2019 Homelessness in Sacramento County Point in Time Report.
- B. The City Council has heard extensive testimony on the impacts of homelessness on persons without shelter as well as on the community at large.
- C. On September 24, 2019, the City Council requested a plan regarding homeless strategy options for discussion.
- D. On October 22, 2019, the City Council was presented with a Five-Point Plan that included the following options: 1) Scattered sites; 2) Safe parking Program; 3) Sleeping Tents/Cabins; 4) Motel Conversion; and 5) funding to increase permanent supportive housing, which the City Council requested further refinement and coordination with the City Manager.
- E. On December 3, 2019, recommendations were presented to the City Council on how to implement the Five-Point Plan with various funding sources and the need for site control in order to initiate an array of shelter programs was discussed.
- F. On December 5, 2019, Governor Gavin Newsom challenged California cities to take action to house 100 unsheltered individuals within 100 days.
- G. On January 14, 2020, the City Council declared a Shelter Crisis Emergency under California Government Code Title 2, Division 1, Chapter 7.8 including in particular sections 8698, 8698.1, and 8698.2 which was extended in January 2021.
- H. The City Manager was directed to prepare an interim ordinance if required to streamline zoning regulations for privately-owned or operated shelters, including zoning administrator approval of conditional use permits for shelters, allowing small temporary shelters, by right, on sites with an approved assembly use, and streamlining approval of city-sponsored shelters on private property that may otherwise require zoning approvals.
- I. A Caltrans parcel of land was identified at 2970 X Street for the proposed X Street Navigation Center. The center will be a sprung structure that can temporarily house up to 100 guests nightly.

- J. In addition to providing shelter beds, the proposed low-barrier X Street Navigation Center will include meals, case management, wrap-around services, restrooms, and shower facilities. The center will be operated by a selected provider for up to two years.
- K. On March 4, 2020, Governor Newsom proclaimed a State of Emergency as a result of the threat of the coronavirus disease (COVID-19) in the State of California.
- L. On March 5, 2020, the County of Sacramento proclaimed a public health emergency as a result of the threat of COVID-19 (Pandemic) in the County.
- M. On March 13, 2020, the City Council (Council) adopted a resolution declaring a local emergency relating to the Pandemic.
- N. On April 21, 2020, the City received \$89.6 million in Coronavirus Relief Funds from passage of the federal government's Coronavirus Aid, Relief, and Economic Security (CARES) Act.
- O. The CARES Act allocated a second round of Emergency Solutions Grant Coronavirus funding (ESG-CV2) funding to the City of Sacramento based upon a new formula in the amount of \$10,205,871.
- P. The addition of 100 beds implements City efforts to prevent, prepare for and respond to the COVID-19 pandemic among the homeless in Sacramento.
- Q. This low-barrier navigation project is not subject to the California Environmental Quality Act (CEQA) pursuant to Government Code §§ 65660 & 65662, and is exempt as a project necessary to mitigate an emergency pursuant to CEQA Guidelines §15269(c). The operation of the shelter is categorically excluded under the National Environmental Policy Act pursuant to Code of Federal Regulations title 24, section 58.35(b)(2) and (3).

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO RESOLVES AS FOLLOWS:

- Section 1. All of the evidence having been duly considered, the facts as presented and stated above, including the environmental facts and findings, as stated above, are found to be true and correct.
- Section 2. The Executive Director, or her designee, is authorized to amend the Housing Authority of the City of Sacramento's (Housing Authority) budget in the amount of \$6,945,281 to fund the operation and administration of the X Street Navigation Center over two years.
- Section 3. The Executive Director, or her designee, is authorized accept \$762,743 in Emergency Solutions Grant Coronavirus (ESG-CV2) from the Sacramento Housing and Redevelopment Agency, and to amend the Housing Authority's budget in the amount of \$762,743 to fund the operation and administration of the X Street Navigation Center over two years.

