



Council Agenda Report

From: Angelica Fortin, Community Services

Subject: Fourth Quarter Report: El Camino Homeless Organization (ECHO) Memorandum of Understanding

CEQA Determination: The City finds that this action is not a project under the California Environmental Quality Act pursuant to State Guidelines Section State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378.

Date: October 3, 2023

Facts

1. On February 16, 2022, the City received a request from ECHO, 1134 Black Oak Drive, for a one-time grant of \$444,000 "to cover the staffing costs that are not paid for by other funders for FY 2022-23."
2. On [March 15, 2022](#), City Council considered ECHO's funding request and directed the formation of an ad hoc committee to review the request and to make recommendations to modify ECHO's existing MOU with the City.
3. Throughout the month of April 2022, then Councilmember, and now Mayor, John Hamon and Councilmember Steve Gregory participated in three public ad hoc committee meetings to review ECHO's funding request.
4. On [May 17, 2022](#), the ECHO Ad Hoc Committee reported its findings to City Council; Council directed staff to incorporate the findings into a revised MOU that would fund ECHO a total of \$444,000 over the City's two-year budget cycle for Fiscal Year (FY) 2022-2023 and FY 2023-2024.
5. On [August 16, 2022](#), City Council approved the revised MOU with ECHO which required ECHO to form a Community Stakeholder Committee (CSC) and to provide quarterly accounting and statistical reports to the City prior to the funds being issued. Payments will be made on a quarterly basis, not to exceed \$222,000 per fiscal year or \$444,000 in total in FY 2022-23 and FY 2023-24.
6. The City Council has received three quarterly reports and approved the disbursement of three quarterly payments to date.
7. In August 2023, ECHO completed its fourth quarter under the revised MOU.

Options

1. Take no action;
2. Receive and file ECHO's fourth quarter report and direct staff to disburse the second payment in the amount of \$55,500;
3. Provide alternative direction to staff.

Analysis and Conclusions

In accordance with the August 16, 2022, MOU between ECHO and the City, ECHO has completed its fourth quarter and has provided the City with the updates, data and financial reports required in the agreement. This has been provided in the form of presentation slides, a profit and loss statement and

submission of a phone log that details activity taking place between June 2023 and August 2023. Using this information, the statuses of the requirements outlined in item 3 of the MOU are summarized in the following table:

Obligation as Outlined in MOU	Fourth Quarter Status
Provide not less than 50 temporary shelter beds for the homeless population, as well as case management services and life-skill classes.	Current emergency shelter beds being offered: 45 90-Day Program Beds; 5 Nightly Shelter Beds. Life skills classes incorporated into case management. <i>Attachment 1, Page 4, 6-7</i>
Establish a pilot program, to run for the duration of this MOU, to mitigate the departure impacts and potential negative activities of guests from the ECHO Paso Robles facility so as not to overwhelm neighboring businesses.	Good Neighbor Program with weekly neighborhood trash pickups. Incorporated messaging into case management, dinner service and nightly guest visits. <i>Attachment 1, Page 11</i>
Offer programs at the Paso Robles facility at least 4-hours per day Monday through Friday, during daytime hours, to engage clients in productive activities that support the facility and encourage positive client behavior and neighbor interactions.	Weekly, bi-weekly, and monthly activities offered. Lending library established. Weekly neighborhood trash pickups. Daytime programs available 8-5 pm. <i>Attachment 1, Page 7-9</i>
Provide detailed quarterly financial and expense reports to the City for the Paso Robles facility.	Received. <i>Attachment 2</i>
Provide quarterly operations reports, including but not limited to the number of clients receiving meals, nightly shelter, laundry and shower services, direct aid expenses, all professional services such as mental health referrals, case management services, permanent housing placement, and number of unsheltered homeless.	Laundry service Monday and Tuesday: 9 am to 5 pm <i>Attachment 1, Page 4, 6, and 9</i> <i>Attachment 2</i>
Form a Community Stakeholder Committee (CSC) to include local business owners, Paso Robles Police Department staff, Paso Robles Emergency Services staff, ECHO staff, and City Council liaisons. Meet quarterly.	City Council Liaisons: Mayor John Hamon and Councilman Steve Gregory. Meeting 1: September 27, 2022 Meeting 2: January 26, 2023 Meeting 3: July 27, 2023 <i>Attachment 1, Page 11</i>
Make available to stakeholders a 24-hour telephone line for reporting of urgent issues that may arise between quarterly meetings. Calls to said line shall be responded to within sixty (60) minutes. All calls are to be logged as to issue and resolution and logs shall be included in quarterly reports.	Phone Line Established: Call log reflected no calls received during the first quarter. <i>Attachment 3</i>
Communicate with clients daily about proper community behavior; specifically addressing	Incorporated into case management, dinner service and nightly guest visits.

