



COUNTY of VENTURA
COUNTY EXECUTIVE OFFICE

Sevet Johnson, PsyD
County Executive Officer

Mike Pettit
Assistant County Executive Officer

Kaye Mand
County Chief Financial Officer

Shawn Atin
Assistant County Executive
Officer/
Human Resources Director
Labor Relations

February 28, 2023

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, CA 93009

Subject: Authorize the County Executive Officer (CEO) or Designee, to Modify Existing Voucher Agreements with Motels Under the Project Roomkey Program to Reduce Costs; Approve, and Authorize the CEO, or Designee, to Enter into a Lease Agreement with Ventura Vagabond Inn, LLC ("Lease Agreement") for a One-Year Period, with Ability to Terminate the Lease Agreement after Six Months; Finding that the Lease Agreement is Categorically Exempt from the California Environmental Quality Act; Supervisorial District No. 1

Recommendations:

1. Authorize the County Executive Officer (CEO) or designee to modify existing voucher agreements with motels under the Project Roomkey Program to reduce costs;
2. Authorize the CEO to enter into a lease agreement with the Ventura Vagabond Inn, LLC ("Ventura Vagabond") for a one-year period, with ability to cancel after six months with thirty days' advance notice; and
3. Find that your Board's approval of the lease agreement with Ventura Vagabond is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15301 as an action solely to lease to existing facilities.

FISCAL/MANDATES IMPACT: Division 1010 - CEO

Mandatory:	No
Source of Funding:	CDSS Funding
Funding Match Required:	None
Impact on Other Departments:	N/A

Summary of Revenues and Costs:

	<u>FY 2022-23</u>	<u>FY 2023-24</u>
Revenues:	\$ 2,520,000	\$ 0
Costs:		\$ 0
Direct	\$ 2,520,000	\$ 0
Indirect-Dept	\$ 0	\$ 0
Indirect-County CAP	\$ 0	\$ 0
Total Cost	<u>\$ 2,520,000</u>	<u>\$ 0</u>
Net County Cost	\$ 0	\$ 0
Recovered Indirect Costs	\$ 0	\$ 0

FY 2022-23 Budget Projection for County Executive Office – Division 1010				
	Adopted Budget	Adjusted Budget	Projected Budget	Estimated Savings/(Deficit)
Appropriations	\$ 30,380,814	\$ 58,070,848	\$ 56,226,971	\$ 1,843,877
Revenue	\$ 14,755,016	\$ 34,533,266	\$ 39,137,976	\$ 4,604,710
Net Cost	\$ 15,625,798	\$ 23,537,582	\$ 17,088,995	\$ 6,448,587

There are sufficient revenues and appropriations in the current FY23 budget to cover this recommendation to modify and extend the Project Roomkey Program.

BACKGROUND

The County of Ventura launched Project Roomkey (PRK) in March 2020 in response to the COVID-19 pandemic, providing non-congregate shelter, meals, and supportive services to unhoused persons at increased risk of illness and death from the virus at Ventura Vagabond, Ventura Best Western and Thousand Oaks Premier Inn (PRK Motels). More than 800 persons have been sheltered, with nearly half of them exiting to permanent (150) or other temporary (225) housing placements. Over 250 people remain sheltered in PRK Motels with another 57 people in non-congregate shelter at Casa Aliento, pending the former Oxnard Vagabond motel's conversion into permanent supportive housing.

Casa Aliento and PRK Motels, including shelter and food costs, were 100% reimbursed by FEMA (Federal Emergency Management Agency) until July 1, 2022. Effective July 2, 2022, FEMA funding has been extended at a reduced rate of 90% with the balance covered by funds from (i) the California Department of Social Services (CDSS) for shelter operations (\$86,000/mo.), and (ii) CDBG-CV funds for PRK food costs (\$14,000/mo.).