- Section 4. The Executive Director, or her designee, is authorized to add an additional one (1) full-time employee to support the administration of the X Street Navigation Center.
- Section 5. The Executive Director, or her designee, is authorized to negotiate, enter into and execute an Amendment to the Master Administrative Service Agreement with the City to include the operation of the X Street Navigation Center, and to enter into and execute any contracts and related documents, in a form approved by Agency Counsel, for the purpose of operating and administering the X Street Navigation Center.
- Section 6. The Executive Director, or her designee, is authorized to enter into and execute Professional Services contracts including with a shelter operator and with other providers as needed to operate the Center for a term of up to 24 months, and to execute any other contracts /documents that may be needed in a form approved by Agency Counsel, for the purpose of operating the X Street Navigation Center.

**FOURTH AMENDMENT TO
MASTER ADMINISTRATIVE SERVICES AGREEMENT
FOR
EMERGENCY BRIDGE HOUSING COMMUNITIES**

This Fourth Amendment to the Master Administrative Services Agreement for Emergency Bridge Housing Communities is entered into this ___ day of _____ 2021 (this "Fourth Amendment"), by and between the Housing Authority of the City of Sacramento, a public body corporate and politic ("HACS") and the City of Sacramento, a municipal corporation ("CITY"), which are also referred to herein collectively as "Parties" or singularly as "Party."

BACKGROUND

- A. HACS and CITY entered into that certain Master Administrative Services Agreement for Emergency Bridge Housing Communities on March 10, 2020 (the "Original Agreement") whereby HACS agreed to provide CITY services for the administration, management and operation (the "Services") of an emergency bridge housing community more commonly known as EBH at Grove.
- B. CITY, through the Original Agreement, provided funding to HACS for the Services, as approved by the Approved Budget.
- C. HACS and CITY amended the Services and Original Budget provided in the in Original Agreement on July 6, 2020 (the "First Amendment"), to include additional services and additional funding for the new Meadowview Navigation Center, a "low barrier navigation center" within the meaning of Government Code section 65660.
- D. On September 23, 2020, HACS and CITY entered into that certain Second Amendment to the Original Agreement (the "Second Amendment") to reflect Volunteers of America of Northern California and Northern Nevada ("VOA") to operate the Meadowview Navigation Center.
- E. On November 12, 2020, HACS and CITY entered into that certain Third Amendment to the Original Agreement (the "Third Amendment") to provide an additional \$220,000 of CITY funds for the cost of utilities and HACS administration, and reflect all funds relating the operation, rehousing and maintenance of the Meadowview Navigation Center.
- F. With this Fourth Amendment, HACS and CITY amend the Original Agreement to include additional services and additional funding for the new X Street Navigation Center, a "low barrier navigation center" within the meaning of Government Code section 65660.
- G. All capitalized terms used herein and not otherwise defined shall have the meaning given to that term in the Original Agreement.

NOW, THEREFORE, in consideration of these promises, the mutual covenants contained in this Fourth Amendment and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

AGREEMENT

1. The first sentence of Section 1 of the Original Agreement entitled "Services," as previously amended by the Second Amendment, is amended further as indicated by the underlined and strikethrough words:

Subject to the terms and conditions set forth in this Agreement, HACS shall provide to CITY the services described in Exhibit A, ~~and~~ Exhibit A-2, and Exhibit A-3 (individually and collectively the "Services"). Exhibit A-2 supersedes Exhibit A-1 in full. Exhibit A-1 is null and void.

2. The first sentence of Section 2 of the Original Agreement entitled "Budget and Payment," as previously amended by the Second Amendment, is amended further as indicated by the underlined and strikethrough words:

CITY has approved the budget submitted by HACS to provide the services, as more particularly described in Exhibit B, ~~and~~ Exhibit-B-2, and Exhibit B-3 (individually and collectively the "Approved Budget"). Exhibit B-2 supersedes Exhibit B-1 in full. Exhibit B-1 is null and void.

