



## Staff Report

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**TO:** Mayor and City Council

**THROUGH:** Steve Powers, City Manager

**FROM:** Josh Eggleston, Chief Financial Officer AIC

**SUBJECT:**

City's Response to the Unsheltered Emergency

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

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

**SUMMARY:**

The work session will focus on the City's efforts to manage and prevent homelessness, with an emphasis on the budgetary impacts. Included will be the current and proposed micro-shelter village sites, navigation center, clean-up initiatives, and potential new investments.

**ISSUE:**

Update and discussion of City's response to the unsheltered emergency.

**RECOMMENDATION:**

Information and discussion.

**FACTS AND FINDINGS:**

The City has taken aggressive steps in response to the sheltering emergency over the past four years. The January 18 City Council Work Session will focus on the City's response to managing and preventing homelessness. The significant investments made by the City and the Salem Housing Authority to end homelessness can be a topic for a future work session.

Attachment 1 to this report includes a forecast of current sheltering activities as well as potential new

investments. The forecast proposes to expend the \$10.5 million sheltering grant on the current two shelter sites, response services, the non-profit work program, and the project coordinator in the City Manager's Office. With these new investments the ARPA and State sheltering grant would be fully allocated and fully expended by the end of fiscal year (FY) 2024. The State Navigation Center grant would be fully expended by midway through FY 2026.

### *Current Investments*

Navigation Center - The City of Salem Navigation Center was purchased using ARPA funds and the operations will initially be funded with a \$5,000,000 grant from the State of Oregon. There is an estimated \$5,000,000 need to construct tenant improvements to convert the space for its new use. The City has applied for funds from Marion County to fill this need and is also exploring funding options with the State of Oregon.

Shelter Sites - The City currently has two micro shelter sites. One outdoor site at 2640 Portland Road and an indoor / outdoor site at Catholic Community Services.

Safe Park - The continuation of the vehicle camping programs.

Homeless Rental Assistance Program (HRAP) - This program grants funds to the Salem Housing Authority to house unsheltered individuals and transition them to permanent housing.

Salem Warming Network - These are funds to augment the City's warming network as needed.

Clean Up and Other Services - The City currently funds small amounts for towing, vehicle repair, supplies, and \$160,000 biohazard and environmental clean up.

SafeSleep United Expansion - The City Council approved funding for a \$300,000 grant to United Way Safe Sleep to expand their women's shelter capacity by 40.

Homeless Alliance - This contribution to the Mid-Willamette Valley Homeless Alliance will assist with the administrative needs of the Alliance.

### *Potential New Investments*

Response Services - This service includes funding for six full time employees. Four Public Works positions and two police officers. These six employees would replace the current clean up and management that is occurring once a week and provide a 40 hour a week unit to be dispatched as needed. This funding also includes \$100,000 to assist with towing and vehicle removal.

Non-Profit Work Program - Funding for a grant program for a non-profit to hire employees with lived homeless experience to respond and clean up unmanaged homeless areas.

Project Coordinator - Addition of one full time employee to assist the Homeless Liaison in the City Manager's Office to coordinate and manage homeless efforts throughout the City.

Women Sheltering Expansion - A one-time grant to providers able to expand bed capacity for females.

Cascade Gateway Restroom - The unmanaged camping at Cascade Gateway Park caused damage to the restroom at the park and in order to restore the park it needs to be replaced.

### *Funding Sources*

The City currently has four funding sources that it has been accessing to implement unsheltered responses:

1. \$5,000,000 - One-time Navigation Center State Grant. The City received a \$5,000,000 from the State Legislature to operate the City of Salem Navigation Center. These funds are restricted to use for the Navigation Center.
2. \$8,055,390 - One-time American Rescue Plan Act funds. These funds were recommended to be budgeted in the ARPA reserve by the Budget Committee and then allocated by the City Council to homeless response activities.
  - a. \$3,000,000 - Navigation Center building purchase.
  - b. \$500,000 - ARCHES Hotel Acquisition Contribution.
  - c. \$4,555,390 - Various Sheltering Projects
    - i. \$172,830 - Hotel Program Extension
    - ii. \$1,921,460 - Old UGM temporary shelter - not activated, repurposed for indoor sheltering at Catholic Community Services, Safe Sleep grant, Homeless Alliance contribution, and site prep.
    - iii. \$775,000 - Portland Road Operations. Activated through May 2022.
    - iv. \$540,000 - Windows to the West - not activated, site not suitable as shelter site. Some expense incurred prior to activation.
    - v. \$1,146,000 - New site, Catholic Community Services outdoor site.
3. \$10,500,000 - One-time Sheltering State Grant. The City received \$10,500,000 from the State of Oregon Legislature to support the City's sheltering activities. Use of these funds are restricted to sheltering and supporting programs.
4. General Fund - There are several programs that are included in the General Fund budget such as the Homeless Rental Assistance Program (HRAP), Safe Park Program, Salem Warming Network grants, Biohazard Environmental cleanup, and other miscellaneous expenses.

### **BACKGROUND:**

Addressing homelessness is a City strategic priority and identified in the Council Policy Agenda. The City has received \$10,500,000 from the Oregon Legislature for homelessness response and prevention and sheltering in Salem. City Council has budgeted \$8,055,390 of one-time federal

American Rescue Plan Act funds for homelessness response and prevention and sheltering.

Attachment 2 to this report contains online survey feedback to proposed micro shelter locations.

Attachments:

1. Sheltering Forecast
2. Online Survey Feedback on Proposed Micro Shelter Locations