

CITY COUNCIL STUDY SESSION

Update on the feasibility of providing temporary year-round men's shelter services at Lincoln Center.

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DIRECTION NEEDED FROM COUNCIL**DIRECTION**

This is the first of two anticipated discussions on this topic. Tonight, staff is seeking direction on two items regarding the next steps in providing year-round men's shelter services at a temporary location:

1. Addressing the shelter services gap while improvements are made at Lincoln Center; and
2. Operational funding needs.

Staff will return on April 1 to continue a discussion on whether and how to proceed with construction of identified improvements needed at Lincoln Center to temporarily support year-round services at that location.

RECOMMENDATION

1. Begin community outreach for an alternate location to provide temporary overnight shelter for men experiencing homelessness to address the gap in services during the construction period at Lincoln Center and, if successful, return to Council with draft lease terms;
2. Continue discussions with other jurisdictions regarding additional funding for providing year-round homeless services.

In addition, staff will continue coordination with CFH team on final details surrounding how to accomplish the identified improvements at Lincoln Center and bring that item back to Council for discussion and direction, anticipated April 1.

BACKGROUND & ANALYSIS**Background**

On July 23, 2018, Council requested staff work with Congregations for the Homeless (CFH) to evaluate the feasibility of providing temporary year-round men's shelter services at Lincoln Center, or similar location (excluding any of the other permanent sites previously reviewed). On November 5, 2018, Council directed staff to continue working with CFH and authorized \$135,000 to advance design of potential building modifications to better understand the cost and schedule of the feasibility of providing year-round shelter services at Lincoln Center.

The temporary shelter moved to Lincoln Center in the winter of 2015-2016, and the current lease for operation of the temporary shelter at Lincoln Center runs through 2020. Temporary shelter use was allowed at Lincoln Center during the winter months, and only construction permits were required to address needed modifications to the building.

In 2016 and 2017, modest improvements were made to the building to support basic shelter functions and improve building safety. Those improvements included construction of bathrooms, laundry facilities, and a small kitchen for warming and serving food. Fire safety improvements included construction of fire separations between sleeping areas, installation of exit signs, localized smoke detectors, and addressing general building maintenance items.

Year-Round Feasibility

Following direction from Council in June, staff presented the *Lincoln Center Year-Round Men's Shelter Feasibility Study*, presented to Council in November. That report included alternative solutions to meet building fire/life safety requirements necessary to allow sleeping inside the former office building year-round. That same study indicated that to extend shelter services to year-round at Lincoln Center as an interim location would require an additional land use review and approval under the temporary public safety facility provisions of the Land Use Code. This approval would allow year-round operations for a maximum period of 3 years. Following review of this feasibility study, Council directed staff to develop a refined scope of work and final cost estimate for the needed upgrades at Lincoln Center. Council also expressed interest in ensuring that year-round operations were provided no later than the end 2019, with an earlier opening preferred.

Proposed Building Modifications

Since November, City staff have been working with a team of professionals supporting CFH. This CFH Team has advanced the design for necessary fire/life safety improvements and, working with City development services staff, have determined that the most cost effective and shortest construction duration is to add fire sprinkler protection to the entire southern building. The work would consist of moving the location of CFH's offices, removing office walls to add a new sleeping area, removing office walls in the upper floor, and installing sprinkler and other fire/life safety elements to the first and second floors of the southern structure. This work is estimated to cost between \$900,000 to \$1.2M.

Figure 1 depicts the layout of the area CFH would use for the shelter and day center and shows adjacent buildings. The R-1 area is the western end of the south building that would provide sleeping area for 100 men. The B area is the location of the existing day center, kitchen, showers and bathrooms. The entire area of R-1 and B is the total first floor area of the south building. Sprinklers would be added to the entire south building, this would include the first floor area and a duplicate floor area on the second floor.

Shaded areas labeled “Existing Building” indicate adjacent building areas which would not require any significant upgrades. However, in order to create the necessary space for sleeping, CFH would move their office location to the 2nd floor in this area of the facility.

Land Use Code Requirements

The Land Use Code (LUC) allows year-round operation of an emergency/temporary overnight homeless shelter for an interim time period under certain conditions. Year-round overnight shelter use at Lincoln Center could be permitted for an interim time period pursuant to the temporary public safety facilities provisions in LUC 20.20.850.

