

MEMORANDUM

Date: February 15, 2019

To: Long Range Planning Committee &
Board of Directors California Exposition & State Fair

Via: Rick Pickering, General Manger/CEO
California Exposition & State Fair

From: Tom Martinez, Chief Deputy General Manager

Subject: City of Sacramento Proposal to Rent Lot P on Ethan Way

Attached: City of Sacramento Letter, including:
Overview Map of Lot P
Proposed Conceptual Site Plan
Triage Shelter Fact Sheet

This Agenda item is being brought to you at the request of the City of Sacramento (City). In December of 2018, Mayor Darrell Steinberg asked all Council Members to find sites in their respective districts to place one triage shelter of 100 beds each, similar to the City's 200-bed triage shelter in North Sacramento on Railroad Drive. The City is requesting to present its proposed local triage shelter concept for City Council District 3, to the California Exposition & State Fair Board of Directors and, if agreeable, to enter into negotiations to rent Parking Lot P, a less than one-acre parcel of land at the southeast end of Ethan Way for a to-be-negotiated length of time.

PROPOSAL

The City's proposal to rent Lot P would equate to \$0.05/square foot, or \$1,625 per month. This would equate to \$19,500 annually. The City is using comparable rentals rates of similar paved yard space in the area as their rationale for the amount. The City currently licenses paved yard space within its North Sacramento Corporation Yard to a private entity at the same rate.

The City estimates an approved project between the City and Cal Expo to be operational within six months of an agreement.

LOCATION

The City is proposing to rent Parking Lot P, a less than one-acre paved parking lot at the southeast end of Ethan Way. The City would like to operate a triage shelter and services, which include 100 beds, office space, bathroom trailers, showers, parking, storage, and a pet area. The entire lot would be secured with City personnel and perimeter fencing. The structures to be located on Lot P would be temporary structures with no permanent foundations. The City

sheltering proposal is closely designed to replicate the existing San Diego model. As in San Diego, the structures utilized would include mobile trailers, converted storage containers, and a 100'x60' tent-like structure. Water, sewer, gas and electric utilities will be brought on site from existing off-site locations by the City of Sacramento, and the City will pay for the monthly costs of these utilities.

SHELTER SERVICES

As proposed, the triage shelter at Ethan Way would operate as a low barrier shelter. It would be occupied 24 hours a day, seven days a week, providing for safe and sanitary shelter for up to 100 local homeless persons. Regular business hours would be between 8:00am and 5:00pm daily.

As proposed by the City, the triage shelter would not be a "walk-up" shelter; participants would be selected beforehand through an established City process to ensure they are from Council District 3. In addition, on site social services would be offered in order to assist participants in obtaining permanent shelter. The City estimates a staffing level of approximately 10-15 employees, which would be provided by a private company contracted by the City to operate the shelter. Social services would be provided as needed by various local providers. City staff have visited various communities to see first-hand how other homeless shelter programs are successfully dealing with the statewide homeless crisis, and believe they can incorporate the appropriate best practices.

SECURITY

The City proposes that Staff will be located on site 24 hours a day to assist with guests' needs and to provide a first level of security. The City will provide increased Sacramento Police Department presence to help mitigate any potential negative impacts on the surrounding areas.

EFFECTS ON CAL EXPO

For more than 165 years, the California State Fair has provided an opportunity to celebrate and showcase the best that California has to offer. More than 50 years ago, in 1968 the State of California opened the California Exposition as the new home of the California State Fair. Cal Expo has maintained and enhanced the nearly 800-acre facility since that time, through revenues generated from events, and with no operational funding from the State of California or the City of Sacramento.

As an independent state agency, California Expo hosted 167 events in 2018. This equates to 309 actual event days when the facilities are open to the public, plus another 200 days of event set up and take down. In 2019, Cal Expo is scheduled to host more events and event days, and even more in 2020. Due to the planned renovation of the Sacramento Convention Center and Memorial Auditorium, Cal Expo has partnered with Visit Sacramento to keep many of the Convention Center events in Sacramento. Several Convention Center events have already contracted with Cal Expo. The first of these shows to be held at Cal Expo is the extremely popular Wizard World on October 5-7, 2019. Further, into 2019, new shows include the Scrapbook Expo in November and the Almond Board Conference in December. The Unified Wine & Grape Symposium will be in February of 2020. Five more conferences have held dates in 2019 and 2020 and are in the midst of booking this year.

