



Staff Report

File #: 20-445

Version: 1

Date: 11/9/2020

Item #:

TO: Mayor and City Council
THROUGH: Steve Powers, City Manager
FROM: Robert Barron, Chief Financial Officer

SUBJECT:

FY 2021 Supplemental Budget 2 for additional expenses related to mitigating the impact of the COVID-19 pandemic.

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Result Area(s): Good Governance; Welcoming and Livable Community; Strong and Diverse Economy.

ISSUE:

Shall the City Council adopt Resolution No. 2020-47 appropriating \$1,418,220 in the General Fund Non-Departmental and Parks Operations budgets for various expenses related to mitigating the impacts of the COVID-19 pandemic in Salem?

RECOMMENDATION:

Adopt Resolution No. 2020-47 appropriating \$1,418,220 in the General Fund Non-Departmental and Parks Operations budgets for various expenses related to mitigating the impacts of the COVID-19 pandemic in Salem.

SUMMARY:

The COVID-19 pandemic has adversely impacted Salem's unsheltered and business communities. Resolution No. 2020-47 provides \$1,218,200 of funding for programs to assist unsheltered residents and \$200,000 of funding for a Weather Protection Grant program for the business community. This funding request addresses the program needs for the remainder of FY 2020-21 only.

The unsheltered programs focus on shelter, maintenance of the areas occupied by unsheltered individuals along with funding to respond quickly to opportunities to serve this community. The Weather Protection Grant will aid businesses in addressing social distancing requirements of its employees and patrons, particularly during the winter months.

FACTS AND FINDINGS:

ORS 294.471(1)(b) provides for the adoption of a supplemental budget when a pressing necessity that could not reasonably be foreseen when preparing the original budget and that requires prompt action.

Supplemental Budget 2 (SB 2) for FY 2021 includes recommended expenditure appropriation to allow for the additional expenses related to the unsheltered in Salem and the Weather Protection Grant program. Adoption of Resolution No. 2020-47 (attachment 1) will provide the necessary budget authority.

This supplemental budget recognizes additional working capital, or fund balance, that was carried over from FY 2020. This working capital was a result of the difference from the year end estimates at the time that the budget was developed / adopted and the actual activity when the fiscal year closed.

In addition, funding received from the federal CARES act will offset City expenditures incurred as a result of the COVID pandemic.

BACKGROUND:

Sheltering Options - \$733,780

The City is exploring options for sheltering locations. Should workable sites be located, the City could enter into an agreement with nonprofit(s) for the management of a site(s) through June 2021. If a location and / or operator cannot be secured the funding would not be used.

Parks Mitigation - \$180,900

Wallace Marine Park and Cascades Gateway Park are being used as shelter locations during the pandemic. Resolution No. 2020-47 adds \$180,900 for Parks Operations budget including:

- \$23,000 - Waterline installation for additional potable water.
- \$67,000 - Additional equipment purchases to maintain inaccessible areas.
- \$84,600 - Additional portable restrooms and handwashing stations.
- \$6,300 - Additional garbage services.

Opportunity Funds - \$120,000

This is an emerging area of community priority. Innovation will be important and the ability to act quickly will be needed. These opportunity funds are sought to address any additional issues or opportunities related to homelessness for the current fiscal year.

Vehicle Camping - \$86,540

Council directed the creation of a pilot vehicle camping program. The program *Safe Park* was implemented in July in partnership with the Salem Leadership Foundation. The additional funding would continue and expand the program through June 2021. The current program serves 64 vehicles and this funding would increase the total to 104 vehicle and approximately 208 persons. Please see attachment 4 for additional information.

Cash for Trash - \$50,000

This pilot program sought to provide incentive and mechanism for keeping personal camp areas clean. Waste management is an important aspect of ensuring the health and sanitation of the camping areas. Nonprofit providers donate outreach time to conduct the program and supplement the incentives provided by the City. Although nicknamed "Cash for Trash," a gift card is provided rather than cash. This additional funding continues the program through June 2021.

Salem Warming Network - \$30,000

Additional site locations are currently being sought to expand the reach of this program. If successful, new partners will receive site stipends to assist with increased costs at the locations, in alignment with what current partners receive. In addition, \$25,000 is needed for site improvements for a warming shelter on Portland Rd. NE.

Towing - \$14,000

The City seeks to ensure the Cascades Gateway and Wallace Marine developed park area and parking lots are available for all park users. Regular enforcement of code related to vehicles is underway. The City identifies inoperable vehicles used as primary residence and needs funding for towing fees to an approved camping location.

Supplies - \$3,000

Stock of weather-proof duct tape, sleeping bags, tents and other supplies to augment resources with the Salem Housing Authority navigator position.

Weather Protection Grant Program - \$200,000

The grant funds are proposed to be used to pay for related City permit fees, tent purchase or rental, tent poles and fasteners, as well as heaters in order to create useable outdoor spaces during the winter. The intent of the program is to allow businesses to continue to operate into the colder months while continuing to promote social distancing. The current program design would allow grants of \$5,000 for smaller businesses (restaurants, bars, and microbreweries) and \$10,000 grants for larger businesses.

Attachments:

1. Resolution No. 2020-47
2. Resolution No. 2020-47, Exhibit A
3. Resolution No. 2020-47, Exhibit B
4. Safe Park Camping Commitments