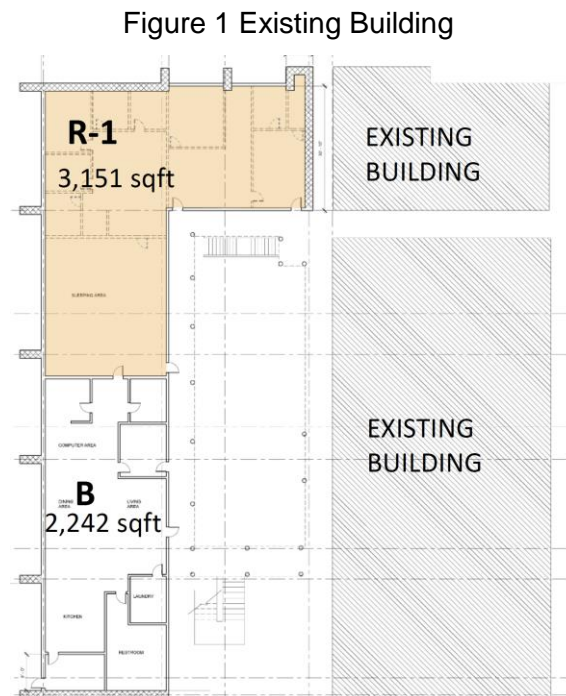
Under these provisions, the City Manager determines the existence of an emergency circumstance, and following this determination, CFH could apply for approval of year-round overnight homeless shelter use at Lincoln Center as a temporary public safety facility. The facility would be exempt from Conditional Use Permit (CUP) and Design Review approval processes. A year-round overnight homeless shelter use could remain at Lincoln Center as an interim location for a maximum of three years without CUP approval under LUC 20.20.850.

Public Engagement

Extension of services triggers a need for community engagement to ensure the public is informed of the proposed changes. Staff is recommending an engagement plan that includes notification to properties within 1000 feet to solicit feedback on how CFH can coordinate with and keep their adjacent neighbors and the community informed about the facility. Staff is recommending, based on the feedback obtained, that CFH provide a communication plan that addresses operational and communication commitments uniquely tailored to homeless services provided at Lincoln Center.

Performance of Construction

There are two options for completing the work necessary to expand interim shelter services at Lincoln Center to year-round. Both options would involve using the plans prepared by the CFH Team in obtaining needed permits.



1. Managed by CFH as a privately-funded tenant improvement. CFH has indicated an interest in working with the community to receive private support through donations and in-kind services for the improvements. This would require a change in the current lease with CFH and would require them to raise all necessary funds to complete the construction, coordinate with appropriate qualified professionals and manage the construction.
 - a. No public funds would be utilized in this option.
 - b. Some early demolition work could begin as early as mid-April.
 - c. Construction is anticipated to be completed mid to late November 2019 but is dependent on private fund raising, contractor availability, permitting, and completion of needed lease agreements.

2. Managed by the City as a public work improvement to the building. This option would have the City manage the procurement for construction services through municipal contracting process and manage the overall construction. Any private funds obtained by CFH could be contributed toward construction.
 - a. Construction is estimated to be \$900,000-\$1,200,000.
 - b. No early demolition work can be completed under this option.
 - c. Construction is anticipated to be completed mid to late January 2020 but is dependent on completion of City procurement, contractor availability, and permitting.

Staff is continuing to work with the CFH team on final details and refined schedules for the above options and anticipates returning to Council on April 1 for final direction on how to proceed.

Additional Considerations Related to Interim Year-Round Operations (Direction Needed)

Shelter Services Gap

Under either option for doing the work, construction at Lincoln Center would not begin until the winter shelter closes on April 30. Direction from Council in July, and reiterated in November, was to try to minimize, or eliminate, the gap in services during the summer months. With the anticipated construction timelines for Lincoln Center, the soonest that facility could open for year-round services is mid to late November 2019, with the potential that opening could occur as late as February 2020.

One way to move to year-round operations more quickly, and to mitigate the risk that construction at Lincoln Center extends into the later months of 2019, preventing opening at that location, is to seek out a second, short-term interim facility. Staff is seeking preliminary direction on whether to bring back an option for such a short-term location, which would operate just until the Lincoln Center work was complete. Factors to consider include:

1. A secondary location will require similar land use process (declaration of emergency, application for approval of Temporary Public Safety Facility, three-year maximum);
2. Require the City to enter into a lease agreement with a property owner (similar to the agreement between Sound Transit and the City for the BelRed papermill site), and sublease to the shelter operator; and
3. Determination of whether a second location is feasible will require additional public

engagement, particularly in the community adjacent to the proposed facility. This may involve outreach in neighborhoods that to date have not been significantly engaged on the temporary men's shelter issues.

If Council directs staff to continue to work on such a "bridge" location, we anticipate bringing additional information forward for Council consideration in April.

Operational Funding

Currently, Bellevue's Human Services Fund covers most of the operational costs for a six-month period for the winter shelter. The Human Services Commission included funding for the winter shelter for six months in both 2019 and 2020 in their recommendations to Bellevue City Council. The cities of Kirkland, Sammamish, Issaquah and Redmond also contribute for shelter operations, as this is a regional facility serving men experiencing homelessness on the Eastside. The contributing jurisdictions have each made final budget decisions for the biennial 2019-2020 budgets.