3. The Original Agreement, as amended by the First Amendment, the Second Amendment, and the Third Amendment (collectively, the "Prior Amendments") is amended to include Exhibit A-3 and Exhibit B-3, which are respectively attached hereto and incorporated in the Original Agreement, the Prior Amendments, and this Fourth Amendment.
4. Except as amended hereby, the Original Agreement and the Prior Amendments are acknowledged to be in full force and effect as written. Nothing in this Fourth Amendment is intended to waive any rights or remedies of the Parties under the Original Agreement or the Prior Amendments.
5. This Fourth Amendment contains the entire understanding among the Parties and supersedes any prior understandings and/or written or oral agreements among them respecting this Fourth Amendment. There are no representations, agreements, arrangements, or understandings, oral or written, between or among the parties hereto relating to this Fourth Amendment that are not fully expressed herein.
6. This Fourth Amendment may be executed in any number of counterparts, all of which taken together shall constitute one and the same agreement, and any of the parties to

this Fourth Amendment may execute this Fourth Amendment by signing any of the counterparts.

[Signatures appear on following page.]

Executed as of the day and year first stated above.

**HOUSING AUTHORITY OF
THE CITY OF SACRAMENTO**

CITY OF SACRAMENTO

By: _____
La Shelle Dozier
Executive Director

By: _____
Christopher Conlin
Assistant City Manager

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____
General Counsel

By: _____
Senior Deputy City Attorney

ATTEST:

By: _____
Assistant City Clerk

Exhibit A-3

Draft Scope of Services for W/X Street Navigation Center (see attached document)

Exhibit B-3

W/X Street Navigation Center Budget (see attached document)

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY (SHRA) DRAFT SCOPE OF WORK

*This is a draft Scope Of Work and items are subject to change during negotiations between the selected operator and the Housing Authority.

SERVICE LOCATION

X Street Navigation Center
2970 X Street
Sacramento, CA 95817

FUNDING

The City of Sacramento allocated \$3.5 million for the operations of the X Street Navigation Center (Center) to house up to 100 homeless adults and \$1.44 million to re-house the homeless adults in permanent housing. On March 16 2021, the Sacramento City Council authorized:

- The Sacramento Housing and Redevelopment Agency (SHRA) acting as the Housing Authority of the City (Housing Authority) to oversee the management and the oversight of the operations and re-housing activities at the Center as outlined in the *Administrative Services Agreement* listing the associated terms and responsibilities for these activities;
- Housing Authority to enter into and execute a contract with a selected shelter operator on behalf of the City.

OVERALL STATEMENT OF WORK

Homelessness is an issue that impacts communities without regard to geographic or political boundaries and for which there is no single answer or approach. Shelters play a significant role in addressing homelessness and are necessary to create a systemic approach to addressing homelessness which includes the housing first model. The City and the Housing Authority recognize the important transitional role that navigation centers play in moving people out of homelessness and into permanent and stable housing. \$6.9 million was allocated for operations at the X Street Center over a two year period out of which \$3.5 million was allocated to hire an operator to oversee the center 24 hours a day, seven days a week.

The Housing Authority will issue an RFP and contract with a qualified on-site operator to ensure that:

- Shelter beds and services will be available daily for homeless adults beginning in summer 2021 (dependent on construction completion), for a term of 12 months with an option to extend for an additional 12 months. The Housing Authority in its sole and absolute discretion, may exercise this option to extend the term any time prior to the expiration of the contract.

Key elements must be followed on a daily basis:

- The Center must ensure a consistent quality of care to operate a low barrier, “housing first” Center to unsheltered adults (also referred to as guests); and
- Services at the Center must be primarily focused on stabilizing the guests and assisting them obtain stable, permanent housing.

