



# City Council Memorandum

*City of Arts & Innovation*

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JANUARY 17, 2017

FROM: COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT WARDS: ALL

SUBJECT: HOMELESS SERVICES – REQUEST FOR PROPOSAL FOR A DAY DROP-IN SERVICE CENTER, A LEASE FOR A FOOD PANTRY, APPLY FOR GRANT FUNDING FOR THE HOUSING FIRST MODEL AND DEVELOPMENT OF THE COMMUNITY RESPONSE TEAM, PARTNERSHIP AGREEMENTS WITH LOCAL SERVICES PROVIDERS AND WITH RIVERSIDE WORKS – SUPPLEMENTAL APPROPRIATION

## **ISSUES:**

Provide core homeless services that include the release of a Request for Proposal for a Day Drop-In Service Center, a lease for a food pantry, apply for grant funding for the housing first model and to develop the Community Response Team, and partnership agreements with local service providers, including Riverside Works.

## **RECOMMENDATIONS:**

That the City Council:

1. Authorize staff to release a Request for Proposals to secure an organization to fund and carry out the rehabilitation of City owned property located at 2801 Hulen Place to implement a Day Drop-In Service Center and operate a shower and laundry program, community meals program, and life skills;
2. Authorize staff to negotiate a lease with Arlington Temporary Assistance to occupy and operate a food pantry and homeless services at City owned property located at 2881 Hulen Place and return to City Council with a Lease Agreement for approval;
3. Authorize staff to prepare and submit an application for grant funding from the Community Based Transitional Housing Program from the California Department of Finance seeking funds to develop the housing first model home and incorporate the proposed Community Response Team;
  - a. Adopt a resolution (Attachment 3) authorizing the submittal of a Community-Based Transitional Housing Program grant application to the California Department of Finance for \$2 million to develop the proposed Homecoming development project and operate the Community Response Team;
  - b. Authorize the City Manager, or designee, to sign the Community-Based Transitional

Housing Program grant application and execute any agreements or other documents necessary to administer the program;

- c. Upon award of grant funds, authorize the receipt and appropriation of any awarded funds and authorize the Finance Department to set up any necessary accounts for the operation of the Community-Based Transitional Housing Program and Community Response Team;
4. Authorize staff to negotiate partnership agreement with local services providers including Loma Linda University, Health to Hope and Addiction Counseling & Treatment Services and other non-profit organizations to collaborate in the formation of the Community Response Team and return to City Council for approval of said partnership agreements;
5. Authorize staff to seek and identify viable sites for the development or implementation of the proposed housing first model;
6. Authorize staff to negotiate an agreement with Riverside Works, a Riverside County Workforce Development nonprofit, to implement the Riverside at Work Program, in the amount of \$35,000;
  - a. Accept \$25,000 from the Altura Credit Union sponsorship grant;
  - b. Authorize the Finance Department to increase the estimated revenues and appropriate expenditures in the same amount to a project account to be established by the Finance Department; and
  - c. Authorize \$10,000 from the Community Development Block Grant funds for this agreement.

### **BACKGROUND:**

On October 11, 2016, City Council held a workshop to discuss the current conditions contributing to homelessness, the programs and services available, and present new options for policies and programs. The goal of the discussion is to improve the quality of life for all residents and businesses.

During the workshop, there were speakers from the community, city staff, non-profit service providers, County of Riverside staff, and regional experts on addressing homelessness. The topics discussed during the workshop included:

