

Resolution No. 2021-

Adopted by the Sacramento City Council

2021 City Council Adoption of Master Siting Plan to Address Homelessness

BACKGROUND:

- A. Homelessness is an existential threat to the individuals living without quality housing and to the public health and safety of the residents and businesses in Sacramento. The right to an adequate standard of living for every resident of the City is one that must be protected and advanced by the actions and commitment of all levels of government, including the City of Sacramento. The interconnectedness of homelessness, housing and public health must inform the current and future policy, partnerships, prioritization of work programs, and budget allocations to prevent and reduce the number of people experiencing homelessness.
- B. On January 5, 2021, the City Council unanimously approved the preparation of a Master Siting, Operations, Programmatic and Financing Plan (“Master Siting Plan”) and committed to a Council-led process to engage the community and identify public and private properties for a single up or down vote to approve the sites identified for shelter and housing, identify funding sources, and provide authority to the City Manager to implement the Master Siting Plan.
- C. The City of Sacramento, while not a traditional social service agency, has recognized its role in the network of government agencies, partners and funders collaborating to reduce the number of residents experiencing homelessness. Since January 2017, over 13,400 people experiencing homelessness in the City and County of Sacramento have found permanent housing according to Sacramento Steps Forward. Despite the placement of thousands of unsheltered and housing insecure residents, the number of people without shelter or housing has steadily increased.
- D. According to the 2019 Point in Time Homeless County released by the Sacramento Steps Forward, Sacramento’s Continuum of Care, the County of Sacramento had a homeless population of 5,570 individuals, a majority of whom are unsheltered on any given night in the City of Sacramento. The 2019 Point-in-

Time Count also estimates that in 2019 between 10,000 and 11,000 individuals would be unsheltered at some point in 2019. A disproportionate share of the homeless in the City of Sacramento are people of color.

- E. Since 2019, housing affordability in the state has worsened with rising rents and limited new construction of affordable and permanent supportive housing. The City Council declared a Shelter Crisis on January 14, 2020 for one year under chapter 7.8 of division 1 of title 2 of the California Government Code and directed the City Manager to take action to streamline the provision of homeless shelters (Resolution 2020-0017). On January 12, 2021, the City Council approved the continuation of a local declaration of a shelter crisis and extended the duration of the present shelter crisis to January 12, 2022.
- F. On June 30, 2020, Sacramento Steps Forward reported 5,123 people experiencing homelessness in Sacramento County, a majority of whom were in the City of Sacramento. According to Sacramento Steps Forward, that number has remained unchanged over the last six months despite the placement of 1,606 people in supportive housing during the same timeframe. This is likely due to continued influx of individuals experiencing homelessness as a result of job losses and lack of affordable housing, including rising rents. The coronavirus pandemic, with its devastating impact on public health and the region's economy, has only served to further exacerbate the issues surrounding homelessness in the City of Sacramento and increased the humanitarian crisis.
- G. During the past four years, 2,140 people were enrolled in the City of Sacramento's Whole Person Care Program and 900 of these enrollees were placed in permanent or transitional housing. The Whole Person Care Program will end in December 2021 when the allocated resources for the City of Sacramento to administer the program are exhausted and will be replaced with programs as directed by the State of California.
- H. On July 1, 2020, the City Council directed the City Manager to create the Department of Community Response. The purpose is to provide an alternative response model for 911 calls effectively transferring the calls that do not require a law enforcement response to alternative first responders. The 2021-22 City budget further defines the organizational structure of the Department to include the Office of Homeless Services for direct and expanded services. The Office of Community Outreach will include social workers and outreach specialists to respond to service calls with a focus on those in need of mental health services, youth in crisis and residents experiencing homelessness. The Department staff is

leading a significant number of the direct operations and services to those experiencing homelessness in Sacramento since its creation.

- I. Work to prevent homelessness during the pandemic has been a priority of the City of Sacramento. On September 22, 2020, the City Council approved the first allocation of City Coronavirus Aid, Relief and Economic Security Act, Coronavirus Relief Funds (CARES CRF) and Community Development Block Grant (CDBG) funding for the Sacramento Emergency Rental Assistance (SERA) program administered by the Sacramento Housing & Redevelopment Agency (SHRA). In 2020, a total of \$5.36 million was allocated for rental assistance and 930 City households received rental assistance. The federal government, through the State of California have since allocated over \$33 million to the City of Sacramento and nearly \$100 million in funding to the City and County of Sacramento for rental and utility payment assistance to keep housing insecure Sacramentans in their current homes. Approximately 5,000 households will be assisted in the City with the second round of emergency rental assistance to prevent homelessness.
- J. The City Council has also acknowledged that to reduce the number of homeless persons who return to homelessness after experiencing homelessness, that workforce training and job placement resources are necessary. Programs to secure employment as residents secure transitional and permanent housing are critical to the success of the City's efforts to reduce homelessness.
- K. Since March 2020 when the COVID-19 pandemic was declared a public health emergency in California, the City Council has allocated over \$113 million in one-time funding sources to provide shelter and emergency housing. The homelessness response included the first safe parking overnight spots for vehicles; triage capacity for overnight respite; Safe Ground organized camping on Caltrans and City property downtown; 500 motel rooms for city interim motel vouchering including outreach and supportive services for 100 chronically homeless individuals; housing voucher coordination and support services for 100 homeless individuals; 104 traditional shelter beds; 50 beds at the Meadowview Navigation Center, a women's shelter expanding to 100 beds as COVID-19 protocols allow; 109 HomeKey permanent supportive housing units and 11 interim supportive housing units; 24 cabins at Grove Avenue expanding to 48 beds for transitional aged youth as COVID-19 protocols allow; 20 beds at a 24/7 methamphetamine sobering center for three months; 500 households rehoused from Project Roomkey; 75 shelter beds for transition-aged youth; and 40 units of scattered site housing have been purchased and opened. The planned X Street

