TO: CITY COUNCIL
VIA: CITY ADMINISTRATOR
FROM: DIRECTOR OF COMMUNITY SERVICES
DATE: JULY 23, 2019

SUBJECT: EXCLUSIVE MEMORANDUM OF UNDERSTANDING BETWEEN THE COUNTY OF ORANGE AND THE CITIES OF PLACENTIA AND BUENA PARK FOR ADDITIONAL COUNTY FUNDING FOR THE OPERATION OF NORTH SPA NAVIGATION CENTERS.

FISCAL IMPACT: REVENUE: $625,000 FROM THE COUNTY OF ORANGE FOR OPERATIONS

SUMMARY:

This Memorandum of Understanding (MOU) establishes a cooperative funding agreement for the operation of "Navigation Centers" ("Centers") in the Cities of Placentia and Buena Park that will serve homeless individuals located within the North Service Planning Area of Orange County. This MOU is reflective of the County's commitment of additional funding for operations of the proposed navigation centers and is in addition to the HEAP grant awards previously awarded to the cities.

RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Approve the Memorandum of Understanding between the Cities of Buena Park and Placentia and the County of Orange; and

2. Authorize the City Administrator and/or his designee to make non-substantive amendments as necessary and execute the agreement on behalf of the City, in a form approved by the City Attorney.

DISCUSSION:

This MOU establishes a cooperative funding agreement for the operation of Centers that will serve homeless individuals within the North Service Planning Area of Orange County.
Introduction

North Orange County SPA Efforts
To help provide a more regionally focused response to the homelessness crisis in Orange County, the County of Orange ("County") established three separate Service Planning Areas (SPA’s) for the planning and delivery of homelessness services. The City of Placentia, along with the 12 other north Orange County cities, became part of the North Orange County SPA ("North SPA"). The North SPA, comprised of the cities of Anaheim, Brea, Buena Park, Cypress, Fullerton, La Habra, La Palma, Orange, Placentia, Villa Park, Stanton, and Yorba Linda as well as the County, began working collectively to address homelessness in the region, including seeking the development of two (2) Centers to provide needed homeless services for the region.

Two locations for the development of Centers were identified – one in Placentia and the other in Buena Park. Placentia will provide 100 beds, and Buena Park will provide 125 beds, and both sites will operate similarly to the Bridges at Kraemer Navigation Center.

Funding for Center Operations
The estimated annual operational cost for the two centers is $3,005,000.

Funding for Center operations is expected to be from County funds, SB 2 funds, and other local funds contributed by all other North SPA cities. Through this MOU, the County has committed to providing $1.2 million for on-going, annual operations ($625,000 each for Placentia and Buena Park). Future SB 2 funds will also provide for $1.7 million annually for operations.

Memorandum of Understanding Terms and Conditions
To assist with the funding for the operations for Placentia and Buena Park Centers, a proposed MOU between the County, Placentia, and Buena Park has been negotiated. A summary of the terms and conditions of the MOU is provided below, in relevant part:

A. The Parties believe that in order to address the issues related to homelessness, it is important that each Party express its commitment to the operation of their respective Site. As such, the County wishes to provide funding to the Cities to support their operation of their Sites in connection with providing for the social needs of the County population including, but not limited to, the areas of health, public safety, welfare and the needs of physically, mentally, and financially handicapped persons and aged persons.

B. In furtherance of this commitment, the County has agreed to provide up to Six Hundred Thousand dollars ($625,000) to each City per year ("Funds") for a maximum of 10 years to support the Cities with their operation of the Sites. The Funds will be distributed by the County to each City per the requirements set forth in this Memorandum.

C. The Cities have agreed to operate their respective Site as an emergency homeless shelter for a minimum of 10 years from the Effective Date of this Memorandum as defined below. The Cities have agreed to operate the Sites pursuant to the requirements set forth herein.

D. The purpose of the Memorandum is to provide the basic understanding between the Parties with respect to the Funds and to set forth basic provisions that the Parties contemplate, including minimum requirements regarding the operation of the Sites by the Cities.
Conclusion
The Cities of Placentia and Buena Park are committed to leading the North SPA cities in addressing the homelessness crisis in North Orange County. It is estimated that the Centers will be operational by early 2020, following completion of the necessary construction and tenant improvements.

The North SPA continues to be commended for the high level of cooperation among the 13 cities. This proposed MOU with the County would not be possible without the cohesive nature of all the cities being a part of the solution to address homelessness.

By executing the MOU, which specifically helps fund the operations of the two Centers in the north Orange County area, we will be complying with the federal mandate of Honorable David O. Carter, United States District Court Judge, which has threatened to prohibit cities from enforcing anti-camping laws if additional shelters or alternative housing are not provided. It is also believed these Centers will be in line with the recent ruling made in the Martin v. the City of Boise case. Overall, the North SPA cities believe that both the Buena Park and Placentia Centers are part of the region’s commitment to continue to provide homeless individuals with the supportive services they need.

Prepared by:

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Reviewed and approved:

Kim Krause
Director of Finance

Reviewed and approved:

Damien R. Arrula
City Administrator

Attachment:
Proposed Exclusive Memorandum of Understanding