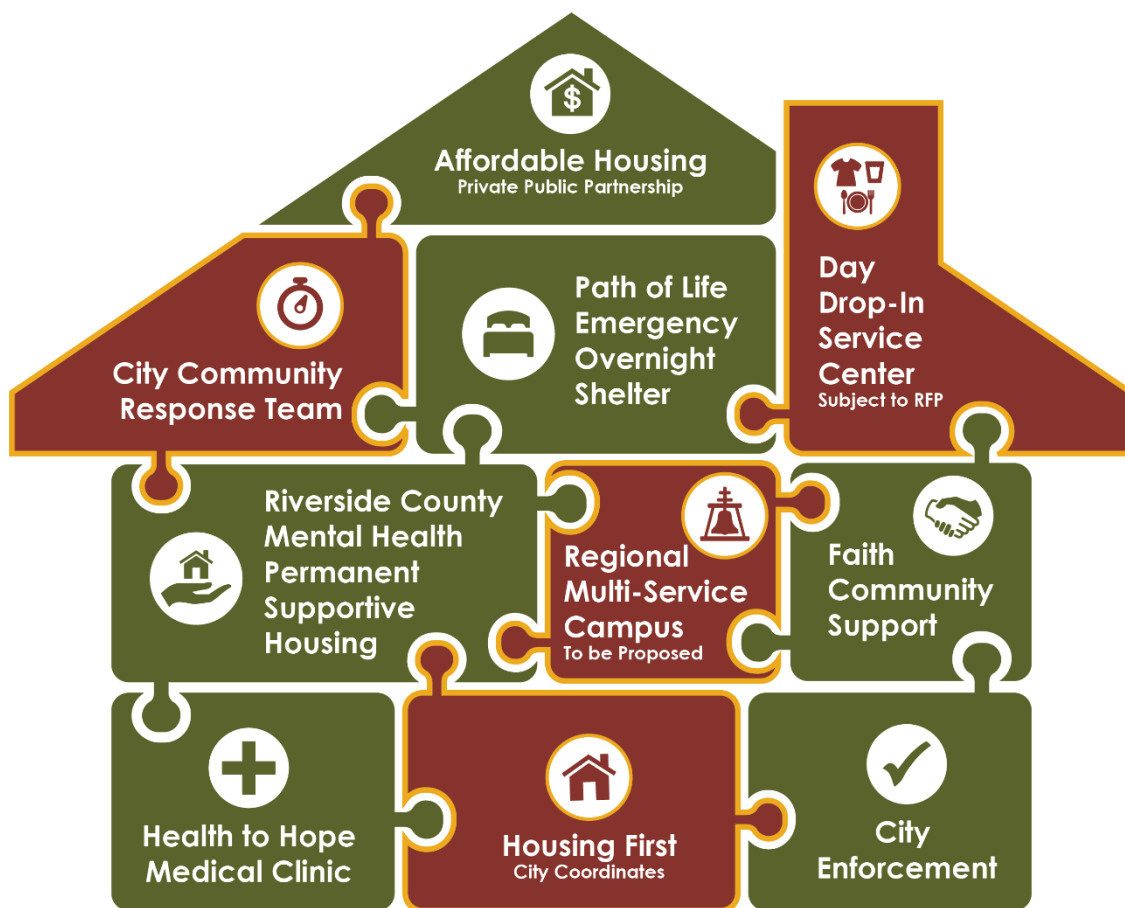
1. Continuing Efforts to establish a full service campus (addressed in this report)
2. The Housing First Model of Service Delivery (addressed in this report)
3. A Community Response Team (addressed in this report)
4. Enforcement Models (to be addressed in a future update)
5. Riverside at Work Program (addressed in this report)
6. Affordable Housing (to be addressed in a future update)
7. Homeless Court Program (to be addressed in a future update)

8. Overnight Shelters (addressed in this report)
9. Community Education for responsible, effective assistance (to be addressed in a future update)
10. Park Programs (to be addressed in a future update)

At the end of the workshop, City Council directed staff to explore the options and return at a later date with a full analysis and recommendation.

## **DISCUSSION:**

An efficient homeless services program needs collaborative partnerships among service providers that can offer a menu of core services to a diverse population in need. The community has identified several gaps in service delivery that must be filled in a partnered way that allows each partner to focus on their core talent while working collaboratively. Over the course of the next five years, staff proposes to complete that core service delivery menu. The image below seeks to identify existing resources plus value added partnership that we seek to fully implement over the next five years.



This report proposes to maintain and strengthen relationships with valued partners like Code Enforcement and the Riverside Police Department, Path of Life Ministries providing emergency shelter, the County of Riverside Mental Health, Health to Hope and pursue provision of services that do not already exist in Riverside, including a Day Drop-In Service Center, a Housing First Model development project and a Community Response Team in partnership with various local

nonprofits and private development partners.

A strong collaboration with the faith based community is critical. Mayor Bailey is leading a successful effort to conceive a valued relationship as described below in this report.

