



Legislation Details (With Text)

File #: ID 26-251 **Version:** 1 **Name:**
Type: Action Item **Status:** Passed
File created: 2/19/2026 **In control:** City Council
On agenda: 4/9/2026 **Final action:** 4/9/2026

Title: Approve the First Amendment to the Service Agreement with Elevate Community Services (Elevate) for the continued operation of emergency shelter services at Parkway Inn, located at 959 N Parkway Drive (APN 449-324-11) by providing 62 emergency shelter beds for individuals experiencing homelessness. The amended agreement term is from July 1, 2026, through June 30, 2027, for an amount not to exceed \$1,550,000 under the Homeless Housing, Assistance, and Prevention (HHAP) program (City Council District 3) (Bid File No. 12500851)

Sponsors: Planning and Development Department

Indexes:

Code sections:

Attachments: 1. 26-251 First Amendment to Service Agreement with Elevate (including original agreement)

Date	Ver.	Action By	Action	Result
4/9/2026	1	City Council	APPROVED	Pass

REPORT TO THE CITY COUNCIL

FROM: JENNIFER CLARK, Director
Planning and Development Department

PHIL SKEI, Assistant Director
Planning and Development Department

BY: IEN XIONG, Senior Management Analyst
Homeless Services Division

SUBJECT

Approve the First Amendment to the Service Agreement with Elevate Community Services (Elevate) for the continued operation of emergency shelter services at Parkway Inn, located at 959 N Parkway Drive (APN 449-324-11) by providing 62 emergency shelter beds for individuals experiencing homelessness. The amended agreement term is from July 1, 2026, through June 30, 2027, for an amount not to exceed \$1,550,000 under the Homeless Housing, Assistance, and Prevention (HHAP) program (City Council District 3) (Bid File No. 12500851)

RECOMMENDATION

Staff recommends that the City Council approve the First Amendment to the Service Agreement with Elevate to continue operations of 62 emergency shelter beds at the Parkway Inn, located at 959 N Parkway Drive (APN 449-324-11) covering the period from July 1, 2026, through June 30, 2027, for an amount not to exceed \$1,550,000, under the HHAP program, and authorize the City Manager, or

designee to sign all implementing agreements.

EXECUTIVE SUMMARY

Staff recommends a total allocation of \$1,550,000 to Elevate to provide emergency shelter operations at Parkway Inn, located at 959 N Parkway Drive (APN 449-324-11). The City of Fresno (City) currently has an agreement with Elevate to operate the Parkway Inn located at 959 N Parkway Drive (APN 449-324-11), which provides 62 emergency shelter beds to individuals experiencing homelessness. The agreement was awarded through procurement under RFQ 12500821, released on October 18, 2024. The RFQ provides for an initial one-year term with two optional one-year extensions. The initial agreement was approved by City Council on June 19, 2025, for the term July 1, 2025, through June 30, 2026. The City now seeks to exercise the first one-year extension and amend the agreement to include additional HHAP funding, allowing Elevate to continue shelter operations during the extended term. The proposed term of the agreement is July 1, 2026, through June 30, 2027.

BACKGROUND

California's HHAP program, established in 2019 under AB 101, provides flexible, non-competitive block grants to cities, counties, continuums of care, and tribes. Its purpose is to reduce homelessness through regional, evidence-based strategies that expand shelter capacity, prevent unsheltered homelessness, and deliver housing-focused services tailored to local needs. The City of Fresno received the following HHAP allocations:

HHAP Funding:

- February 2020: \$6,158,246.18 (HHAP-1)
- September 2021: \$2,911,17 (HHAP-2)
- January 2023: \$7,524,257.15 (HAAP-3)
- July 2023: \$11,265,425.10 (HHAP-4)
- October 2024: \$13,096,671.82 (HHAP-5)

Eligible uses of HHAP funds include:

1. Rapid Rehousing - Rental assistance and landlord incentives (e.g., security deposits, holding fees).
2. Operating Subsidies - Support for operations of affordable/supportive housing, emergency shelters, non-congregate shelters, interim or bridge housing, and navigation centers.
3. Street Outreach - Connecting individuals experiencing homelessness to housing and services.
4. Services Coordination - Workforce development, education, training, and other supports for housing stability.
5. Systems Support - Regional coordination to maintain homelessness response systems, especially for vulnerable populations.
6. Permanent Housing Delivery & Innovative Solutions - Development of permanent housing and hotel/motel conversions.
7. Prevention & Shelter Diversion - Crisis resolution, mediation, and light financial assistance to avoid shelter entry.
8. Navigation Centers & Emergency Shelters - Creating or operating centers and shelters with clear pathways to permanent housing.

To utilize these funds, the City issued an RFQ No. 12500851 on October 18, 2024, seeking proposals for operating triage centers/emergency shelters. The funding will be applied under the Operating Subsidies eligible use category. By the December 17, 2024, deadline, the City received five (5) proposals, all of which met the qualification requirements.

A selection panel comprised of representatives from the City's Housing and Community Development, Homeless Services, and Homeless Assistance Response Team (HART) divisions within the Planning & Development Department, along with a representative from the City of San Jose evaluated all submitted proposals. The evaluation criteria included the ability to meet service requirements, compliance with the RFQ terms and conditions, cost-effectiveness, past performance, and relevant qualifications.

After a comprehensive review process, Elevate's proposal was selected as the most responsive and best aligned with the City's operational goals and HHAP eligible activities. On June 19, 2025, City Council approved Elevate as the operator for the Parkway Inn shelter.

Since then, Elevate has demonstrated strong partnership, effectively managed shelter operations and supported individuals experiencing homelessness in their transition to permanent housing. At this time, staff is requesting City Council approval of the amendment to the Service Agreement with Elevate to extend shelter operations at the Parkway Inn located at 959 N Parkway Drive (APN 449-324-11) through June 30, 2027, not to exceed \$1,550,000 to continue operation of 62 emergency shelter beds for individuals experiencing homelessness.

ENVIRONMENTAL FINDINGS

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

LOCAL PREFERENCE

Local preference is not applicable.

FISCAL IMPACT

This agreement will have no general fund impact and will be funded through State funds.

Attachment:

First Amendment to Service Agreement with Elevate (including original agreement)