Cal Expo also serves as a significant emergency response and support facility and is designated as the Emergency Seat of State Government; the National Pharmaceutical Stockpile for Northern California; and a Tsunami Recovery Center of the San Francisco Bay Area. In recent years, Cal Expo was officially activated by the Office of Emergency Services as a regional evacuation center and distribution hub during the Oroville Dam incident. Cal Expo served in a similar capacity during the recent Tubbs Fire catastrophe and is currently assisting FEMA with the relocation of Camp Fire residents.

There is no specific data related to the potential effects to Cal Expo and the more than 2 million guests that enter annually through the State's fairgrounds gates. Because of its proximity to Roadway 12 Vendors Gate, Lot P is typically one of the first lots to be used for vehicle staging during the set up and take down of shows. While not in continuous use, Lot P serves a valuable function as a staging area for vehicles and trailers, keeping them out of the flow of traffic as they wait their turn to load and unload equipment and supplies. Staff is looking into the various options available if Lot P were unavailable for this use. Additionally, it is difficult to project how the City's proposal would affect Cal Expo's current business renewal efforts, as well as those in the planning stages.

Furthermore, Cal Expo RV Park generates approximately \$1 million annually, and the RV Park is in close proximity to the proposed shelter at Ethan Way. The Cal Expo RV Park is the largest such RV park in the Sacramento region. The RV Park hosts many FFA and 4H families during the Sacramento County Fair and the California State Fair.

In addition to fulfilling its statutorily required programmatic functions, Cal Expo is also charged with maintaining, protecting, and enhancing the nearly 800-acre State Fair facility (368 developed acres and 400 acres of the American River Parkway). This includes more than 80 structures and infrastructure from water wells to roadways, bridges, tunnels, and parking lots.

According to KPMG, Cal Expo generates more than \$200,000,000 annually into the regional economy. For example, of the roughly 10,000 hotel rooms in Sacramento, approximately 19% are in the vicinity of Cal Expo. With more than 2 million annual patrons, events at Cal Expo generate a significant number of bed nights at local hotels. Larger events at Cal Expo also generate bed nights from the vendors at such events. Some events have upward of 800 to 1,000 vendor booths, whose staff stays in local hotels. However, Cal Expo does not receive any of the Transient Occupancy Tax dollars (TOT) that it generates into the local community.

Another example of economic benefits is that an estimated \$100 million dollars in annual taxable sales is generated at Cal Expo. Cal Expo does not receive any of the TOT or sales tax that it generates into the economy.

STAFF RECOMMENDATION

Recently, Governor Gavin Newsom delivered his first State of the State address before a joint session of the California Legislature. He shared his blueprint for his Administration's legislative and budgetary agenda, which highlighted his approach toward addressing California's "homeless epidemic." The Governor went on to add, "Our homelessness crisis has increasingly become a public health crisis." He later announced that he is including "half a billion dollars into immediate funding for navigation centers - emergency shelters with services on site, and

another hundred million for Whole Person Care to replace a fragmented approach to services with one that's more integrated and comprehensive.”

The State of California has recently permitted homeless sheltering operations on selected State lands. Specifically, the State Legislature passed legislation in 2017-2018 Session to allow for sheltering on underutilized Caltrans properties located in the Counties of Alameda, Santa Clara, San Diego, San Francisco and several other counties.

Since the prior Administration did not specify its approval of State owned Fairgrounds to be used as homeless shelters, it is unclear if the current Administration is agreeable to such a use at the State's 52 District Agricultural Associations and Cal Expo. Such a use at Cal Expo (a facility with more than 2 million annual visitors and more than 100 events each year) would be entering new and perhaps precedent setting territory for the State.

In order to more fully explore and understand the entirety of the City's proposal, and any potential precedent setting implications, Staff respectfully recommends that the Board direct Staff to:

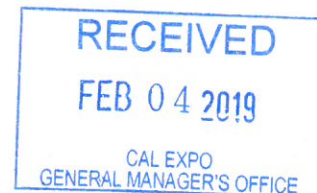
1. Immediately continue good faith discussions with the City of Sacramento in an effort to best determine how the State Fairgrounds may assist with addressing the pressing issue of homelessness.
2. Specifically dialogue with the City and appropriate State Agencies to prudently develop safeguards to ensure that Cal Expo and the State would not be responsible to continue to shelter individuals into the future if funding to the shelter triage program is reduced or eliminated.
3. Continue to seek input and guidance from other pertinent State Agencies that Cal Expo routinely consults with regarding the use of State lands.

