



DATE: June 20, 2022

TO: Honorable Mayor and Members of the City Council through City Manager

FROM: Karen Shimizu, Housing Manager

SUBJECT: Resolution Approving the City of Petaluma Strategic Plan to End Homelessness

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution approving the City's Strategic Plan to End Homelessness, which provides guidance and priorities for City policies, programs and investments over a three-year period ending June 2024.

BACKGROUND

With its proximity to a main highway and location about 15 miles from the County center, Petaluma has seen its homeless population expand in recent years. The number of individuals identified in the Sonoma County February 2020 *Sonoma County Point in Time (PIT) Census* was 2,745. While countywide homeless census numbers decreased slightly from 2019 to 2020, the number of people experiencing homelessness in Petaluma in 2020 (295) reflected a 12% increase over the 2019 count (265.) Early observations by HUD and the National Alliance on Homelessness anticipate 2021-2022 reports will show that the COVID pandemic increased existing inequities in housing systems across the nation. Preliminary numbers for the 2022 Sonoma County PIT count show an increase of 5 percent overall with a total of 2,893 individuals experiencing a form of homelessness. This is a change from previous years that had demonstrated an overall downward trend for Sonoma County since 2011.

Given the impact of COVID-19 on health and employment, the increase in homelessness was relatively modest. That impact, however, was abated to a large degree by significantly increased investment in homeless shelter options, rental assistance, and general financial assistance made possible through Federal emergency funding streams.

In Sonoma County alone, the County and the City of Santa Rosa invested over \$92 million on homelessness programs over the first two years of the pandemic, focusing on expansion of emergency shelter sites to keep people experiencing homelessness safe from transmission of COVID-19, and targeted rental assistance for vulnerable families and individuals. Over \$40 million of the County and City of Santa Rosa funding provided rental assistance for over 5,000 households.

Over the last two years, the City has focused primarily on emergency rental assistance and expanding emergency shelter and interim housing options through projects such as the Peoples Village non-congregate shelter program, operated in partnership with the Committee on the Shelterless (COTS) and has invested \$2.1 Million of Federal pandemic recovery grant funds such as Community Development Block Grant COVID (CDBG-CV) and American Rescue Plan Act (ARPA) on these initiatives.

Despite these significant emergency investments, with COVID-related rental assistance programs ending, and the COVID eviction moratorium ending across the state, City and County, housing officials have been deeply concerned regarding the likely spikes in homelessness on the near horizon. In response to these concerns, in September 2021, the Petaluma City Council declared a shelter crisis in Petaluma in recognition of the urgent need for shelter faced by a significant and growing number of people in the community. Declaring a “crisis” empowers the City of Petaluma to take necessary steps to address these important issues. The Council approved both the following measures as part of the shelter crisis declaration:

- A resolution declaring a Shelter Crisis in Petaluma in recognition of the urgent need for shelter faced by a significant and growing number of persons in accordance with the City Council’s authority under Assembly Bill 2553, codified in Government Code Sections 8698 - 8698.4 to implement immediate and interim housing solutions on city-owned or leased lands in support of the health, safety and well-being of those persons experiencing homelessness.
- An urgency ordinance adopting local standards and procedures for the design and site development of shelters for people experiencing homelessness and the structures and facilities therein at the city manager’s discretion for projects of the City of Petaluma on city owned or leased property to provide emergency housing and declaring the urgency thereof, to take effect immediately and expire and be repealed once the City of Petaluma’s shelter crisis is terminated.

Section 8698.4 requires that cities that declare a shelter crisis after January 1, 2021, develop a plan to address the shelter crisis, including but not limited to, the development of homeless shelters and permanent supportive housing, as well as onsite supportive services, by July 1, 2022. Housing Department staff engaged Andrew Henning Consulting to facilitate creation of the City’s Homeless Solutions Plan to satisfy the Government Code requirement. The City of Petaluma Strategic Plan to End Homelessness is attached to the Resolution as attachment A.

DISCUSSION

The City of Petaluma Strategic Plan to End Homelessness (Plan) includes a vision and specific strategies to guide the City’s homelessness policies, programs, and investments during the upcoming three-year action cycle, covering July 1, 2022 through June 30, 2024. The Plan was developed through a three-phase process which included: 1) Discovery (local input through community feedback sessions and individual interviews – with an emphasis on incorporating lived experience input from people who had experienced or who currently are experiencing homelessness, and research of related reports and studies on homelessness in Petaluma and Sonoma County as well as at regional, state and federal levels), 2) Analysis (review of data sources,

identification of strengths/weaknesses/opportunities/threats within the current system, and development of a “pathway to housing framework” to better identify gaps and opportunities), and 3) Feedback and Adoption (iteration and review of the Plan with staff, service providers, and the broader community – and incorporation of that feedback into the final Plan presented to Council.)