Staff continue to work closely with the broader region, including the County of Riverside and local neighboring cities as well as regional service providers, to seek development of a full homeless services campus somewhere in the County.

Several day drop-in centers, homeless outreach programs, and employment programs have been explored to determine which programs will best stabilize people through shelters and transitional housing, move them into permanent housing, and implement assistance programs to keep them in housing. The following proposals are a result of staff research on service solution needs for the City of Riverside's homeless population.

### ***CONTINUING EFFORTS TO SERVE BASIC NEEDS***

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Riverside Homeless Services on Hulen Place is the primary location where homeless residents and those at-risk of becoming homeless in Riverside are able to access a range of services and housing opportunities.

#### **Request for Proposal for the Day Drop-In Service Center**

Additional services that are needed at Hulen Place include a shower and laundry program, a community meal program and training rooms. It is proposed to locate all these resources into a Day Drop-In Service Center at 2801 Hulen Place. A Request for Proposals (Attachment 2) has been drafted to solicit responses from organizations to fund and carry out the rehabilitation of the location to serve as a Day Drop-In Service Center that includes these programs and services for our homeless population that include shower and laundry, shared meals, and life skills. The Day Drop-in Service Center will provide:

1. A safe place where those experiencing homelessness or at-risk of homelessness can be off the street;
2. A gathering place to provide assistance to those in need; and
3. A place where a phone, hygiene facilities, food and information is available.