DESCRIPTION OF SERVICES

The service operator will run the Center and provide up to 100 beds and services to individual homeless adults with priority given to unsheltered adults living in the X Street area who are experiencing literal homelessness, defined as having a primary night time residence that is a public or private place not meant for human habitation. Working in partnership with other agencies, the operator will provide robust case management and other pertinent services and assist guests to secure on-going, stable housing.

The on-site service operator will be contracted at the onset of operations to support the daily activities at the site. They will provide and/or coordinate shelter, food, laundry services, case management, behavioral health, employment and re-housing assistance at the Center. Additionally, services may be provided off site as deemed necessary. The operator will closely adhere to the Good Neighbor policy that is established for this Center.

The Center will be utilized to shelter homeless adults and provide services that will support the guests’ efforts to find and maintain permanent housing. The service operator will partner with external providers to more effectively support the needs of the guests.

I. Intake

The service operator will not accept walk up referrals. Referrals will be provided through a modified Coordinated Entry (CE) system based on the priorities of this center’s operation. Eligible guests are adults aged 18 or older, who are able to provide

self-care (able to independently feed, clothe, toilet, ambulate) and who are experiencing literal homelessness as defined by having a primary night time residence that is a public or private place not meant for human habitation.

First priority will be for homeless adults in the area surrounding X Street. Referrals outside of those hours will need to wait until the next available intake period.

The service operator will work in accordance to the “Housing First” approach which reduces barriers to guest entry and shall not deny entry to the Center based on suspicion of substance abuse, insobriety, or criminal background, unless a guest poses an imminent threat to themselves, staff, or other guests. The Center shall not deny entrance to anyone based on race, color, religion, sex, gender identification, national origin, age (40 or older), disability or genetic information.

The service operator must not deny a referral but must bring any concerns immediately to the attention of the Housing Authority. This should be an unusual event as the Center is “Housing First” focusing on filling vacant beds. Staff welcomes the guests “as they are”, and seeks to engage them in ongoing services using best practices.

The service operator must ensure that daily occupancy records and bed counts are available and completed in real time. Every effort will be made to ensure that all available beds are occupied every night and that there isn’t a vacancy rate of more than 5% of the expected goal, once the Center is fully operational.

Data on all guests will be entered into the Sacramento County Homeless Management Information System (HMIS) in real time.

II. Case Management

Case management is a collaborative process of assessment, planning, facilitation, care coordination, evaluation and advocacy for options and services to meet individual needs. In this context, case management and supportive services are designed to focus on housing needs and assist the individual to become stably housed. Critical components in the provision of case management services include the following:

- **Housing First:** An approach that prioritizes providing people experiencing homelessness with permanent and stable housing as quickly as possible and then providing services as needed to promote housing stability and individual well-being.
- **Harm Reduction:** An approach aimed at reducing the risks and harmful effects associated with substance use and addictive behaviors: for the person, the community and society as a whole, without requiring abstinence. A Harm

Reduction approach recognizes that guests can be at different stages of recovery and that effective interventions should be tailored to each guest's stage.

- **Trauma Informed Care:** A strengths-based framework that is grounded in an understanding of and responsiveness to the impact of trauma, while emphasizing physical, psychological, and emotional safety for providers and survivors.
- **Guest Centered:** Approaching the care, goals and interventions of a guest based on their unique identified need for services.
- **Culturally Competent:** Ability to honor, understand, and respect beliefs, lifestyles, attitudes, and behaviors demonstrated by diverse groups of people, and to diligently act on that understanding. It includes knowledge of one's own cultural values, and ability to consistently function with members of other cultural groups.

A Housing Authority staff person will work on-site daily at the Center to support the operator and facilitate collaboration and communication between all partnering organizations and guests.

