



# AGENDA REPORT

SAN CLEMENTE CITY COUNCIL MEETING  
Meeting Date: May 21, 2019

Agenda Item 9-A

**Approvals:**

City Manager [Signature]  
Dept. Head [Signature]  
Attorney [Signature]  
Finance [Signature]

**Department:** City Manager's Office  
**Prepared By:** James Makshanoff, City Manager  
Erik Sund, Assistant City Manager

**Subject:** UPDATE ON THE EVALUATION AND FEASIBILITY OF CREATING A TEMPORARY EMERGENCY SHELTER FOR THE HOMELESS

**Fiscal Impact:** None, at this time, any financial impacts would be addressed in future council actions.

**Summary:** At the April 2, 2019 City Council meeting, the City Council provided direction to staff, to which the City Attorney summarized under Closed Session Report as, "Staff will return to Council with a contract for a non-profit shelter operator and will recommend a shelter site that is located within the City's SB2 overlay zone." Since that time, staff has worked continuously to identify suitable option for constructing a temporary emergency shelter in the City. This report highlights staff's efforts to date. This agenda item is presented in connection with Item No. 9B.

**Background:** The number of people sleeping on the streets and in public places in Orange County has grown exponentially in recent years, affecting local residents, businesses and people experiencing homelessness.

2018 began with Orange County Supervisors preparing to have law enforcement evict hundreds of homeless people from the Santa Ana riverbed near Angel Stadium. Unfortunately, there was no definitive plan in place for where these people would go once the riverbed was cleared. Since that time, federal lawsuits have been filed against the County and three cities over the riverbed evictions, pointing to a shortage of shelter space in Orange County.

As with most cities, the City of San Clemente's Municipal Code prohibits camping in public places. It is unlawful for any person to engage in camping upon any land or easement owned, operated, or managed by the City of San Clemente. Typically, the City would enforce these laws in order to prevent or deter those people who are experiencing homelessness from occupying, streets, parking lots, sidewalks, parks and other public spaces. However, a recent ruling by the Federal Ninth Circuit Court of Appeals (Martin v. City of Boise) eliminated the City's and Sheriff's ability to enforce these laws without providing adequate shelter and housing as an alternative to arrest.

**Discussion:** In an effort to address the homelessness issue and in order to enforce the City's anti-camping ordinances, Staff has been researching the feasibility of constructing a temporary homeless shelter. As part of the research conducted, Staff had the

opportunity to tour the City of Costa Mesa's 50-bed shelter and the City of Tustin's 50-bed shelter. What was learned is summarized in the following sections:

### **Costa Mesa (Attachment 1)**

- The location of the shelter is on a 1-acre site owned by Lighthouse Church and is leased by the City.
- Up-front capital investment of \$480,000 for the lease of the church property, modular trailer rentals and equipment.
- The shelter is comprised of 3 modified construction trailers, which provide for 50 beds, plus restroom and shower trailers.
- There is onsite laundry services and a space for dogs.
- Shelter works on a reservation based system that utilizes transportation, through a service provider (e.g. Mercy House) for entry and does not allow walk-ups.
- For security, they have installed a full perimeter fence and have onsite security personnel (24/7), with Costa Mesa Police roving the area within a half-mile radius.
- Shelter provides priority for Costa Mesa residents, but they do not exclude non-residents.
- This shelter is operated as a high-barrier shelter which includes the following: no walk-ups are accepted, sobriety checks, residency requirements (i.e. dedicated housing/work plan), pre-set/limited transportation destinations.
- Onsite services are provided 24/7.
- 4,500 meals per month are provided by Lighthouse Church and Mercy House Living Centers.
- \$2,487,000 operating costs for the first year. Operations are a combination of contractor (Mercy House Living Centers) and full-time city staff community outreach workers.
- City has already spent \$6.9 million to purchase a warehouse to be converted into a permanent year-round shelter.

### **Tustin (Attachment 2 & 3)**

- The location of the shelter is on a city-owned 1-acre site near The District Shopping Center.
- Up front capital investment of \$1,720,000 for design, fabrication and construction.
- The shelter is comprised of 8 modified construction trailers, which provide for 50 beds, plus restroom and shower trailers.
- There is onsite laundry services and a dog run.
- Admission is referral only and the facility team coordinates client transportation.
- Clients exiting the facility must have a pre-arranged transportation plan.
- For security, they have installed a full perimeter fence and have onsite security personnel (24/7).
- Onsite services are provided 24/7.
- Tustin Police Homeless Liaison Officer is based at the facility.

- Operated as a low-barrier shelter, with the only restrictions based on walk-ups/transportation.
- Shelter is limited to homeless that are living on the streets and are from the City of Tustin.
- 3 meals a day are provided.
- \$1,600,000 in operating costs for the first year. Operations are contracted with Temporary Shelter, Inc.

As a result of touring these sites and speaking with operators, the City is now better able to calculate set-up costs for a temporary shelter. During this time, Staff has looked at various locations throughout the City seeking to identify a suitable location.

For each site explored, staff analyzed each of the locations in terms of: geographic location, site pros/cons, financial impacts, and zoning considerations. In reviewing the shelter solution, the objective of the shelter will be to provide individuals experiencing homelessness with a fresh start so they may effectively pursue permanent housing opportunities. A shelter can provide many homeless individuals with a facility that provides both shelter and human services, as well as the ability to create a housing plan geared towards ending homelessness.

At this time, staff has concluded that the most viable locations fall within the City's SB 2 Zone (Attachment 4). In the SB 2 Zone, the most logical location would be the City-owned property at 1030 Calle Negocio. The main constraint with this location is the site is currently under lease with Family Assistance Ministries (FAM). In order to utilize the site for a temporary shelter, the City would need to wait until the lease expires in 2023, or negotiate an early termination which could result in a large payment of funds to FAM. For these reasons, this property is no longer a viable option in the SB 2 Zone. The City was able to identify other vacant and available properties within the SB 2 Zone, but none of the property owners were interested in working with the City for this purpose.

With respect to cost, the City's initial estimate (based on the recent experience of the City of Costa Mesa and the City of Tustin) is that set-up for a temporary shelter facility could cost as much as \$500,000, with operating costs reaching as much as \$1.9 million annually, which would represent 3% of the General Fund Operating Budget. These cost projections pose a fiscal challenge for the City. The City has been engaged in multiple discussions with the County of Orange to seek funding for such a facility or for regional shelter options, but there has been little progress on the County's part. The City of San Clemente believes that a true regional solution is necessary to fully address this issue.

Moving forward, staff is continuing to explore and exercise every option as it relates to locations and funding for a temporary shelter in the City. In addition to a temporary shelter, the City is continuing to work collaboratively with our partners in neighboring cities and at the County to come up with long-term solutions and work towards delivering resources that will help get people experiencing homelessness off our streets.

**Recommended**

**Action:** STAFF RECOMMENDS THAT the City Council provide direction to the City Manager regarding the creation of a temporary emergency shelter for the homeless.

**Attachments:**

1. Costa Mesa Agenda Report 1-15-19
2. Tustin Agenda Report 12-18-18
3. Tustin Agenda Report 1-15-19
4. SB 2 Zone Map

**Notification:** None.

# Attachment 1



## ***CITY COUNCIL AGENDA REPORT***

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MEETING DATE: JANUARY 15, 2019

ITEM NUMBER: NB-3

**SUBJECT: APPROVAL OF BRIDGE SHELTER PROJECT AS A COMPONENT OF A WESTSIDE RESTORATION PROJECT**

**DATE: JANUARY 10, 2018**

**FROM: PARKS AND COMMUNITY SERVICES DEPARTMENT**

**PRESENTATION BY: JUSTIN MARTIN, PARKS AND COMMUNITY SERVICES DIRECTOR**

**FOR FURTHER INFORMATION CONTACT: JUSTIN MARTIN, PARKS AND COMMUNITY SERVICES DIRECTOR, 714 754-5065**

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### **RECOMMENDATION**

Staff recommends that the City Council:

1. Approve the purchase of the property located at 1040 W. 17th St., Costa Mesa, CA to be utilized as the City's bridge shelter location;
2. Authorize staff to negotiate a facility-use/lease agreement with the Church of the Nazarene/Lighthouse Church, located at 1885 Anaheim Avenue to: utilize a portion of existing property to provide an interim bridge shelter location; be operated by a professional shelter operator; and, include onsite security, facility upgrades and perimeter fencing, while the long-term shelter property is being improved;
3. Authorize a budget adjustment for all existing expenses incurred during Fiscal Year 2018-19 totaling \$141,816 related to identifying a bridge shelter location to be funded from unassigned fund balance in the General Fund;
4. Authorize a budget adjustment for \$5,700,000 for the acquisition of 1040 W. 17<sup>th</sup> St. Costa Mesa, CA totaling \$4,000,000 and site improvements estimated to cost \$1,700,000 to be funded from unassigned fund balance in the General Fund while staff continues to seek all outside available funding;
5. Authorize staff to explore operator options and provide a recommendation to the City Council on Tuesday, February 5, 2019.

## **BACKGROUND**

Homelessness is a national epidemic that is prevalent in many states, cities and towns, including many that are located here in the Southern California region. While the epidemic is not new to the region, it has continued to grow throughout the County, to include Costa Mesa.

Over the years, the numbers of chronically homeless and the number of complaints regarding the chronically homeless has fluctuated; however, in 2010, there was a noticeable increase in the number of complaints and concerns which were in need of immediate solutions. During this time, problems due to vagrancy included individuals sleeping overnight in parks, multiple encounters between the homeless population and library and community center patrons as well as a variety of complaints from property owners and park users. Business owners in the City also complained about homeless individuals sleeping on their property at night and loitering in front of their businesses during the day. Many of the people encountered were mentally ill and/or suffering from substance abuse. With this increased community impact, City leadership introduced a course of action that has been incrementally implemented over the last 8 years.

### Homeless Task Force:

In January 2011, the City Council established the Homeless Task Force. This group consisted of residents, business owners, Council Members and City Leaders, with a goal to "establish realistic strategies and make recommendations that address the needs of the Costa Mesa community, residents, businesses and the homeless." The group's monthly meetings focused on a variety of topics including local ordinance review, homeless law enforcement combined with municipal code prosecution and mental health outreach, mental health and medical issues affecting individuals experiencing homelessness and Financing strategies/funds available for supportive housing.

Concurrently, the City's Housing Community Development (HCD) staff organized an In-House Coordinating Committee. This was done to identify partners not involved directly with the Homeless Task Force for inclusion in discussion and strategy. These parties included other City departments, County-level departments and non-profits, Probation, Parole, as well as City staff impacted on-site at Lions Park.

Since the inception of the Homeless Task Force, many actions were taken on both a formal and informal basis by both the City and its community partners. Many churches and social service organizations joined CMPD, the City Attorney and staff and began working together alongside the faith-based and non-profit communities in an attempt to seek solutions for day-to-day homeless issues. Involved parties worked cooperatively and addressed issues such as food sharing, client referrals, citizen complaints, and alternative storage for goods owned by homeless residents.

This strong combination of efforts led to the development of a strategic framework of priorities tailored to Costa Mesa's specific context. The overwhelming conclusion after a nine-month process was that ending homelessness is a regional responsibility which can only be accomplished by provision of housing, appropriate services and a multi-faceted approach to law enforcement. Additionally, there was/is not a "one-size-fits-all" solution; a "carrot and stick approach" is recommended. Many of the goals and solutions were identified as collaborative and integrated – not a one shot approach to a problem. All programs were intended to prioritize serving Costa Mesa residents experiencing homelessness while enforcement/legal action would not discriminate between those who have connections to Costa Mesa and those who do not. The result was to penalize chronic offenders who were repeatedly arrested in the City, while assisting those homeless who were long-term residents. The hope was that this collaborative approach would prevent Costa Mesa from continuing to be a magnet for homeless individuals.

In 2012, the City Council adopted a 9-Point Plan that encompassed the following goals:

- Goal 1: Define who is a Costa Mesa homeless individual.
- Goal 2: To protect the health and safety of Costa Mesa residents through enforcement of "civility" laws and provision of an alternative storage site.
- Goal 3: Proactive problem resolution with regard to high crime/vice hotels which cater to transient population, enforcement of local codes and ordinances at problem halfway houses.
- Goal 4: Centralized in-house homeless services coordination.
- Goal 5: Integrating law enforcement, mental health and legal strategy as a 3-pronged approach to homelessness.
- Goal 6: Research permanent supportive housing and possible access center.
- Goal 7: Review interim housing options.
- Goal 8: Development of an appropriate metrics system to monitor reduction in homelessness.
- Goal 9: Promotion of Lions Park as a local venue for special events and change in facilities to more creative usage.

Network for Homeless Solutions:

In 2013 the Neighborhood Improvement Task Force (NITF), known today as Network for Homeless Solutions (NHS), was formed. Through the development of the program, partnerships were formed with:

- City Community Outreach Workers
- Law and Code Enforcement
- All City Departments
- Nonprofit Providers
- Several Faith-based Organizations

This group was and has continued to be empowered to collaborate as equal partners to assist Costa Mesa's homeless residents. Both at a local and regional level, the NHS created and implemented a 4-point strategy:

1. City Department coordination and collaboration
  - Law Enforcement
  - Fire Department
  - Code Enforcement
  - City Attorney
  - Public Services
  - Outreach
2. Service delivery coordination with outside agencies
3. Direct outreach services
4. Reconnections

Since this time, through strong, established partnerships with local non-profit organizations, churches and County-wide organizations, the NHS has been able to assist many residents with ending their homelessness and also link non-residents suffering from homelessness back to their community of origin.

Strategic partnerships with local organizations that assist with ending local homelessness and with the reconnection process include the City Neighborhood Improvement Division and Police Department, Fresh Beginnings Ministries, The Crossing Church, Broken Hearts Ministry, Trellis, Lighthouse Church, 50 social service providers, and private and public sector agencies. Of highlight, is a partnership with the Lighthouse Church of the Nazarene, which serves as a homeless service center and periodic inclement weather shelter for extremely vulnerable individuals, and which has been very instrumental in our collaborative efforts. A strong partnership with Trellis and The Crossing Church to provide a check-in center with 63 bins that hold property so that it is not stored on the streets has also been very successful. The City relies daily on multiple volunteers who assist the homeless through the NHS. The work of the NHS is ongoing and their efforts do not go unnoticed both here in Costa Mesa and County-wide.

The NHS continues to meet weekly to discuss challenging cases and outcomes for the individuals being served. Community outreach staff make contact with 60 to 80 people each week (totaling more than 3,000 contacts per year) and assist park rangers, police officers and City residents who have interacted with homeless and/or whom have sought assistance from staff. The team makes a dedicated effort to help in addressing resident concerns and meeting with property owners to assist with issues impacting them related to individuals loitering on their property.

Supporting the local business community is a priority for the NHS and City leaders. The City and Chamber of Commerce provide guidance workshops to the business community on how to deal with homeless issues, City code enforcement officers educate business owners on how to engage in enforcing trespassing law and law enforcement provides guidance to business owners on best practices.

The hard work has paid off and there have been many successes over the years. Of note, in 2017, 111 individuals were housed. Most were housed in Orange County cities other than Costa Mesa and, in some cases, clients have been housed outside of California. Some clients were from other cities and were reconnected back to their community of origin.

Even with the result of all of these combined efforts, there are still individuals in Costa Mesa that continue to experience homelessness. The results of the 2017 Point in Time Homeless Count Survey of homeless that was conducted by the nonprofit service organization 211OC, indicated that Costa Mesa's homeless population was 103 unsheltered individuals, as compared to a Vanguard University count in February of 2016 which counted 158 homeless individuals.

## **LEGAL BACKGROUND**

In January 2018, the City was named in a Lawsuit initiated by Catholic Worker and eight plaintiffs who had been encamped at the Santa Ana riverbed. Orange County, the City of Anaheim, the City of Costa Mesa and the City of Orange were named in the lawsuit challenging enforcement of unlawful camping ordinances. The lawsuit consists of five causes of action: 1) Violation of Eight and Fourteenth Amendments (42 U.S.C. § 1983) and Art. 7, §17 California Constitution (Cruel and Unusual Punishment); 2) Violation of First and Fourth Amendments (42 U.S.C. § 1983); 3) Right to Due Process of Law (42 U.S.C. § 1983); 4) Violation of California Civil Code § 52.1; and 5) Request for Injunctive Relief. The lawsuit was filed in connection with Orange County's actions in clearing the riverbed of in excess of 400 homeless individuals who had set up encampments.

This matter was assigned to Judge David O. Carter's courtroom. Judge Carter is known for having a unique approach to matters before him and the underlying matter is no different. On February 2, 2018, the Plaintiffs brought an Ex Parte Application for a Temporary Restraining Order ("TRO") to enjoin both the County from clearing the Santa Ana Riverbed and the named cities from



enforcement of their respective "anti-camping" ordinances. On February 6, 2018 the Court granted a TRO precluding the enforcement of anti-camping ordinances at the Santa Ana Riverbed pending the February 13, 2018 Ex Parte hearing. The TRO hearing was continued a number of times and the parties were ordered to meet and confer on a stipulated resolution. On February 14, 2018 the plaintiffs and the County of Orange entered a Stipulation regarding the homeless at the Santa Ana Riverbed. Relocation of the homeless was accomplished by the joint action of the plaintiffs' Counsel, the County and its homeless services vendor City Net.

On June 13, 2018 the presiding Judge Carter set a deadline of August 3, 2018 for cities named in the court case to identify potential emergency shelter sites. The City of Costa Mesa has proposed a 12-bed crisis stabilization facility in collaboration with College Hospital along with establishing a 50-bed bridge shelter within the city limits of Costa Mesa.

Thereafter, Plaintiffs filed a First Amended Complaint in the ongoing federal lawsuit again naming the County of Orange, City of Anaheim, City of Costa Mesa and City of Orange as Defendants. The First Amended Complaint consists of ten causes of action: 1) Violation of Eight and Fourteenth Amendments (42 U.S.C. § 1983) and Art. 7, §17 California Constitution (Cruel and Unusual Punishment); 2) Violation of First and Fourth Amendments (42 U.S.C. § 1983); 3) Right to Due Process of Law (42 U.S.C. § 1983); 4) Violation of Fair Housing Act (42 U.S.C. § 3604 and California Gov. Code § 12955); 5) Violation of Fourteenth Amendment; Art. I § 13; 6) Violation of the Americans with Disabilities Act (42 U.S.C. § 21132; 42 U.S.C. § 21133; 29 U.S.C § 794a); 7) Violation of California Civil Code § 52.1; 8) Violation of California Government Code § 815.6; 9) Violation of California Government Code § 11135; 10) Violation of California Code of Civil Procedure § 526a. In the First Amended Complaint, the City is named in the first four causes of action as in the original Complaint but with the addition of the 8th and 9th causes of action for Violation of California Government Code § 815.6 and, Violation of California Government Code § 11135. As part of the prayer for relief, the Plaintiffs have also renewed their request for an injunction precluding the City from enforcing its anti-camping ordinance.

On August 3, 2018, the court imposed a further deadline of September 7, 2018 to come up with a written settlement agreement with the Plaintiffs. On September 4, 2018 the Ninth Circuit published the *Martin v. Boise* opinion, which precluded enforcement of anti-camping laws where individuals have no alternative.

The Court has extended the deadline for negotiations several times. A final status conference with the Court is currently scheduled for February 4, 2019, at which time, the Court is expecting the City to present a solution to providing shelter for those experiencing homelessness. At this time, no enforcement of anti-camping laws is taking place and the City of Costa Mesa has few beds for homeless residents to seek shelter. In order to successfully settle the litigation, 50 additional shelter beds must be provided.

#### **SETTLEMENTS OF OTHER DEFENDANTS**

All of the other cities named in the Complaint have entered into settlement agreements with the Plaintiffs. The cities that comprise the Northern SPA (Anaheim, Brea, Buena Park, Cypress, Fullerton, La Habra, La Palma, Los Alamitos, Orange, Placentia, Stanton, Villa Park and Yorba Linda) have in principle entered into a SPA-wide settlement agreement with the Plaintiffs.

Below is a list of what other surrounding cities are doing to provide shelter beds:

- City of Santa Ana: 200 – 600 beds
- City of Anaheim: 345 – 400 beds
- City of Buena Park: 100 – 125 beds
- City of Fullerton: 100 beds
- City of Orange: 100 – 200 beds
- City of Tustin: 50 beds
- City of Laguna Beach: 46 beds

**WESTSIDE RESTORATION PROJECT**

Despite all of the strong and collaborative efforts from the NHS, City staff and strategic community partners, the City has been unable to adequately address the full needs and impacts of individuals experiencing homelessness. With this, the City is looking to take a new approach that will allow the City to meet legal requirements, and work to restore the west side of Costa Mesa.

As an integral part of the Westside Restoration Project, staff is recommending the purchase of a property to serve as the City's bridge shelter site. Staff is also recommending that while the property is receiving the necessary capital upgrades to become fully operable, that a temporary, interim bridge shelter be established in an existing facility so that the benefit to individuals experiencing homelessness can begin. This will also allow the City to once again enforce anti-encampment ordinances and code enforcement, while restoring the character of the neighborhoods. This two-pronged approach will take place simultaneously and will work to be an integral component of a greater Westside Restoration Project.

