



Memorandum

Date: March 10, 2023
To: Mayor and City Council Members
From: Karin Schnaider, Assistant City Manager
CC: Midori Lichtwardt, Acting City Manager
Sekou Millington, Chief of Police
James Jackson, Director of Operations and Utilities
Subject: Tracy Interim Shelter site/Homelessness Initiatives

This memo is to provide an update to City Council regarding the Temporary Emergency Housing Facility (Interim Shelter and Transition Plan).

Homeless Advisory Committee Update

- The next Homelessness Advisory Special Meeting is scheduled on March 16, 2023 at 7 pm.
 - Find the agenda here
- The next regular quarterly meeting Homelessness Advisory on April 20, 2023 meeting will be canceled due to a lack of a quorum. It has been rescheduled to a Special Meeting April 17, 2023 at 7 pm.
- The Homeless Advisory Bylaws will be considered on the April 4, 2023 City Council Meeting.

Construction Update

This week, CC915 began the repairs of the custom containers. Director Jackson did an inspection of the custom containers on Friday, March 10 for this weeks update on the progress of the repairs. Director Jackson found water within some of the containers and spoke to CC915 about the water continuing to leak in the containers. CC915 believes they have isolate the leaking to the air conditioner units. The added water damage will impact the timeline on repairs and an adjusted timeline is expected this week. See pictures in Attachment A from Director Jackson.

Construction Update

- Director Jackson received the approved punch list from CC915. It was deemed a complete list per staff's request. CC915 estimates the completion in March 31.
 - Attachment A: Staff has attached the list of repairs and corrections as to this memo and are noted separately as interior, exterior, and fire.
 - Attachment B: These photos were taken March 3, 2023 of Modular unit M / 4 room configuration.
- City Engineer is reworking bid documents for site to separate out wastewater lift station and electrical supply for the full site as possible solution to expedite completion of site improvements. This will allow work to continue progressing incrementally on the construction while staff continues seeking grants to fund the full project costs.
 - Update: Set priority for immediate construction needs and requested Engineering to proceed to establishing full bid packets.
 - Priorities for bid separation:
 - All work to complete Custom Containers
 - Moving to permanent power North and South sides of properties
 - Construction of sewer lift station
- Next phase is preparing site for temporary showers and bathrooms that will utilized by the clients housed in the custom containers.
 - Permanent showers and bathrooms are planned with the next construction phase and require the construction the sewer lift station. These will support both the custom containers and the sprung structure.
- Staff is preparing a change order for the extra design work to separate the components of the shelter site. This will return to the City Council for ratification on April 4, 2023.
- Linked Equipment, who is building the Shower, Restroom, Laundry and Utility modified containers for the Temporary Housing Project, has completed some of the units. These units have been through the review process for the California Department of Housing and Community Development, with engineered drawings approved by the State, 3rd party inspection during construction and each will have an HCD tag. This is the same process that modular trailers, mobile homes, etc. are approved under.
 - The two restroom structures are completed. The vendor is willing to keep them on his site until we have a place ready to put them.
 - The laundry unit is nearly complete. The vendor is having the washers and dryers shipped directly to the City.

Electricity Update

Electricity at the site continues to be tied to the ordering of switch gears. Staff has been actively looking for refurbished switchgears that could potentially be used until the permanent switch gear is ordered through the construction bids. One of the most significant challenges is finding equipment that passes California permitting requirements, such as a seismic certification. The other significant issues is the warranty of switch gear. If the City purchases the switch gear, the electrician/contractor completing the installation will not provide a warranty. Therefore, the permanent switch gear purchase remains tied to the construction bids. This is reason staff has moved to separating out this construction design and bid documents for the electricity needs from the construction plans so that it may move forward more expeditiously.

1. **Main Site (Phase 1 & 2) – 370 Arbor Permanent Power - Approved**
 - PG&E Contract No. 50034392 V2: Approved on April 15, 2022 (Permanent connection)
 - Capacity: 2,500 AMP, 208Y/120 Volt, 3 Phase, 4 wire
 - Switchgear will be procured through a new project, e.g., part of new bids – a lead time for switchgear is approximately 40-50 weeks.
 - Surland is assisting the City to find ~~any available switchgear that PG&E will approve~~
 - o **Correction:** Engineering completed conversations with Surland who provided alternative temporary electricity solutions, which included several temporary lines dropped around the property. However, due to their temporary nature would not provide a viable solution for the City to pursue.

2. **Interim Site (Phase 3 & 4) - 384 Arbor Temporary Power (in PG&E Design Review)**
 - Fees paid to move this into PG&E Design process.
 - PG&E has provided an update to the schedule for the Phase 3 & 4 power design. They anticipate it will be complete in June. Once PG&E completes their design, they will send us a contract and costs for their portion of the work, estimated at \$75,000.
 - Upon PG&E approval, competitive bid process for this work and equipment will begin
 - Application No. 125451159: (This is for a temporary connection as directed)
 - Capacity: 1,600 AMP 208Y/120 Volt, 3 Phase, 4 wire

Park Clean Up

- This section is updated monthly.