On November 1, 2022, your Board authorized staff to extend, in two-month increments, agreements with PRK Motels and Mercy House for interim operations at Casa Aliento until all participants were exited from the program, grant funds were exhausted, or until

the end of the fiscal year. Although the County's emergency declaration expires February 28, 2023, the federal emergency declaration will expire May 11, 2023, and thus, there is a possibility that FEMA claims will continue to be eligible at least until that date and possibly for the subsequent 60-day wind down period.

DISCUSSION

Over the intervening months, staff continued to explore options and alternatives to maximize the number of PRK participants slated for permanent placement when available grant funding is exhausted. Anticipating the end of FEMA grant support at the end of February, finding ways to reduce program costs became a priority. The County Executive Office has been managing grants from the CDSS through a Memorandum of Understanding with the Human Services Agency. These grants are intended to provide non-congregate sheltering for unhoused individuals vulnerable to the adverse health and morbidity impacts resulting from the effects of the COVID-19 pandemic with the caveat that FEMA funding be used first, and CDSS funding used as the grant source of last resort. Round 1 funds (\$820,157) were approved by your Board on July 20, 2021, and Round 2 funds (\$4,315,276) approved on January 25, 2022. Given the protracted duration of the pandemic and our ability to fund our non-congregate sheltering program primarily with FEMA funds a balance of \$4.4M in CDSS funds remained unexpended as of January 31, 2023.

Staff is recommending that available funds be prioritized for serving those program participants actively engaging in their housing plans, identifying about 50 individuals whose lack of engagement with case managers would mean an end to their PRK participation by the end of this month. This action, coupled with reducing the costs for non-congregate sheltering as outlined below, minimizes the likelihood that program participants would have to be exited to the street or other non-PRK programs by prolonging the use of CDSS funding to bridge the remaining 140 people in the program to permanent housing placements.

With the assistance of Real Estate Services, a lease agreement has been negotiated allowing for the consolidation of clients from the Ventura Best Western to the Ventura Vagabond. While the \$210,000 per month lease has a one-year term, it allows for early termination after 6 months with 30 days advance notice and equates to a nightly rate of about \$86 rather than the \$115 per motel voucher in our current agreements. Staff is also seeking Board authorization for the CEO or her designee to modify the agreements with participating hotels to reduce operational costs for the voucher program. As of this writing, the Thousand Oaks Premier Inn has agreed to a reduced rate of \$90/night and staff is working with other hotel partners to negotiate reduced rates at their properties as well. Your Board's approval of the proposed lease agreement with the Ventura Vagabond is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to

CEQA Guidelines section 15301 as an action to lease existing facilities. Staff has also determined that no unusual circumstances or other facts set forth in CEQA Guidelines section 15300.2(c) precludes use of this categorical exemption.

It is anticipated that the Shangri-La/Step Up on Second project in Thousand Oaks will be completed and ready for occupancy this Fall, providing 77 units of permanent housing. Casa Aliento and the 2nd and B projects – both in Oxnard – are anticipated to be available in early to mid-2024 with a combined total of 125 units. Staff continues to work with area cities, whose residents remain sheltered in PRK, to develop strategies to bridge the gap between when CDSS funds are exhausted and when new housing opportunities are available in their communities. Part of this strategy includes the County's collaboration with cities in pursuing new State Encampment Resolution grants and applying for Homekey Round 3.0 anticipated to be released in the Spring.

This item has been reviewed by the offices of the Auditor-Controller and County Counsel. If you have questions regarding this item, please contact Christy Madden at 654-2679.

Sincerely,

A handwritten signature in blue ink, appearing to read "Christy Madden".

Christy Madden
Sr. Deputy Executive Officer

A handwritten signature in blue ink, appearing to read "Sevet Johnson".

Sevet Johnson, PsyD.
County Executive Officer

Exhibit 1 - Lease Agreement with Ventura Vagabond Inn, LLC, for 756 E Thompson
Blvd Ventura