Along with this overall Westside Restoration Plan, which includes the bridge shelter solution projects, the City Council has already approved funding for significant infrastructure projects in both Districts 4 and 5 that will significantly contribute to the restoration of the Westside. Some of these important infrastructure improvements in Districts 4 and 5 include:

Lighting and Safety:

Lighting – Upgrading existing, and/or adding additional lighting to areas of the community that may need additional illumination to make neighborhoods safer for residents and deter unwanted activity.

Security – The Lions Park campus will have 24-hour roving security patrol to assist with patron safety and deterring unwanted activities beginning Spring 2019.

Street Rehabilitation Projects:

This work includes pavement rehabilitation, repair of damaged curb and gutter, sidewalk and access ramps. Improvements are planned for following streets in Districts 4 and 5:

- Avocado Street (College Avenue to Fairview Road)
- Anaheim Avenue (19<sup>th</sup> Street to Bay Street)
- Bay Street (Meyer Place to Maple Avenue)
- Ford Road (Harbor Boulevard to Alley 40)
- Meyer Place (19<sup>th</sup> Street to Hamilton Street)
- Parsons Street (Bernard Street to Bay Street)
- Pomona Avenue (19<sup>th</sup> Street to Victoria Street)
- Raleigh Avenue (Hamilton Street to cul-de-sac)
- Monrovia Avenue (19<sup>th</sup> Street to 18<sup>th</sup> Street)
- Superior Avenue (400' n/o 17<sup>th</sup> Street to 18<sup>th</sup> Street)
- Park Avenue (18<sup>th</sup> Street to 19<sup>th</sup> Street)

Harbor Median Improvement Project:

New raised median construction along Harbor Boulevard between Wilson Street and 19th Street. Work includes construction of raised concrete medians, new landscaping and irrigation, reconstruction of paved parking bays with new landscape and sidewalk improvements, and striping improvements adjacent to new medians. Construction is scheduled to begin at the end of January with a contract value of approximately \$990,000. The work will take place mostly at night to minimize inconvenience to the local business.

The Lions Park Projects Phases I and II:

The Lions Park Projects scope of work spans across multiple phases and includes demolition of the old 20,000 SF Neighborhood Community Center (NCC), extensive renovation of the existing 9,300 SF Library, which will serve as the new Leadership in Energy and Environmental Design (LEED) Silver Certified Neighborhood Community Center, construction of a new, 23,000 SF, two story, LEED Gold Library, and construction of a one-acre events lawn/park space. The project is currently under construction with the Grand Opening of the new library and one-acre events lawn/park space scheduled for Spring 2019. The Phase II grand opening of the new NCC is scheduled for Spring 2020. The construction contract with Tovey/Shultz construction is approximately \$28.74 Million.

Lions Park Playground Improvements:

The playground's main feature is a Grumman F9F-2 Panther jet flown by the U.S. Navy in the 1950s. The plane was installed in 1960 and will remain as part of the improved playground. This project is currently under design and will provide new themed playground equipment, with an enhanced play area for youth, as well as landscaping and irrigation upgrades, modern and safe restrooms, picnic shelter, increased lighting and concrete pathways. Construction is anticipated to begin in Winter 2019 with an estimated value of \$2 Million.

Citywide Alley Rehabilitation:

\$500,000 construction contract is anticipated to begin in March. \$180,000 of that contract will be utilized to remove and replace a deteriorated asphalt alley with new concrete within District 4. The alley is between 19th Street and Bernard Street.

Hamilton Street - Charle to Harbor Boulevard Street Improvements:

This project is currently in the design phase and includes pavement rehabilitation, repair of damaged curb and gutter, sidewalk and wheelchair ramps. Construction is scheduled to start this summer.

Pinkley Park Playground Equipment:

The Parks and Recreation Commission approved the playground equipment and surfacing design at their meeting of November 29, 2018 and with this approval, staff was able to place the order for the playground equipment prior to an anticipated price increase that saved the City \$25,000 or 22% of the cost. Construction is scheduled to start after the equipment is manufactured in the spring.

West 19th Street Bicycle Facility Improvements:

This project is in design stage and includes enhanced bicycle route markings along West 19th Street between Placentia Avenue and Whittier Avenue and bicycle lane implementation from Whittier Avenue to Marina View Park. The project implementation is scheduled for Summer 2019, and is estimated at approximately \$75,000.

Anaheim Avenue and West 18th Street Parkway Improvements:

This project to implement drought tolerant landscaping along parkways by Luke Davis Field along West 18th Street and Anaheim Avenue is in design and construction is expected to begin this spring. The project is estimated at \$125,000.

Senior Center Fence Project:

The project includes installation of a wrought-iron fence at the Senior Center. The project is currently in design and construction is expected to begin this summer. The project is estimated at approximately \$200,000.

Shalimar Park Improvements:

A community outreach session will be held in late February or March to discuss improvement options for Shalimar Park. \$50,000 is budgeted for improvements at this location.

**DISCUSSION**

In this report, the long-term bridge shelter property and the interim bridge shelter site are described in terms of: geographic/district location; site pros/cons; financial impacts; and, zoning considerations.

In reviewing the bridge shelter solution, the objective of the shelter will be to provide individuals with a fresh start so they may effectively pursue permanent housing opportunities. This approach, if executed, will be a step towards ending homelessness; and, will significantly reduce homelessness in Costa Mesa. The key points to keep in mind are:

1. A bridge shelter can provide many homeless individuals with a facility that provides both shelter and human services, as well as the ability to create a housing plan geared towards ending homelessness. However, some members of the homeless community may still decline services. If the City can enforce its anti-camping ordinance following opening of the shelter, this may provide additional incentive to those chronic homeless to accept services.
2. National, State and Local best practice efforts and funding to end homelessness, focuses on a "Housing First" model in which homeless individuals are sheltered for a period while case workers strive to move them into permanent supportive housing in the local area.
3. The establishment of a bridge shelter will enable the City to once again enforce anti-encampment ordinances and code enforcement, which will prevent potentially dangerous, unsanitary encampments from taking root in Costa Mesa.
4. Settlement of the litigation will reduce ongoing litigation costs and the risk of a negative outcome.
5. Getting the extremely vulnerable homeless population off of the streets and sheltered/housed should reduce homeless-related public nuisance calls for service received by public safety personnel.
6. The bridge shelter will work on a reservation based system that will likely utilize transportation for entry and will not allow walk-up clients. This will address concerns of loitering, etc.
7. For security purposes, full perimeter fencing and onsite security personnel (24/7) are recommended, as is coordinated roving patrol within a half mile radius of the facility by shelter operation staff.
8. While we may provide priority for Costa Mesa residents at a shelter, we may not exclude non-residents.
9. The proposed interim bridge shelter facility will serve as the temporary shelter, for what is projected to be 9-12 months, while construction upgrades and site improvements can be completed to the long-term bridge shelter site. Once the site improvements are complete, the shelter operator, clients and staff will transfer to the long-term location.

It is important to keep in mind that the bridge shelter will be operated by a third-party contractor, which will oversee the day-to-day operations of the facility. Knowing that the existing City staff from the Neighborhood Improvement Division have been very successful, both locally and regionally with their approach to community outreach, case management and diversion, it is projected that the City staff team will continue to carry out its roles and not be replaced by outreach workers provided by

the contracted operator, which is a service that is typically involved in a traditional shelter operator scope of service model. Some training and modifications to duties will likely be required to integrate current outreach and case management activities with in-house shelter management and housing navigation. Costa Mesa based non-profit, Share Our Selves (SOS), has also already expressed an interest in assisting with the health care services at a shelter.

## **ANALYSIS**

Beginning in September 2018, staff began researching potential properties located throughout the City. After extensive research, staff prepared a property list with almost 30 potential properties for consideration. Staff determine selection criterion that helped rank any potential site and included:

1. Appropriate zoning (no condo)
2. Least impact to surrounding uses and businesses
3. Proximity to schools
4. Proximity to parks
5. Vacant or Single Tenant to reduce relocation costs
6. Existing building (New Construction would take too long and cost more)
7. Building size: 8,000-12,000 sf.
8. Adequate private parking area, outdoor seating and storage areas

The following is an analysis of the staff recommended bridge shelter solution including: pros/cons, costs and legal considerations.

### **LONG-TERM BRIDGE SHELTER SOLUTION:**

This two-pronged approach will take place simultaneously and will work to be an integral component of a greater westside restoration project that will restore the character and safety of neighborhoods.

#### **A. Purchase the Property located at 1040 West 17th Street (Attachment 1):**

##### **Facts**

- Situated in City Council District 5 along the western border of the City, westerly of Whittier Avenue and adjacent to Banning Ranch.
- Located in an existing industrial park.
- Building area: 12,312 sf.
- Lot size: 0.81 acres.
- Purchase Price: \$3.99 Million (\$325/sf).
- Existing, usable office (improved)/warehouse (unimproved).
- Built in 1977.

##### **Pros**

- Large property at nearly 1 acre.
- Large existing building space with enough room for all services, amenities, and office space for facility operator, City outreach staff, and non-profit partners.
- Very low price per square foot (\$325) - making it a good value.
- Location: Surrounding uses – East - Industrial, West - Banning Ranch, North - Mini Storage, South - Industrial.
- Sufficient parking area for employees, guests, and homeless.
- Large private and screened outdoor areas for storage, smoking, and sitting area.
- Closest park (Marina View - 2,000 ft.) and school (Whittier Elementary - 1,075 ft.)
- Phase 1 environmental report was already conducted and came back clean.
- Currently in extended contingency period. Ability to close and start improvements quickly.

- City financial investment in real property asset results in the potential for future price appreciation or reuse.
- Easy entry and exit access for a transportation shuttle.
- Building is not street-facing and is offset from adjacent residential.
- City will maintain full control of the property.

### Cons

- Mobile home park and residential area are at 400 ft. proximity; however, roving security will be provided by an operator
- Located immediately adjacent to five existing industrial businesses that share an access driveway.
- Slight increase in vehicular flow in the general area.

### Financial Impacts:

- The cost to purchase the land and building is approximately \$4 Million.
  - \$120,000 has been paid to date in the form of a deposit.
- Approximately \$1.7 Million in expected facility upgrades will be needed.
- Approximate annual operating budget: \$2.2 - \$2.7 Million.
  - Includes existing funding of approximately \$1.03 Million for City Community Outreach staff.
- The City will lose \$20,000 if the property falls out of the contingency extension period.

### Zoning Considerations:

- Zoning: Industrial (MG) zoning. Needs code amendment to allow shelter use in MG zone (likely through conditional use permit).
- Does not trigger Measure Y.

Because project construction for this property is projected to take 9-12 month's, staff recommends that an interim temporary bridge shelter facility begin sheltering homeless individuals earlier; and to be able to once again enforce anti-camping ordinances and code enforcement to protect business and neighborhoods.

## **B. Engage in negotiations to utilize 1885 Anaheim St. - Lighthouse Church (Attachment 2) as a temporary interim bridge shelter.**

This location is recommended as an interim bridge shelter option because the existing facility is currently a resource hub for homeless individuals. With the addition of a professional operator, existing secondary impacts to the adjacent neighborhood will be minimized. The facility is already an approved federal emergency shelter during periods of extreme and/or inclement weather and serves as a community outreach site for City staff twice weekly. The mission of the church would be to continue to serve the community; and, if an interim bridge shelter was not in operation on the property, then the current staff would not benefit from learning additional best practices in shelter operations.

### Facts

- Situated in City Council District 5, across the street from the Costa Mesa Historical Society and the Downtown Recreation Center near the intersection of 19th Street and Anaheim Street.
- Location: Surrounding uses – East - Apartments, West - Single Family Residences, North - Animal Hospital/Commercial, South - Single Family Residences.
- Currently in operation as a homeless outreach center by a church.

- Existing area of the building for homeless services is estimated at 6,000 sf, which includes 2,000 sf, on the second floor currently reserved for non-emergency shelter transitional housing.
- Total lot size of nearly 1 acre.
- Property not for sale - City would propose to pay for capital improvements in return for and/or along with a long-term Shelter Lease Agreement.
- Existing one and two story building with existing kitchen, restrooms, common hall area and storage.
- Currently an approved inclement weather Federal shelter.

### **Pros**

- Location is assisting individuals experiencing homelessness on a limited schedule and service.
- Professional operator will alleviate/better manage neighborhood issues.
- Increased lighting and 24hr security will result in a safer neighborhood and point of contact for neighbors.
- Reduce the impact to and restore residential character of the neighborhood.
- No property acquisition cost.
- Developing an enclosed facility run by a professional operator helps with controlling the existing homeless situation, leading to improved neighborhood conditions.
- Large property at nearly 1 acre.
- Existing property will be upgraded with much needed site improvements that will benefit the adjacent neighborhood.
- ADA compliance
- Installing perimeter screened fencing
- Increasing lighting and security
- New private and screened outdoor areas for storage, smoking, and sitting area may be adequate and minimize impacts to the neighborhood.
- Distance to closest school (2,100 ft.).
- Walkability and transit are good.
- Zoning: Institutional and believed to be adequate for an ancillary use.
- Allows the City to simultaneously operate a shelter site, while completing improvements to the long-term shelter facility.
- Once in operation, City will once again be allowed to enforce anti-encampment ordinances and stricter code enforcement.

### **Cons**

- Distance to closest park (500 ft.) and residential (50 ft.); however, impacts to these areas exist currently and can be better managed with partnership and operation.
- No increase in permanent City asset or real estate appreciation value.

### **Zoning Considerations:**

- Zoning: Institutional & Recreational (I&R) zoning. Needs a code amendment to allow shelter use in I&R zone (likely through conditional use permit).
- Does not trigger Measure Y.
- Performing ADA upgrades including entry/exit ramps, facility upgrades, and other minor revisions

Overall, utilizing the 1885 Anaheim Ave. property as a temporary interim bridge shelter will allow individuals experiencing homeless to be sheltered earlier, while allow the City to once again enforce anti-camping ordinances and code enforcement. With the introduction of a professional shelter operator, increased lighting, perimeter fencing and onsite security, there will be a decrease to the existing impact to the neighborhood and this will assist with restoring the

neighborhood's residential character. This site will also assist staff by being a resource to educate clients about the forthcoming long-term bridge shelter facility.

## **SHELTER OPERATIONS**

A critical component of any shelter location will be how it is operated to minimize negative impacts to the greater community. The shelter should be low-barrier entry and as accessible to the homeless as possible. For a shelter to be most effective it should allow both the highly functioning and the vulnerable. An ideal, professional shelter operator should be well-trained and experienced to be able to manage clients with a wide ranges of needs.

While an Operator hasn't been chosen in advance of any property selection, it is important to be able to understand how a typical shelter operation model works.

### Typical Shelter Model:

A typical shelter operation model generally consists of a third party vendor which is completely in charge of managing the day-to-day operations of a shelter. This staffing model generally consists of a shelter director, a housing navigator, case managers, a volunteer coordinator, logistical operations staff that deal with laundry/food service/janitorial, a data entry specialist, a transportation coordinator and onsite security. The shelter operator is responsible for all of the staffing and fiscal management that is encapsulated in an operating agreement between the operator and an agency and assures that clients are working towards goals to end their homelessness and towards housing. The shelter operator will be responsible for establishing and maintaining onsite and offsite partnerships which may include mental and health related services, providing staff training, and with preparation of a monthly calendar that provides a varying schedule of human services located both on and off-site.

### Costa Mesa Hybrid Model:

As was mentioned earlier in this report, the City's Neighborhood Improvement Division staff have been very successful in the areas of community outreach, case management, in-reach/outreach, diversions/reconnections and in establishing a regional presence that has proven to be very beneficial to helping individuals end their homelessness.

The City is in the unique position of having four existing FTEs community outreach workers on staff/contract that have already spent years gaining trust, learning and interacting with clients and making connections with individuals experiencing homelessness. It is recommended that these individuals will fulfill the role of providing the day-to-day outreach and case management under the supervision of the City's Neighborhood Improvement Manager. Staff will work alongside the Shelter Operator to create a successful facility which employs a housing first model. With the City and the Operator working closely together under the same roof, the mutually exclusive goals of stabilizing high acuity individuals while offering them housing opportunities should be realized.

This hybrid model should result in a more efficient and collaborative organization which relies on strengths of existing City outreach staff while gaining shelter operation and resource mobilization resources from outside shelter experts. Additionally, it is the City's desire to work with a shelter operator to coordinate services among faith-based, community service providers, civic organizations and provision of housing navigation/location services.

## **ALTERNATIVES CONSIDERED**

Staff has been researching and analyzing potential properties located throughout the City since September 2018. After extensive research of more than 30 properties, and multiple scenarios of options, staff believe that the recommended bridge shelter solution will be the best course of action to positively restore the character and safety of Costa Mesa neighborhoods.



The City Council may choose to not move forward with the proposed bridge shelter project solution, and direct staff to continue researching and analyzing additional properties; however, the property located at 1040 W. 17th Street will fall out of the extended contingency period and will likely be purchased by another buyer. The City will lose \$20,000 the property falls out of the extended contingency period. The City Council must also show action by the upcoming scheduled February 4, 2019 hearing with Judge Carter regarding an update on the OC Catholic Worker case.

If the City Council wishes to use the 1885 Anaheim Ave. property as a temporary interim bridge shelter and not select the long-term shelter property option, staff can continue to explore additional sites for long-term options. With this, the 1040 W. 17th Street property will likely become unavailable for purchase by the City in the future. Staff has also extensively researched available properties in the City and this is one of the least negatively impactful to the general surroundings.

If Council elects not to move forward with the purchase of 1040 W. 17th Street, or with negotiations for use of a portion of 1885 Anaheim Ave., an alternative strategy will need to be identified quickly.

**FISCAL REVIEW**

Pending/Future Expenses

**LONG-TERM SOLUTION:**

**1040 W. 17th Street:**

- The acquisition cost will be no less than \$4 Million.
  - An acquisition of a property would result in an appreciable asset that holds value and could be used for other City operations or could be sold at a future point in time.
- Street, site and building upgrades are estimated to cost \$1.7 Million.

**1885 Anaheim Avenue (Lighthouse Church):**

- Staff will negotiate a lease or use agreement for portions of the site.
- Site and building improvements are expected to be negotiated as part of an agreement.

**Operating Costs:**

It is projected that the annual operating costs of the long-term bridge shelter will be between \$2.2 Million – \$2.7 Million. This includes the existing budget of \$1.03 Million for the Neighborhood Improvement Division.

A full overview of the projected costs associated with a long-term and short-term solution are below:

<b>Property Option</b>	<b>Purchase Price</b>	<b>Site Improvements</b>	<b>Annual Operating Costs</b>	<b>Total Costs</b>
<b>1040 W. 17 St.</b>	\$4 Million	\$1.7 Million	\$2.7 Million	\$8.4 Million
<b>1885 Anaheim St. (Lighthouse Church)</b>	N/A	To be negotiated	\$800K-\$1M	Estimate of negotiated payment plus \$800K - \$1 Million

Staff expects to receive annual SB 2 funding totaling approximately \$435,000 beginning in the second half 2019 which will be used to pay for annual operating costs. Staff is also researching additional funding sources from Federal, State and County grants and will apply for those funds as opportunities become available. A long-term bridge shelter in Costa Mesa that follows industry best practices, both in building and operations, will likely increase chances to receive competitive grant funding.

Staff are requesting approval of a budget adjustment for \$5,700,000 for the acquisition of 1040 W. 17<sup>th</sup> St. Costa Mesa, CA totaling \$4,000,000 and site improvements estimated to cost \$1,700,000 to be funded from unassigned fund balance in the General Fund while staff continues to seek all outside available funding.

Existing Expenses

To date, the City has authorized agreements totaling \$141,816, which are related to the identification of a property for a bridge shelter.

A full overview of these expenses can be seen below:

Vendor Name	PO Amount	Description of Services
EBI Consulting	\$17,310	Property Condition Inspection & Repair Budget (17 <sup>th</sup> )
EBI Consulting (2)	\$2,950	Building Renovation Cost Estimate Services (17 <sup>th</sup> & Lighthouse)
Santolucito Dore	\$3,500	Appraisal (17 <sup>th</sup> )
Shreenath	\$1,957	Phase 1 Environmental (17 <sup>th</sup> )
OrgCode	\$11,800	National Shelter Operation Consultant
CivicStone	\$99,999	Affordable Housing & Real Estate Consulting Services
Martin Bros. Construction	\$1,700	ADA Consultant for the Lighthouse Church
Westgroup Design	\$2,600	Architectural Design Review (17 <sup>th</sup> & Lighthouse)
<b>Total:</b>	<b>\$141,816</b>	

Currently, all of the aforementioned expenses have been allocated from a contingency account. This year's contingency budget was reduced to \$500,000, therefore 28% of the budget was spent on these costs. In order to allow for adequate contingency funds through June 30, 2019, Staff are requesting approval of a budget adjustment to fund these costs from unassigned fund balance in the General Fund.

Future expenses including costs for an operator and for costs related to the temporary shelter will be requested when agreements have been negotiated. Operating costs in future fiscal years will be incorporated during the annual budgeting process.

**NEXT STEPS AND TIMELINE**

1. If Council directs staff to move forward with the purchase of the 1040 W. 17th Street site, staff will need to act prior to January 15, 2019 at midnight, when the current extended contingency period is scheduled to expire.
  - a. It is projected that this site would have all the tenant improvements completed and be operable by March-May 2020.