Navigation Shelter experienced significant federal obstacles, delaying its construction. The 100-bed shelter will open in late summer 2021. CRF funds also supported portable restrooms and showers and the necessary trucks and generators for homeless support services. Still, the numbers are increasing and therefore the response by the City must also accelerate.

- L. The City anticipates significant additional one-time and ongoing funding from the Biden Administration's American Rescue Plan Act and future legislation and the State of California. A variety of programs, including direct allocation to cities, counties and Continuums of Care for the next two years as a continuation of the Homeless Housing, Assistance, and Prevention (HHAP) program and billions of dollars available for Homekey projects, will allow the City to continue programs created before and during the COVID-19 pandemic and stand up new programs to provide beds, spaces and roofs to thousands of Sacramentans experiencing homelessness.
- M. To that end, funding resources to house individuals remains a constant need and equally as compelling is the identification, community engagement process, and approval of sites to serve as both temporary and long-term shelter, transitional housing and permanent supportive housing.
- N. Since January 2021, each Councilmember conducted robust community engagement in their individual Districts. Hundreds of participants discussed a common set of guiding principles, reviewed good neighbor policies, informed the Councilmember regarding local needs, and reviewed dozens of sites to locate, vet and reach consensus on potential public and privately-owned for shelter and housing. The Mayor participated in many of these community meetings including conversations with residents who have lived experience and those who currently experiencing homelessness. The City Council presented the findings of their community engagement at Council workshops in March, April and May and have continued to vet sites and programs to increase the number of beds, spaces, and roofs.
- O. In an effort to provide a systemic and comprehensive approach to the address the humanitarian crisis of homelessness, the Mayor and Councilmembers are collaborating with the Sacramento County Board of Supervisors. Formal discussions via the City-County 2x2 meetings and individual conversations are ongoing and include joint efforts to establish one or more large campus solutions, programs for unsheltered in need of mental health and substance abuse treatment, partnerships with providers including the region's health care

companies, the faith-based communities, and identifying significant funding resources. Staff from the City, County, SHRA, and Sacramento Steps Forward are also collaborating to implement existing programs and expand the shelter, housing and services as directed by the City Council, Board of Supervisors, and the Continuum of Care Board and Committees.

- P. The individual human suffering and threat to the health and safety of the City's homeless population demands a new comprehensive and urgent response. The City Council action to designate sites for shelter and housing represents the foundational action to create thousands of beds, spaces and roofs paired with once-in-a-generation funding resources from the federal and state governments to address this humanitarian crisis.

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

- Section 1. The City Council, with this action, approves the Master Siting Plan (attached here as Exhibit A) as a binding document designating the sites contained within as the locations for tiny home communities, congregate shelters, permanent supportive housing, safe parking, and safe ground for organized camping. No further Council action is required for the City Manager to begin implementation of the Master Siting Plan.
- Section 2. The City Council directs the City Manager and the Executive Director of the Sacramento Housing and Redevelopment Agency (SHRA) to implement the programmatic strategies contained within the Master Siting Plan to add further capacity for transitional and permanent housing through motel vouchers, motel/hotel conversions, scattered sites, and large campus solutions. In addition, the Executive Director of SHRA will maximize the use of U.S. Department of Housing and Urban Development voucher programs to assist in implementation of the Master Siting Plan.
- Section 3. The City Council further directs the City Manager to begin implementation of the Master Siting Plan immediately. The City Manager or City Manager's designee is authorized to establish the Master Siting Plan Program (I23003000) as a new Multi-Year Operating Project with initial resources to be transferred from the City's Housing Trust Fund commitment. The resources shall be replenished dollar for dollar as soon as the City Council approves the disposition of the American Rescue Plan

Act funds and the Master Siting Plan funding plan.