The service operator shall provide or coordinate the efficient delivery of services to each guest. To ensure this consistent delivery of high quality supportive services, case management services will include but not be limited to the following:

- **Referral Procedures:** Establish referral and follow up procedures to confirm guests connect to services to which they are referred. Documentation of referrals made, and referral confirmation must be maintained in their files.
- **Warm handoffs:** When referrals are made, the service operator's case manager will facilitate a "warm handoff" by communicating with staff from the referred agency to introduce the guest.
- **Health and Wellness referrals:** Ensure guests are linked to and assisted in accessing medical health, mental health, and any needed alcohol and other drug services to address barriers to housing.
- **Mainstream Benefits:** Establish procedures for screening guests at program entry and intake for eligibility to mainstream benefits. Assist guests with obtaining income and/or establishing benefits. This includes coordinating the completion and submission of applications for public benefits and entitlements (e.g., general assistance, SNAP, SSI/SSDI, veteran benefits), health insurance benefits (e.g., Medi-Cal, Medicare, Covered California, etc.) and other sources of financial assistance.
- Any and all referrals and services provided to guests will be entered into HMIS in real time by service operator staff.

III. Re-Housing Services

The purpose of the Center is to help formerly unsheltered adults have a safe place to shelter and receive supportive services, with the ultimate goal of obtaining stable housing. Upon entry, the service operator will work closely with guests to understand and address barriers to receive stable housing. Housing services include, but are not limited to:

- Establishing relationships with landlords;
- Advocating for guests as renters;
- Teaching guests to be rent-ready;
- Providing security deposits;
- Providing guests with tools on how to maintain safe, healthy and sustainable housing;
- Providing case management to guests needing services to address barriers to stable housing (i.e., health and wellness, public benefits, employment, medical care, transportation, etc.).

Any and all rehousing assistance and services provided to guests will be entered into HMIS in real time by service operator staff.

Rehousing efforts will be a daily focus for every guest and staff person at the Center once the guest is stabilized. Rehousing costs include those expenses associated with obtaining stable housing, rental subsidy for up to 6 months per guest and related supportive services as called out in the budget. Supportive services will focus on assisting guests to retain stable housing. It is strongly recommended that there are separate staff assigned to the Re-housing team. This is a specialized area of expertise that is required to help families be successful in locating appropriate housing.

IV. Meals

The service operator will provide three (3) daily meals as well as access to beverages and snacks as needed. Meals must be nutritionally adequate in accordance with U.S. Department of Agriculture guidelines.

V. Facility Operations

The service operator will:

- Ensure safe and clean sleeping accommodations.
- Ensure guests maintain clean linens.
- Ensure that the Center is staffed 24-hours a day, seven days a week.
- Ensure the entire property is maintained and kept free of health and safety concerns.
- Ensure guests' pets remain in the designated area and that guests are providing necessary care.

Service operator must also be trained and knowledgeable of procedures to keep guests safe if a guest(s) has a infectious illness/disease and/ or if there is a pandemic. This includes developing a written policy to contain:

- Protocol to address guests with contagious illness.
- How to/location to quarantine guests to prevent an outbreak at the Center.
- Be knowledgeable of County Public Health expectations.
- Have alternative ways to ensure the guest(s) is/are isolated should alternative off-site options not be immediately available.

VI. Center Maintenance and Repairs

The service operator shall be responsible for the maintenance and repair of the Center including, but not limited to:

Janitorial Services

- Providing daily cleaning of the Center (office/community room, restrooms and shower facilities).
- Providing and maintaining cleaning and hygiene supplies (soap, toilet paper, etc.).

Grounds Operations

- Completing daily monitoring and clean-up of the Center grounds, open areas and sidewalks around the Center (inside and outside the fenced area).
- Ensuring regular pest extermination.
- Tracking of all maintenance issues and subsequent repairs to the Center including all structures, their systems, HVAC and electrical in real time using the electronic Work Order Form approved by the Housing Authority.
- Ensuring the bicycle racks are always fully operational.
- Reporting power outages and other utility issues to the Housing Authority immediately including camera system failures.
- Completing necessary inspections and tracking of safety equipment (smoke and carbon monoxide detectors, battery replacement, fire extinguishers).