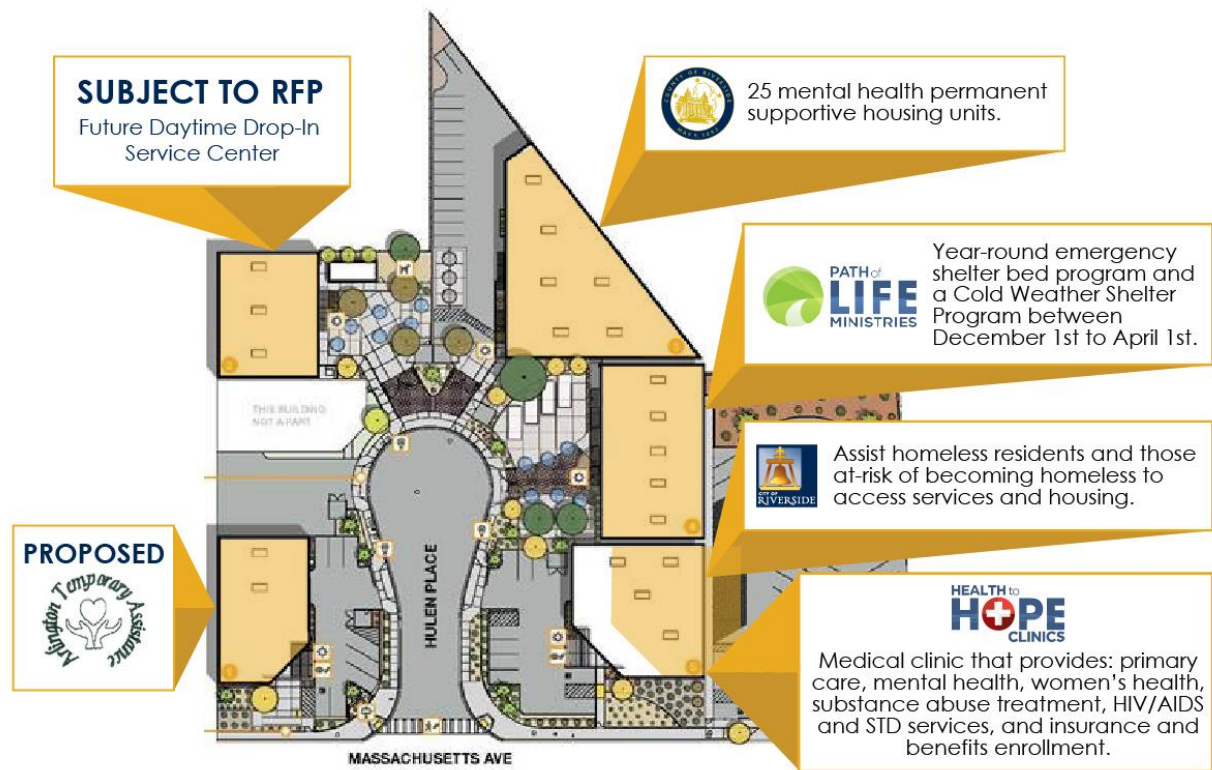
#### **Health to Hope Expansion**

Staff is also proposing to temporarily relocate Homeless Services from 2880 Hulen Place to 2881 Hulen Place to allow Health to Hope to occupy the whole building located at 2880 Hulen Place and expand their medical services.

#### **Arlington Temporary Assistance**

Arlington Temporary Assistance (ATA) has expressed interest in occupying the vacant offices and warehouse at 2881 Hulen Place. ATA provides emergency assistance to individuals, families and homeless. Assistance includes food (limited to 6 times a year), clothing and referrals to appropriate social service agencies. Bus tickets are provided for medical appointments and emergencies. ATA's mission is to help individuals and families achieve self-sufficiency. ATA has limited space where they are currently located. This location would provide them with the opportunity to grow. Staff is seeking approval to

negotiate a Lease Agreement with ATA once Health to Hope vacates 2881 Hulen Place.



### ***SUBMIT FOR GRANT FUNDING FOR THE HOUSING FIRST MODEL OF SERVICE DELIVERY AND COMPLETION OF THE COMMUNITY RESPONSE TEAM***

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#### **Homecoming**

To effectively implement the Housing First Model of Service Delivery in the City of Riverside, staff is proposing to facilitate private development to include a mixed-use building that includes a Housing First apartment community, with clean, comfortable permanent accommodations and headquarters for the City's Homeless Services and the proposed Community Response Team (CRT). Staff will work to identify viable locations to pursue a partnership with a private developer and operator to build and implement the proposed Homecoming Housing First Model.

The development will combine decent, safe, and affordable housing with supportive services designed to help individuals stay housed and live a more productive life under a single roof and will be completed in a private public partnership. The proposed project will have a common living room and kitchen, laundry facilities, and an exterior common patio space.

The funding solutions include mission based restricted funds that require provision of affordable housing, such as the proposed Community Transition Housing Program offered by the State of California as well as HOME grant funding that the City receives annually from the United States Department of Housing and Urban Development, which HUD restricts and must offer development of affordable housing.

Staff proposes to procure a private development partner for the buildout of the Homecoming project as well as a private operator for the same Homecoming project, which will incorporate the CRT program.

A property manager will reside on the property. Supportive services will be offered to maximize housing stability and prevent a return to homelessness.

Staff will also apply for No Place Like Home funding from State bond proceeds that can be used to acquire, design, construct, rehabilitate, or preserve permanent supportive housing for persons who are experiencing homelessness, chronic homelessness or are at-risk of chronic homelessness, and who are in need of mental health services.

In addition to the funding opportunities described above, an experienced development team will be able to identify additional funding sources that would be appropriate for this development. A Request for Proposals will be issued to identify development teams interested in designing, building, and operating the Homecoming development and utilizing the Housing First Model of Service Delivery after development sites have been identified.

## Community Response Team

On October 11, 2016, City Council approved the exploration of a Community Response Team (CRT), which would include a Homeless Outreach Specialist, Police Officer, certified substance abuse counselor, licensed mental health clinician, psychiatrist, and registered nurse. This team would be located at the proposed Homecoming development project to provide housing and supportive services to homeless individuals and families. They would continue partnerships with the City's Code Enforcement and Public Works Departments to address trash, debris, and encampments. The CRT will also coordinate with the Riverside Police Department to address criminal activity.

On October 11, 2016 staff identified the first year start-up costs to be \$986,284, with an annual operating cost of \$890,284 per-year thereafter.