2. If Council directs staff to move forward with the bridge shelter solution, staff will move forward with design, operations, construction, lease, etc. contracts in accordance with City policies.
  - a. It is projected that the temporary interim bridge shelter facility can be operable by mid-April 2019.
3. Enforcement of the City's anti-encampment ordinance will continue to be effectively precluded until a shelter is open and operating.
4. The City will host a Community Meeting Regarding the Bridge Shelter Component of a Westside Restoration Project on Wednesday, January 30, 2019 at the Costa Mesa Senior Center, from 6:00 pm – 7:30 pm.
5. Attend Status Conference at Court on February 4, 2019.

## **LEGAL REVIEW**

The City Attorney's Office has provided the Legal Background portion of this report.

## **CONCLUSION**

Without an established bridge shelter, the City of Costa Mesa will continue to deal with existing litigation and will be unable to enforce its anti-encampment ordinances. The establishment of this staff recommended bridge shelter solution will also begin to serve individuals experiencing homelessness earlier. Knowing this, staff recommends that the City Council:

1. Approve the purchase of the property located at 1040 W. 17th St., Costa Mesa, CA to be utilized as the City's bridge shelter location;
2. Authorize staff to negotiate a facility-use/lease agreement with the Church of the Nazarene/Lighthouse Church, located at 1885 Anaheim Avenue to: utilize a portion of existing property to provide an interim bridge shelter location; to be operated by a professional shelter operator; and, include onsite security, facility upgrades and perimeter fencing, while the long-term shelter property is being improved;
3. Authorize a budget adjustment for all existing expenses incurred during Fiscal Year 2018-19 totaling \$141,816 related to identifying a bridge shelter location to be funded from unassigned fund balance in the General Fund;
4. Authorize a budget adjustment for \$5,700,000 for the acquisition of 1040 W. 17<sup>th</sup> St. Costa Mesa, CA totaling \$4,000,000 and site improvements estimated to cost \$1,700,000 to be funded from unassigned fund balance in the General Fund while staff continues to seek all outside available funding;
5. Authorize staff to present the Council with a recommendation for a shelter operator on Tuesday, February 5, 2019.

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**JUSTIN MARTIN**  
Parks and Community Services Director

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**TAMARA S. LETOURNEAU**  
Acting City Manager/Assistant City Manager

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**KELLY TELFORD**  
Finance Director

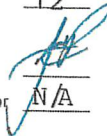
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**KIMBERLY HALL BARLOW**  
City Attorney

Attachments: 1. [1040 W. 17th Street Photo Overview](#)  
2. [1885 Anaheim Street Photo Overview](#)



## AGENDA REPORT

Agenda Item 12  
Reviewed:   
City Manager  
Finance Director N/A

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MEETING DATE: DECEMBER 18, 2018

TO: JEFFREY C. PARKER, CITY MANAGER

FROM: TUSTIN HOUSING AUTHORITY

SUBJECT: RESOLUTIONS AUTHORIZING CONSTRUCTION AND OPERATION OF A SHELTER FACILITY FOR UNSHELTERED INDIVIDUALS AT THE FORMER ARMY RESERVE SITE AT 2345 BARRANCA PARKWAY, AND DECLARING THE NEED FOR THE IMMEDIATE EXPENDITURE OF PUBLIC MONEY FOR CONSTRUCTION OF THE FACILITY.

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### SUMMARY:

Approval of the attached Resolutions will authorize the construction and operation of an emergency shelter for unsheltered individuals at the site of the former Army Reserve at 2345 Barranca Parkway, near Tustin Ranch Road, APN 430-021-30 (the "Army Reserve Site") and will declare the need for the immediate expenditure of public monies for construction of the facility without formal Public Contract Code bidding due to the urgent need to construct and open such facilities.

### RECOMMENDATION: That the City Council:

1. Adopt Resolution 18-95 (**Attachment A**) authorizing establishment, construction and operation of temporary shelter for unsheltered individuals at former Army Reserve Site; and
2. Adopt Resolution 18-96 (**Attachment B**) declaring the necessity of the immediate expenditure of public money to construct the shelter pursuant to Public Contract Code § 20168; and delegating authority to order action in furtherance of such conversion pursuant to Public Contract Code § 22050(B)(1); (4/5ths vote required); and
3. Approve the Notice of Exemption (**Exhibit C**) and direct staff to file it with the County Clerk; and
4. Appropriate \$1,470,000 from General Fund (Fund 100) and \$250,000 from Tustin Housing Authority (Fund 575) for a total appropriation of \$1,720,000, not-to-exceed without prior City Council authorization, to cover expenditures necessary to design, furnish, and construct the Emergency Homeless Shelter.

**FISCAL IMPACT:**

Resolution 18-96 will authorize the Public Works Director to proceed with the expenditures to construct a temporary shelter for the homeless without formal Public Contract Code bidding. Resolution 18-95 will authorize the establishment and operation of the temporary facility. The total cost to construct and operate the facility located at the former Army Reserve site adjacent to Barranca Avenue near Tustin Ranch Road is unknown at this time but is estimated to be \$1,720,000. This estimate includes architectural/engineering services, design contingency, deputy testing and inspection (fire alarm/access/suppression), site work (demo, entry, parking, paving, fencing, gates, utilities, etc.), fixtures, furnishings and equipment (FF&E), modular trailers (8 trailers, 24 month lease, setup, raming/rails, and teardown), electronic systems and special equipment (IT, security, assess controls etc.), program and construction management, utility connection fee allowance and a construction contingency of ten percent for potential unforeseen conditions that may arise necessary to complete the work.

**CORRELATION TO THE STRATEGIC PLAN:**

Strategic Plan Goal B is to ensure Tustin is an attractive, safe and well-maintained community in which people feel pride. Authorizing the Public Works Director to proceed with expenditures to construct a shelter without formal Public Contract Code bidding enables the City to establish and open the shelter beds in an expedited manner. Expediting the project is consistent with the City Council's October 16 declaration of shelter crisis and should enable the City to meet the 120-day Federal Court deadline to open a facility. Opening a facility in turn will enable the City to enforce its camping and related ordinances to ensure the City remains attractive, safe and well maintained.

**BACKGROUND AND DISCUSSION:**

Prior Resolution Declaring Shelter Emergency

In the last Point in Time Count and Survey in January, 2017, 69 persons were identified as unsheltered in the City of Tustin. (See **Attachment D.**) Of those, 57 were male and 12 were female. Since the last Point in Time Count, the number of unsheltered individuals in the County and in the City of Tustin has increased for a variety of reasons. The next Point in Time Count is scheduled to occur in January, 2019. In response to the growing number of unsheltered individuals in the City, and to enable the City to apply for State funds to assist in providing shelter for unsheltered individuals, on October 16, 2018 the City Council adopted Resolution 18-75 declaring a shelter crisis pursuant to California Government Code section 8698.

Having declared the shelter crisis, the City is authorized to allow unsheltered individuals to occupy designated public facilities including vacant or underutilized facilities which are owned, operated, leased or maintained by the City during the duration of the shelter crisis. (Cal. Gov't Code § 8698.2(b).) In addition, the Council's declaration has the effect of suspending the provisions of any state or local regulatory statute, regulation, or ordinance prescribing standards of housing, health, or safety to the extent that strict compliance would in any way prevent, hinder, or delay the mitigation of the effects of the shelter crisis. (Cal. Gov't Code § 8698.1(b).)

#### Recent Legal Limitations Imposed on the City's Authority to Enforce Ordinances Against Homeless Individuals.

Public agencies have seen their authority to enforce ordinances prohibiting sleeping in outdoor areas like parks and public plazas reduced by court decisions. Most recently, on September 4, 2018, the Ninth Circuit Court of Appeals in *Martin et al v City of Boise* (9<sup>th</sup> Cir. 9/4/2018) \_\_\_ F.4<sup>th</sup> \_\_\_, Case No. 15-35845) held that enforcing a city ordinance that prohibits sleeping in public places violates the Constitution's ban on cruel and unusual punishment if there are no alternatives available to the individual in the jurisdiction.

Although the City of Tustin is home to exemplary facilities for individuals who find themselves homeless, including the Village of Hope and the Veteran's Outpost, the shelter components of those are currently run with religious practices attached. Unfortunately, under the Ninth Circuit's published decision in *Martin v. Boise*, cities cannot criminally punish individuals for sleeping outdoors if the only alternative provided to them is a facility run with religious requirements attached. As a result, unless secular sleeping facilities are actually available and offered as an alternative at the time of enforcement, enforcement of the City's camping or other ordinances constraining sleeping on public property would likely result in litigation against the City.

#### The Federal Lawsuit and the Likely Migration of Homeless Populations to Cities Without Shelters.

Meanwhile, Federal lawsuits were filed last year when the County of Orange and City of Anaheim relocated several hundred homeless individuals from the flood control channel in Anaheim. Several of those lawsuits were consolidated and assigned to Federal District Court Judge David Carter in Santa Ana. The City of Tustin was sued as part of those lawsuits, as have the County of Orange and all of the other cities in Orange County. Judge Carter made it clear that he would issue injunctions against any city that enforces its anti-camping and related ordinances against homeless individuals unless the City offers an immediately-available secular bed at the time of enforcement.

As a result of that litigation, nearby cities including Santa Ana and Anaheim are building new and expanded shelters for homeless individuals that, when opened, will enable those cities to enforce their prohibitions on camping in public areas. Indeed, the City of Santa

Ana has recently opened a 200-bed facility in the industrial area of Santa Ana next to Red Hill Avenue. Other cities have, like Tustin, approved Federal settlement agreements in the litigation committing to open similar facilities so those cities will have immediately available beds to offer when they enforce ordinances against sleeping and camping in public places.

With the recent opening of its new shelter, the City of Santa Ana has begun enforcement of its camping and related ordinances and Tustin Police officials have noted an influx of homeless individuals into the City who were not among Tustin's homeless population previously. Enforcement of camping ordinances in other cities that have available shelter beds is likely to cause those homeless individuals who are unwilling to accept those cities' facilities to migrate to other cities that do not have available beds and that therefore lack authority to enforce their anti-camping ordinances.

That is one of the key reasons the City of Tustin sees an urgent need to establish an emergency homeless facility with beds available for the City to refer its homeless to.

Taking action as soon as possible to ensure that there are adequate secular sleeping alternatives available to those who are willing to accept them will help the City of Tustin ensure that public areas like parks, the civic center, the library plaza and city sidewalks will remain safe, attractive and well-maintained for the public at large.

If the migration of homeless populations from one or more other cities to Tustin continues while the City of Tustin has not yet established immediately-available beds to offer, the City will lack the ability to enforce its anti-camping ordinance, and the City's unsheltered population is likely to grow as a result.

#### The City-Owned Site of the Former Army Reserve

The City owns property that formerly housed the Army Reserve center at 2345 Barranca Parkway, near Tustin Ranch Road, just west of the District Shopping Center parking lot. The gated Army Reserve Site was previously used for military purposes such as an assembly area for soldiers, space for physical fitness, and learning facilities. The Army subsequently conveyed the Site to the City in exchange for separate property located on Red Hill Avenue. The site has two existing buildings that are currently used as City Public Works field offices and as a temporary location of the City's Corporate Yard while the permanent yard goes through renovations. The site also has a large paved parking lot that is significantly underutilized. It is on that underutilized parking lot area east of the existing buildings that the temporary homeless shelter is proposed. The portion of the Army Reserve Site used for the shelter would be approximately one acre in size.

The Army Reserve Site is located in an urban, developed area and utilities including water main, sewage, and other utilities are available on site, with only minor extensions needed to connect to the proposed trailers. The operation of the shelter is anticipated to generate



minimal traffic trips and will be subject to all applicable City regulations regarding environmental quality, including noise and water quality.

Bringing pre-constructed modular trailers to the Army Reserve Site will enable the City to comply with the terms of the Federal court settlement which requires the City to establish a secular homeless facility within 120 days.

Declaring Need the for Immediate Expenditures

The California Public Contract Code ordinarily requires City public works contracts to be competitively bid when a contract exceeds \$5,000. However, Public Contract Code section 20168 allows an exception to the competitive bidding requirements when a city council adopts a resolution by a four-fifths vote declaring that the public interest and necessity demand the immediate expenditure of public money to safeguard life, health, or property.

Based on the Council's October 16 declaration of a shelter crisis, the emergency exemption requirements set forth in Public Contract Code section 20168 would be met.

The presence of many unsheltered individuals in the City satisfies the definitions of a homeless crisis under State law, and the need for immediate expenditures and action to house individuals, along with the 120-day time constraint to open a secular homeless facility, each precludes use of the full, formal competitive bid process. Instead, the Public Works Director will use an expedited process to achieve the best value for the City under these pressing circumstances.

As noted above, approval of the emergency exemption will require approval of Resolution 18-96 with at least four (4) Council members in support.

CEQA:

For the reasons explained in the attached Notice of Exemption (**Attachment C**), the proposed project is exempt from CEQA pursuant to the Class 1, Class 3, Class 4 and Class 32 exemptions.

Attachments:

- A. Resolution 18-95
- B. Resolution 18-96
- C. CEQA Notice of Exemption
- D. 2017 Point In Time Count Report – City of Tustin

**ATTACHMENT A**

**RESOLUTION NO. 18-95**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TUSTIN AUTHORIZING ESTABLISHMENT, CONSTRUCTION AND OPERATION OF TEMPORARY SHELTER FOR UNSHELTERED INDIVIDUALS AT THE FORMER ARMY RESERVE SITE LOCATED AT 2345 BARRANCA PARKWAY.**

The City Council of the City of Tustin finds:

WHEREAS, the most recent Point in Time Count found that 69 persons within the City of Tustin are homeless and living without shelter;

WHEREAS, the City of Tustin has found in Resolution 18-75 that the health and safety of unsheltered persons in the City is threatened by a lack of shelter;

WHEREAS, the City has declared that a "shelter crisis" pursuant to Government Code § 8698.2 exists in the City of Tustin and has authorized the City's participation in the Homeless Emergency Aid Program set forth as part of SB 850 and the 2018-2019 Budget Act (Chapter 48, Statutes of 2018);

WHEREAS, having declared the shelter crisis, the City is authorized to allow unsheltered individuals to occupy such public facilities including vacant or underutilized facilities which are owned, operated, leased or maintained by the City during the duration of the shelter crisis. Cal. Gov't Code § 8698.2(b);

WHEREAS, in addition, the Council's declaration of shelter crisis has the effect of suspending, and the City Council hereby suspends, the provisions of any state or local regulatory statute, regulation, or ordinance prescribing standards of housing, health, or safety, including but not limited to the City's zoning code, building codes, fire codes, and other codes, to the extent that strict compliance would in any way prevent, hinder, or delay the mitigation of the effects of the shelter crisis. Cal. Gov't Code § 8698.1(b);

WHEREAS, the City of Tustin owns property that formerly housed the Army Reserve center at 2345 Barranca Parkway, near Tustin Ranch Road, just west of the District Shopping Center parking lot, APN 430-021-30 (the "Army Reserve Site");

WHEREAS, the Army Reserve Site has two existing buildings that are currently used as City Public Works field offices and as a temporary location of the City's Corporate Yard while the permanent yard goes through renovations. The site also has a large paved parking lot that the City Council finds is underutilized. It is on that underutilized parking lot area east of the existing buildings that the temporary homeless shelter will be located. The portion of the Army Reserve Site used for the shelter will be approximately one acre

in size. It is not the intent of the City Council, however, to limit the use of the remainder of the Army Reserved Site for purposes that will advance the purposes of this Resolution and/or the operation of the emergency shelter;

WHEREAS, the Army Reserve Site is located in an urban, developed area and utilities including water main, sewage, and other utilities are available on site, with only minor extensions needed to connect to the proposed trailers. The operation of the shelter is anticipated to generate minimal traffic trips and will be subject to all applicable City regulations regarding environmental quality, including noise and water quality;

WHEREAS, taking action as soon as possible to ensure that there are adequate secular sleeping alternatives available to those who are willing to accept them will help the City of Tustin ensure that public areas like parks, the civic center, the library plaza and city sidewalks will remain safe, attractive and well-maintained for the public at large;

WHEREAS, bringing pre-constructed modular trailers to the Army Reserve Site will enable the City to comply with the terms of the Federal court settlement which requires the City to establish a secular homeless facility within 120 days; and

WHEREAS, this project is Categorically Exempt from the California Environmental Quality Act (CEQA) pursuant to: Class 1 (Existing Facility); Class 3 (New Construction/Conversion); Class 4 (Minor Alteration); and Class 32 (Infill Exemption) of the California Code of Regulations (Guidelines for CEQA)

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Tustin:

(1) that the City-owned Army Reserve Site be used for a secular emergency or bridge shelter for homeless individuals in accordance with the Federal Court settlement in *Orange County Catholic Worker et al v Orange County et al*, USDC, CD.Cal. Case No. 8:18-cv-00155 DOC; and

(2) that the use shall be interim until such time as a long-term secular emergency or bridge shelter for homeless individuals from Tustin in a different location is open and available for use; and

(3) that the City Manager or his designee are authorized to take all actions as necessary or appropriate to implement this direction.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Tustin held on the 18th day of December, 2018.

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CHUCK PUCKETT  
Mayor

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Resolution No. 18-95  
Page 2 of 3

ATTEST:

\_\_\_\_\_  
ERICA N. YASUDA  
City Clerk  
STATE OF CALIFORNIA )  
COUNTY OF ORANGE ) SS  
CITY OF TUSTIN )

I, Erica N. Yasuda, City Clerk and ex-officio Clerk of the City Council of the City of Tustin, California, do hereby certify that the whole number of the members of the City Council is five; that the above and foregoing Resolution No. 18-95 was duly and regularly passed and adopted at a regular meeting of the City Council held on the 18th day of December, 2018 by the following vote:

COUNCILPERSONS AYES: \_\_\_\_\_  
COUNCILPERSONS NOES: \_\_\_\_\_  
COUNCILPERSONS ABSTAINED: \_\_\_\_\_  
COUNCILPERSONS ABSENT: \_\_\_\_\_

\_\_\_\_\_  
ERICA N. YASUDA  
City Clerk

**ATTACHMENT B**

**RESOLUTION NO. 18-96**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TUSTIN DECLARING THE NECESSITY OF THE IMMEDIATE EXPENDITURE OF PUBLIC MONEY TO ESTABLISH, CONSTRUCT AND OPERATE A TEMPORARY SHELTER FOR UNSHELTERED INDIVIDUALS AT THE FORMER ARMY RESERVE SITE LOCATED AT 2345 BARRANCA PARKWAY, PURSUANT TO PUBLIC CONTRACT CODE § 22050(b)(1))

The City Council of the City of Tustin finds:

WHEREAS, in enacting Public Contract Code § 20168, the members of the California Legislature have recognized that general law cities are not required to comply with the competitive bidding requirements set forth in the Public Contract Code when the legislative body of such cities passes a resolution by a four-fifths vote of its members declaring that the public interest and necessity demand the immediate expenditure of public money to safeguard life, health, or property;

WHEREAS, the most recent Point in Time Count found that 69 persons within the City of Tustin are homeless and living without shelter;

WHEREAS, the City of Tustin has found that the health and safety of unsheltered persons in the City is threatened by a lack of shelter;

WHEREAS, the City has declared that a "shelter crisis" pursuant to Government Code § 8698.2 exists in the City of Tustin and has authorized the City's participation in the Homeless Emergency Aid Program set forth as part of SB 850 and the 2018-2019 Budget Act (Chapter 48, Statutes of 2018);

WHEREAS, as part of its participation in the Homeless Emergency Aid Program, the City of Tustin intends to construct and operate a temporary emergency shelter for at least 50 unsheltered individuals at the former Army Reserve Site located at 2345 Barranca Parkway, near Tustin Ranch Road, APN 430-021-30;

WHEREAS, the City of Tustin finds that the public interest and necessity of constructing the homeless shelter demand the immediate expenditure of public money to safeguard the life, health, or property of unsheltered persons;

WHEREAS, the City of Tustin finds, based on substantial evidence, that the emergency necessitating the construction of the homeless shelter will not permit a delay resulting from a competitive solicitation for bids, and that such conversion is necessary to respond to the emergency.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Tustin that 1) the public interest and necessity of constructing and operating a shelter for homeless individuals demands the immediate expenditure of public money to safeguard life, health, or property pursuant to Public Contract Code § 20168; and 2) the authority to order action in furtherance of the construction of a homeless shelter is delegated to the Public Works Director pursuant to Public Contract Code § 22050(b)(1).

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Tustin held on the 18<sup>th</sup> day of December, 2018.