- Section 4. The City Manager is authorized to implement any and all financial transactions needed to properly manage and account for the City's efforts necessary to implement and administer the Master Siting Plan Program including the following activities:
- a) Adjust revenue and expenditure budgets in I23003000 related to all federal, state, county, and SHRA funding received by the City in support of this program.
 - b) Adjust the revenue and expenditure budgets to reflect actual contributions received from external partners in I23003000 to support this program.
 - c) Adjust interdepartmental transfers related to the Master Siting Plan and efforts to reduce homelessness as needed for the duration of that program.
 - d) Adjust the project budget based on available resources from Council approved use of American Rescue Plan (ARP) funding.
 - e) Notwithstanding any provision to the contrary, the City Manager is authorized to make financial appropriation changes necessary to implement and administer the Master Siting Plan and is not subject to the requirements for City Council approval for budgetary changes of \$250,000 or more.

This section will be added to the FY2022/23 Budget Resolution.

- Section 5. The City Council directs the City Manager to prepare an emergency ordinance amending the city code to remove the \$250,000 limit to the City Manager's agreement execution authority as it relates to the implementation of the Master Siting Plan. The ordinance shall bypass the Law and Legislation Committee and be presented directly to City Council for review and adoption.

- Section 6. The City Council affirms that with the adoption of the Master Siting Plan and the implementation of the Programmatic Strategies, the goal for total beds, spaces and roofs created to address the humanitarian crisis will exceed 5,000 and, with the flow of individuals through safe parking, safe ground, and emergency shelter to permanent housing, that number will grow to approximately 9,000 people will be served annually.

- Section 7. For Tier 2 sites identified in the Master Siting Plan, the City Manager shall work with the Councilmember in whose district the site exists, to perfect a lease, purchase or another use arrangement for any of the Tier 2 sites as long as the cost of the project fits within the overall funding plan. With the concurrence of the City Councilmember in whose district the site exists, the City Manager does not have to return to the City Council for designation of the site for shelter or housing.
- Section 8. The City Council directs the City Manager to allocate funding to the sites and programs that provide the most immediate impact to alleviate the crisis of homelessness in the City.
- Section 9. The City Council directs the City Manager to work with the Urban Land Institute- American Institute of Architects for advice on principles for site design to be incorporated into the various shelter and housing options.
- Section 10. The City Council directs the City Manager to take all steps necessary to allow efficiency housing to be installed immediately on identified sites.
- Section 11. The City Council directs the City Manager to complete a Good Neighbor policy document for each site using the template and examples included in the Master Siting Plan in consultation with the Councilmember for the District, services provider(s), and the neighboring residents and businesses.
- Section 12. Based on the determination and recommendation of the City's Environmental Planning Services Manager and the oral and documentary evidence received at the hearing on the Master Siting Plan, the City Council finds the Master Siting Plan is exempt from review under CEQA Guidelines sections 15269(c) (actions "necessary to mitigate an emergency"), and 15061 (b)(3) (as it can be seen with certainty that there is no possibility that the plan might have a significant effect on the environment). Additionally, the plan is exempt under Government Code sections 65660(b) to the extent the plan covers low barrier navigation centers as defined by Government Code.
- Section 13. Upon approval of the Master Siting Plan, the City Manager or designee shall file a Notice of Exemption with the Sacramento County Clerk.

- Section 14. The City Council directs the City Manager to formalize a partnership agreement with Sacramento County to commit to addressing the homelessness crisis together and to confirm that significant resources from each agency will be authorized to expand capacity, for capital, ongoing operations and specialized mental health and substance abuse services needed to serve the thousands experiencing homelessness in the City and County of Sacramento.
- Section 15. The City Council directs the SHRA and/or the City Manager to seek enough Homekey funds to convert at least six motels or qualifying buildings in the City over the next two years. The city commits to adding at least 750 new rooms over the next two years.
- Section 16. For purposes of implementing the scattered-site strategy, all new units should add to the total affordable housing stock and to the greatest extent possible not supplant existing affordable housing.
- Section 17. The City Council directs the City Manager to identify and secure all possible funding for workforce training and employment for current and previously homeless residents. This includes promotion of the state program to provide a \$30,000 tax credit to California businesses hiring homeless workers.
- Section 18. The City Council directs the City Manager or his designee to explore mobile crisis services in partnership with providers that may include the county, health care entities, and non-profit service providers to meet clients on-site eliminating transportation barriers and disparities in care.
- Section 19. The Master Siting Plan implementation is complementary to the previous City Council action of March 9, 2021 to establish year-round triage centers regardless of weather conditions as part of the City's shelter system and ongoing work program and budget.
- Section 20. The City Council directs the City Manager to agendaize regular public updates on the progress of the implementation. Local metrics must be consistent with required federal and state guidelines for grant funding including but not limited to the number of additional beds, spaces and roofs created each quarter in the City of Sacramento, the number of people previously unhoused who have been provided shelter or housing, the number of people existing homelessness into permanent housing, the

number of successful placements from street outreach, and the number of persons for whom homelessness was prevented through rental assistance and programmatic services. Additional metrics should be added upon the advice of City staff and partners and accountability measures published by funders.