



Council Agenda Report

From: Angelica Fortin, Community Services Department Director

Subject: Encampment Resolution Funding Grant Application

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(b)(4).

Date: April 4, 2023

Facts

1. [City Council Adopted Goals and Strategic Priorities](#) includes Housing and Homelessness as one of six goal areas of prioritization during the FY 22-23 and 23-24 budget cycle. Enhancing emergency sheltering services and reducing the number of unsheltered individuals using collaborative strategies were included as objectives to addressing the goal area.
2. On [August 9, 2022](#), the San Luis Obispo County Board of Supervisors approved a 5-Year Countywide Plan to Address Homelessness with the goal of decreasing homelessness in the region by 50 percent.
3. In January of 2023, the County of San Luis Obispo Homeless Services Division requested the City's collaboration and support in applying for the [Second Round of the Encampment Resolution Funding Program \(ERF-2-R\)](#) provided through the California Interagency Council on Homelessness.
4. Up to \$237,301,738 are available for award through the ERF-2-R program on a rolling basis until June 30, 2023, or until funds are exhausted, for the purpose of resolving critical encampment concerns. Funding can only be used for programs that connect people experiencing homelessness in encampments to interim shelter with clear pathways to permanent housing.
5. The Salinas Riverbed encampments within the City of Paso Robles have been identified as prioritized encampments due to ongoing safety concerns and the County is seeking to apply for ERF-2-R funding to establish a temporary supportive housing campus modeled after the [5 Cities Homeless Coalition's Grover Beach Cabins-for-Change](#) program in Paso Robles to provide directed services to riverbed encampment populations.
6. The County is proposing to be the lead agency in writing, submitting, and administering the ERF-2-R grant application and is requesting that the City assist with development of the program, identification and provision of a suitable location for the campus, and securing of local permits for site development.
7. The County intends to apply for \$6.5 million to fund the project through June of 2026 and will seek additional funding to maintain operations through December of 2026.

Options

1. Take no action;
2. Authorize the City Manager to provide a letter of support for the submittal of the ERF-2-R grant to the County of San Luis Obispo and direct staff to return to City Council with a plan for implementation if the grant is approved.
3. Provide alternative direction to staff.

Analysis and Conclusions

In 2022, the City of Paso Robles and the County of San Luis Obispo prioritized services to the unhoused through the collection of community feedback, goal setting, and strategic planning. In particular, the community, Emergency Services, and Police have identified the Salinas Riverbed encampments as a critical

safety concern. Safety issues in the riverbed include continuous fire activity due to cooking and warming fires, sanitation issues that compromise the security of one of our region's major water sources, and the threat to life due to severe flooding during heavy rain. The County has identified the ERF-2-R funding program as an opportunity to address concerns caused by the Salinas Riverbed encampments and has requested City support in moving forward with a grant application.

ERF-2-R funding is intended to resolve critical encampment concerns and to transition unhoused individuals into safe and stable housing. Awards will be prioritized for applications that demonstrate collaboration while protecting the health and well-being of individuals living in encampments. The first round of funding featured one disbursement totaling \$48 million to 19 jurisdictions. The second round, now open for applications, features up to \$237,301,738 million that are available on a rolling basis through June 30, 2023, or until funds are exhausted, whichever is sooner.

With support from the City of Paso Robles, the County proposes to apply for ERF-2-R funding for the purpose of operating a temporary supportive housing campus in the City of Paso Robles to directly serve the Salinas Riverbed encampment population. This campus would be modeled after the federally funded 5 Cities Homeless Coalition's Cabins for Change program, that opened in December of 2022 in Grover Beach. The 90-day temporary supportive housing model operates a closed campus 24-hours a day and features 20 supportive housing units, communal restrooms and bathing facilities, a shared dining hall, a dog wash, assigned storage space, a staff-operations building and two case worker offices. The units are just over 100 sq ft in size and come equipped with heating and air conditioning ([Pallet Shelter](#)). To move forward with this model, a temporary County ordinance was approved to establish minimum safety standards for any subject emergency housing facility located on County owned or leased public facilities. Located on County property, the campus is adjacent to the County Public Health Clinic and Drug and Alcohol Services.

A successful grant in Paso Robles will allow the County to work with City staff to customize a similar County administered model within City limits on City-owned property. The grant will fund a dedicated Paso Robles Salinas Riverbed Encampment Project Manager for the duration of the grant period and a dedicated service provider to manage riverbed outreach and onsite operations. On-site wrap around services will be prioritized as well as a closed campus location that is within walking distance to additional critical services. In consideration of the extreme temperatures in Paso Robles, an alternative housing structure with a higher insulation rating, such as [LIFEARK](#) or [BOSS Cubez](#) will also be considered. A full de-mobilization plan will be built into the grant application to ensure the selected site is restored if the program is unsuccessful.

City staff has identified the underutilized site at 624 Pine Street (South Train Station Parking Lot) as a highly suitable location. The paved location can be quickly modified to accommodate 15-20 units with a private and unobtrusive sightline. The city-owned property is within walking distance of transportation, City services and County Behavioral, Public Health and Social Services.

Fiscal Impact

The County will write and submit the ERF-2-R grant application. There is no fiscal impact associated with providing a letter of support. The County intends to apply for \$6.5 million to fund the project through June of 2026 and will seek additional funding to maintain operations through December of 2026. If the grant is awarded, staff will return to City Council with a full operational plan that will include details regarding services and options for designation of City owned property and development fees. City funds will not be expended for capital or operating costs.

CEQA

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. If a grant is awarded CEQA will be analyzed at that time. Currently there are insufficient facts to complete an analysis.

Recommendation

Authorize the City Manager to provide a letter of support for the submittal of the ERF-2-R grant to the County of San Luis Obispo and direct staff to return to City Council with a plan for implementation if the grant is approved.

Attachments

1. Encampment Resolution Funding Grant Presentation