- Conducting any general maintenance and repairs up to \$500 without requiring Housing Authority approval. All repairs exceeding \$500 will first require Housing Authority approval unless doing so impacts the health and/or safety of Center guests, staff or the public. The service operator will take immediate steps to mitigate any immediate health and safety concerns.
- Ensuring that maintenance requests are completed in a timely manner and entered in real time using the electronic Work Order Form approved by the Housing Authority.
- Paying for all maintenance and repair of the Center except for preventative maintenance from the approved budget. The service operator will notify the Housing Authority in advance of necessary and regular preventative maintenance and Housing Authority will reimburse the cost. Requests for reimbursement must be submitted within 30 days of receipt of invoice to the Housing Authority, and will be submitted with an itemized maintenance statement.

VII. Utilities

- The service operator will be responsible for providing internet service and
- Filling up the propane tank from the approved budget.
- Water, sewer, trash, electricity and phone related to the fire system will be billed to and paid directly by the Housing Authority.

VIII. Security and On-site Support

The service operator will:

- Ensure that all staff are immediately visually identifiable as staff who work on the property. This is important for emergency crew/police to immediately identify staff versus guests.
- Ensure cameras are monitored 24 hours a day, seven days a week
- Provide private on-site space for case managers and other service providers to meet with guests.
- Create an emergency evacuation plan.
- Prevent weapons, illegal drugs or alcohol from being brought onto the Center.
- Coordinate site security and facilitate uniform and effective program entry and property searches, as appropriate.

Written Policies and Procedures

The service operator will work in partnership with the Housing Authority in the development of, and compliance with a *guest Intake Packet* which includes, but is not limited to:

- Guest Rights and Responsibilities
- Program Policies
- Center Policies
- Supportive Services Policies
- Administrative Policies including addressing protocols to address infectious disease control.

All policies and procedures are subject to review and mutual agreement by the Housing Authority and the service operator.

All policies and procedures must be guest-centered to minimize barriers to access services and also prevent/minimize exits from the program due to rule violations.

Visitors

The Center has a “No Visitors” policy. This policy excludes vendors, and partner agencies coming onsite to assist the guests.

Collaboration

- The service operator staff must:
 - Meet weekly with the Housing Authority’s Homeless Innovations Department staff to provide updates, address pending issues and collaborate on operations at the site.
 - Provide a written detailed report to the Housing Authority at the weekly meetings.
 - Check-in with the Police Department and Impact team periodically to maintain a collaborative partnership.
 - Regularly attend and participate in meetings with social service agencies and other community based organizations to ensure that all necessary resources and opportunities are made available to guests. The service operator will also facilitate meetings between the guests and these agencies.

Data

The State of California, the City of Sacramento and the Housing Authority will request data in various formats to meet their individual reporting requirements. Every effort will

be made to limit data collection to those items contained within HMIS. Service provider/operator staff will use electronic devices (phones, tablets or laptops) to collect data **in real-time** from their guests. This ensures timely and accurate data is immediately collected and available.

The service operator must identify a staff contact person for data collection and reports. This staff person will coordinate with the Housing Authority in advance of the shelter opening and on a regular basis to ensure accurate numbers and measures are provided for all reports. The Housing Authority will work with the designated staff person to ensure HMIS Data integrity and that data entry best practices are maintained.

Record-Keeping

The service operator will comply with all reporting requirements in the state HHAP application.

HMIS records are to be maintained in accordance with the requirements of SSF's HMIS policies.

The service operator shall maintain guest files for five years from project closeout. Records pertaining to this program will be made available upon request by the Housing Authority.

Critical Incident Reports

Upon the occurrence of any reportable event(s) identified below, the service operator shall notify Housing Authority staff by using the electronic Incident Report Form approved by the Housing Authority within 24 hours.