The Plan provides summary descriptions of the findings and analysis of the development process, identifies a well-defined vision for the three-year plan period, outlines specific strategies to accomplish that vision, and speaks to ways to both fund the new system and evaluate its success. Findings capture both strengths in the current system of homeless services – such as breadth of existing services and service partners’ willingness to innovate – and opportunities to improve, such as supporting countywide landlord recruitment efforts to accelerate and expand housing placement options, and addressing the need to increase supports for mental health, substance use, and co-occurring conditions. In summary, adoption and execution of the proposed Plan will:

- Create a robust “housing-focused” outreach system that links people experiencing homelessness with new options through increased numbers of permanent supportive housing units and creative shelter options for vulnerable sub-populations,
- Improve the Petaluma Coordinated Entry access point through which people access housing and shelter options,
- Tackle root causes of homelessness to prevent people from losing housing in the first place, and
- Increase the City’s internal capacity to respond to homelessness, leverage the community to accelerate progress, and build alignment with other cities and subregions.

PUBLIC OUTREACH

In the summer of 2021, the Housing Department engaged Andrew Henning Consulting to conduct lived experience feedback sessions with people experiencing homelessness in Petaluma. Participants brought a diversity of perspectives and experiences, including LGBTQ, women, people of color, newly homeless, long-term, chronically homeless, English language learners, Veterans, COVID-induced homelessness, and people ranging in age from Transitional Age Youth to Seniors. Engagement also included frontline service workers. These sessions helped the City gain more insight from people with lived experience about access to services, the process for obtaining housing, identifying barriers to services, and co-designing solutions.

Key recurring themes that surfaced across all these engagement efforts included the following:

1) The majority of people experiencing unsheltered homelessness in Petaluma are chronically homeless, with a need for continued support for a period after they obtain housing. 2) Many people struggle emotionally and psychologically with shorter programs and timing out of services; they need consistent, coordinated support over a long enough period to not only support their transition from the street into housing, but to help them retain housing once they make that move. 3) There is an overwhelming feeling of loneliness among people experiencing homelessness in Petaluma; helping people create networks of support will be key to successfully helping people move to permanent housing. 4) People are ok with smaller unit types. People described not needing a regular one-bedroom apartment or large house. 5) People experiencing homelessness see vacant and underutilized property throughout the city and become demoralized that nothing is being done

to help them. Demonstrating the City’s urgent response – through projects such as Peoples Village, the Studios at Montero and the intensive array of services coordinated to support the Cedar Grove Encampment Resolution – continues to be a priority.

During April and May 2022, the City engaged its partners in homeless services – COTS, Petaluma People Services, the Downtown Streets Team, the SAFE team, public safety officers, and the County of Sonoma Community Development Commission and Department of Health in the review of the City of Petaluma Strategic Plan to End Homelessness. Feedback from these multiple sessions informed recent iterations of the Plan. On May 31, 2022, the City hosted a Community Input Session to gain additional feedback on the Plan. This session was open to the general public and announced via the City website. Approximately 75 people attended the Community Input Session. Feedback from both the service provider and general input sessions resulted in additional discussion of the community’s need and desire for continued exploration of emergency shelter solutions that provide alternatives to current options, and the significant need for increased accessibility to mental health services and substance use disorder treatment as key elements in resolving homelessness.

In addition to the extensive public outreach through multiple community input sessions and lived experience interviews over the course of developing the City’s Strategic Plan to End Homelessness, this request that the Plan be approved by the City Council appeared on the City’s tentative agenda document on June 6, 2022, which was a publicly noticed meeting and this item was noticed in compliance with the California Brown Act.

COUNCIL GOAL ALIGNMENT

The Strategic Action Plan to End Homelessness aligns with all five goals the Council has identified for the City of Petaluma:

- Goal 1: A CITY THAT WORKS FOR EVERYONE – Ensure a fiscally and organizationally sustainable City that is innovative and efficient; provides valued services promptly and professionally; engages the community, and proactively funds, designs, installs and maintains City infrastructure that is safe, functional, and sustainable and serves the needs of our residents.
- Goal 2: OUR ENVIRONMENTAL LEGACY – Preserve and protect Petaluma’s environment for future generations and become a municipal leader in sustainability by protecting our river and open space; reducing and drawing down greenhouse gas emissions; and encouraging sustainable development.
- Goal 3: A SAFE COMMUNITY THAT THRIVES – Support facilities and design programs that create a healthy, resilient, and engaged community that is prepared, safe, and housed.
- Goal 4: AN ECONOMY THAT PROSPERS – Encourage a thriving business environment that results in a strong, diverse, resilient economy and supports community prosperity.
- Goal 5: SPACES AND PLACES THAT INSPIRE – Create inviting natural and built places and spaces for contemplation, play, arts, and connection while celebrating our history and encouraging community pride

CLIMATE ACTION/SUSTAINABILITY EFFORTS

Not applicable.

ENVIRONMENTAL COMPLIANCE

The proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with CEQA Guidelines Section 15378, in that approving and adopting the City’s Strategic Plan to End Homelessness does not meet CEQA's definition of a “project,” because this an organizational action by the City that does not have the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Moreover, any future actions that result from the Plan will require its own CEQA analysis.