\_\_\_\_\_  
CHUCK PUCKETT  
Mayor

ATTEST:

\_\_\_\_\_  
ERICA N. YASUDA  
City Clerk

STATE OF CALIFORNIA )  
COUNTY OF ORANGE ) SS  
CITY OF TUSTIN )

I, Erica N. Yasuda, City Clerk and ex-officio Clerk of the City Council of the City of Tustin, California, do hereby certify that the whole number of the members of the City Council is five; that the above and foregoing Resolution No. 18-96 was duly and regularly passed and adopted at a regular meeting of the City Council held on the 18th day of December, 2018 by the following vote:

COUNCILPERSONS AYES: \_\_\_\_\_  
COUNCILPERSONS NOES: \_\_\_\_\_  
COUNCILPERSONS ABSTAINED: \_\_\_\_\_  
COUNCILPERSONS ABSENT: \_\_\_\_\_

\_\_\_\_\_  
ERICA N. YASUDA  
City Clerk

NOTICE OF EXEMPTION

To: Office of Planning and Research  
1400 Tenth Street, Room 121  
Sacramento, CA 95814

From: City of Tustin  
Community Development  
Department  
300 Centennial Way  
Tustin, CA 92780

✓ County Clerk County of County of  
Orange  
12 Civic Center Plaza, Room 101  
Santa Ana, CA 92701

**Project Title:**

Temporary Homeless Shelter

**Project Location - Specific:**

Approximately 2345 Barranca Parkway, Tustin, CA 92782, County of Orange (Cross-street:  
Tustin Ranch Road), APN 435-021-30.

**Project Location - City:** Tustin **Project Location - County:** County of Orange

**Description of Nature, Purpose, and Beneficiaries of Project:**

The use of an existing City-owned vacant, paved parking lot located at approximately 2345 Barranca Parkway, Tustin, CA 92782 (the corner of Barranca Parkway and Tustin Ranch Road) as an at least 50-bed, temporary homeless shelter.

**Name of Public Agency Approving Project:** City of Tustin

**Name of Project Applicant:** City of Tustin

**Exempt Status:** *(check one)*

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- ✓ Categorical Exemption. State type and section number: Class 1 (Existing Facility); Class 3 (New Construction/Conversion); Class 4 (Minor Alteration); and Class 32 (Infill Exemption)

Statutory Exemptions. State code number:

## NOTICE OF EXEMPTION

### Reasons why the project is exempt:

CEQA's Class 1 Exemption applies to the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures or topographical features involving negligible or no expansion of a use beyond the use existing at the time of the lead agency's CEQA determination. (CEQA Guidelines, § 15301.) The portion of the Army Reserve site used for the shelter would be approximately one acre in size, is located on the southeast corner of Tustin Ranch Road and Barranca Parkway, just west of the District Shopping Center, in the City of Tustin. The site currently consists of two buildings currently used as City field offices and a paved parking lot. The site was previously used for military purposes such as an assembly area for soldiers, space for physical fitness, and learning facilities. The proposed project calls for the existing City-owned property at the Army Reserve Site to be used as a temporary homeless shelter with at least 50 beds. Specifically, the proposed project calls for pre-constructed modular trailers to temporarily be placed on the existing parking lot of the Army Reserve Site. In this urban, developed area, utilities including water main, sewage, and other utilities are available on site, and minor extensions will be needed to connect to the proposed trailers. The operation of the shelter is anticipated to generate minimal traffic trips and will be subject to all applicable City regulations regarding environmental quality, including noise and water quality. The proposed project therefore calls for the operation and minor alteration of existing public facilities involving negligible expansion of the existing use, and the project is exempt from CEQA pursuant to the Class 1 Exemption.

CEQA's Class 3 Exemption applies to the construction and location of limited numbers of new, small facilities or structures and the installation of small new equipment and facilities in small structures. (CEQA Guidelines, § 15303.) The exemption also applies to street, water main, sewage, electricity, gas, and other utility extensions of reasonable length used to serve such exempt constructions. (CEQA Guidelines, § 15303(d).) Here, the proposed project calls for pre-constructed modular trailers to temporarily be placed on the existing parking lot of the Army Reserve Site in order to provide at least 50 beds for the homeless. In this urban, developed area, utilities including water main, sewage, and other utilities are available on site, and minor extensions will be needed to connect to the proposed trailers. Thus, the proposed project seeks to locate a limited number of new, small facilities at the Army Reserve Site and is exempt from CEQA pursuant to the Class 3 Exemption.

CEQA's Class 4 Exemption applies to the minor public or private alterations to the condition of land, water, or vegetation. (CEQA Guidelines, § 15304.) One example listed in this exemption includes the minor temporary use of land having negligible or no permanent effect on the environment. (CEQA Guidelines, § 15304(e).) The proposed project calls for the existing City-owned property at the Army Reserve Site to be used as a temporary homeless shelter with at least 50 beds. Specifically, the proposed project calls for pre-constructed modular trailers to temporarily be placed on the existing parking lot of the Army Reserve Site. The proposed project is anticipated to generate minimal traffic trips and will be subject to all applicable City regulations regarding environmental quality, including noise and water quality. As a result, the proposed project is exempt from CEQA pursuant to the Class 4 Exemption.



## NOTICE OF EXEMPTION

CEQA's Class 32 Infill Exemption applies to projects that meet the following conditions:

- The project is consistent with the applicable General Plan designation and all applicable General Plan policies as well as with applicable zoning designation and regulations;
- The proposed undertaking will occur within the city limits on a project site of not more than five acres that is substantially surrounded by urban uses;
- The project site has no value as habitat for endangered, rare, or threatened species;
- The approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality; and,
- The site can be adequately served by all required utilities and public services. (CEQA Guidelines, § 15332.)

Here, the proposed project will be located within Planning Areas 16-19 of the Tustin Legacy Specific Plan. The proposed temporary shelter is a permitted use as a government facility in this location, and is consistent with all applicable General Plan policies and zoning regulations. (See Government Code § 8698.1; *Wollmer v. City of Berkeley* (2011) 193 Cal.App.4<sup>th</sup> 1329.) The project site is located within the City, and is approximately one acre in size. The project site is surrounded by: The District Shopping Center to the north and east; Tustin Ranch Road and a vacant lot to the west designated as mixed-use urban; and Barranca Parkway and commercial businesses to the south. The project site is developed with existing structures and a paved parking which has no value as a habitat for endangered, rare, or threatened species. The proposed project calls for pre-constructed trailers to be placed on the site, and thus would not result in any significant construction impacts. The operation of the shelter is anticipated to generate minimal traffic trips and will be subject to all applicable City regulations regarding environmental quality, including noise and water quality. As the site is located within a dense urban area, the site is and can be adequately served by all required utilities and public services. On this basis, the proposed project is exempt from CEQA pursuant to the Class 32 Exemption.

**Lead Agency Contact Person:** Jeffrey C. Parker  
**Area Code/Telephone/Extension:** (714) 573-3012

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**Title:** Community Development Director

**Date:** \_\_\_\_\_

**If filed by applicant:**

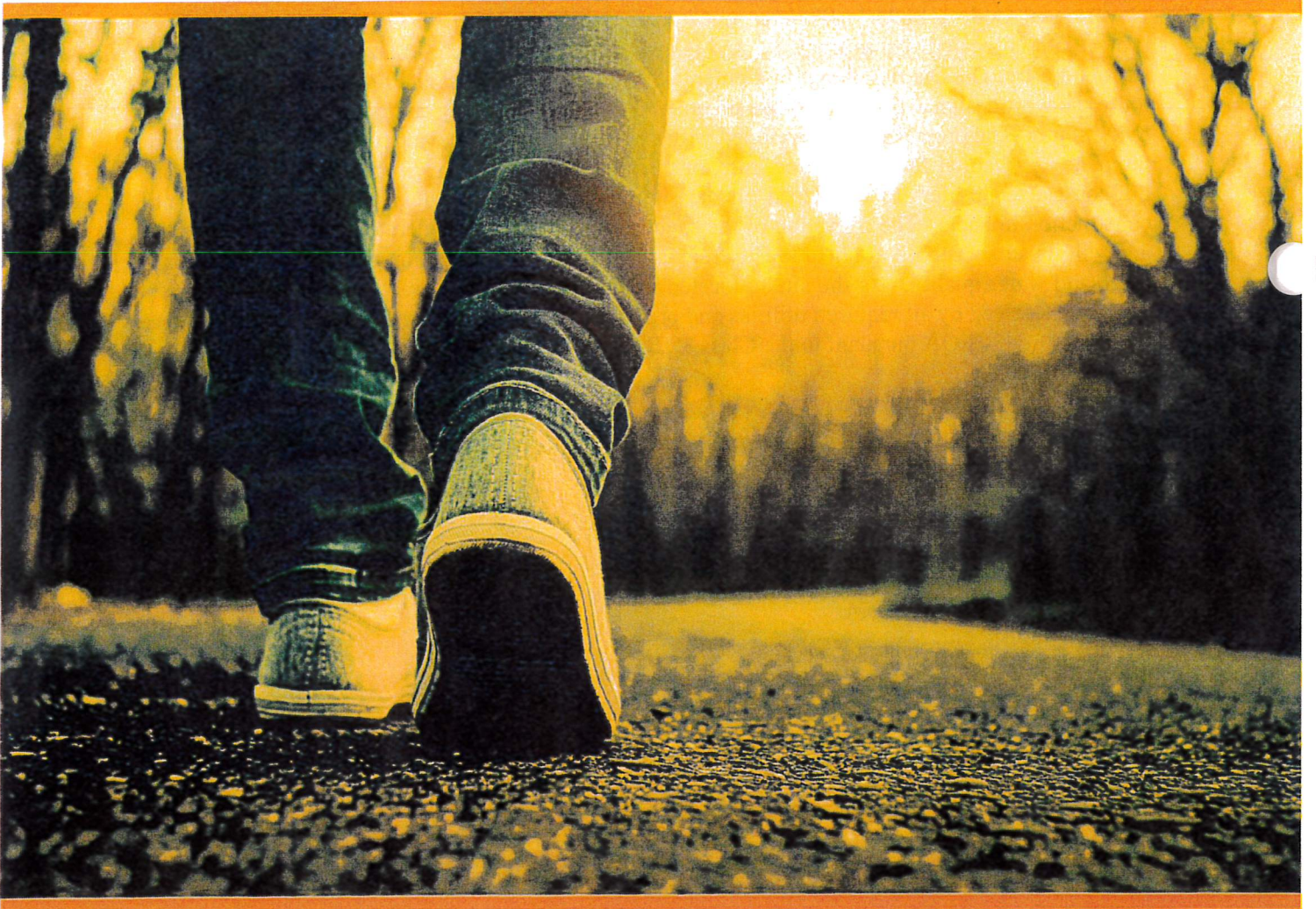
1. Attach document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project?  Yes  
 No

**Signature:**

Signed by the Lead Agency

Signed by the Applicant

# 2017 — POINT-IN-TIME COUNT — CITY OF TUSTIN REPORT





T 714.288.4007

August 2017

On Behalf of the 2-1-1 Orange County (211OC) staff, I am pleased to share your Point in Time City Report based on the Point in Time (PIT) Count & Survey conducted on the night of January 27, 2017 to the morning on January 28, 2017. As you are aware, we had a very robust PIT operation this year, with a 40% increase in volunteers (for a total of 1,184 people); a 47% increase in number of mapped areas; and 20 of the 34 Orange County cities also opting in to receive city level reports.

While conducting the PIT and submitting the results to the U.S. Department of Housing and Urban Development (HUD) is a requirement in order for our community agencies to receive \$22.3 Million in funding to help house those in need, it's important to remember that it's only a snapshot of the work done in our community to solve the issue of homelessness. The PIT information reported to HUD covers the unsheltered persons counted on the morning on January 28th, plus those individuals and families who were sheltered in either Emergency Shelters or in Transitional Housing projects on the night of January 27th. The culmination of this information is found in the attached report.

What the report does not cover are those who are housed in Permanent Housing programs. There has been a concerted effort under way in Orange County during the past two years to focus on those in greatest need, i.e. the chronically homeless population as defined by HUD. These programs include permanent supportive housing (PSH) and rapid rehousing (RRH), as well as funding for planning and the Coordinated Entry system (CES), which matches our homeless individuals and families to PSH and RRH, as well as directing people to Emergency Shelters. With the addition of The Courtyard and Bridges at Kraemer Place, we have additional Emergency Shelter capacity that was greatly needed.

During the past two years (June 2015 – April 2017), the Orange County Continuum of Care Street Outreach teams and service providers, via the Coordinated Entry System, have:

- connected to 908 families and 2,094 individuals for vulnerability assessments;
- diverted 78 families and 32 individuals away from homelessness;
- placed 66 families and 232 individuals in PSH/RRH programs;
- matched 179 families and 337 individuals to available PSH/RRH programs;
- helped an additional 302 families and 1,123 individuals to get the paperwork needed prior to being matched to housing (proof of disability, verification of homelessness, etc.); of this group 55% have pulled their documents together and are considered "document ready."

In addition, between October 2015 and September 2016, 1,023 persons were moved to self-sufficiency from RRH programs to permanent housing. The community has also made great strides in increasing the Permanent Supportive Housing unit capacity, meaning that individuals who have a disability (either physical or mental) are provided with housing and wrap around support services. PSH capacity growth as reported in the OC annual Housing Inventory Count increased from 2,392 beds in 2016 to 2,663 beds in 2017.

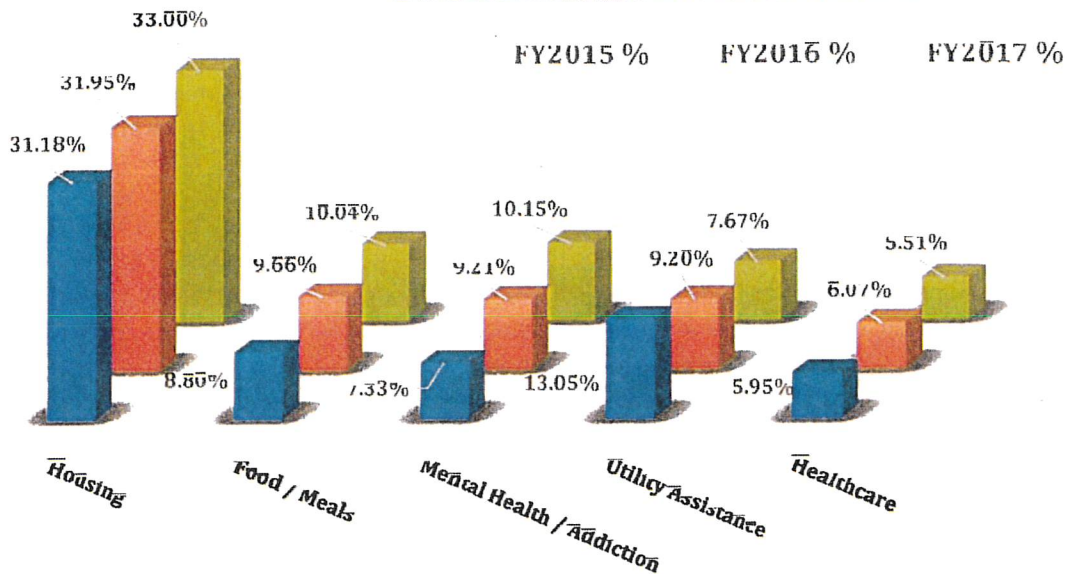
211OC has a unique vantage point at looking at the community, by sitting at the intersection of the issue of homelessness in Orange County. Part of the reason for this is that 211OC gathers data as the Homeless



Management information system (MIS) lead, the CES lead, and the PI lead, as well as operating the Orange County 2-1-1 Information & Referral helpline. The 2-1-1 helpline allows us to identify how many people are looking for resources on a daily basis.

In the past two years, we have seen an **increase of 11%** in total number of people looking for some sort of assistance, with 53% of these individuals looking for **housing assistance** (whether rental assistance, affordable housing, shelters, etc.). We have also seen 10% of all calls/web searches focused on the need for **food assistance** and over 10% of the calls looking for **mental health or addiction** help. This last group has increased the greatest amount year over year.

**Trends in Referrals Year over Year**



All of these numbers show that there continues to be a need for help in our community. It's best to prevent people from falling into homelessness, and things like food, rental assistance and utility assistance greatly helps.

Here at 211OC, we believe that when people get linked to resources, they do better...**and when they do better, the community is stronger.**

We appreciate the participation of the whole community in the 2017 Point in Time Count & Survey, and look forward to continuing to work alongside all of you to solve the issue of homelessness in Orange County.

Sincerely,

Karen Williams  
President and CEO  
2-1-1 Orange County



2017 Orange County Point-In-Time Count

Estimated Number of Unsheltered Homeless People in Tustin

The 2017 Point-In-Time (PIT) Count was conducted on the night of January 28, 2017. The PIT is mandated by Housing and Urban Development (HUD) to be conducted at least every two years, and includes counting those sleeping in both sheltered (emergency shelter and transitional housing) and unsheltered locations. Orange County, and the cities within Orange County, were further interested in the geographic distribution of the people experiencing homelessness. Because the location of shelters varies throughout the County, the only information that is useful to report at a city level is people experiencing unsheltered homelessness. The full PIT report can be found at [www.211oc.org](http://www.211oc.org).

This brief report provides information for Tustin on the estimated number of people who were experiencing unsheltered homelessness within the city on the morning of the 2017 Point-In-Time Count. The estimates were derived using the total unsheltered PIT count as well as census data indicating the 2016 estimated poverty population of the city<sup>1</sup> (see Appendix for a discussion of the data and assumptions used). In addition to the total number of people experiencing homelessness who were unsheltered, the table below provides additional estimates of that population in terms of age, gender, ethnicity, and race.

As the table below indicates, 2 people in families experiencing homelessness and 67 unsheltered individuals (a total of 2.7% of the all people experiencing unsheltered homelessness in the County of 2,584 individuals) are estimated to have been in Tustin. Single adults were primarily: over 24 years old, male, and Caucasian. The family household had 1 adult over 24 years old and 1 child under 18 years old.

Tustin			
2017 Unsheltered Numbers	Adult and Child	Adult Only	Total
<b>Households</b>	<b>1</b>	<b>66</b>	<b>67</b>
<b>Persons</b>	<b>2</b>	<b>67</b>	<b>69</b>
< 18 years old	1	-	1
18-24 years old	0	3	3
> 24 years old	1	64	65
<b>Gender</b>			
Female	1	11	12
Male	1	56	57
Transgender	0	0	0
Does not Identify	0	0	0
<b>Ethnicity</b>			
Non-Hispanic/Non-Latino	1	46	47
Hispanic/Latino	1	21	22

<sup>1</sup> <https://www.census.gov/quickfacts/table/SBO030212/06059>

Race			
White	2	50	52
Black or African American	0	10	10
Asian	0	2	2
American Indian or Alaska Native	0	3	3
Native Hawaiian or Other Pacific Islander	0	0	0
Multiple Races	0	2	2

## Appendix: Data and Assumptions Used

Focus Strategies investigated several different sets of city population statistics, including poverty rate, unemployment rate, and vacancy rate, prior to selecting the most appropriate population to use for estimating city unsheltered populations. All data were available from the census (<https://factfinder.census.gov>), a reliable, valid, and widely-used source. We discovered that because published numbers for the most recent years of all the statistics are based on estimates from data collected several years ago, the resulting city estimates were nearly identical regardless of the statistic used. Poverty rate was used in these estimates. The number of people experiencing unsheltered homelessness was proportionally assigned to each city based on poverty rates. Specifically, the total number of people in poverty was calculated for Orange County, and for each city, allowing Focus Strategies to apply a percentage of total poverty to each city. This percentage was then multiplied by the total number of people who were unsheltered resulting in the unsheltered count for each city.

Table 1 illustrates the proportions of the number of family and adult only households as well as the proportions of people within family and adult only households. The demographic characteristics of the people within each household type are also provided. Using the data in Table 1 as well as the City poverty rates (shown in Table 2), the estimated number of people experiencing unsheltered homelessness in each city was first calculated, followed by their demographic characteristics using the proportions in the table below.

**Table 1. 2017 Orange County Point-In-Time Count: Demographic Breakdown of Adult and Child (Family) and Adult Only Households**

Orange County Unsheltered Demographics			
2017 Unsheltered Numbers	Adult and Child	Adult Only	Total
<b>Households</b>	<b>20 (1%)</b>	<b>2,468 (99%)</b>	<b>2,488 (100%)</b>
<b>Persons</b>	<b>66 (3%)</b>	<b>2,518 (97%)</b>	<b>2,584 (100%)</b>
< 18 years old	38%	-	1%
18-24 years old	1%	4%	4%
> 24 years old	61%	96%	95%
<b>Gender</b>			
Female	45%	16%	17%
Male	55%	84%	83%
Transgender	0%	0%	0%
Does not Identify	0%	0%	0%
<b>Ethnicity</b>			
Non-Hispanic/Non-Latino	56%	68%	68%
Hispanic/Latino	44%	32%	32%

<b>Race</b>			
White	100%	75%	76%
Black or African American	0%	15%	15%
Asian	0%	3%	3%
American Indian or Alaska Native	0%	4%	4%
Native Hawaiian or Other Pacific Islander	0%	1%	0%
Multiple Races	0%	2%	2%

**Table 2: Estimated Number and Percent of People Experiencing Unsheltered Homelessness by City**

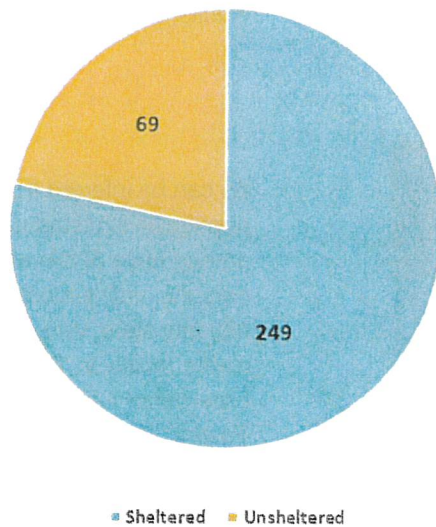
<b>City</b>	<b>City Population</b>	<b>City Poverty Rate</b>	<b>Estimated # People Who Are Unsheltered</b>	<b>Estimated % People Who Are Unsheltered</b>
Tustin	80,583	13.6%	69	2.7%
County	3,172,532	13.0%	2,584	100.00%



### Sheltered Homeless Methodology

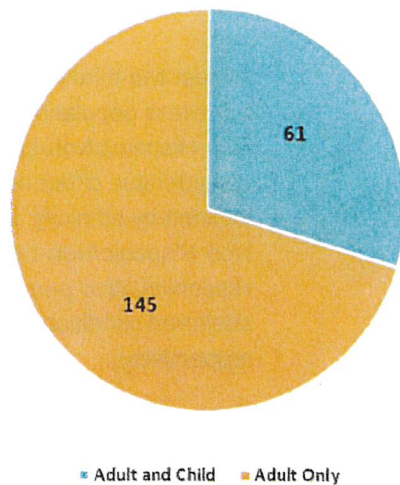
The charts below were prepared by 211OC and include additional information on sheltered and unsheltered homelessness in the city. Sheltered homeless population data was gathered in surveys completed by agencies that provide shelter or housing to homeless persons as a part of the annual Point in Time (PIT) and Housing Inventory Count (HIC) on the night of January 27th, 2017 to the morning of January 28th, 2017. The demographics in these tables consist of data aggregated from Transitional Housing and Emergency Shelter project types. Data were aggregated to the city level by Geo Code, a six-digit geographic code developed by the U.S. Department of Housing and Urban Planning (HUD) which corresponds to cities and other geographic areas, and which represents the geographic area where the majority of a project's beds dedicated to homeless persons are located. Projects with a Geo Code of 069059 (Orange County) were coded to the city associated with their principal project site for aggregation.

