



Monterey County

Board of Supervisors
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

Legistar File Number: A 19-328

August 27, 2019

Introduced: 8/16/2019

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

- a. Approve and authorize the Contracts/Purchasing Officer to execute a ten (10) year Lease Agreement with Community Human Services, a 501(c)(3) non-profit corporation, for the 4,500-square-foot County modular building with adjacent parking area located at 1292 Olympia Avenue, Seaside, California to be used as a permanent, year-round homeless shelter, rent free, pursuant to Section 26277 of the Government Code, in a form substantially similar to the proposed Lease Agreement set forth in Attachment A. Lease term is to commence on July 1, 2020, or upon completion of Community Human Services-specified improvements to the County property, whichever is earlier; and
- b. Approve and authorize the Resource Management Agency Director to execute and record a ten (10) year Deed Restriction and Covenant document as required by the Homeless Emergency Aid Program ("HEAP") for Community Human Services' requested funding, in a form substantially similar to the proposed Deed Restriction and Covenant set forth in Attachment C.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Contracts/Purchasing Officer to execute a ten (10) year Lease Agreement with Community Human Services, a 501(c)(3) non-profit corporation, for the 4,500-square-foot County modular building with adjacent parking area located at 1292 Olympia Avenue, Seaside, California to be used as a permanent, year-round homeless shelter, rent free, pursuant to Section 26277 of the Government Code, in a form substantially similar to the proposed Lease Agreement set forth in Attachment A. Lease term to commence on July 1, 2020, or upon completion of Community Human Services-specified improvements to the County property, whichever is earlier; and
- b. Approve and authorize the Resource Management Agency Director to execute and record a ten (10) year Deed Restriction and Covenant document as required by the Homeless Emergency Aid Program ("HEAP") for Community Human Service's requested funding, in a form substantially similar to the proposed Deed Restriction and Covenant set forth in Attachment C.

SUMMARY/DISCUSSION:

The Coalition of Homeless Services Providers (CHSP) has received grant funding from the Homeless Emergency Aid Program (HEAP) to aid people experiencing homelessness in Monterey and/or San Benito counties. HEAP will provide one-time, flexible block grant funding to address immediate emergency needs of homeless individuals and families in the service area of the grant recipient. In accordance with State regulatory guidelines, HEAP funds are allocated for eligible uses under the grant, which include, but are not limited to, services, rental assistance or subsidies, capital improvements, and activities for homeless youth.

CHSP and the Community Human Services (CHS) will enter into a Subrecipient Grant Funding Agreement (SGFA) that will set forth CHS operational procedures and capital improvement project specifications to accomplish the objectives of HEAP and administration of the permanent, year-round homeless shelter in Seaside for single women and families with children. Total HEAP funds issued by CHSP for CHS capital improvements shall not exceed \$1,287,658. The SGFA will also require that a recorded deed restriction be placed on the homeless shelter property, so it will remain available for activities under HEAP for a duration of ten (10) years following the date of issuance of the certificate of occupancy by the City of Seaside. Evidence of bonafide site control (by long-term lease or purchase) is needed prior to full execution of the SGFA. Authorizing the Resource Management Agency Director to execute and record a ten (10) year Deed Restriction and Covenant document will fulfill this requirement. CHS operation of the year-round homeless shelter in Seaside will be under the oversight of CHSP as the administrator of HEAP funding.

Approval of this Lease Agreement (Attachment A) will provide CHS exclusive use of the 4,500-square-foot County modular building and adjacent nineteen (19) parking spaces located at 1292 Olympia Avenue in Seaside, California (lease premises), rent free, pursuant to Section 26277 of the Government Code (Attachment B). The lease term will be for ten (10) years and commence on July 1, 2020, or upon completion of CHS's renovation to the County property, whichever is earlier. The SGFA will be attached to the Lease Agreement to help Resource Management Agency staff administer its intended purpose and expectations for the renovation and upkeep. The Lease Agreement also contains provisions that require CHS to indemnify the County for failure to perform the intended renovation and use of the lease premises for the Seaside Emergency Shelter.

The renovation work will include: construction of ten (10) bedrooms; four (4) bathrooms; two (2) case manager offices; classroom/dining area; lobby/reception area; meal service area; laundry room; architectural and engineering; upgraded fire protection; upgraded mechanical, plumbing, and electrical; and parking lot area improvements to accommodate shelter access. All costs associated with operation of the facility (including repairs, maintenance, janitorial and utilities) and renovation to the County property will be at the sole expense of CHS.

OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel-Risk Management has reviewed and approved the Lease Agreement as to form and legality and insurance and indemnity. The Department of Social Services and Housing and Economic Development support the Lease Agreement. On February 27, 2019, the Seaside City Council stated support for Community Human Services operation of a permanent homeless shelter at this location.

FINANCING:

There is no impact to the General Fund. The estimated \$1,287,685 in project costs to renovate the County modular building and adjacent parking area for the CHS year-round homeless shelter in Seaside will be one hundred percent (100%) funded by HEAP. CHS estimates the Seaside year-round homeless shelter's programs, services, and facility operations (including repairs, maintenance, janitorial, and utilities for the building) at \$850,000 per year. CHSP has awarded CHS \$300,000 in HEAP funding to help support shelter programs, services, and operations in FY 2020-21. CHS will

continue to solicit HEAP/CHSP; federal, state, and local governments; foundations; corporations; and private donors for future funding for the year-round homeless shelter's programs, services, and operational expenses beyond FY 2020-21.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This agreement correlates to the Health & Human Services Strategic and Public Safety Initiatives adopted by the Board of Supervisors to improve the quality of life for homeless individuals and families in Monterey County by providing a warm, safe environment.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

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Approved by: Shawne Ellerbee, RMA Deputy Director of Administrative Services

Approved by: Carl P. Holm, AICP, RMA Director

Attachments:

Attachment A-Lease Agreement

Attachment B-Section 26277 of the Government Code

Attachment C-Deed Restriction & Covenant

Attachment D-Location Map

(Attachments on File with the Clerk of the Board)

cc: Community Human Services