Operations Update

Budget Update

The Homeless services division approved FY2022/23 operating budget totaled \$1.7 million, which is funded from general fund and the American Rescue Plan Act (ARPA) funds the city received.

On November 1, 2022, the City Council approved an appropriation of \$2.6 million from ARPA, amending the FY2022/23 operating budget, to fund professional service agreements to provide operations services for the interim shelter. On December 6, 2022, the City Council approved an appropriation of \$470,000 from the general fund, amending the FY2022/23 operating budget, to fund improvements for the interim shelter site.

Homeless Division Operating FY 22/23 Budget

Revenue Sources	General Fund (City)	ARPA (City Staff)	ARPA (City)	Health Plan of San Joaquin
Modulars				\$ 192,931
Custom Containers				\$ 701,756
Service Providers			\$ 2,600,000	
Staffing		\$ 200,000		
Operating (Supplies, Fuel)	\$ 1,892,834			\$ 305,313
Total Committed	\$ 1,892,834	\$ 200,000	\$ 2,600,000	\$ 1,200,000

Expenditures	General Fund (City)	ARPA (City Staff)	ARPA (City)	Health Plan of San Joaquin
Modulars				\$ 133,789
Custom Containers				\$ 636,156
Service Providers			\$ 549,751	
Staffing		\$ 147,051		
Operating (Supplies, Fuel*)	\$ 490,815			\$ 303,509
Total Expended (as of 2/28/23)	\$ 490,815	\$ 147,051	\$ 549,751	\$ 1,073,454

Projected Budget Available	\$ 1,402,019	\$ 52,949	\$ 2,050,250	\$ 126,546
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*PowerGen expenses year to date is approximately \$178,000.

Temporary Emergency Housing Facility (TEHF) - CIP 71112

The following table provides the year-to-date balances of the project:

Homeless Division Operating FY 22/23 Budget				
<u>Funding Source</u>	<u>Budget</u>	<u>Expenses</u>	<u>Encumbered (Committed)</u>	<u>Balance</u>
Community Development Block Grant (s)	\$ 836,294	\$ 836,294	\$ -	\$ -
Homeless Housing, Assistance & Prevention	\$ 743,282	\$ 743,282	\$ -	\$ -
American Rescue Plan Act - SJ County	\$ 3,661,113	\$3,078,345	\$ 582,768	\$ -
Housing Asset Funds (City)	\$ 690,000	\$ 197,404	\$ 93,703	\$ 398,893
American Rescue Plan Act - City of Tracy	\$ 4,500,000	\$ -	\$ -	\$ 4,500,000
Totals	\$10,430,689	\$4,855,325	\$ 676,471	\$ 4,898,893
<i>Federal Funding (pending award)</i>	<i>\$ 3,000,000</i>			<i>\$ 3,000,000</i>
Total	\$13,430,689			\$ 7,898,893

The City estimates that the total cost to complete the construction of the Shelter is approximately \$11 million. Staff continues to discuss with the County a grant opportunity of \$3.6 million to close the funding gap.

Grant Update

- The City continues discussions with the County for possible award of additional ARPA funds to support the construction costs to complete the Tracy Shelter. The City will be applying for \$3.6 million.
- The City submitted an application for State Encampment Resolution Fund
 - The City's application is \$8.5 million and could be used to support the City's non-congregate and future congregate shelter, a motel voucher program, and City personnel that are specific to the City's Homelessness Initiatives.
- Staff is completing the acceptance package for the \$3 million Federal Earmarks (Congressman Harder) from the Housing and Urban Development Agency (HUD).
 - Staff will be preparing the acceptance staff report for an April City Council meeting.

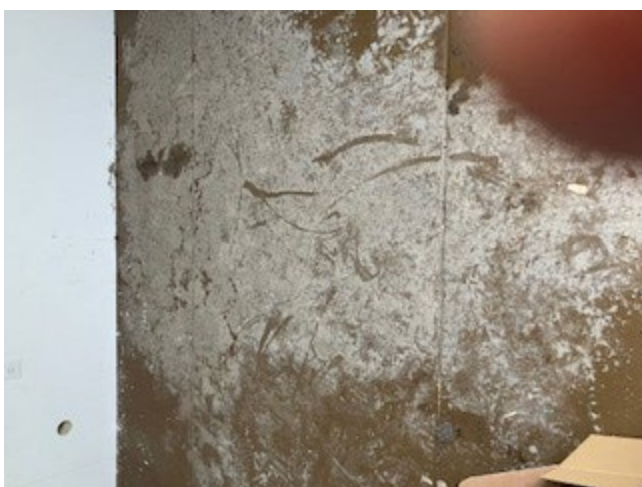
From: [Karin Schnaider](#)
To: [Karin Schnaider](#)
Subject: Shelter 3-10-23
Date: Friday, March 10, 2023 2:35:33 PM















Thank you,

Karin Schnaider
Assistant City Manager
City of Tracy