Homeless Persons in Tustin



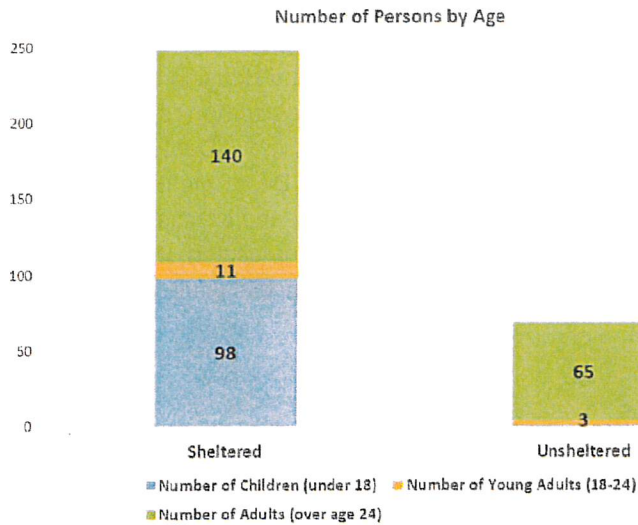
More than three-quarters (78%) of Tustin's homeless population lives in Transitional Housing or Emergency Shelters (sheltered condition). Only 22% of Tustin's homeless persons reside in places not meant for human habitation (unsheltered condition).

Homeless Households in Tustin

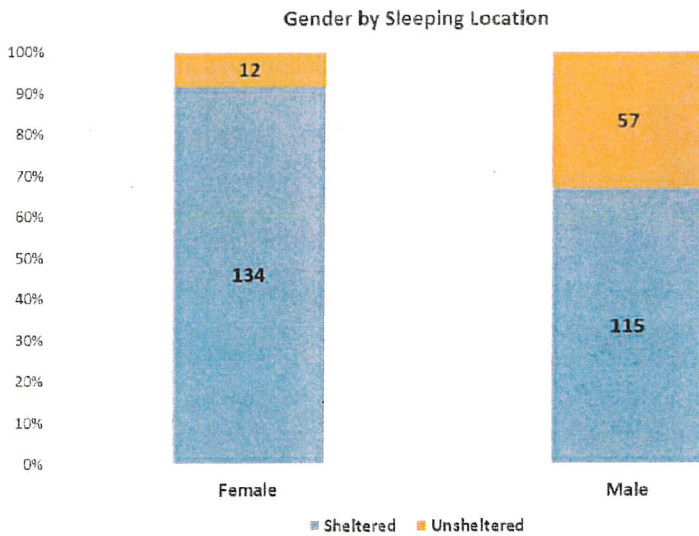


The graph shows Tustin's homeless population is predominantly (70%) Adult Only. Less than a third (30%) of homeless households contain both adults and children.

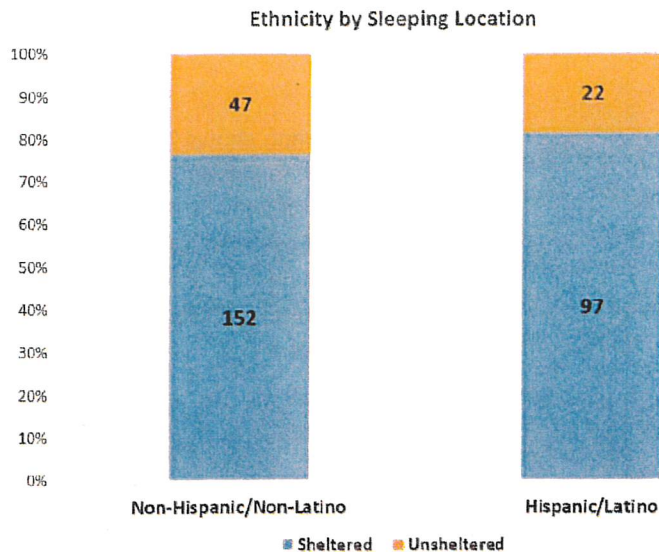




Tustin's homeless Children reside almost exclusively in shelters, and although its unsheltered population is predominantly made up of Adults (persons over the age of 24), there are in fact more adults living in shelters than unsheltered. The sheltered population is 39% Children, 4% Young Adults, and 56% Adults over the age of 24, whereas the unsheltered population is an overwhelming 94% Adults, 4% Young Adults, and 1% Children.

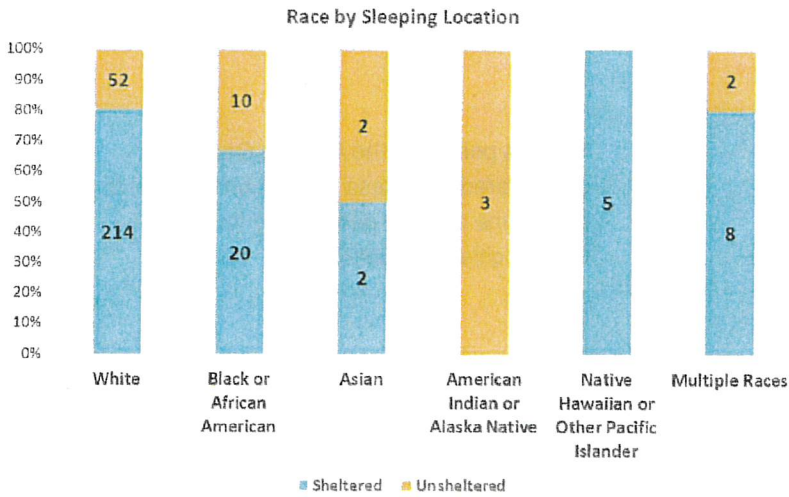


As can be inferred from the graph, Tustin's population is distributed roughly equally among Male (54%) and Female (46%) persons, unlike most other cities which are majority Male. Whereas both genders reside mostly in Transitional Housing or Emergency Shelters (also unique to Tustin), Females sleep almost exclusively (92%) in shelters, whereas only 67% of Males do:

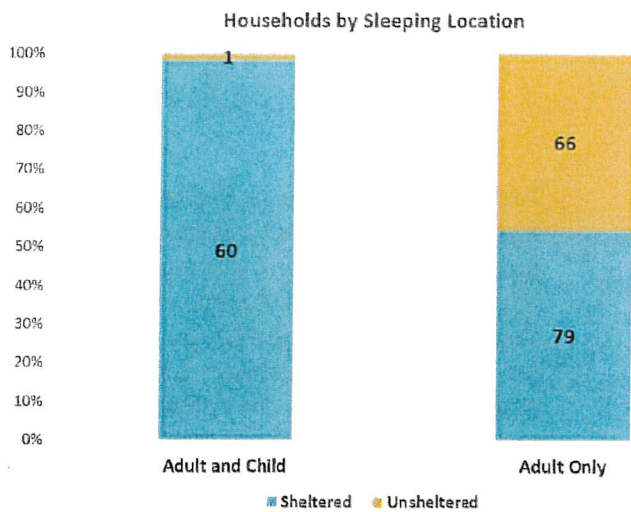


Almost two-thirds (63%) of Tustin's homeless population identifies as Non-Hispanic/Non-Latino. There are no considerable differences in sleeping location by ethnicity; both Non-Hispanic/Non-Latino persons and Hispanic/Latino persons live is mostly in sheltered conditions (76% and 82%, respectively).





According to the graph, Tustin's homeless population is largely (84%) White. There are notable differences in sleeping location by race. Persons who identify as White, Black or African American, and Multiple Races reside predominantly in Transitional Housing or Emergency Shelters (80%, 67%, and 80%, respectively). However, persons who identify as Asian live equally in each sleeping location type, whereas American Indian or Alaska Native individuals live entirely unsheltered and those who identify as Native Hawaiian or Other Pacific Islander reside exclusively in sheltered conditions.

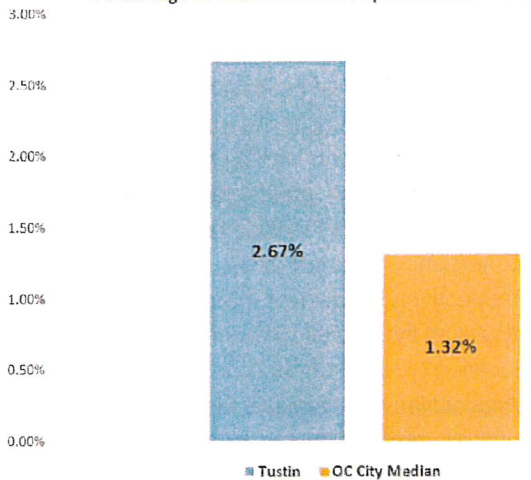


The graph shows that households consisting of both adults and children reside almost exclusively (98%) in Transitional Housing or Emergency Shelters, whereas Adult Only households are distributed fairly evenly between sheltered (54%) and unsheltered (46%) conditions.



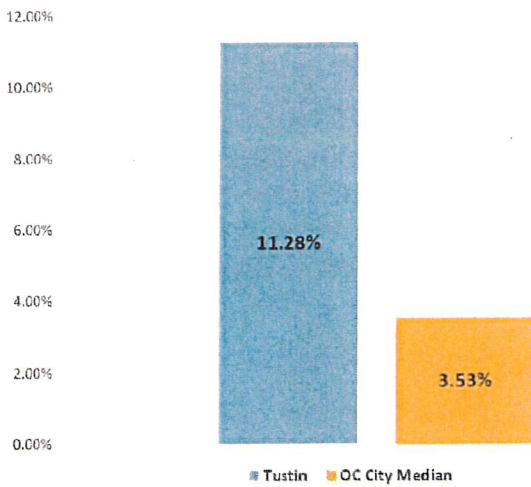
The following three graphs compare Irvine's percentage of the Orange County homeless population with the median percentage of the homeless population for all cities in the county.

Percentage of Total Homeless Population: Unsheltered



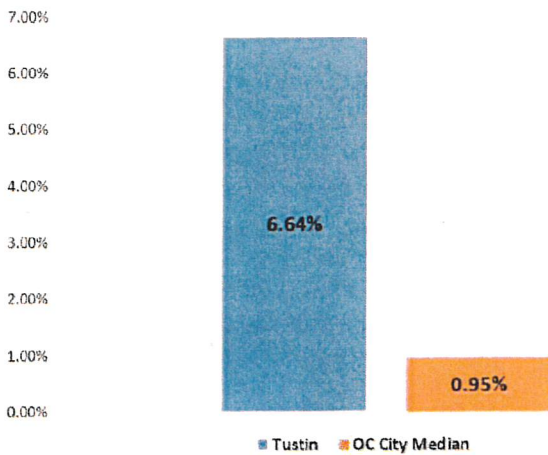
Tustin's portion of the Orange County unsheltered homeless population (2.67%) is double the median percentage for Orange County cities of 1.32%.

Percentage of Total Homeless Population: Sheltered



The graph shows that Tustin's contribution to the Orange County sheltered homeless population (11.28%) is more than three times greater than the median percentage for Orange County cities of 3.53%.

Percentage of Total Homeless Population: Combined Sheltered and Unsheltered



Tustin's contributions to the unsheltered and sheltered Orange County populations are considerably higher than the medians for OC cities. As a result, Tustin's proportion of the total (combined sheltered and unsheltered) Orange County homeless population (6.64%) is nearly seven times higher than the median percentage for Orange County cities of 0.95%. Accordingly, Tustin ranks #4 against other OC cities in terms of largest percentage of the total Orange County homeless population.



Tustin - Sheltered PIT			
	Adult and Child	Adult Only	Total
Total number of households	60	79	139
Total number of persons	166	83	249
Number of Children (under 18)	98		98
Number of Young Adults (18-24)	4	7	11
Number of Adults (over age 24)	64	76	140
Gender			
Female	100	34	134
Male	66	49	115
Transgender	0	0	0
Don't identify as male, female, or transgender	0	0	0
Ethnicity			
Non-Hispanic/Non-Latino	90	62	152
Hispanic/Latino	76	21	97
Race			
White	147	67	214
Black or African American	12	8	20
Asian	0	2	2
American Indian or Alaska Native	0	0	0
Native Hawaiian or Other Pacific Islander	5	0	5
Multiple Races	2	6	8

Tustin - Unsheltered PIT			
	Adult and Child	Adult Only	Total
Total number of households	1	66	67
Total number of persons	2	67	69
Number of Children (under 18)	1		1
Number of Young Adults (18-24)	0	3	3
Number of Adults (over age 24)	1	64	65
Gender			
Female	1	11	12
Male	1	56	57
Transgender	0	0	0
Don't identify as male, female, or transgender	0	0	0
Ethnicity			
Non-Hispanic/Non-Latino	1	46	47
Hispanic/Latino	1	21	22
Race			
White	2	50	52
Black or African American	0	10	10
Asian	0	2	2
American Indian or Alaska Native	0	3	3

Native Hawaiian or Other Pacific Islander	0	0	0
Multiple Races	0	2	2

Persons by Age	Sheltered	Unsheltered
Number of Children (under 18)	98	1
Number of Young Adults (18-24)	11	3
Number of Adults (over age 24)	140	65

Gender	Sheltered	Unsheltered
Female	134	12
Male	115	57
Transgender	0	0
Don't identify as male, female, or transgender	0	0

Tustin Homeless	Sheltered	Unsheltered
Number of Persons	249	69

Race	Sheltered	Unsheltered
White	214	52
Black or African American	20	10
Asian	2	2
American Indian or Alaska Native	0	3
Native Hawaiian or Other Pacific Islander	5	0
Multiple Races	8	2

Ethnicity	Sheltered	Unsheltered
Non-Hispanic/Non-Latino	152	47
Hispanic/Latino	97	22

Household Type	Sheltered	Unsheltered
Adult and Child	60	1
Adult Only	79	66

	Number of Households
Adult and Child	61
Adult Only	145

Homeless Population by City	Percent (%) of Total Unsheltered Population	Percent (%) of total Sheltered Population	Percent (%) of Total Homeless Population
OC City Median	1.32%	3.53%	0.95%
Tustin	2.67%	11.28%	6.64%

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## Glossary/List of Acronyms

### Chronically Homeless Family

A chronically homeless family is defined as a household with at least one adult and one child under the age of 18, or a minor Head of Household under the age of 18 and minimum of one child. The Head of Household must meet the definition of a chronically homeless person (see next entry).

### Chronically Homeless Individual

An unaccompanied individual who:

(i) is homeless and lives or resides in a place not meant for human habitation, a safe haven, or in an emergency shelter;

(ii) has been homeless and living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter continuously for at least 1 year or on at least 4 separate occasions in the last 3 years where total time homeless sums to at least 1 year; and

(iii) has an adult head of household (or a minor head of household if no adult is present in the household) with a diagnosable substance use disorder, serious mental illness, developmental disability (as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15002)), post-traumatic stress disorder, cognitive impairments resulting from a brain injury, or chronic physical illness or disability, including the co-occurrence of 2 or more of those conditions, which prevent them from holding a job or living in stable housing.

A person who currently lives or resides in an institutional care facility, including a jail, substance abuse or mental health treatment facility, hospital or other similar facility, and has resided there for fewer than 90 days shall be considered chronically homeless if such person met all of the requirements described above prior to entering that facility.

### Chronicity

Respondent indicated being homeless (i.e. living in a shelter, on the streets, a car, or in other places not meant for habitation) for the last 12 months or having been homeless at least 4 times in the past 3 years with a total time homeless of at least 1 year across all homeless episodes.

### Chronic Substance Abuse

This category on the PIT includes adults with a substance abuse problem (alcohol abuse, drug abuse, or both) that is expected to be of long-continued and indefinite duration and substantially impairs the person's ability to live independently.



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**Commission to End Homelessness (C2eH)**

The purpose of the Commission to End Homelessness is for County government, city government, private foundations, advocacy groups, community organizations, and other interested stakeholders to work collaboratively and provide strategic leadership to promote best practices, monitor outcomes, and report results on the success of the Ten-Year Plan to End Homelessness.

**Coordinated Entry**

Coordinated Entry is designed to coordinate program participant intake assessment and provision of referral. A centralized or coordinated entry system covers the geographic area, is easily accessed by individuals and families seeking housing or services, is well advertised, and includes comprehensive and standardized assessment tool.

**Disability**

Defined by HUD in 2011 as (1) having a disability as a defined in Section 223 of the Social Security Act; (2) a physical, mental, or emotional impairment which is expected to be of long---continued and indefinite duration, substantially impedes an individual's ability to live independently, and of such a nature that the disability could be improved by more suitable conditions; (3) a developmental disability as defined in Section 102 of the Developmental Disabilities Assistance and Bill of Rights Act; (4) the disease of acquired immune deficiency syndrome or any condition arising from the etiological agent for acquired immune deficiency syndrome; or (5) a diagnosable substance abuse disorder.

**Domestic Violence**

A family member, partner or ex-partner attempts to physically or psychologically dominate another. Includes physical violence, sexual abuse, emotional abuse, intimidation, economic deprivation, and threats of violence. Violence can be criminal and includes physical assault (hitting, pushing, shoving), sexual abuse (unwanted or forced activity), and stalking. Emotional, psychological, and financial abuse are forms of abuse and can lead to criminal domestic violence

**Emergency Shelter**

In the CoC Supportive Housing Program, emergency shelters are facilities offering limited shelter stays (generally up to 90 days) which offers a safe alternative to living on the streets and which provides essential services. On a case---by--case basis, clients may remain for longer than ninety days if they require a longer period to accomplish a specific goal.

**Extrapolation**

A technique for estimating the total number of homeless persons in a particular category that is based on the number of unsheltered and sheltered homeless persons observed and/or interviewed during a homeless count.





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### **Homeless Management Information Systems (HMIS)**

Computerized data collection to capture client-level information on the characteristics and service needs of those experiencing homelessness. It is designed to aggregate client-level data to generate an unduplicated count of clients served within a community's system of homeless services. The HMIS can provide data on client characteristics and service utilization. HUD funded service providers for the at-risk/homeless are required to participate, as their data is provided to HUD, who then reports the information to Congress. Collecting this data is a requirement by HUD in order for the community and its service agencies to receive HUD funding for programs supporting the at-risk and homeless population.

### **Housing Inventory Chart (HIC)**

The HIC is designed to be an accurate reflection of a CoC's capacity to house homeless and formerly homeless persons. The HIC is a complete inventory of emergency shelter, transitional housing and permanent supportive housing beds available. The inventory includes all HUD funded residential programs, as well as non-HUD funded programs that provide housing, even if those programs do not actively participate in the CoC planning process.

### **Permanent Supportive Housing (PSH)**

Long-term, community-based housing that has supportive services for homeless persons with disabilities. This type of housing enables the special needs populations to live independently as possible. Permanent housing can be provided in one structure or in several structures at one site or in multiple structures at scattered sites.

### **Persons with HIV/AIDS**

This subpopulation category of the PIT includes adults who have been diagnosed with AIDS and/or have tested positive for HIV.

### **Point-in-Time Count & Survey (PIT)**

Requirement of the U.S. Department of Housing and Urban Development (HUD) that Continuums of Care (CoCs) across the country undertake community wide efforts to collect information on the number and characteristics of individuals and families experiencing homelessness. The Point-in-Time Count must occur at least every two years during the last ten days of January.

### **Proposition 47**

A ballot initiative passed by California voters to reduce certain felonies to misdemeanors allowing people serving for these crimes to petition for a reduced sentence. More information can be found at: [www.cdcr.ca.gov/news/prop47.html](http://www.cdcr.ca.gov/news/prop47.html).