Reportable Event:

- a. Death of any guest from any cause.
- b. Any facility-related injury of any guest which requires medical treatment, excluding basic First Aid.
- c. All cases of communicable disease reportable under Section 2502 of Title 17, California Code of Regulations, shall be reported to the local health officer in addition to the State of California, Department of Health Care Services (DHCS, and the Housing Authority).
- d. Poisonings.
- e. Catastrophes such as flooding, tornado, earthquake, or any other natural disaster.
- f. Fires or explosions that occur in or on the premises.
- g. Violence of any kind.

- h. Any time law enforcement or EMT personnel respond to a guest while at the Center.
- i. When a guest is exited for non-compliance.
- j. Guest or staff is identified to have a contagious illness/disease

Specific Information to Provide:

- a. Guest's name
- b. Date, time, and nature of event.
- c. Witnesses
- d. Consequences

Media

If any media outlet reaches out to the operator about the shelter or stops by the shelter, the operator must notify Housing Authority staff immediately.

The operator will also ensure that the Housing Authority's Media Release forms are explained and offered to every guest.

Budget

Line item transfers between budget categories may be requested. All proposed changes must be requested and approved in writing by the Housing Authority **before** any transfer can take place and this change cannot result in the total budget exceeding the maximum total contract amount. Line item changes may result in requesting permission from the City and/or the state. No change can be implemented without written permission from the Housing Authority.

Invoicing

The service operator shall submit a monthly invoice to the Housing Authority by the fifteenth (15th) business day of the following month. Reimbursement requests are to be on the service operator's letterhead and executed by a service operator authorized staff person.

Invoices for reimbursement will be attached to a monthly and cumulative report and have supporting documentation which supports each expense listed on the reimbursement form.

Eligible costs for reimbursement are defined by the HHAP grant.

Expected Outcomes

The service operator is expected to produce the following outcomes required by the State of California Homeless Housing Assistance and Prevention Program (HHAP):

- Reduce the number of adults experiencing unsheltered homelessness by at least 40% (or 413 individuals) over two years.
- Exit guests from the Center to stable housing within six months.
- Exit at least 70% of guests to a non-homeless destination (permanent housing, transitional housing, treatment, rapid re-housing, re-unification, self-resolves housing crisis).
- Exit at least 50% of guests to permanent housing (150 annually).
- Improve income for guests through employment and/or access to cash benefits.
- Improve guests' non-cash benefit utilization (such as health insurance).
- Average of no more than five percent vacancy rate per night.
- Serve a minimum of 300 unique guests annually.
- Serve 90% of total annual enrollment from literal unsheltered homelessness.

These numbers were developed pre-COVID-19. Expectations will be reduced if the health pandemic is still prevalent in the Sacramento community during the timeframe of the Center operations.

The service operator will continue to collaborate with the Housing Authority, and other Housing Authority approved partners/ service providers to increase the number of guests exiting to permanent and stable housing.

X STREET NAVIGATION CENTER - 2 YEAR OPERATIONS BUDGET

OPERATIONS	2 YEARS
Re-housing	\$ 1,440,000
Operator	\$ 3,500,000
Onsite cameras	\$ 60,000
Trailer Rentals	\$ 80,000
24 hour offsite security	\$ 430,000
Maintenance	\$ 240,000
Utilities	\$ 200,000
Caltrans lease payment	\$ 10,024
Street Navigator	\$ 100,000
Coordinated Entry Process	\$ 150,000
Personal Protective Equipment (PPE)	\$ 30,000
Outreach/cleanup	\$ 600,000
Contingency funds	\$ 100,000
	\$ 6,940,024
ADMINISTRATIVE COSTS	2 YEARS
Salaries, benefits, overhead	\$ 768,000
TOTAL EXPENSES	\$ 7,708,024

FUNDING	
Kaiser Foundation	\$ 5,000,000
State HHAP I Funds	\$ 819,100
City General Funds	\$ 1,126,181
Emergency Solutions Grant CARES	\$ 762,743
TOTAL FUNDING	\$ 7,708,024