FINANCIAL IMPACTS

Adoption of the Strategic Plan to End Homelessness does not generate any specific financial impact; however, once adopted, the Plan will serve as a key guide in determining City funding priorities, and the need to invest in capacity building to pursue the additional resources that will be required to fund expanded services and to create more supportive housing units.

ATTACHMENTS

1. Resolution with Exhibit A (The City of Petaluma’s Strategic Plan to End Homelessness)

**Resolution No. 2022-XXX N.C.S.
of the City of Petaluma, California**

APPROVING ADOPTION OF THE CITY OF PETALUMA STRATEGIC ACTION PLAN TO END HOMELESSNESS PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTIONS 8698 - 8698.4

WHEREAS, the complexity and magnitude of the homelessness crisis and the limited supply of affordable permanent housing in the City of Petaluma demonstrate that there is a significant and immediate need for interim housing in the City, including emergency shelter, to protect the life, health, and safety of people experiencing homelessness; and

WHEREAS, strict compliance with the provisions of state and local regulatory statutes, regulations, and ordinances prescribing standards of housing, health, safety, and environmental impact assessment may prevent, hinder, or delay emergency housing measures that could be expedited through a Declaration of Shelter Crisis; and

WHEREAS, on September 25, 2020, Governor Newsom signed into law Assembly Bill 2553, which extended certain provisions of the Shelter Crisis Law that originally only applied to specified cities (Oakland, Berkeley, and San Jose) to authorize any jurisdiction to declare a shelter crisis under California Government Code Section 8698.2; and

WHEREAS, AB 2553 added Section 8698.4 to the Government Code, giving cities and counties regulatory flexibility regarding building codes and land use regulations and establishes a California Environmental Quality Act (CEQA) exemption to expedite the construction of shelters, adds safe parking sites as an eligible form of shelter, and extends the sunset of these provisions to January 1, 2026; and

WHEREAS, AB 2553 permits cities that proclaim local shelter crises to adopt an ordinance establishing reasonable local standards and procedures for the design, site development and operation of homeless shelters and the structures therein, to the extent it is determined at the time of adoption that strict compliance with state and local standards or laws in existence at the time of adoption would in any way prevent, hinder or delay the mitigation of the effects of the shelter crises, so long as the local standards at a minimum must meet the standards in the 2019 California Residential Code Appendix X, and California Building Code Appendix O, and any future standards adopted by the Department of Housing and Community Development related emergency housing or emergency housing facilities, absent findings stating why the minimum standards cannot be met and how the standards in the ordinance protect health and safety; and

WHEREAS, on September 13, 2021, the Petaluma City Council approved the declaration of a shelter crisis in accordance with Government Code Sections 8698 - 8698.4 and provisions of AB 2553; and

WHEREAS, AB 2553 requires that cities that declare a shelter crisis after January 1, 2021 develop a plan to address the shelter crisis, including, but not limited to, the development of homeless shelters and permanent supportive housing, as well as onsite supportive services by July 1, 2022; and

WHEREAS, the Housing Department led development of a comprehensive City of Petaluma Strategic Action Plan to End Homelessness to guide the City's homelessness policies, programs and investments during a three-year action cycle covering July 1, 2022 through June 30, 2024; and

WHEREAS, the Strategic Action Plan to End Homelessness, attached hereto as Exhibit A, addresses the requirements of AB 2553 to address the City’s declared shelter crisis, including but not limited to, the development of homeless shelters and permanent supportive housing as well as onsite supportive services; and

WHEREAS, the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with CEQA Guidelines Section 15378, in that approving and adopting the City’s Strategic Plan to End Homelessness does not meet CEQA's definition of a “project,” because this an organizational action by the City that does not have the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment, and moreover, any future actions that result from the Plan will require its own CEQA analysis

WHEREAS, City Housing Department staff will continue to review the plan to ensure alignment with the Regional County of Sonoma Homelessness Strategic Plan.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Petaluma as follows:

1. Declares that the above recitals are true and correct incorporates them herein as findings of the City Council.
2. Finds that the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with CEQA Guidelines Section 15378, in that approving and adopting the City’s Strategic Plan to End Homelessness does not meet CEQA's definition of a “project,” because this an organizational action by the City that does not have the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment, and moreover, any future actions that result from the Plan will require its own CEQA analysis.
3. Adopts the City’s Strategic Plan to End Homelessness (Plan), attached hereto and made a part hereof as Exhibit A, which takes effect on July 1, 2022 and terminates on June 30, 2024.
4. Authorizes the City Manager to make minor or non-substantive modifications to amend the Plan to ensure alignment with County Regional plan.

Under the power and authority conferred upon this Council by the Charter of said City.

REFERENCE:

I hereby certify the foregoing Resolution was introduced and adopted by the Council of the City of Petaluma at a Regular meeting on the 20th day of June 2022, by the following vote:

Approved as to form:

City Attorney

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

City Clerk

Mayor