### **Rapid Re-Housing (RRH)**

Rapid Re-housing is an approach that focuses on moving individuals and families that are homeless into appropriate housing as quickly as possible.



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**Severely Mentally Ill**

This subpopulation category of the PIT includes adults with mental health problems that are expected to be of long-continued and indefinite duration and substantially impairs the person's ability to live independently.

**Substance Abuse Programs**

Programs that are tailored for individuals with substance abuse issues are programs that serve individuals who have acknowledged addiction problems related to alcohol and drug use and who seek services or housing to support their sobriety.

**Transitional Housing (TH)**

A project that is designed to provide housing and appropriate supportive services to homeless persons to facilitate movement to independent living within 24 months as defined by HUD.

**Unsheltered Homeless**

Survey respondents who indicated that they spent last night in the streets, a vehicle, an abandoned building, bus/train station, camping not in a designated campground, sleeping anywhere outside, or other place not meant for human habitation or stayed in friend or family's garage, backyard, porch, shed or driveway were counted as unsheltered homeless.

**Veteran**

This subpopulation category of the PIT includes persons who have served on active duty in the Armed Forces of the United States. This does not include inactive military reserves or the National Guard unless the person was called up to active duty.





Find additional reports, including the full Point in Time Count report, by visiting:  
[www.211oc.org](http://www.211oc.org)

For related inquiries, contact Kristin Jefferson at (714) 589 - 2351





## Attachment 3

# AGENDA REPORT

Agenda Item 8  
Reviewed: *[Signature]*  
City Manager  
Finance Director N/A

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MEETING DATE: JANUARY 15, 2019

TO: JEFFREY C. PARKER, CITY MANAGER & HOUSING AUTHORITY  
EXECUTIVE DIRECTOR

FROM: TUSTIN HOUSING AUTHORITY

SUBJECT: CONTRACTOR SERVICES AGREEMENT –TEMPORARY  
SHELTER, INC (AKA, ORANGE COUNTY RESCUE MISSION)

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### SUMMARY

The Tustin Housing Authority ("Authority") is seeking authorization to enter into a Contractor Services Agreement ("CSA") with Temporary Shelter, Inc., an affiliate of the Orange County Rescue Mission, to operate the Tustin Temporary Emergency Shelter.

### RECOMMENDATION

It is recommended the Tustin Housing Authority Commissioners take the following action:

1. Authorize the Executive Director to execute a Contractor Services Agreement with Temporary Shelter, Inc. to operate the Tustin Temporary Emergency Shelter.

It is recommended the City Council take the following actions:

1. Authorize the City Manager to execute a Contractor Services Agreement with Temporary Shelter, Inc. to operate the Tustin Temporary Emergency Shelter; and
2. Appropriate \$986,343 in General Fund Reserves to the Tustin Housing Authority for the purpose of funding the first year of Tustin Temporary Emergency Shelter operations.

### FISCAL IMPACT

Although there are funds in the Low and Moderate Income Housing Asset Fund (LMIHAF), Health and Safety Code Section 34176.1(a)(2), limits the amount of funds expended annually upon homeless prevention services to \$250,000. On December 18, 2018, the City Council appropriated funds from LMIHAF for the construction of the

Emergency Shelter. As a result, the appropriation for operating the emergency shelter will come from General Fund Reserves.

### **CORRELATION TO THE STRATEGIC PLAN**

Strategic Plan Goal B is to ensure Tustin is an attractive, safe and well-maintained community in which people feel pride. Authorizing the Contractor Services Agreement with Temporary Shelter, Inc. enables the City to meet the 120-day Federal Court deadline to open a facility and enforce its camping and related ordinances to ensure the City remains attractive, safe and well maintained.

### **BACKGROUND**

In response to the City of Tustin being sued as part of several lawsuits assigned to Federal District Court Judge David Carter, the City entered into a Settlement Agreement which requires the City open an emergency homeless shelter within 120 days from the date of the Agreement. On December 18, 2018, the City Council authorized the Public Works Director to proceed with construction of a temporary emergency shelter at the site of the former Army Reserve at 2345 Barranca Parkway.

The City of Tustin is home to a variety of facilities, including the Orange County Rescue Mission ("OCRM")-operated Village of Hope and Veteran's Outpost, which serve client and families who find themselves homeless. Although OCRM is exemplary in how it operates their facilities, they are currently run with religious practices that are in conflict with the published decision from the Ninth Circuit Court of Appeals in *Martin et al v City of Boise* (9th Cir. 9/4/2018).

Given that OCRM has been a good neighbor and operated facilities that have met the needs of the homeless while not impacting the surrounding neighborhoods, staff is recommending the City enter into a CSA with OCRM-affiliate Temporary Shelter, Inc., ("TSI") to operate the recently approved Tustin Temporary Emergency Shelter at 2345 Barranca Parkway. TSI was established by OCRM to provide homeless services without religious practices, compliant with the Ninth Circuit Court of Appeals ruling. TSI understands the population, can effectively train and manage staff, and is successful in transitioning the homeless into long-term housing.

Upon the Effective Date of the CSA, City agrees to provide TSI with up to \$106,688 in start-up funding as provided in Exhibit A for staff recruitment and training. Upon commencement of shelter operations, the City shall pay TSI the monthly fee of \$73,305 as compensation for all services rendered under this Agreement. The term of the CSA


will be one-year from when TSI commences operation of the shelter and may be extended for an additional one (1) year term by mutual written agreement of the parties.

TSI has been working with the Public Works Department in configuring the temporary emergency shelter in a manner that is supportive to the homeless while maintaining a safe environment for the community. This will not be a “walk-up” facility. Admission will be referral only and the facility team will coordinate client transportation to and from the facility before any clients travel to or exit from the property.

The proposed facility will be entirely fenced-off and 24-hour, interior and exterior security (security guards, cameras, gate access controls, etc.) will enforce a strict, zero tolerance policy prohibiting loitering around the facility. Clients exiting the facility must have a pre-arranged transportation plan. All gates will be locked, access controlled, and contain audible alarms.

TSI will operate the facility 24-hours per day, with onsite programming focused on helping clients obtain housing and become self-sufficient again. All clients will be encouraged to stay on-site during the day and to take advantage of the on-site services. The Tustin Police Homeless Liaison Officer will be based at the facility, resulting in direct coordination with TSI.

Staff is recommending the Housing Authority Commission and City Council authorize the CSA with Temporary Shelter, Inc., and is available for questions.

  
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John Buchanan  
Director of Economic Development  
Tustin Housing Authority

  
\_\_\_\_\_  
Jerry Craig  
Deputy Director of Economic Development  
Tustin Housing Authority

Attachment

Contractor Services Agreement with Temporary Shelter, Inc.

**CONTRACTOR SERVICES AGREEMENT  
FOR CITY OF TUSTIN EMERGENCY SHELTER**

This Contractor Services Agreement ("Agreement"), is made and entered into by and between the CITY OF TUSTIN, a municipal corporation and TUSTIN HOUSING AUTHORITY, a California Housing Authority (collectively the "City"), and TEMPORARY SHELTER, INC., a California nonprofit public benefit corporation ("Contractor"), referred hereinafter collectively as the "parties".

WHEREAS, the City pursuant to a court ordered settlement is compelled to establish an emergency homeless shelter within 120-days of such order and while the City is currently planning and investigating another site for a long-term emergency homeless shelter, the City seeks to establish a temporary shelter at the site of the former Army Reserve at 2345 Barranca Parkway; and

WHEREAS, Contractor desires to perform the temporary services required by the City on the terms and conditions set forth in this Agreement by providing the City a low-barrier Tustin Temporary Emergency Shelter ("TTES") for the City's homeless with the purpose of diverting the homeless from the streets of the City into a safe and sanitary emergency shelter; and

WHEREAS, Contractor represents it is qualified by experience, preparation, organization, staffing, and management to operate an emergency homeless shelter and related programs for the homeless, and can provide the necessary services under this Agreement and has agreed to provide such services; and

WHEREAS, Contractor has submitted to the City a proposal comprising a "Scope of Services," "Sample Daily Schedule," and "Proposed Budget" all of which are attached hereto as Exhibit "A" and incorporated herein by this reference (collectively, the "Proposal"); and

WHEREAS, the City desires to engage Contractor to render the services required by the City on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the promises and mutual agreements contained herein, the City agrees to employ and does hereby employ Contractor, and Contractor agrees to provide consulting services, as follows:

**1. SERVICES OF CONTRACTOR**

- 1.1 Scope of Services. In compliance with all the terms and conditions of this Agreement, Contractor shall provide and perform all services identified in the Proposal, including, but not limited to, any labor, staffing, training, equipment, services and items appropriate and necessary to fully and adequately perform the terms and conditions of this Agreement (collectively, the "Services"). Contractor warrants that all Services shall be performed in a competent, professional and satisfactory manner in accordance with all standards prevalent in the industry no matter if the City or Contractor is paying the consideration for such Services. Any Services required at the Property (as defined below) not expressly delineated as the

responsibility of Contractor herein shall be the responsibility of the City, unless otherwise agreed to in writing by both parties. The TTES shall be operated by referral only (i.e., no walk-in guests) and subject to substantially the same admission requirements as the Bridges at Kraemer Place in the city of Anaheim. The TTES shall be open for homeless individuals twenty-four (24) hours per day, seven days per week.

- 1.2 The Property. The Property shall be defined as the land and all improvements and facilities located and placed thereon during the Term of this Agreement and all such designated common areas located at the site of the former Army Reserve at 2345 Barranca Parkway, Tustin, California, as depicted on Exhibit B attached hereto and incorporated herein by this reference (the "Property").
- 1.3 Site of Services. Unless otherwise expressly stated in this Agreement or required by law, all Services shall be performed at and upon the Property where Contractor shall provide a capacity of fifty (50) beds on an emergency basis for homeless individuals and families with preference to those from within the City, or with family connections to the City based upon reasonable criteria mutually established by the City and Contractor.
- 1.4 Term. The date this Agreement is fully signed by the parties shall be deemed the "Effective Date". Beginning on the Effective Date, the City shall provide the Contractor reasonable access to the Property to establish the TTES as a fully operational fifty (50) bed homeless facility ready and capable of providing the Services set forth in this Agreement. The "Term" of this Agreement shall commence on the date that Contractor has first established the TTES at the Property as a fully operational fifty (50) bed facility (the "Commencement Date") and terminate on the first anniversary thereafter (the "Termination Date") unless otherwise extended by the parties. As time is of the essence, Contractor shall take all necessary steps and work as expeditiously as possible to establish the TTES at the Property no later than February 23, 2019. Contractor shall without delay provide the City written notice of the Commencement Date. This Agreement may be extended for an additional one (1) year term by mutual written agreement of the parties no later than forty-five (45) days prior to the expiration of the Term.
- 1.5 Equipment and Improvements. Contractor shall ensure that all improvements and equipment, as listed in Exhibit "A", or purchased with funds pursuant to this Agreement will be utilized for and at the Property. The improvements and equipment shall be maintained and/or disposed of in accordance with the directions of the City and all equipment furnished to Contractor by the City and/or purchased by Contractor with funds pursuant to this Agreement, will be limited to use for the activities outlined in this Agreement and will remain property of the City. Upon termination of this Agreement, Contractor will immediately return all improvements and equipment and property to the City, or dispose of it in accordance with the directions of the City.



- 1.6 Compliance with Law. All Services rendered hereunder shall be provided in accordance with all applicable laws, ordinances, resolutions, statutes, rules, and regulations of the City and of any federal, state or local governmental agency of competent jurisdiction, including to the best of its ability compliance with the requirements of the Occupational Safety and Health Act of 1970, 29 U.S.C. section 651 *et seq.*, and the American with Disabilities Act of 1990, 42 U.S.C. section 651 *et seq.*, and any analogous legislation in California.
- 1.7 Licenses and Permits. Contractor shall obtain such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement and reimbursed by the City as authorized.
- 1.8 Familiarity with Services. By executing this Agreement, Contractor warrants that Contractor (a) has thoroughly investigated and considered the Services to be performed, (b) has investigated the site of the Services and become fully acquainted with the conditions there existing, (c) has carefully considered how the Services should be performed, and (d) fully understands the facilities, difficulties and restrictions attending performance of the Services under this Agreement. Should the Contractor discover any latent or unknown conditions materially differing from those required to perform the Services or as represented by the City, Contractor shall immediately inform the City of such fact and shall not proceed with any Services except at Contractor's risk until written instructions are received from the Contract Officer.
- 1.9 Additional Services. Contractor shall perform the Services in addition to and beyond the scope of those items and categories specified in the Proposal when directed to do so in writing by the Contract Officer and as agreed to by Contractor, provided that Contractor shall not be required to perform any additional Services without compensation. Any additional compensation for additional Services provided outside the specific itemized Services listed in the Proposed Budget made part of Exhibit A must be approved in writing by the Contract Officer and City Manager, unless such amount exceeds ten percent (10%) of the original Contractor Fee, in which case such increase must be approved by the City Council.
- 1.10 Increase in Proposed Budget Items. Contractor shall perform all the Services as specified in the Proposal for the Contract Fee, but Contractor may request in writing that the City increase the Proposed Budget for a specific item or category listed in the Proposed Budget made part of Exhibit A, and the Contract Officer and City Manager may approve such increase in any budgeted item(s) so long as the total combined budgeted item increases during the Term do not exceed \$50,000, and if so, any further increase beyond this limit must be approved by the City Council.
- 1.11 Conflicts. In the event of any inconsistency or should a conflict exist between the terms contained in Exhibit "A" (the Proposal) and the terms set forth in the main body of this Agreement, the terms set forth in the main body of this Agreement shall govern, including, but not limited to, the provision of any Services.

## 2. LICENSE OF PROPERTY.

- 2.1 License. In consideration of the performance of the Services by Contractor, the City hereby grants to Contractor a non-exclusive license to use the Property for the limited purpose of providing the Services under the terms and conditions provided for in this Agreement so long as this Agreement remains in effect. Contractor agrees and understands that nothing in this Agreement shall be deemed to be or provide Contractor with any leasehold or other greater interest in real property and improvements thereon relating to the Property. In connection with this Agreement, Contractor, its officers, directors, employees, agents, customers, visitors, invitees, licensees and contractors (collectively, "Contractor Parties"), subject to the provisions hereof, shall have the rights of entry and access onto the Property necessary to provide the Services as required by Contractor herein. Failure of the City to provide such access and right of entry as required shall be communicated to the City in writing stating with reasonable specificity the denial so as to allow the City to correct such failure. Any such failure left unaddressed by the City for more than seventy-two (72) hours shall be deemed a termination of this Agreement by the City unless the City has corrected such failure, or has commenced corrective action to cure such failure within the 72-hour period.
- 2.2 Construction. Any construction work performed or caused to be performed by Contractor at the Property shall be performed in accordance with any and all applicable laws, rules and regulations (including the City's rules and regulations), and in a manner which (i) meets or exceeds the then applicable standards of the industry for such construction work, and (ii) is satisfactory to the City. Prior to commencement of any construction, maintenance, reconstruction, installation, restoration, alteration, repair, replacement or removal (other than normal maintenance) on the Property, Contractor shall submit work plans to the City for review and approval. Any such work must be carried out pursuant to work plans approved in writing by the City.
- 2.3 Liens. Contractor will fully and promptly pay for all materials joined or affixed to the Property, and fully and promptly pay all persons who perform labor upon the Property. Contractor shall not suffer or permit to be filed or enforced against the Property, or any part thereof, any mechanics', materialmen's, contractors', or subcontractors' liens or stop notices arising from, or any claim for damage growing out of, any testing, investigation, maintenance or work, or out of any other claim or demand of any kind. Contractor shall pay or cause to be paid all such liens, claims or demands, including sums due with respect to stop notices, together with attorney's fees incurred by the City with respect thereto, within ten (10) business days after notice thereof and shall indemnify, hold harmless and defend the City from all obligations and claims made against the City for the above described work, including attorney's fees. Contractor shall furnish evidence of payment upon request of the City. Contractor may contest any lien, claim or demand by furnishing a

statutory lien bond or equivalent with respect to stop notices to the City in compliance with applicable California law. If Contractor does not discharge any mechanic's liens or stop notice for work performed for Contractor, the City shall have the right to discharge same (including by paying the claimant), and Contractor shall reimburse the City for the cost of such discharge within ten (10) business days after billing. The City reserves the right at any time to post and maintain on the Property such notices as may be necessary to protect the City against liability for all such liens and claims. The provisions of this section shall survive the termination of this Agreement.

- 2.4 Utilities. The City shall furnish to the Property and City shall pay all service charges and related taxes for electric, gas, water, sewer, fire alarm service, trash, and internet service and all other utilities provided for the Property unless specifically provided otherwise by the terms of this Agreement or the Proposal.
- 2.5 Taxes. The City shall be liable for and agrees to pay promptly and prior to delinquency, any tax or assessment, including, but not limited to, any possessory interest tax, levied by any governmental authority against the real property comprising the Property.
- 2.6 Maintenance. The City shall maintain the exterior grounds on or about the Property, including all parking areas, fences, outside lighting, walkways, gates, and landscaping in good condition including grass, trees, shrubbery and other flora. The City shall perform regular and ordinary maintenance on the interior of any buildings or structures located on the Property to keep such in good working condition and appearance, including but not limited to, the following: (i) undertake all interior repairs, maintenance and replacement of the electrical fixtures, flooring and flooring surfaces, walls, drop down ceiling, windows, and appliances, including but not limited to, painting of interior walls, light bulb replacement, repair and maintenance of bathroom plumbing and fixtures, kitchen appliances, cabinets, and other fixtures; and (ii) the repair and replacement of building systems such as electrical, HVAC, and sewer, including any components thereof, that are installed on the Property whether or not within the walls and ceiling space of the Property, or serve the Property. Contractor shall not make any structural or exterior improvements or alterations to the Property without the City's written consent. Any such alterations shall remain on and be surrendered with the Property on expiration or termination of this Agreement. Notwithstanding the foregoing obligations of the City and for sake of clarification of the roles of the parties, pursuant to the Proposal attached hereto as Exhibit A, Contractor shall and is obligated to perform the following: (i) dispose of waste materials pursuant to California and federal law; (ii) provide janitorial and any other necessary associated services to keep the interior and exterior grounds of the Property in a clean, tidy, and hygienic condition, including, but not limited to, the flooring, bedding, walkways, eating facilities, congregation areas, bathroom and shower facilities, and pet care areas; and (iii) provide personnel for security services for the Property as set forth in the Proposal.

2.7 Hazardous/Toxic Materials Use and Indemnity. The City and Contractor shall operate and maintain the Property in compliance with all applicable federal, state and local environmental, health and/or safety-related laws, regulations, standards, decisions of the courts, permits or permit conditions, currently existing or as amended or adopted in the future which are or become applicable to Contractor or the (the "Environmental Laws"). Contractor shall not cause or permit, or allow any of Person (as defined in Section 6) to cause or permit, any Hazardous Materials to be brought upon, stored, used, generated, treated or disposed of on or about the brought upon, stored, used, generated, treated or disposed of on the Property or other adjacent City property. As used herein, "Hazardous Materials" means any chemical, substance, or material which is now or becomes in the future listed, defined or regulated in any manner by any Environmental Laws based upon, directly or indirectly, its properties or effects.

Contractor shall indemnify, defend (by counsel acceptable to the City) and hold harmless the City, its officers, agents, and all other employees from and against all loss, liability, claim, damage, cost or expense (including without limitation, any fines, penalties, judgments, litigation expenses, attorneys' fees, and consulting, engineering, and construction fees and expenses) incurred by such parties as a result of (a) Contractor 's breach of any prohibition or provisions of this Section or (b) any release or contamination of Hazardous Materials upon or from the Property or any adjacent property that occurs due to the use and occupancy of the Property and the facilities thereon, or is made worse due to the act or failure to act of Contractor and Person under its control or supervision.

This indemnity provision shall survive termination of this Agreement; and is in addition to any other rights or remedies which Indemnitees may have under the law or under this Agreement.

In the event of any release on or contamination of the Property and/or any adjacent property, whether or not owned by the City, Contractor, at its sole expense, shall promptly take all actions necessary to clean up all such affected property and to return the affected property to the condition existing prior to such release or contamination, to the satisfaction of the City and any governmental authorities having jurisdiction thereover.

2.8 Condition of Premises. Unless Contractor provides written notice to the City within three (3) days after the Commencement Date detailing with specificity any deficiencies for the use and occupancy of the Property for the Services, it shall be deemed that Contractor has inspected and accepts the Property in its present condition as suitable for the use of the Property to provide the Services. So long as the deficiencies detailed by the Contractor are necessary and customary for the operations of an emergency homeless shelter, the City shall promptly and with diligence commence to correct any deficiencies set forth in Contractor's notice to the City.

2.9 Breach of License or Agreement. Should Contractor breach, or fail to keep, observe or perform any agreement, covenant, term or condition on its part herein contained in this Agreement, then, in addition to any other available rights and remedies, the City at its option may:

- (a) perform any necessary or appropriate corrective work at Contractor's expense, which Contractor agrees to immediately reimburse the City upon demand, or
- (b) with or without written notice or demand, immediately terminate this Agreement and at any time thereafter, recover possession of the Property, or any part thereof, and expel and remove therefrom or any other person occupying the Property, including Contractor Parties, by any lawful means, and again repossess and enjoy the Property, without prejudice to any of the rights and remedies that the City may have under this Agreement, at law or in equity by reason of Contractor's default, or of such termination.

