



Board Agenda Item 37

DATE: May 12, 2020

TO: Board of Supervisors

SUBMITTED BY: Delfino E. Neira, Director, Department of Social Services

SUBJECT: Agreement with RH Community Builders for Motel Temporary Housing

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute an Agreement with RH Community Builders for motel temporary housing services, effective July 1, 2020, which includes a three-year base contract and two optional 12-month extensions, total not to exceed \$10,000,000.

There is no increase in Net County Cost associated with the recommended action. Approval of the recommended action will allow the Department of Social Services to provide motel temporary housing services with assistance in finding permanent housing for eligible families experiencing homelessness in metropolitan Fresno and Clovis at a central site. Services will be funded entirely with State and Federal Funds. This item is countywide.

ALTERNATIVE ACTION(S):

If the recommended action is not approved, the County will continue its current practice of temporarily housing metro area families in motels throughout the City of Fresno. Additional services that would be provided by the new motel facility, such as assistance in securing housing, access to computers and printing, and free laundry facilities, will not be available to families as they search for permanent housing.

FISCAL IMPACT:

There is no Net County Cost associated with the recommended action. The maximum annual compensation for the recommended agreement is \$2,000,000 per year, \$10,000,000 for the term. The agreement will be offset with funds dependent on the clients placed into the motel and overall occupancy from California Work Opportunity and Responsibility to Kids (CalWORKs) Homeless Assistance, CalWORKs Housing Support Program (HSP), Adult Protective Services (APS), Child Welfare Services (CWS), and interest income from the Homeless Housing, Assistance and Prevention (HHAP). Sufficient appropriations and estimated revenues will be included in the Department's Org 5610 FY 2020-21 Requested Budget and will be included in subsequent budget requests through the term's duration.

DISCUSSION:

The Department administers a number of programs that place individuals and families into local motels while they seek permanent housing. Currently, over 18,000 nights per year are utilized in motels throughout the County. Due to the high utilization of motels, the Department sought to consolidate these services in a centralized facility that exclusively serves Department clients. A centralized motel will offer clean, high quality, and safe accommodations to Department clients. The recommended agreement will also offer services to help facilitate clients' transition into permanent housing, and a singular location will allow service

providers to easily connect with families.

The Department worked with the Internal Services Department - Purchasing Division to release Letter of Interest (LOI) Number 20-028, for Motel Temporary Housing on November 25, 2019. The letter was intended to determine whether there was a business in the community that could provide temporary housing services, following a motel model, in a Department-exclusive facility.

The LOI requested a number of measures to ensure that Department clients are given a secure, clean, family-friendly place to stay while they are searching for permanent housing. The vendor would be required to regularly inspect rooms to ensure they follow Federal Housing Quality Standards. The vendor was also requested to provide services to assist to families in locating housing. Additional amenities, such as free hot breakfast, laundry facilities, microwaves and mini-refrigerators in each room, along with standard motel amenities, will be provided to ensure a positive and empowering environment for families lodging at the motel.

One response to the LOI was received from RH Community Builders prior to the end date of December 12, 2019, and deemed sufficient for contracting.

The proposed RH Community Builders motel is located at 530 N Weber Ave, Fresno CA 93728 (formerly the Hotel California). The major cross streets are Weber and Belmont. The facility includes 50 rooms, some of which may be conjoined to accommodate larger families. Clients will be able to check-in between 6 a.m. and 10 p.m. daily, with on-site staff available 24-hours/7-days a week, as well as security services.

A critical new component of the services requested is housing navigation, or housing search and placement services that would be provided on-site. The vendor will employ a navigator that will work in the motel and in the field to assist families in locating and applying for housing. Additionally, computers, internet access, and printing will be available on-site for families to complete necessary housing paperwork.

To retain exclusive use of the facility, the recommended agreement guarantees an 80% occupancy rate per night. The Department will work across programs to ensure that the facility is full, and the threshold is met each night. However, to ensure that funding is available in case of a minimal number of nights that the room utilization is not met, the recommended agreement may utilize HHAP interest income as compensation to meet the threshold. Should occupancy rates become an issue, the Department will explore partnering with community organizations that also utilize motels.

With your Board's approval, the recommended agreement will service clients in metro Fresno and Clovis only; motel accommodations for rural services are not affected. The Department will maintain its relationships with existing motels that currently provide lodging to ensure there are facilities that can accommodate clients in cases where the centralized motel is full or a household requires lodging at a different facility. The agreement may be terminated without cause by either party upon providing 30-day advanced written notice.

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement with RH Community Builders

CAO ANALYST:

Sonia M. De La Rosa