



AGENCY: City Council
MEETING DATE: December 7, 2020
DEPARTMENT: City Manager
PRESENTED BY: Tabatha Miller
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AGENDA ITEM SUMMARY

TITLE:

Receive Report and Consider Adoption of City Council Resolution Approving Budget Amendment 2021-07 to the Fiscal Year 2020-2021 Budget to Fund Additional Wages for the Mendocino Coast Hospitality Center Winter Shelter and Directing Staff to Negotiate a Lease for Space at the C.V. Starr Community Center to Temporarily Host the Winter Shelter

ISSUE:

On November 23, 2020, the Mendocino Coast Hospitality Center (MCHC) issued a press release with the title "Coast faces prospect of no Winter Shelter this year" (Attachment 2). The challenges of securing adequate venues, hiring staff and complying with COVID guidance were cited as reasons MCHC may not be able to operate the Winter Shelter this year.

The Ad Hoc Homelessness Committee (Councilmember Morsell-Haye, Vice Mayor Norvell and City Manager) met on Monday, November 30th to discuss the matter and solutions to the challenges faced. The Committee is recommending that the City Council consider appropriating \$15,000 to supplement the normal wages paid and leasing a portion of the C.V. Starr Community Center in February and March, to serve as the Winter Shelter venue for the final two months.

ANALYSIS:

The Coast Winter Shelter provides emergency overnight shelter to the local transient population during the colder winter months. Prior to last year, the shelter was only open on those nights when the temperatures reached certain low levels and/or when rain storms were predicted. Last year, the shelter was renamed from the Emergency Winter Shelter to the Winter Shelter and offered shelter every evening from approximately December 15 through March 15. The unique circumstances of the COVID-19 pandemic extended the length the shelter operated and moved shelter residents into hotel rooms as precautions against the virus.

Typically, the Winter Shelter is hosted by faith-based organizations in Fort Bragg and the surrounding area. Each facility hosts the shelter for a two-week period under the terms set forth in a City issued Limited Term Permit (Attachment 4). By rotating the location, the participating churches and their associated neighborhoods share the burden of hosting the shelter. For the last several years, potential Winter Shelter guests were processed at the Mendocino Coast Hospitality Center during the day and if eligible placed on the "Shelter Eligibility List." Those individuals on the list would check in at the Food Bank and be transported to the hosting facility after 5:00pm. Shelter Guests are returned to the Hospitality Center no later than 8:00am the next morning.

The shutdown in March 2020 mandated that local hotels could only rent rooms to individuals providing essential services. This dropped occupancy rates locally by as much as 85-90% and provided empty rooms that could be rented to provide shelter to at-risk homeless and those who would traditionally stay in the Winter Shelter. This resolved many of the risks associated with operating congregate housing during a pandemic, where the risks are much higher for spreading COVID-19.

However, this fall the local hotels have had the opportunity to rent rooms to visitors and tourists and have remained quite full as reflected in the City's most recent Transient Occupancy Tax collection, which was up 8.2% for the 1st quarter of fiscal year 2020-21 over the prior year. As a result, renting hotels has not been an option for this upcoming winter.

Many of the faith-based community partners' facilities do not have the additional space needed to properly meet the additional spacing needs necessitated by COVID. The other obstacle for the faith-based partners was the need to devote the space 24-7 to a shelter to meet sanitation and hygiene guidelines (CDPH Guidance for Homeless Shelters – Attachment 3).

MCHC staff was able to secure two locations that could host the Winter Shelter for December and January. MCHC staff approached the City with a request to rent the gymnasium located in City Hall East. Prior to COVID, the gymnasium would host recreational programs for the C.V. Starr and Mendocino Coast Recreation and Park District, the Farmer's Market during the winter and other special events throughout the year. With the exception of hosting the Mendocino County Polling Place in November, the gymnasium has remained essentially unused since mid-March.

While the size of the space and its availability was desirable for a shelter, the location itself adds to the considerable challenges our local businesses in the Central Business District (CBD) face from some in the homeless population. A number of these folks suffer from mental illness or substance abuse and can be abusive and/or scary to locals and visitors patronizing the local shops and businesses. Trash, drug paraphernalia, excrement, used clothing and discarded belongings can be left behind. Some of these individuals receive daily meal and shower services at the Hospitality House just east of the CBD and this has been associated with increased loitering in the CBD.

At a time when we have seen many small businesses close, the burden of hosting a Winter Shelter in this district is too much to ask of our businesses. We depend on those businesses to attract visitors and support our tax collections. This is one of the reasons that the Food Bank in the Industrial District at the north end of Franklin Street was used to check in eligible shelter guests. It was away from the CBD businesses and reduced the loitering around businesses.

The Ad Hoc Homelessness Committee is recommending that the City Council consider renting a portion of the C.V. Starr Center to MCHC to house the Winter Shelter for the necessary portion of February and March. That facility is currently closed and a portion could

be segmented off to provide the temporary shelter. The C.V. Starr Center is in a residential neighborhood and located next to an elementary school. However, most of the faith-based facilities are in residential neighborhoods and with proper permit and lease conditions, interference with the neighbors is minimal. Any activity at the School and District Offices to the South would happen between 8:00am and 5:00pm. The shelter hours would be limited to 5:30pm to 7:30am and shelter guests would be transported to and from the Center. Conditions contained in prior Temporary Use Permits would be included in this permit and lease to reduce the impacts to the neighborhood. While not the ideal location, it is arguably less impactful to our community than the CBD.

The possibility of hosting the Winter Shelter at the C.V. Starr Center has been discussed with C.V. Starr staff, who have raised several concerns. One matter is liability insurance. The Mendocino Coast Recreation & Park District, as the Center's operator, procures insurance for the facility and its recreation-associated operations. A homeless shelter is outside of that coverage. The recommendation is to require MCHC to provide proper insurance coverage for leasing a portion of the facility and to indemnify both the City and MCRPD.