2.10 Surrender. Upon termination of this Agreement, unless otherwise requested in writing by the City to leave all, or any portion of, the facilities in place, Contractor, at its own cost and expense, shall immediately remove any improvements, personal property and other facilities on the Property and restore the Property as nearly as possible to the same state and condition, less reasonable wear, as existed on the Commencement Date. Should Contractor fail to comply with the requirements of the preceding sentence, the City may at its option (a) perform the same at Contractor's expense, which costs Contractor agrees to immediately pay to the City on written demand, or (b) assume title and ownership of any improvements and facilities. No termination of this Agreement shall release Contractor from any liability or obligation hereunder, whether of indemnity or otherwise, resulting from any acts, omissions or events happening prior to the later date when the City obtains possession of the Property or all the improvements and facilities are removed and the Property restored.

2.11 Revocable License. Contractor agrees that notwithstanding any improvements made by Contractor to the Property or other sums expended by Contractor in furtherance of this Agreement, the license granted hereunder may be terminated by the City in accordance with the terms of this Agreement.

### 3. **COMPENSATION**

3.1 Compensation of Contractor. Within thirty (30) days of the Effective Date, the City agrees to pay Contractor start-up funding in the sum of \$106,688 ("Start-Up Funding") so Contractor may develop and implement programs, recruit and retain staff, pay salaries and purchase equipment to implement a data base system for operations. Exclusive of the Start-Up Funding, for the Services rendered during the Term of this Agreement, the Contractor shall be compensated and reimbursed only

such amounts as are prescribed in Exhibit "A", in an amount not to exceed \$879,655 ("Contractor Fee").

- 3.2 Method of Payment. In any month after the Effective Date in which Contractor wishes to receive payment of a portion of the Contractor Fee, Contractor shall no later than the first working day of such month, submit to the City in the form approved by City's Director of Finance, an invoice for past services rendered. The City shall pay Contractor for all expenses stated thereon which are approved by the City consistent with this Agreement, no later than the last working day of said month until the Contractor Fee has been paid in full to Contractor. However, in no event shall the City be obligated to pay a monthly amount in excess of \$73,305 ("Monthly Limit") for rendering of the Services by Contractor unless otherwise approved in writing by the City and any such excess invoices and expenses incurred by Contractor exceeding the Monthly Limit for any given month are hereby waived and disclaimed by Contractor. If the City approves payment of invoices in excess of the Monthly Limit for any given month, the City may offset such excess amount from any subsequent Monthly Limit during the Term.
- 3.3 Risk of Overruns on Contractor. From the Commencement Date through the Termination Date, Contractor shall provide all services under this Agreement at a cost to the City not to exceed the Contractor Fee. Thus, unless the City has agreed in writing to an increase in the Contractor Fee as provided for in Sections 1.9 and 1.10 of this Agreement, Contractor shall bear the risk and burden of any excess costs and fees to continue providing the Services under this Agreement until the Termination Date.
- 3.4 Changes. In the event that any material change in the scope of Services is requested by City and agreed to by Contractor, the parties shall execute an addendum to this Agreement, setting forth with particularity all terms of such addendum, including, but not limited to, any additional fees to be paid to Contractor. An addendum may be entered into:
- A. To provide for revisions or modifications to documents or other work product or Services when documents or other work product or Services is required by the enactment or revision of law subsequent to the preparation of any documents, other work product or Services; or
  - B. To provide for additional Services not included in this Agreement, or not customarily furnished in accordance with generally accepted practice in Contractor's profession; or
  - C. To extend the term of this Agreement for an additional one (1) year with the Contractor Fee adjusted as may be mutually agreed upon.

#### 4. PERFORMANCE SCHEDULE

- 4.1 Time of Essence. Time is of the essence in the performance of this Agreement, including establishing the TTES at the Property and thus, the parties shall cooperate and take all reasonable and necessary steps to open the TTES as a fully operational facility no later than February 23, 2019.
- 4.2 Schedule of Performance. All Services rendered pursuant to this Agreement shall be performed within any time periods prescribed in the Proposal, attached hereto as Exhibit "A". The extension of any time period specified in the Exhibit "A" must be approved in writing by the Contract Officer.
- 4.3 Force Majeure. The time for performance of services to be rendered pursuant to this Agreement may be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of Contractor, including, but not restricted to, acts of God or of a public enemy, acts of the government, fires, earthquakes, floods, epidemic, quarantine restrictions, riots, strikes, freight embargoes, and unusually severe weather if Contractor shall within ten (10) days of the commencement of such condition notify the Contract Officer who shall thereupon ascertain the facts and the extent of any necessary delay, and extend the time for performing the services for the period of the enforced delay when and if in the Contract Officer's judgment such delay is justified, and the Contract Officer's determination shall be final and conclusive upon the parties to this Agreement.

#### 5. COORDINATION OF SERVICES

- 5.1 Representative of Contractor. The following "Principal" of the Contractor is hereby designated as being the principal and representative of Contractor authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith: Dr. James E Palmer III, President & CEO of Temporary Shelter, Inc.

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing Principal is a substantial inducement for the City to enter into this Agreement. Therefore, the foregoing Principal shall be responsible during the term of this Agreement for directing all activities of Contractor and devoting sufficient time to personally supervise the Services hereunder. The foregoing Principal may not be changed by Contractor without the express written approval of the City.

- 5.2 Contract Officer. The "Contract Officer" shall be Jerry Craig, Deputy Director of Economic Development, unless otherwise designated in writing by the City Manager. It shall be Contractor's responsibility to keep the Contract Officer fully informed of the progress of the performance of the Services and Contractor shall refer any decisions which must be made by the City to the Contract Officer. Unless otherwise specified herein, any approval of the City required hereunder shall mean the approval of the Contract Officer.

- 5.3 Prohibition Against Subcontracting or Assignment. The experience, knowledge, capability and reputation of Contractor, its Principal and employees are a substantial inducement for the City to enter into this Agreement. Therefore, except for any subcontractors identified in Exhibit A for the provision of certain Services provided under this Agreement, Contractor shall not contract with any other entity to perform in whole or in part the Services required hereunder without the express written approval of the City, which may be exercised in its sole discretion. In addition, neither this Agreement, nor any interest herein may be assigned or transferred, voluntarily or by operation of law, without the prior written approval of the City, which may be exercised in its sole discretion and any such transfer or assignment in violation hereof shall automatically be void.
- 5.4 Independent Contractor. Neither the City nor any of its employees shall have any control over the manner, mode or means by which Contractor, its agents or employees perform the Services required herein, except as otherwise set forth herein. Contractor shall perform all Services required herein as an independent contractor of the City and shall remain at all times as to the City a wholly independent contractor with only such obligations as are consistent with that role. Contractor shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of the City. Contractor shall be solely responsible for compliance with State and Federal Law with respect to the wages, hours, benefits, and working conditions of its employees, including requirement for payroll deductions for taxes and prevailing wages. Employees or independent contractors of Contractor are not City employees.
- 5.5 Service Delivery Monitoring. The City and its agents shall have the right without notice to access and monitor the Property and all activities, facilities, and Services operated by Contractor under this Agreement. For purposes of this Section "facilities" shall not only include all physical improvements and areas of the Property, but include all files, records, and other documents excluding HIPAA protected information related to the performance of this Agreement and "activities" shall include attendance at advisory committee meetings, homeless task force meetings and observation of on-going program functions and services. Contractor shall permit on-site inspections of the Property by the City and ensure that the Principal, Contractor's employees furnish such information, as in the judgment of the City may be relevant to any question of compliance with the contractual conditions, or effectiveness, legality and achievements of the Services.

## 6. **INSURANCE / INDEMNIFICATION**

### 6.1 Insurance.

- 6.1.1 Liability Insurance (Commercial General Liability, Automobile and Sexual Misconduct). Commencing upon the Effective Date and until termination of this Agreement, Contractor shall maintain or cause to be maintained



commercial general liability insurance, to protect against loss from liability imposed by law for damages on account of personal injury, including death therefrom, suffered or alleged to be suffered by any Person or Persons whomsoever on or about the Property and/or the improvements thereon or related to the business of Contractor on the Property, or in connection with the operation thereof, resulting directly or indirectly from any acts or activities of Contractor, Contractor Parties, or anyone directly or indirectly employed or contracted with or acting for Contractor, or under its respective control or direction, and also to protect against loss from liability imposed by law for damages to any property of any Person occurring on or about the Property and/or the improvements thereon or related to the business of Contractor on the Property, or in connection with the operation thereof, caused directly or indirectly by or from acts or activities of Contractor or any Person acting for Contractor, or under its control or direction. Such insurance shall also provide for and protect the City against incurring any legal cost in defending Claims for alleged loss. The amount of insurance required hereunder shall include (a) comprehensive general liability and personal injury with limits of at least Five Million Dollars (\$5,000,000.00); comprehensive automobile liability, including owned, non-owned and hired autos, with limits of at least Two Million Dollars (\$2,000,000.00) combined single limit per occurrence; and Sexual Misconduct and Molestation Liability insurance in an amount of not less than \$5,000,000 per claim, which may be written on a claims made basis.

The insurance shall be issued by a company permitted by the Insurance Department of the State and rated A-/VII or better (if an admitted carrier) or A-/X (if offered by a surplus line broker), by the latest edition of Best's Key Rating Guide. Such insurance may be provided by an umbrella insurance policy otherwise meeting the requirements of this Section

An Accord certificate evidencing the foregoing insurance and providing the following endorsements signed by the authorized representative of the underwriter and approved by the City shall be delivered within seven (7) business days following the Effective Date. The endorsements shall provide as follows: (a) designate "the City of Tustin and its respective elected and appointed officials, agents, representatives, and employees" as additional insureds on the commercial general liability policies; (b) the commercial general liability insurance coverage shall be primary, and not contribute with any insurance or self-insurance maintained by the City; and (c) a waiver of subrogation for the benefit of the City. The insurance shall not be cancelled, except after thirty (30) days written prior notice to the City. The procuring of such insurance and the delivery of policies, certificates or endorsements evidencing the same shall not be construed as a limitation of Contractor's obligation to indemnify the City Indemnified Parties as set forth in this Agreement.

6.1.2 Workers' Compensation Insurance. Commencing upon the Effective Date and until termination of this Agreement, Contractor shall obtain, and thereafter maintain or cause to be maintained, workers' compensation insurance issued by a responsible carrier authorized under the laws of the State to insure employers against liability for compensation under the workers' compensation laws now in force in California, or any laws hereafter enacted as an amendment or supplement thereto or in lieu thereof. Such workers' compensation insurance shall cover all Persons employed by Contractor in connection with providing the Services under this Agreement and shall cover liability within statutory limits for compensation under any such act aforesaid, based upon death or bodily injury claims made by, for or on behalf of any Person incurring or suffering injury or death in connection with the providing the Services under this Agreement or the operation the business thereof by Contractor. Notwithstanding the foregoing, Contractor may, in compliance with the laws of the State and in lieu of maintaining such insurance, self-insure for workers' compensation in which event Contractor shall deliver to the City evidence that such self-insurance has been approved by the appropriate State authorities.

Contractor shall also furnish (or cause to be furnished) to the City evidence satisfactory to the City that any contractor with whom it has contracted for performance of Services on the Property or otherwise carries workers' compensation insurance required by law. The insurance policy, and each renewal or replacement thereof, by endorsement approved by an authorized representative of the underwriter, shall contain a waiver of subrogation against the City, and its council members, officers, employees, attorneys and agents.

The insurance shall be issued by a company authorized by the Insurance Department of the State of California and rated A, VII or better (if an admitted carrier) or A-, X (if offered, by a surplus line broker), by the latest edition of Best's Key Rating Guide, except that the City will accept workers' compensation insurance rated B-VIII or better or from the State Compensation Fund. The insurance shall not be cancelled, except after thirty (30) days written prior notice to the City.

An Accord certificate evidencing the foregoing insurance and providing the following endorsements signed by the authorized representative of the underwriter and approved by the City shall be delivered within seven (7) business days following the Effective Date.

6.1.3 Scope of Insurance. The insurance obligations under this Agreement shall be: (1) all the insurance coverage and/or limits carried by or available to Contractor; or (2) the minimum insurance coverage requirements and/or limits shown in this Agreement; whichever is greater. Any insurance proceeds in excess of or broader than the minimum required coverage and/or

minimum required limits, which are applicable to a given loss, shall be available to the City. No representation is made that the minimum insurance requirements of this Agreement are sufficient to cover the obligations of the Contractor under this Agreement. The City reserves the right, throughout the Term of this Agreement, to review and change the amount and type of insurance coverage it requires in connection with this Agreement on the Work to be performed on the Property; provided the City provides to Contractor reasonable prior written notice of such change

6.1.4 Failure to Procure Insurance. If Contractor fails or refuses to procure or maintain the insurance required by this Section 6, or fails or refuses to furnish the City with the required proof that insurance has been procured and is in full force and effect and paid for, the City shall have the right, at the City's election, to terminate this Agreement upon written notice providing Contractor three (3) days to cure. Such termination shall not affect Contractor's right to be paid for its time and materials expended prior to notification of termination. Contractor waives the right to receive any compensation under this Agreement and agrees to indemnify, defend and hold harmless the City as provided for in Section 6.2 of this Agreement for any Services performed prior to obtaining the insurance as provided for in this Section 6.

6.1.5 Definitions. For purposes of this Section 6, the following definitions apply:

"Person" shall mean an individual, partnership, limited partnership, trust, estate, association, corporation, limited liability company, joint venture, firm, joint stock company, unincorporated association, Governmental Authority, governmental agency or other entity, domestic or foreign.

"Governmental Authority" shall mean any and all federal, State, county, municipal and local governmental and quasi-governmental bodies and authorities (including the United States of America, the State of California and any political subdivision, public corporation, district, joint powers authority or other political or public entity) or departments thereof having or exercising jurisdiction over the parties, the Property, or such portions of the foregoing as the context indicates.

"State" shall mean the State of California.

## 6.2 Indemnification.

Contractor agrees to and shall indemnify, defend, and hold harmless the City, its officers, agents, employees, contractors, special counsel, and representatives from liability: (1) for personal injury, damages, liability, just compensation, restitution, judicial or equitable relief arising out of claims for personal injury, including death, and claims for property damage (collectively, "Claims"), which may arise from the

actions, operations, or willful misconduct of the Contractor, Contractor Parties, or their, subcontractors, agents, employees, or other persons acting on its behalf which relates to the services described in this Agreement; and (2) from any claim that personal injury, damages, just compensation, liability, restitution, judicial or equitable relief is due by reason of the terms of or effects arising from this Agreement. This indemnity and hold harmless agreement applies to all claims for liability, damages, just compensation, restitution, judicial or equitable relief suffered, or alleged to have been suffered, by reason of the events referred to in this Section or by reason of the terms of, or effects, arising from this Agreement.

Contractor further agrees to indemnify, hold harmless, and pay all costs for the defense of the City, including fees and costs for special counsel to be selected by the City, regarding any action by a third party challenging the validity of this Agreement, or asserting that personal injury, damages, just compensation, restitution, judicial or equitable relief due to personal or property rights arises by reason of the terms of, or effects arising from this Agreement. The City may make all reasonable decisions with respect to its representation in any legal proceeding. Contractor's indemnification obligations in this section shall survive expiration of this Agreement.

Contractor shall also defend, indemnify and hold the City harmless from any claims or liability for City health and welfare, retirement benefits, or any other benefits of part-time or fulltime City employment sought by Contractor's officers, employees, or independent contractors, whether legal action, administrative proceeding or pursuant to State statute.

The obligations set forth in this Section 6.2 shall be in effect (i) without regard to whether or not the City, Contractor, or any other person maintains, or fails to maintain insurance coverage, or a self-insurance program, for any Claims, and (ii) shall survive the termination of this Agreement.

## **7. RECORDS AND REPORTS**

- 7.1 Reports. Contractor shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the Services required by this Agreement as the Contract Officer shall require, but at a minimum provide to the Contract Officer a monthly written report of the Services in a format to be mutually approved by the City and Contractor, but, at a minimum, the report shall include detailed demographics of those guests being served, including, but not limited to, gender identity, numbers of adults and children; ethnicity, race; veteran status; insurance sources; disability status; addictions; education; reasons for and length of being homeless; benefit sources; transfers to other shelters or care facility; programs enrolled in and completed; and reasons for leaving shelter (the "Monthly Report").
- 7.2 Records. Contractor shall keep such books and records, including invoices, as shall be necessary to properly perform the Services required by this Agreement and

enable the Contract Officer to evaluate the performance of such Services. The Contract Officer shall have full and free access to such books and records at all reasonable times, including the right to inspect, copy, audit and make records and transcripts from such records. Contractor shall maintain complete and accurate records with respect to the costs incurred under this Agreement and any services, expenditures, and disbursements charged to the City for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Contractor under this Agreement. Contractor shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement for a period of three (3) years from the date of final payment to Contractor under this Agreement.

- 7.3 Ownership of Documents. All drawings, specifications, reports, records, documents and other materials prepared by Contractor in the performance of this Agreement shall be the property of Contractor. Contractor shall have an unrestricted right to use the concepts embodied therein.
- 7.4 Release of Documents. All drawings, specifications, reports, records, documents and other materials prepared by Contractor in the performance of services under this Agreement shall not be released publicly without the prior written approval of the Contract Officer unless such materials are required to be provided or released pursuant to any statute or regulations, i.e. the Homeless Management Information System for Orange County.
- 7.5 Confidential Information. Should either party receive (the "Receiving Party") from the other information which due to the nature of such information is reasonably understood to be confidential and/or proprietary, the Receiving Party agrees that it shall not use or disclose such information except in the performance of this Agreement, and further agrees to exercise the same degree of care it uses to protect its own information of like importance, but in no event less than reasonable care. "Confidential Information" shall include all nonpublic information except in the case of the City, Confidential Information shall not include information and/or documents in the City's sole discretion are subject to disclosure pursuant to the Public Records Act of the State of California. Confidential Information includes not only written information, but also information transferred orally, visually, electronically, or by other means. Confidential Information disclosed to either party by any subsidiary and/or agent of the other party is covered by this Agreement. The foregoing obligations of non-use and nondisclosure shall not apply to any information that (a) has been disclosed in publicly available sources; (b) is, through no fault of the Receiving Party disclosed in a publicly available source; (c) is in rightful possession of the Receiving Party otherwise outside an obligation of confidentiality; (d) is required to be disclosed by operation of law (i.e., the Public Records Act); or (e) is independently developed by the Receiving Party without reference to information disclosed by the other party.

## 8. ENFORCEMENT OF AGREEMENT

- 8.1 California Law and Venue. This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Orange, State of California, or any other appropriate court in such county, and Contractor covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.
- 8.2 Disputes. In the event of any dispute arising under this Agreement, the injured party shall notify the injuring party in writing of its contentions by submitting a claim therefor. The injured party shall continue performing its obligations hereunder so long as the injuring party cures any default within ten (10) days after service of the notice, or if the cure of the default is commenced within ten (10) days after service of said notice and is cured within a reasonable time after commencement; provided that if the default is an immediate danger to the health, safety and general welfare, the City may take immediate action under Section 8.6 of this Agreement, including termination of this Agreement. Compliance with the provisions of this Section shall be a condition precedent to any legal action, and such compliance shall not be a waiver of any party's right to take legal action in the event that the dispute is not cured.
- 8.3 Waiver. No delay or omission in the exercise of any right or remedy of a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. No consent or approval of the City shall be deemed to waive or render unnecessary the City's consent to or approval of any subsequent act of Contractor. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.
- 8.4 Rights and Remedies are Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.
- 8.5 Legal Action. In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain injunctive relief, a declaratory judgment or any other remedy consistent with the purposes of this Agreement.
- 8.6 Termination Prior to Expiration of Term.

- 8.6.1 By City. The City reserves the right to terminate this Agreement at any time, *with or without cause*, upon thirty (30) days written notice to Contractor, except that where termination is due to the fault of the Contractor and constitutes an immediate danger to health, safety and general welfare, the period of notice shall be such shorter time as may be appropriate in the sole discretion of the City, which may include an immediate termination. Upon receipt of a notice of termination from the City, Contractor shall immediately cease all Services hereunder except such as may be specifically approved by the Contract Officer, or if necessary to maintain the health, safety and general welfare of its guests. Contractor shall be entitled to compensation for all Services rendered prior to receipt of the notice of termination and for any Services authorized by the Contract Officer thereafter.
- 8.6.2 By Contractor. The Parties acknowledge that the City has a critical need and urgent legal obligation to establish a temporary emergency homeless shelter, and any early termination of this Agreement by Contractor may subject the City to potential legal and civil penalties, and thus in order to allow sufficient time for the City to search for a new service provider for the Services and enter into and approve another service agreement, the Contractor may only terminate this Agreement upon at least ninety (90) days advance written notice to the City, with or without cause
- 8.7 Termination for Default of Contractor. If termination is due to the failure of the Contractor to fulfill its obligations under this Agreement, the City may take over the work and prosecute the same to completion by contracting another party, and the Contractor shall be liable to the extent that the total cost for completion of the Services required hereunder exceeds the Contractor Fee herein stipulated, provided that the City shall use reasonable efforts to mitigate damages, and the City may withhold any payments to the Contractor for the purpose of set-off or partial payment of the amounts owed by the City.
- 8.8 Attorneys Fees. If a party to this Agreement commences an action against the other party arising out of or in connection with this Agreement or its subject matter, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs of suit from the non-prevailing party.
- 8.9 Audit Rights. Contractor shall provide fiscal records to the City for the purpose of verifying that the Contractor's use of funding provided by the City complies with this Agreement. Contractor shall keep records and invoices in connection with the work to be performed under this Agreement. Contractor shall maintain complete and accurate records with respect to the costs incurred in relation to the TTES and any services, expenditures, and disbursements relating to the TTES for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Contractor under this Agreement. All such records and invoices shall be clearly identifiable. Contractor shall allow a representative of the City to

examine, audit, and make transcripts or copies of such records, and any other documents created pursuant to this Agreement, during regular business hours, upon reasonable request by the City. Contractor shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment of Contractor under this Agreement.