potential negative behaviors impacting neighboring businesses.	
Document continued efforts to increase the frequency of visits and number of onsite mental health counselors. Progress in this area shall be included in quarterly reports to the City.	In progress. Actively working with partner agencies to offer additional opportunities.
Maintain its agreement with HASLO for ownership and operation of temporary housing.	Agreement in place and in good standing.
Subject to all applicable laws and consistent with the requirements for funding sources used for development and operations of the Project, ECHO shall give a preference in the occupancy of the temporary units in the Project to eligible households who live or work in the City of Paso Robles, to the extent allowed by law.	Approximately 85% of occupants live or work in Paso Robles.
ECHO shall seek all relevant grants and funding opportunities in support of ECHO Paso Robles, documenting these efforts and all funding streams in quarterly reports to the City.	Grant information included in financial report. <i>Attachment 2</i>

ECHO's financial report provides expenditures and revenue streams for the ECHO Paso Robles location. Program expenses include direct aid which consists of costs for items that are provided directly to clients such as clothing in preparation for interviews, shoes or sleeping bags. Expenses for client gas and bus tickets were detailed in a separate line item. Revenue streams include funds received through fundraising events, community donations, and grants, specifically; Project Home Key, American Rescue Act Fund (ARPA), Homeless Housing, Assistance, and Prevention Grant (HHAP), State and Federal Emergency Solutions Grants (ESG), and the Permanent and Local Housing Allocation (PLHA).

At the July 18, 2023 City Council Meeting, City Council requested ECHO provide additional information regarding outreach to surrounding businesses and service to individuals that have stayed in an encampment in the Salinas Riverbed. In response to this request, ECHO provided the attached Fourth Quarter Stakeholder Outreach Log which includes the name of several businesses that were invited to the July 27th Community Stakeholder Committee meeting held at ECHO Paso Robles. In all, 23 businesses were invited to the meeting with only one participating. In August, ECHO began collecting client data regarding the Salinas Riverbed and was able to report that 51.4% of clients utilizing their services have stayed in a Salinas Riverbed encampment.

In the last quarter, ECHO began transitioning the Paso Robles facility to a 90-day shelter program, similar to the service model at the ECHO Atascadero location, with 45 of the 50 shelter beds available at the Paso Robles location assigned to the 90-day program. Because the transition to an exclusively a 90-day program considerably changes the shelter options within the North County and has the potential to impact how the City's Community Action Team can engage with and compel homeless individuals to seek nightly shelter services, City Council reconvened the Homelessness Ad Hoc Committee to discuss the matter. The Ad Hoc Committee, led by Mayor John Hamon and Councilman Steve Gregory, met on August 1st and will meet again to determine if any updates or clarifications will need to be made to the MOU in consideration of the change in service model.

Fiscal Impact

City Council approved funding for this disbursement on August 16, 2022 contingent upon ECHO meeting the requirements of the revised MOU. There are no additional impacts associated with directing staff to disburse the second quarterly payment.

CEQA

The City finds that this action, to issue grant funding for ECHO Paso Robles, is not a project under the California Environmental Quality Act pursuant to State Guidelines Section State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378, because it has no potential to result in either a direct, or reasonably foreseeable indirect, physical change in the environment.

Recommendation (Option 2)

Receive and file ECHO's fourth quarter report and direct staff to disburse funds in the amount of \$55,500.

Attachments

1. ECHO Fourth Quarter Report Presentation
2. ECHO Fourth Quarter Financial Report
3. ECHO Fourth Quarter Phone Log
4. ECHO Fourth Quarter Stakeholders Outreach Log