

AGENDA ITEM 3.H

RECOMMENDATION

Staff recommends that the Tracy Homelessness Advisory Committee recommend that the City Council adopt a resolution rescinding Resolution No. 2022-121, which authorized the City Manager to take immediate and emergency actions to implement interim housing solutions for the City of Tracy's unsheltered, and waived procurement requirements for professional services under Tracy Municipal Code Section 2.20.140(b)(6).

EXECUTIVE SUMMARY

On March 10, 2020, the Tracy City Council (Council) adopted Resolution No. 2020-050, which declared a shelter crisis pursuant to California Government Code Section 8698.2. For the subsequent two years, the City of Tracy (City) actively pursued the development and construction of a temporary housing shelter on City-owned land located on Arbor Avenue to serve as an ongoing full-service temporary housing solution for the City's unsheltered (Temporary Emergency Housing Project, CIP 71112). During this period, the City designed the facility and nearly completed Phase I of the Temporary Emergency Housing Project, consisting of groundwork and utility construction, and had anticipated opening the Temporary Emergency Housing Project by December 2022. However, in the summer of 2022, the City incurred a significant setback, after opening bids for the installation of the predesigned and prefabricated housing structure.

On August 16, 2022, after learning of the delay in constructing the Temporary Emergency Housing Project, the ongoing threat to the health and safety of the unsheltered population, and in anticipation of the necessity to protect the unsheltered from exposure to harsh weather conditions from the upcoming winter season, the Council adopted Resolution No. 2022-121 (Resolution), which reaffirmed an emergency shelter crisis, pursuant to California Government Code 8698.4, to immediately address the increasing number of unsheltered individuals within the City. In addition to the declaration of the shelter emergency, the Resolution authorized the City Manager to take requisite actions needed to expeditiously provide interim housing solutions and dispensed the City's competitive bidding requirements for professional services, pursuant to Tracy Municipal Code (TMC) Section 2.20.140(b)(6). On March 2, 2023, Mayor ProTem Davis requested that staff return to rescind Resolution No. 2022-121.

BACKGROUND AND LEGISLATIVE HISTORY

On March 10, 2020, the City Council adopted Resolution No. 2020-050, which declared a shelter crisis pursuant to Government Code Section 8698.2. On September 1, 2020, Council authorized the creation of a Capital Improvement Project (CIP) for the Temporary Emergency Housing Project on Arbor Avenue, CIP 71112, to create a safe and dignified facility for residents experiencing homelessness. Phase 1 of the CIP, which included demolition of an existing structure, installation of underground utilities and grading, began in early 2022 and is complete. Phase 2, which is to include the installation of above-ground prefabricated structures, additional utility improvements, and construction of roads, permanent fencing, and sidewalks, was to begin in summer 2022. Only one bid was received, and the bid was deemed non-responsive, because the required federal

compliance forms were not included in the bid packet. The bid also significantly exceeded the engineers' estimate. On August 16, 2022, staff recommended that Council reject the single bid received for the Temporary Emergency Housing Project and authorized staff to re-advertise and rebid the project. With the devastating setback, on August 16, 2022, the City Council adopted the Resolution which reaffirmed an emergency shelter crisis as the City continues to experience an increasing number of unsheltered individuals. Due to the declaration of an emergency, the Resolution authorized the City Manager to take requisite actions needed to expeditiously provide interim housing solutions. The Resolution also dispensed competitive bidding requirements for professional services pursuant to Tracy Municipal Code Section 2.20.140(b)(6).

ANALYSIS

Since August 2022, staff has presented City Council with various staff reports to ratify contracts and expenses related to the interim emergency solution, also known as Phase 3 (Modulars) and Phase 4 (Custom Containers), purchased under Resolution No. 2022-121 from CC915, Inc., dba Custom Containers 915 (CC915). As of December 29, 2022, eight (8) custom containers were delivered to the Arbor Avenue site.

<u>Vendor</u>	<u>Summary</u>	<u>Ratification Amount</u>	<u>Not to Exceed Amount</u>
Bicsec Security Inc	Fire Alarm System Installation for custom containers	\$60,000	\$60,000
Jr Wagner Fire Protection Inc	Installation of Fire Sprinklers for custom containers	\$26,000	\$26,000
SC Fuel	February 2023 through May 2023 fuel costs	\$100,000	\$100,000
United Fence Services	Temporary fencing until permanent fencing installed	\$180,000	\$200,000
Temporary Restrooms	Temporary Rental of Restroom for Phase 4	\$105,000	\$105,000
	TOTAL	\$471,000	\$491,000

This action is in response to Mayor ProTem Davis request made on March 2, 2023, requesting that staff return to rescind Resolution No. 2022-121. By rescinding Resolution No. 2022-121 contracts for Professional Service Agreements, General Service Agreements, or procurement of goods will need to follow procedures set forth in Tracy Municipal Code.

FISCAL IMPACT

The cost for the above-mentioned contracts is approximately \$491,000. The City secured a grant of \$1.2 million from Health Plan of San Joaquin for the costs of the custom containers and interim site expenses related to Phase 3 and Phase 4. In addition, the City has committed funding from ARPA for the operations costs at the Temporary Housing Emergency Shelter.

CEQA DETERMINATION

Government Code section 8698.4 exempts the application of the California Environmental Quality Act (CEQA) to various actions taken by public agencies to implement the construction of a homeless shelter in response to a declared shelter crisis. In addition, the interim solutions taken thus far are in furtherance of and related to the permanent solution that will be implemented, referred to as the Temporary Emergency Housing Project on Arbor Avenue (CIP 71112). A Notice of Exemption was issued on October 16, 2020, for the Temporary Emergency Housing Project at 500 Arbor Avenue in accordance with Government Code sections 65660-65662 for Low Barrier navigation Centers and Section 15269c) of the CEQA Guidelines (14 Cal. Code Regs. 15269(c) for (Emergency Projects). No environmental impacts beyond those already analyzed for the CIP exist; accordingly, no further CEQA analysis is needed.

STRATEGIC PLAN

This agenda item supports the Public Safety Strategic Priority, Implement the adopted Homelessness Strategic Plan.

ACTION REQUESTED

Staff recommends that the Tracy Homelessness Advisory Committee recommend that the City Council adopt a resolution rescinding Resolution No. 2022-121, which authorized the City Manager to take immediate and emergency actions to implement interim housing solutions for the City of Tracy's unsheltered, and waived procurement requirements for professional services under Tracy Municipal Code Section 2.20.140(b)(6).

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