**9. CITY OFFICERS AND EMPLOYEES; NON-DISCRIMINATION**

- 9.1 Non-Liability of City Officers and Employees. No officer or employee of the City shall be personally liable to the Contractor, or any successor-in-interest, in the event of any default or breach by the City or for any amount which may become due to the Contractor or its successor, or for breach of any obligation of the terms of this Agreement.
- 9.2 Covenant Against Discrimination. Contractor covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination or segregation in the performance of or in connection with this Agreement regarding any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry. The TTES shall be operated on a non-religious basis and in full compliance with all applicable federal and state non-discrimination laws, including, but not limited to, California Government Code section 11135, and Contractor agrees that it shall not expend funds or operate the TTES in violation of the Establishment Clause of the United States Constitution, and/or any similar provision of California law, including, but not limited to, Article XVI, section 5, of the California Constitution. Contractor shall take affirmative action to ensure that guests, applicants, and employees are treated without regard to their race, color, creed, religion, sex, marital status, national origin, or ancestry.

**10. MISCELLANEOUS PROVISIONS**

- 10.1 Notice. Any notice, demand, request, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by pre-paid, first-class mail to the address set forth below. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated forty-eight (48) hours from the time of mailing if mailed as provided in this Section.

To City:

CITY OF TUSTIN  
300 Centennial Way  
Tustin, CA 92780  
Attention: Jeffrey C. Parker



To Contractor:

Temporary Shelter, Inc.  
Attn: Dr. James E Palmer III  
1 Hope Drive  
Tustin, CA 92782-0221

- 10.2 Integrated Agreement. This Agreement contains all of the agreements of the parties and cannot be amended or modified except by written agreement. The parties agree that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party or anyone purporting to be acting on behalf of any party, which are not embodied herein.
- 10.3 Amendment. This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing. The parties agree that any terms or conditions of any purchase order or other instrument that are inconsistent with, or in addition to, the terms and conditions of this Agreement, shall not bind or obligate Contractor or City.
- 10.4 Severability. In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement, which shall be interpreted to carry out the intent of the parties hereunder.
- 10.5 No Third-Party Beneficiaries. Execution of this Agreement is not intended to create or confirm any third-party beneficiary rights in or create any liability on the part of either the City or Contractor to any third parties.
- 10.6 Independent Contractor. The performance of the parties' obligations under this Agreement shall be in the capacity of an independent contractor and not as an officer, agent, or employee of the other party. In consideration for the reimbursement paid to Contractor by the City, Contractor acknowledges and agrees that the City shall not be liable or responsible for any benefits, including, but not limited to, worker's compensation, disability, retirement, life, unemployment, health, or any other benefits, and Contractor agrees that it shall not sue or file a claim, petition, or application therefore against the City or any of its officers, employees, agents, representatives or sureties.
- 10.7 Survival of Obligations. All obligations of Contractor hereunder not fully performed as of the expiration or earlier termination of the Term of this Agreement shall survive the expiration or earlier termination of this Agreement, including without limitation, all obligations concerning the condition of the Property.
- 10.8 Further Acts. Contractor agrees to perform any further acts and to execute and



IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates stated below.

"City"

Dated: \_\_\_\_\_

CITY OF TUSTIN, a municipal corporation

By: \_\_\_\_\_

Jeffrey C. Parker  
City Manager

Dated: \_\_\_\_\_

TUSTIN HOUSING AUTHORITY, a California  
Housing Authority

By: \_\_\_\_\_

Jeffrey C. Parker  
Executive Director

APPROVED AS TO FORM:

\_\_\_\_\_  
David E. Kendig,  
City Attorney

"Contractor"

TEMPORARY SHELTER INC.,  
a California corporation

By: \_\_\_\_\_

Dr. James E Palmer III  
President & CEO

**EXHIBIT "A"**

**PROPOSAL**

**[SCOPE OF SERVICES; SAMPLE DAILY SCHEDULE; and PROPOSED BUDGET]**

## **EXHIBIT "A"**

(Scope of Services, Sample Schedule, Operating Budget)

### **Mission of the Tustin Temporary Emergency Shelter**

The Mission of the Tustin Temporary Emergency Shelter (TTES) is to divert homeless men, women, and families from the streets of Tustin into safe and sanitary shelter.

TTES will use a reservation-based referral model that will be coordinated by the Tustin Outreach Coordinator in partnership with Tustin Police Department and their third-party stakeholders. This approach will allow for a preference focused occupancy strategy.

TTES will operate as a first step opportunity with a high priority on moving its guests forward. This will be accomplished by providing pathways and interventions that lead to ending their homelessness. These successful pathways and interventions include:

1. **Transition to permanent housing:**
  - a. Referral to section 8 certificate
  - b. Referral to VASH or Tustin Veterans Outpost
  - c. Referral to OC Housing Trust Communities
  
2. **Transition to a higher level of care:**
  - a. Referral to County Mental Health Program
  - b. Referral to Re-cooperative Care Program
  - c. Referral to Chemical Detox Program
  - d. Referral to Village of Hope / Orange County Rescue Mission
  - e. Referral to Transitional Housing Program
  
3. **Transition back to family members:**
  - a. Family re-unification
  - b. Transportation assistance to return home

### **Security, Safety, Patrol, and Police Officers**

TTES will have a minimum of one state licensed security guard at the front desk 24/7 controlling all who enter and exit the TTES. In addition, one state licensed security guard 24/7 patrolling the inside and outside of TTES and the adjoining community.

The Tustin Police Department will be assigning and co-locating its fulltime Homeless Liaison Police Officer to the TTES.

### **High Definition Video Surveillance Security Cameras**

TTES will deploy high definition video surveillance security cameras that will be monitored by a security guard and accessible to onsite Tustin Police Department personnel.

### **Safety Searches**

TTES will search all guests every time they enter the facility along with unannounced searches of property within TTES. TTES will not permit guest to bring weapons, illegal controlled substances, or un-approved medication onto the property. These searches will include use of drug and weapons detection K9s.

### **Access Control**

TTES will monitor all entries and exits through doors and gates using audible alarms and digital door access control from the front desk 24/7.

### **Safety Hotline**

TTES will provide a hotline phone number that is monitored 24/7 for community members to call with concerns or suggestions.

### **Staffing Approach**

Professional staff will be onsite 24 hours a day, 7 days a week, 365 days a year. This will include a state licensed security guard at the front desk controlling access to all staff, volunteers, and guests, and a state licensed security guard patrolling the inside and outside of TTES and the adjoining community. In addition, a shift system will be deployed that provides a Care Coordinator on at all times along with a program director, site supervisor, and a lead care coordinator who will facilitate housing navigation.

### **Access & Occupancy of TTES**

TTES will not allow access to the facility to those homeless who have an open felony warrant(s) and/or have the status of a registered sex offender.

TTES will not allow walk-up admissions to the facility. TTES will use a reservation-based referral model that will be coordinated by the Tustin Outreach Coordinator in partnership with the Tustin Police Department and their third-party stakeholders. This approach will allow for a preference focused occupancy strategy.

TTES shall accommodate fifty (50) guests while providing access to a range of programs and supportive services. Guests will be admitted with minimal, "low-threshold" requirements so that chronic and vulnerable homeless people in the City of Tustin can easily enter and remain in shelter until they can find permanent housing or a higher level of care. Those accessing the TTES will be limited to homeless single men, single women, couples, and families with children living on the streets from the City of Tustin.

### **Guest Operations**

There is no set minimum or maximum length of stay. Each guest will work with a Care Coordinator supporting their progress toward life stabilization. TTES is designed only to provide short-term support until a housing option or a bed for a different level of care becomes available.

### **Guest Meals**

Breakfast, lunch (for those participating in day programs), and dinner will be provided for all guests in a central dining area. The community will be encouraged to participate in food acquisition and volunteering to assist at meal times.

### **Guest Hygiene Facilities**

Guest hygiene facilities will be provided on-site including toilets and showers. Guests will be encouraged to utilize these facilities as daily resources to them. Toiletries will be provided to guests as needed. Laundry services will be handled on-site.

### **Guest Transportation**

No walk-ups will receive shelter access. New guests and returning guests will receive direct transportation to and from the shelter daily using OCTA and/or shuttle services provided by the City of Tustin, or their own vehicle.

### **Guest Storage**

Guests will have access to personal storage space. Each guest bed will have two storage drawers for personal items. Additionally, they will have access to an external locker. No weapons, illegal substances, or dangerous items can be stored at TTES. Sharp tools like a box cutter or knife used for employment can be stored with the security guard at the front desk.

### **Guest Daytime Program Activities**

As a 24-hour shelter program, TTES will encourage all guests to stay on-site during the day and to take advantage of the on-site services provided to them during the daytime. TTES will recruit and manage a group of partner agencies specialized in providing an array of supportive services beneficial to the guests. TTES guests seeking to leave the shelter during the day will follow procedures developed by the TTES and the City.

### **Guest Exit Procedures**

When a guest is asked to exit due to violation of shelter expectations, violence, or criminal activity, security will escort the person off the property and those exited will be provided transportation to a self-directed location out of the surrounding area.

### **Guest Grievance Procedure**

A guest can file a grievance to dispute an action or inaction to address any guest, staff, or volunteer conflict within 48 hours. All grievances need to be documented on a "Grievance Form" and turned into the front desk. Grievances should include the names of all parties involved, a detailed account of the nature of the problem and requested action to be taken. Staff will make every effort to conduct an investigation and make a decision within 10 days.



### **Sample Daily Schedule**

**6:30 AM:** Wake-up and shower schedule begins

**7:30 AM:** Breakfast Time

**8:00 AM:** Clean-Up

**9:00 AM:** Services begin, community room and computer room open,  
housing and employment navigation, 12-step group

**11:00 AM:** Orientation, tours, referrals to higher levels of care

**12:00 PM:** Lunch Time

**1:00 PM:** Housing and employment navigation appointments,  
arts and craft therapy as available

**3:00 PM:** New guest registration, orientation, showers and clothing provision

**5:00 PM:** Current guests required to check-in for the night.

**6:00 PM:** Dinner Time

**7:00 PM:** Evening activities including smoking cessation classes,  
art classes and game or movie

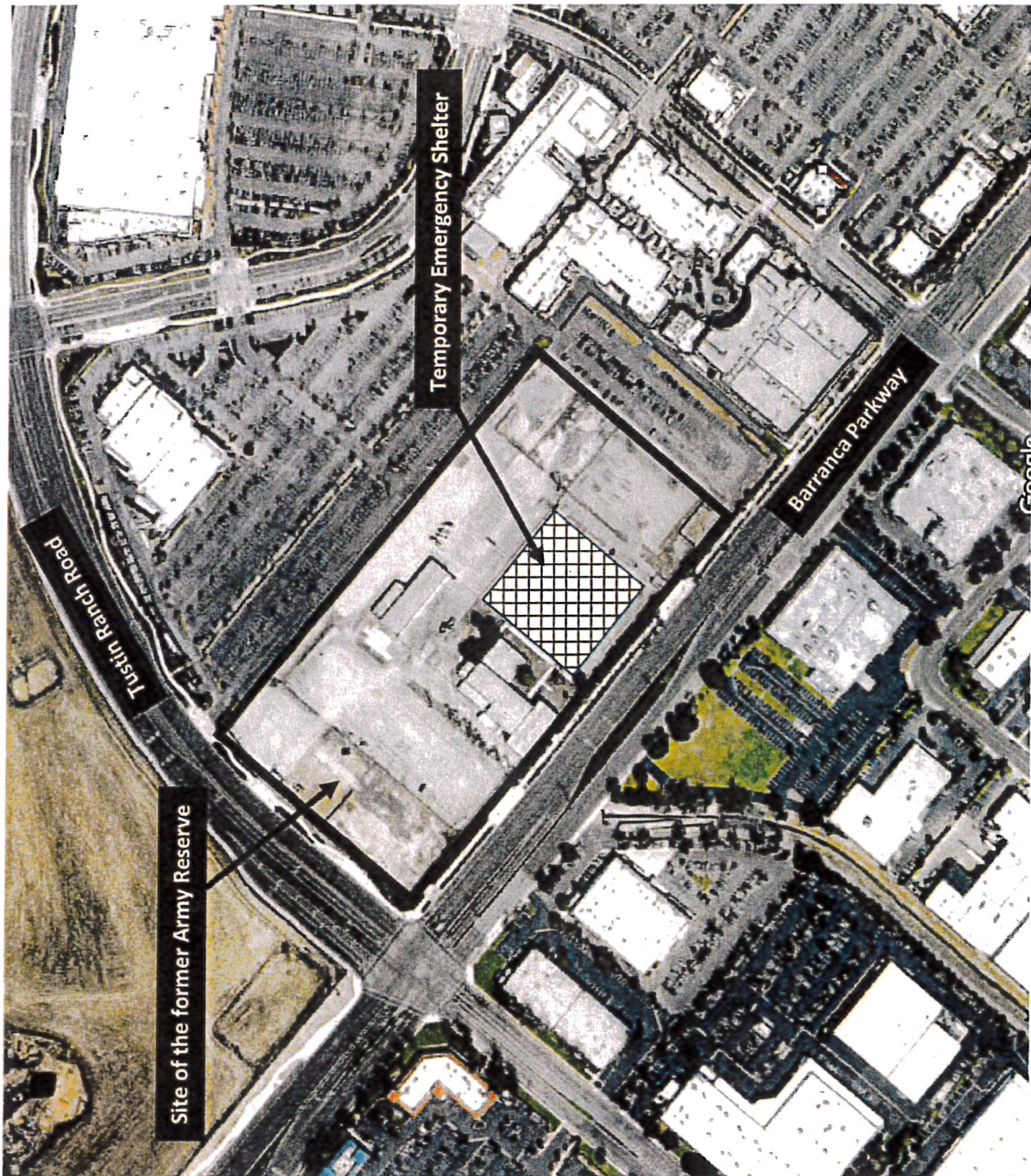
**8:30 PM:** Laundry bags must be turned in

**9:00 PM:** Lights out

## Proposed Budget

	City of Tustin	Temporary Shelter Inc.	Total
<b>Administrative Salaries/Professional Services</b>			
Shared Services (Management, Administration, Accounting, HR)		\$ 120,000	\$ 120,000
Liability Insurance	\$ 5,000		\$ 5,000
Financial Audit	\$ 4,000		\$ 4,000
Information Technology User Support	\$ 3,060		\$ 3,060
Office supplies, postage, printing, phones	\$ 4,000		\$ 4,000
	<b>Sub Total:</b>	\$ 120,000	\$ 136,060
<b>Shelter Supervision &amp; Safety</b>			
Program, Outreach, and Security Management Staffing		\$ 100,000	\$ 100,000
Shelter Supervisor & Lead Coordinator	\$ 139,082		
Care Coordinators (3.9 FTE's)	\$ 200,712		\$ 200,712
Contracted Shelter Security (2 Personnel on 24/7/365)	\$ 389,664		
	<b>Sub Total:</b>	\$ 100,000	\$ 823,457
<b>Operations and Program Expenses</b>			
Janitorial Service	\$ 82,500		\$ 82,500
Meals, Snacks and Beverages (at \$1.48 per meal)		\$ 81,030	\$ 81,030
Paper and Plastic Goods for meals	\$ 18,615		\$ 18,615
Pet Supplies and Equipment	\$ 7,000		\$ 7,000
Laundry, Toiletry, Trash bags, Non-Janitorial supplies	\$ 16,050	\$ 3,200	\$ 19,250
Linens, bedsheets, pillow cases, mattress covers	\$ 7,780		\$ 7,780
OCTA Passes (5 a day x 365)	\$ 8,213		\$ 8,213
OCRM Services (Medical, Dental, Behavior Health, Legal, etc.)		\$ 181,183	\$ 181,183
	<b>Sub Total:</b>	\$ 265,413	\$ 405,550
	<b>Annual Budget Total:</b>	\$ 485,413	\$ 1,365,067
<b>One-time Start-Up Costs</b>			
Program Development & Implementation	\$ 24,000		\$ 24,000
Staff Recruitment (9 staff)	\$ 10,800		\$ 10,800
Staff Training & Onboarding (9 staff)	\$ 6,100		\$ 6,100
Staff Salaries (30 days)	\$ 80,288	\$ 8,333	\$ 88,621
MT Data Base Implementation and Training	\$ 5,500		\$ 5,500
	<b>One-Time Start-Up Costs:</b>	\$ 8,333	\$ 115,021

**EXHIBIT "B"**  
**PROPERTY SITE PLAN**



# Attachment 4

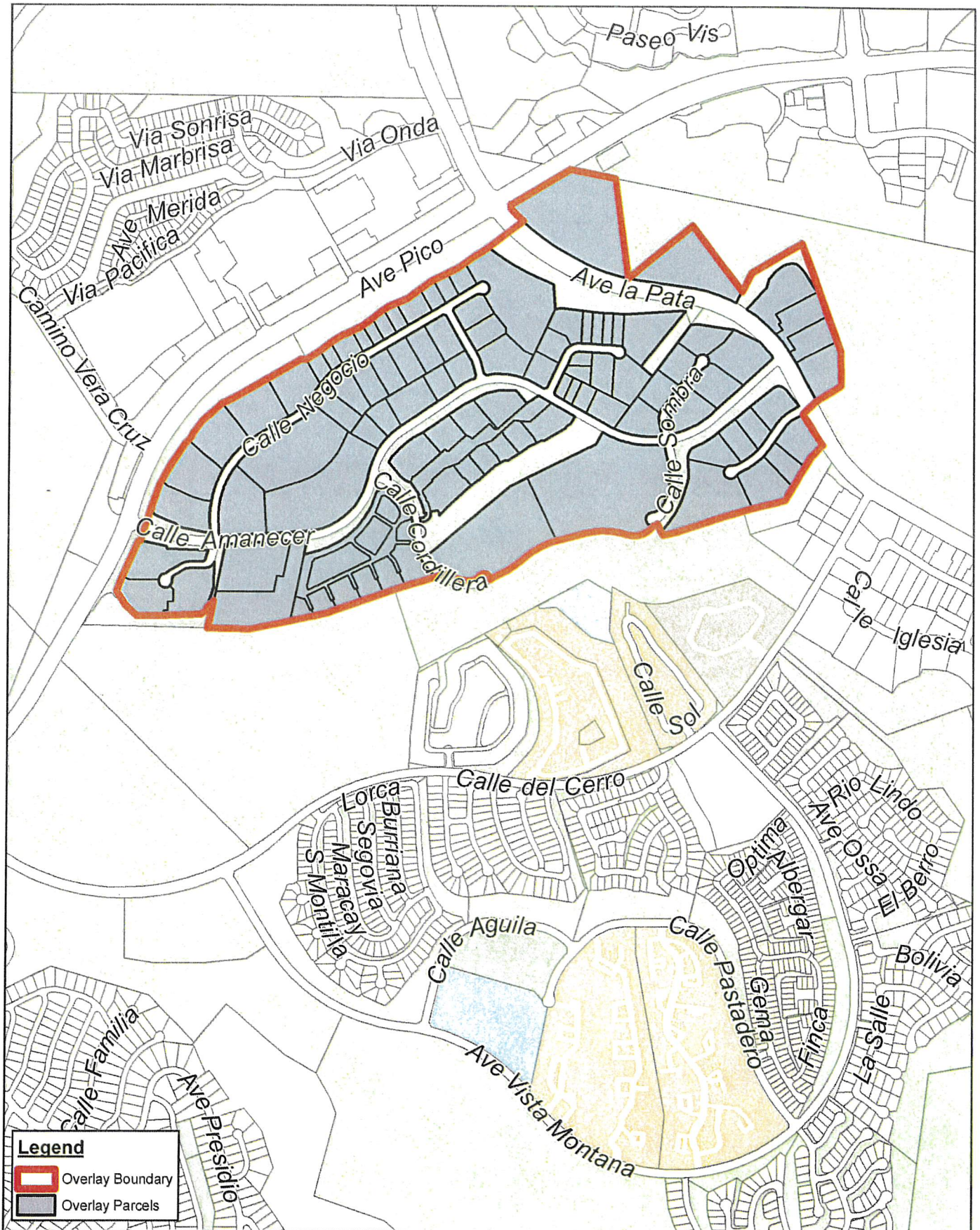


Figure A - Rancho San Clemente Business Park  
Section 17.56.100, Emergency Shelter Overlay (ES)