Since October, staff has further refined the operating budget and identified partners interested in providing services, thereby reducing the overall operating costs of the CRT. Following is a table demonstrating the substantial cost savings made possible through partnerships with existing service providers within our community:

Quantity	Staff	Oct. Cost Estimate	Cost Savings	Jan. Cost Estimate	Source
2	Homeless Outreach Worker	\$120,000	(\$60,000)	\$60,000	Reduced to one (1)
2	Police Officer	\$348,000	(\$174,000)	\$174,000	Reduced to one (1)
1	Registered Nurse	\$0	\$0	\$0	Health to Hope Clinic
1	Licensed Clinical Therapist	\$150,000	\$0	\$150,000	
1	Licensed Substance Abuse Counselor	\$60,000	(\$60,000)	\$0	Addiction Counseling Treatment Services
0.5	Psychiatrist	\$208,000	(\$104,000)	\$104,000	Health to Hope Clinic
3-staff	Equipment	\$4,284* *7 staff	(\$2,448)* *4 staff	\$1,836 3 staff	
3	Vehicles	\$96,000	(\$46,000) cars	\$50,000 one van	
<b>Total:</b>		<b>\$986,284</b>	<b>(\$446,448)</b>	<b>\$539,836</b>	

## Partnership Agreements

The following service providers have expressed interest in partnering with the City of Riverside to provide services as part of the CRT with headquarters at Homecoming:

- 1) Loma Linda University has expressed an interest in partnering to provide up to five interns from their Masters of Social Work program. Candidates are required to complete 160 hours of practicum each quarter. Interns would:
  - a) accompany Homeless Outreach staff in making initial and sustaining contact with potential clients;
  - b) assist established clients with enrollment of mainstream benefits, housing navigation services; and
  - c) assist the clinician with case management; coordinate referrals to appropriate behavior health services.

This partnership and provision of interns allows existing Homeless Outreach staff to better leverage their time and resources, and result in a budget savings of one proposed homeless outreach staff position, \$60,000 per year.

- 2) Health to Hope Medical Clinic has expressed plans to expand their current physical space at 2880 Hulen Place, as well as the services they provide including the hiring of a licensed psychiatrist and registered nurse. Longer term plans include an expansion of their substance abuse counselling services.

As Health to Hope refines their expansion plans, the potential exists to share the cost of a licensed psychiatrist and registered nurse, resulting in a budget savings of \$104,000 for the CRT budget per year.

- 3) Addiction Counseling & Treatment Services, located in Riverside, offers both in-patient and out-patient alcohol and drug treatment including individual, group and family therapy programs and activities. Addiction Counseling & Treatment Services has indicated an interest in providing a full-time substance abuse counselor to the CRT, resulting in a budget savings of \$60,000 per year.
- 4) Stairways to Success, a life-skills training provider, has offered a donation of in-kind services, the provision of life-skills training opportunities to future residents of the Homecoming Development, an anticipated savings of approximately \$600 per training course.

Staff has refined the program, embarked on cost-saving partnerships and has identified the first year annual budget for the CRT is \$539,836, a cost savings of \$446,448. The CRT annual budget beginning in year two is \$489,836, a cost savings of \$400,448. If the City is awarded the Community-Based Transitional Housing Program grant, \$1.2 million will be available to cover CRT program related costs for a two year period. If City Council approves proceeding with the Community-Based Transitional Housing Program grant and the CRT, staff will obtain final commitments from the aforementioned agencies and return to City Council with partnership agreements for review and approval. As each CRT is created, the Homeless Outreach Service budget will be reduced by \$60,000 on a per Outreach Worker basis, which will continue to be eligible to for Community-Based Transitional Housing Program grant funds.

## ***RIVERSIDE AT WORK PROGRAM***

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The Riverside at Work (RAW) Program is designed to address housing first, then remedial training, and ultimately a paid training opportunity with a willing employer. It is proposed to collaborate with Riverside County Workforce Development who can assist CRT clients with assessing a client's education and work skill level to assist with resume building and interview skills. Workforce Development would connect willing and able workers based on their education and skill level with employers.

The proposed agreement to negotiate with RAW is to start the program with five CRT clients. Project funding has been identified as a \$25,000 Altura Credit Union sponsorship grant that the City received and a \$10,000 Community Development Block Grant. Staff is requesting authorization to enter into a grant agreement with Riverside Works, a Riverside County Workforce Development nonprofit, to assist clients through pre-employment workshops, conduct workforce assessments, and connect clients with participating employers.