A second matter is the safety and health of C.V. Starr staff. Staff are concerned with exposure to COVID-19 from Winter Shelter guests and responsibility for proper cleaning and sanitation of the facility. Separating the times staff are in the facility and physically segregating the Winter Shelter from staff offices along with requiring MCHC to properly clean and sanitize the designated shelter space each morning will provide protection against possible spread of the virus.

Additionally, the City will require MCHC to operate the Winter Shelter in compliance with the CDPH Guidance for Homeless Shelters (Attachment 3) which outlines procedures for screening guests and staff, providing adequate PPE, disinfecting and cleaning of the environment, personnel hygiene protocol and an established protocol for managing any guest who may be experiencing COVID symptoms. If directed by Council this evening, C.V. Starr staff will be included in planning for and negotiating a lease. This will help ensure that the property and the C.V. Starr staff are protected from harm or other damage.

The second challenge and certainly the more immediate to opening the Winter Shelter is the lack of employees to staff the Winter Shelter. Now that the shelter operates every night through the winter season, at least six overnight supervisors are needed to run the shelter safely and responsibly through the season. Each night there are two shifts, each with at least two employees. One from 4pm to 12 midnight and another from 12 midnight to 8am. The hourly wage is \$14 to \$16, depending on qualifications. As of November 30, MCHC had no Winter Shelter employees and was unable to open as planned on December 1, 2020.

Staffing is not a new challenge to MCHC, but COVID-19 does have an additional risk that potential employees may not be willing to work for the current wage. To increase the possibility of recruiting employees, the Ad Hoc Committee feels strongly that a higher wage or a pandemic hazard premium would be appropriate. As such, the Ad Hoc Committee is recommending that the City Council approve a supplement to the Winter Shelter wages of

\$4 per hour.

The earliest we anticipate staffing would be December 15th. Assuming that MCHC is able to hire and train staff by that date and the shelter remains open until March 31, 2021, the hazard pay premium is estimated to cost up to \$15,000, including FICA and Medicare costs. If the Winter Shelter opens later or is not fully staffed, the amount may be less.

RECOMMENDED ACTION:

The Homeless Ad Hoc Committee is recommending the City Council adopt the resolution approving Budget Amendment No. 7, which provides up to \$15,000 in hazard pay for employees of this year's Winter Shelter. The Homeless Ad Hoc Committee is also recommending that the City Council provide staff direction to negotiate a lease with MCHC for a portion of the C.V. Starr Center to be used as a Winter Shelter during February and March, 2021. A final lease agreement would be approved by the City Council at a future meeting. This will allow additional feedback to be provided by the community as to the use of that facility for a temporary shelter.

ALTERNATIVE ACTION(S):

1. Provide an alternative amount of funding to provide Winter Shelter staff hazard pay.
2. Do not approve any City reimbursed hazard pay for Winter Shelter staff.
3. Do not direct staff to negotiate a lease for the C.V. Starr Facility to be used as a temporary Winter Shelter site.
4. Direct staff to negotiate a lease for use of the gymnasium in City Hall East as a temporary Winter Shelter site.
5. Provide staff alternative direction regarding the Winter Shelter.

FISCAL IMPACT:

Budget Amendment No. 7 will reduce the current projected General Fund Surplus to \$185,389. As the number of COVID cases in California and the rest of the country continue to increase and new restrictions that impact the economy are put in place, the greater the volatility in our financial projections.

GREENHOUSE GAS EMISSIONS IMPACT:

Adopting a budget amendment to fund hazard pay for MCHC Winter Shelter employees should not have any direct impact on greenhouse gas emissions.

CONSISTENCY:

The assistance to MCHC recommended by the Homelessness Ad Hoc Committee is consistent with the following 2019-2027 Housing Element policies and programs.

Policy H-2.8 Emergency and Transitional Housing: Continue to support emergency shelters, transitional housing and supportive housing within the City.

Providing pandemic hazard pay to increase the wages of shelter staff will increase the potential success of the MCHC recruitment of Shelter Supervisors for the FY20-21 Winter Shelter. Providing a City-owned facility to house a temporary Winter Shelter, increases the likelihood that the Winter Shelter will continue past February, 2021. Both actions may be the

difference between having a Coast Winter Shelter this year or not. This financial and facility assistance supports the emergency shelter within the City.

Program H-2.8.2 Inter-Agency Cooperation: Continue to work with private, non-profit, County, and State agencies to provide transitional housing, supportive services and emergency housing for the homeless.

MCHC is a local non-profit that provides transitional housing, supportive services and emergency housing for the homeless. The City has a long history of supporting and encouraging MCHC to provide quality services and housing to our community. The Homelessness Ad Hoc Committee continues to work with MCHC to support providing quality services and housing in the community. Providing financial support and a venue to MCHC is consistent with this program.

IMPLEMENTATION/TIMEFRAMES:

If the City Council approves Budget Amendment No. 7, initial funding can be provided to MCHC for staffing costs as soon as December 11, 2020. Ongoing hazard pay will be based on actual wage payments. A lease for use of a portion of the C.V. Starr Center would begin in February, but negotiations could start immediately. A final lease will be approved by the City Council at a future meeting.

ATTACHMENTS:

1. Resolution
2. MCHC Press Release, November 23, 2020
3. CDPH Guidance for Homeless Shelters
4. Limited Term Permit WS

NOTIFICATION:

1. Carly Wells, MCRPD
2. Paul Davis, MCHC
3. Homeless, Notify Me subscriber list