



Legislation Details (With Text)

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Title: Approve a Second Amendment to the Service Agreement with Poverello House to extend the operation of an emergency shelter and professional triage services for unhoused individuals at Clarion Pointe to May 31, 2025, and increase funding by \$1,319,019.24 in Homeless, Housing, Assistance, and Prevention funds (HHAP) for a total program award of \$3,079,107.43.

Sponsors: Planning and Development Department

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Attachments: 1. 24-573 Agreement with Poverello House- HHAP Clarion Pointe, 2. 24-573 Second Amendment to the Agreement with Poverello House - HHAP Clarion Pointe

Date	Ver.	Action By	Action	Result
5/23/2024	1	City Council	APPROVED	Pass

REPORT TO THE CITY COUNCIL

FROM: JENNIFER CLARK, Director
Planning and Development Department

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Planning and Development Department

BY: JOE PASILLAS, Homeless Services Manager
Homeless Service Division

SUBJECT

Approve a Second Amendment to the Service Agreement with Poverello House to extend the operation of an emergency shelter and professional triage services for unhoused individuals at Clarion Pointe to May 31, 2025, and increase funding by \$1,319,019.24 in Homeless, Housing, Assistance, and Prevention funds (HHAP) for a total program award of \$3,079,107.43.

RECOMMENDATION

Staff recommends the City Council approve a second amendment with Poverello House (Poverello) to extend the operation of an emergency shelter and professional triage services for unhoused individuals at Clarion Pointe to May 31, 2025, and increase funding by \$1,319,019.24 in HHAP funds for a total award of \$3,079,107.43.

EXECUTIVE SUMMARY

The City of Fresno (City) has an existing agreement with Poverello to operate and provide homeless services at Clarion Pointe funded with Homeless Housing, Assistance, and Prevention (HHAP) funds. To ensure continued shelter services are provided under this agreement, staff recommends approving the second amendment and using an additional \$1,319,019.24 in HHAP funds to extend the Agreement to May 31, 2025.

BACKGROUND

On February 15, 2023, the Planning and Development Department, Homeless Services Division, released a RFQ for Community-Based Organizations and Developers to submit a Statement of Qualifications to develop and/or operate homeless shelters, and received three statements of qualifications to operate a homeless shelter, all were determined to be qualified and responsive to the RFQ. Poverello is among those determined to be qualified and responsive.

On February 23, 2023, City Council adopted Resolution No. 2023-039 authorizing the department to submit a grant application to Cal ICH for funding under the ERF-2R program for services that resolve the experience of unsheltered homelessness for people residing in encampments and transition individuals into interim shelter with clear pathways to permanent housing.

On April 20, 2023, City Council approved a Purchase and Sale Agreement to acquire the Clarion Pointe, a 115-unit motel, located at 4061 N Blackstone Ave, near the intersection of Ashlan Avenue and Blackstone Ave for a total of \$11,800,000.

On May 11, 2023, City Council approved an agreement with Poverello to operate Clarion Pointe as a 115-bed emergency shelter site for \$2,799,997.48, supported with HHAP funds. At the time this agreement was brought to City Council, Planning and Development department staff informed City Council that the department was awaiting an award announcement from the State of California regarding the City of Fresno's application for ERF-2R grant. If awarded, these funds would supplement HHAP funds and staff would return to City Council in the future to incorporate the award into the funding sources of Clarion Pointe.

On June 14, 2023, the City was awarded \$17,000,000 from the Encampment Resolution Funding Round 2 program to resolve the existing state encampment area in downtown Fresno where unsheltered residents from across the city were continuing to relocate. These funds supported interim shelter and bridge housing services at Clarion Pointe. CAL-ICH informed the City that the ERF-2-R grant will also reimburse funds from the date the City was notified of an award.

On September 28, 2023, as a result of receiving an ERF-2-R award, the City Council approved a First Amendment to the HHAP Agreement with Poverello, reducing the HHAP funding amount to \$1,760,088.19 and reducing the amount of HHAP-supported shelter beds from 115 to 30 at Clarion Pointe. The proposed second amendment to the Agreement in the amount of \$1,319,019.24 reflects the HHAP-supported operations at Clarion Pointe; the balance of the operation is funded by the City's ERF-2-R award. This proposed second amendment, if approved, would enable Poverello to continue operating Clarion Pointe at its current level of service.

In February 2020, the City was awarded HHAP funding in the amount of \$6,158,246.18 from the California Homeless Coordinating and Financing Council to address homelessness, in September 2021 received \$2,911,171 in a second round of HHAP allocations, in January 2023 received a total of \$7,524,257.15 in a third round of HHAP allocations, and on July 21, 2023 received an initial

disbursement of \$5,632,712.55 in a fourth round of HHAP allocations. Health and Safety Code Section 50220.5 (d) allows grantees to use the HHAP funding allocation for operating subsidies in new and existing emergency shelters and for services coordination for homeless populations.

ENVIRONMENTAL FINDINGS

This item is not a project as defined by Section 15378 of the California Environmental Quality Act.

LOCAL PREFERENCE

Local preference is not applicable because of the use of State funds.

FISCAL IMPACT

The agreement will be funded through the City's allocation of HHAP funds from the State.

Attachments:

Agreement with Poverello House - HHAP Clarion Pointe

Second Amendment to the Agreement with Poverello House-HHAP Clarion Pointe