## **INFORMATIONAL UPDATES**

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### ***OVERNIGHT SHELTERS***

#### ***Collaboration with Faith-Based Organizations***

At the October 11, 2016 workshop, Mayor Bailey shared work being done by the Office of the Mayor to engage churches and faith-based organizations to more effectively serve the homeless. Representatives from several of Riverside's churches were in attendance and verbally committed to continue to work with the City and Path of Life to find constructive solutions. Several members of the Council expressed support for these efforts. Since the workshop, the Mayor has continued to dialogue with Path of Life, church representatives and faculty members from La Sierra University, California Baptist University and Loma Linda University to further refine the goals of this initiative as follows:

1. Educate the churches and their members about the City's efforts to end homelessness;
2. Equip the churches to serve our homeless neighbors using a "responsible compassion" approach;
3. Increase the support available to our homeless neighbors; and
4. Explore the possibility of using church property to provide temporary housing for our neighbors without homes.

#### ***County of Riverside Homeless Plan***

The County of Riverside Executive Office created the Executive Oversight Committee on Homelessness created a Homeless Response Work Group to develop interventions that are successful and sustainable in addressing the "visible, service resistant, homeless" population. The City of Riverside is an active participant in this Work Group.

The Work Group is in the process of creating an ending homeless plan that will be presented to the Executive Oversight Committee on Homelessness, the Riverside County Continuum of Care Board of Governance and to the County Board of Supervisors.



### **Asset Forfeiture Special Funds Grant**

Staff has submitted a County of Riverside District Attorney's Asset Forfeiture Special Funds grant application in the amount of \$75,000 for intervention and prevention projects for the homeless youth. Forty-five thousand dollars (\$45,000) was requested to provide substance abuse rehabilitation and counseling services for six youth to be placed at a local service provider. An additional \$30,000 to fund a prevention program that will allow 30 at-risk youth to participate in a three-day educational retreat at the University of California-Riverside. Staff is waiting for a response from the District Attorney's Office on whether the City was awarded these funds.

### **Mayor's Challenge to Ending Veteran Homelessness**

The Mayors Challenge to End Veteran Homelessness, issued by first lady Michelle Obama in June 2014, is an interagency initiative that calls on cities, counties and states to commit to ending and preventing homelessness among Veterans in their communities. On June 10, 2014, Mayor Bailey and City Council accepted the challenge to end veteran homelessness in the City of Riverside. Through the City's collaboration with the VA Loma Linda, Housing Authority County of Riverside, Riverside County Riverside Unified Health System - Behavioral Health, Riverside County Department of Public Social Services, Path of Life, and Lighthouse Social Service Centers, the City was able to end veteran homelessness on December 31, 2015. In January 25, 2016, the County of Riverside had 100 unsheltered veterans. Through the partnership with the aforementioned agencies, the County of Riverside was able to end veteran homelessness in December 2016. The County of Riverside submitted the necessary documents and data required to the Federal Interagency Review Team to confirm that the City of Riverside and County of Riverside have reached functioning zero and have resources in place to assist any veteran that becomes homeless or is at-risk of becoming homelessness.

On December 21, 2016, Mayor Bailey received a formal letter from the United States Interagency Council on Homelessness (USICH) thanking the City and County for their leadership and commitment to ending veteran homelessness. USICH also looks forward to continuing our collaboration as we work to end homelessness for all Americans. The City is now working with its partners on the Zero: 2016 initiative to end chronic homelessness by 2017.

### **FISCAL IMPACT:**

Funding requests identified in this report are for the Riverside at Work program to use \$10,000 in Community Development Block Grant funds and \$25,000 from the Altura Credit Union Grant. Upon receipt of the grant funds an increase in the estimated revenues and appropriate expenditures in the same amount will be made to a project account established by the Finance Department.

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Certified as to availability of funds:	Scott G. Miller, PhD, Chief Financial Officer/Treasurer
Approved by:	Alexander T. Nguyen, Assistant City Manager
Approved as to form:	Gary G. Geuss, City Attorney

#### **Attachments:**

1. Hulen Place Site Map
2. Day Drop-In Center Request for Proposals
3. Community-Based Transitional Housing Program Grant Resolution
4. Presentation