CFH has provided a draft budget that includes operational costs for an additional six months to operate during the summer months. The costs included shelter and case management personnel, direct aid to clients, rent and utilities at Lincoln Center, along with miscellaneous other expenses (laundry, supplies). The additional funding necessary for year-round operations is approximately \$385,000.

CFH has also indicated the need to close the gap in services between the Day Center and the winter shelter. The Day Center operates between 8:00 a.m. and 3:00 p.m., but the winter shelter operates between 7:30 p.m. and 7:30 a.m. CFH has indicated that staffing the half hour gap in the morning and the four and a half hour gap in the afternoon/evening would require an additional \$185,000.

Staff have reached out to other Eastside cities regarding additional operating costs for a full year shelter model. Staff also continue to reach out to other sources (i.e. Microsoft). We expect these conversations about how local governments and other funders of CFH can help the organization fill this gap in resources, those solutions are likely to be longer in coming, particular given the fact that budgets have been set through 2020. Should Council desire to continue the work needed to open interim year-round services in Lincoln Center (and potentially in a "bridge" location as described above), it is staff's recommendation that we proceed with the understanding that the full cost of extending such services in 2019 and 2020 may fall to Bellevue. If Council concurs, we will bring forward any necessary 2019-2020 budget amendment, using Council's operating budget contingency, at the appropriate time.

Additional human services funding rounds are considered by the local jurisdictions for the 2021-2022 budget cycle, and we will continue work with a variety of funders on the longer-term question of sustainable funding for the east side shelter providers as part of our regional human services work.

POLICY & FISCAL IMPACTS

Policy Impact

Following the adoption of the Land Use Code Amendment for Homeless Services in July, Council noted the regional need for the men's winter shelter to be converted to year-round operations. On July 23, Council requested staff to work with CFH to evaluate options to convert Lincoln Center to year-round homeless shelter use. Council vision includes a commitment to creating a caring community where all residents enjoy a high quality of life and a wide variety of housing types. The City's Comprehensive Plan identifies strategies and goals that allow the City to achieve and maintain this vision, even as the City grows and changes over time. Specifically considering the City's response to homelessness, there is a need to balance a number of policies and objectives, including:

- HO-35: Support regional efforts to prevent homelessness, and make homelessness rare, brief, and one-time when it occurs. Provide a range of affordable housing options and support efforts to move homeless persons and families to long-term financial independence.
- HO-36: Collaborate with other jurisdictions and social service organizations to assure availability of emergency shelter and day centers that address homelessness.
- HS-14: Support agencies locating human service facilities in Bellevue and, where appropriate, encourage efficiencies through agency collocation and collaboration.
- HS-18: Support an intentional local community response to homelessness with housing and supportive services provided to families, youth and single adults.

Fiscal Impact

To date, City expenditure of funds has been limited to minimal design coordination, structural analysis, asbestos testing and abatement analysis. The CFH Team has assembled design professionals to advance the design and coordinate building modifications with City development services staff.

Depending on continued discussions regarding performance of construction, and any private contributions, the fiscal impact to the City varies for the capital investment.

- Should the construction be managed and paid for by private contribution, no additional City capital investment would be necessary.
- Should the City manage the procurement for construction through municipal contracting process and requirements, and manage the construction, additional capital investment of \$900,000-\$1,200,000 would be required.

Depending on the contributions from other jurisdictions, the operational investment varies. However, given the fact that budgets have been set through 2020, the ability for other jurisdictions to commit funding prior to 2021 in any significant amount is unlikely. Service gap funding would be needed in 2019 should an alternative site be located and would be needed in 2020 after building modifications are completed. Annual service gap funding would fall to the City as follows:

- Year-round operations require additional funds to fill the gap between May and November \$385,000

<ul style="list-style-type: none"> OPTIONAL: Extension of the Day Center operations to close the time gap between shelter operations and day center operations (about one half hour in the morning; and four and one half hour in the evening) 	\$185,000
Total additional funding for operations per year	\$570,000

OPTIONS

1. Begin community outreach for a short-term “bridge” location to provide temporary overnight shelter for men experiencing homelessness to move to year-round services before work at Lincoln Center is complete. If successful, return to Council with draft lease terms; and

Prepare the necessary budget amendment to provide additional support for year-round operations for Council final action when such action is appropriate while continuing to seek support from other funders.
2. Provide staff with additional direction.

ATTACHMENTS & AVAILABLE DOCUMENTS

N/A

AVAILABLE IN COUNCIL LIBRARY

Lincoln Center Year-Round Men’s Shelter Feasibility Study, November 1, 2018