Christopher C. Conlin
Assistant City Manager

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Sacramento, CA 95814-2604
916-808-5704

January 25, 2019

Rick K. Pickering
Chief Executive Officer
CAL EXPO
1600 Exposition Blvd
Sacramento, CA 95815



Re: Use of Lot P by City of Sacramento

Dear Mr. Pickering,

With this letter, the City of Sacramento requests that Cal Expo enter into negotiations with the City for the extended use of Lot P by the City as the location for a homeless triage shelter. The City is proposing to rent Lot P for \$0.05/square foot, or \$1,625 per month. This equates to \$19,500 annually. This is comparable to rental rates of similar paved yard space within the area; in fact, the City currently licenses paved yard space within its North Area Corporation Yard to a private entity at the same rate.

Lot P is located near the south end of Ethan Way, and contains approximately 32,500 square feet of paved parking area. Lot P provides sufficient area to operate a 100-bed homeless triage shelter, including shelter space, office and bathroom trailers (or converted storage containers), parking, storage, and pet area. The entire Lot P area will be secured with perimeter fencing. An aerial view and site plan are included with this letter. All structures to be located on Lot P will be temporary; no permanent foundations will be constructed. Examples of the type of structures include mobile trailers, converted storage containers and a 100'x60' tent-like structure (aka "Sprung structure"). Water, sewer, gas and electrical utilities will be brought to the site from existing off-site locations. It is anticipated that the shelter would be operational within 6 months of approval of an agreement between the City and Cal Expo.

The homeless triage shelter would operate as a low barrier shelter, occupied 24/7, providing for safe and sanitary shelter for up to 100 homeless individuals. Regular business hours would be 8:00am to 5:00pm daily. Individuals will be selected by community outreach; the shelter is not intended to be a "walk-up" shelter. In addition, on site social services would be offered in order to assist individuals in obtaining permanent shelter solutions. Staffing of approximately 10-15 employees would be provided by a private company contracted by the City to operate the shelter. Staff will be located on-site 24/7 to assist with guests' needs and to provide a level of security. Social services would be provided as needed by various local providers. As part of the funding for the triage shelter an increased City of Sacramento Police Department presence will help mitigate any potential negative offsite impacts on the surrounding area.

Since December 2017, the City has operated a similar triage shelter at Railroad Avenue. In partnership with Volunteers of America this shelter has proven to be a successful endeavor, enrolling over 600 guests. Lessons learned over the past year will be incorporated into the Lot P shelter, ensuring that operations will be carried out in the best possible manner. A *"Triage Shelter Fact Sheet"* highlighting the current triage shelter's program is included with this letter. In addition, City staff have travelled to various communities to observe first hand how other homeless shelter programs are successfully dealing with the statewide homeless crisis, and will implement appropriate best practices.

Construction of physical facilities to support a homeless triage shelter, and operation of the shelter, would be considered a "project" under CEQA. Cal Expo would take first action on the project and would be considered the lead agency; the City would also take action and would be a responsible agency. The City and Cal Expo would continue to coordinate their CEQA review to achieve compliance with CEQA requirements, avoid duplication of efforts and ensure that CEQA review is adequate to support action by both agencies.

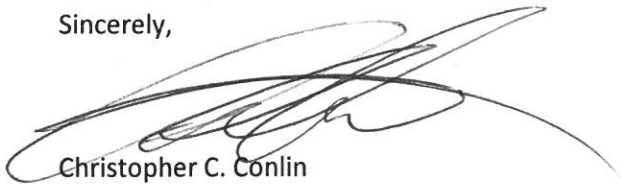
The City believes the construction and operation of the proposed shelter would not have a significant effect on the environment. The City believes the proposed shelter would be exempt from CEQA review pursuant to CEQA Guidelines section 15332 (infill exemption). The project is, in addition, exempt under the general principle that when it can be seen with certainty that a project would have no significant effect on the environment it is exempt from CEQA review (section 15061(b)(3)).

Staff materials to be prepared for consideration by the decision-making bodies would include a detailed project description and discussion of technical issue areas, including aesthetics (interference with scenic resources, light, glare), air quality (construction and operation air emissions of particulate matter, exposure of sensitive receptors to substantial pollutant concentrations), biological and cultural resources, water quality, noise, recreational resources, public services, transportation and public services. The City would provide all necessary support to Cal Expo to ensure all aspects of CEQA requirements are met.

The City is hopeful that Cal Expo can present a negotiated agreement to its Board of Directors for approval at the February 21, 2019 board meeting. It is understood that all agreement language must be finalized no later than February 7, 2019 in order to meet the posting deadlines in advance of the board meeting. The City is committed to meeting this deadline and will provide all necessary documents in a timely manner.

If you have any questions or concerns, please feel free to contact Richard Sanders, Facilities & Real Property Superintendent, at rsanders@cityofsacramento.org or (919)808-7034.

Sincerely,

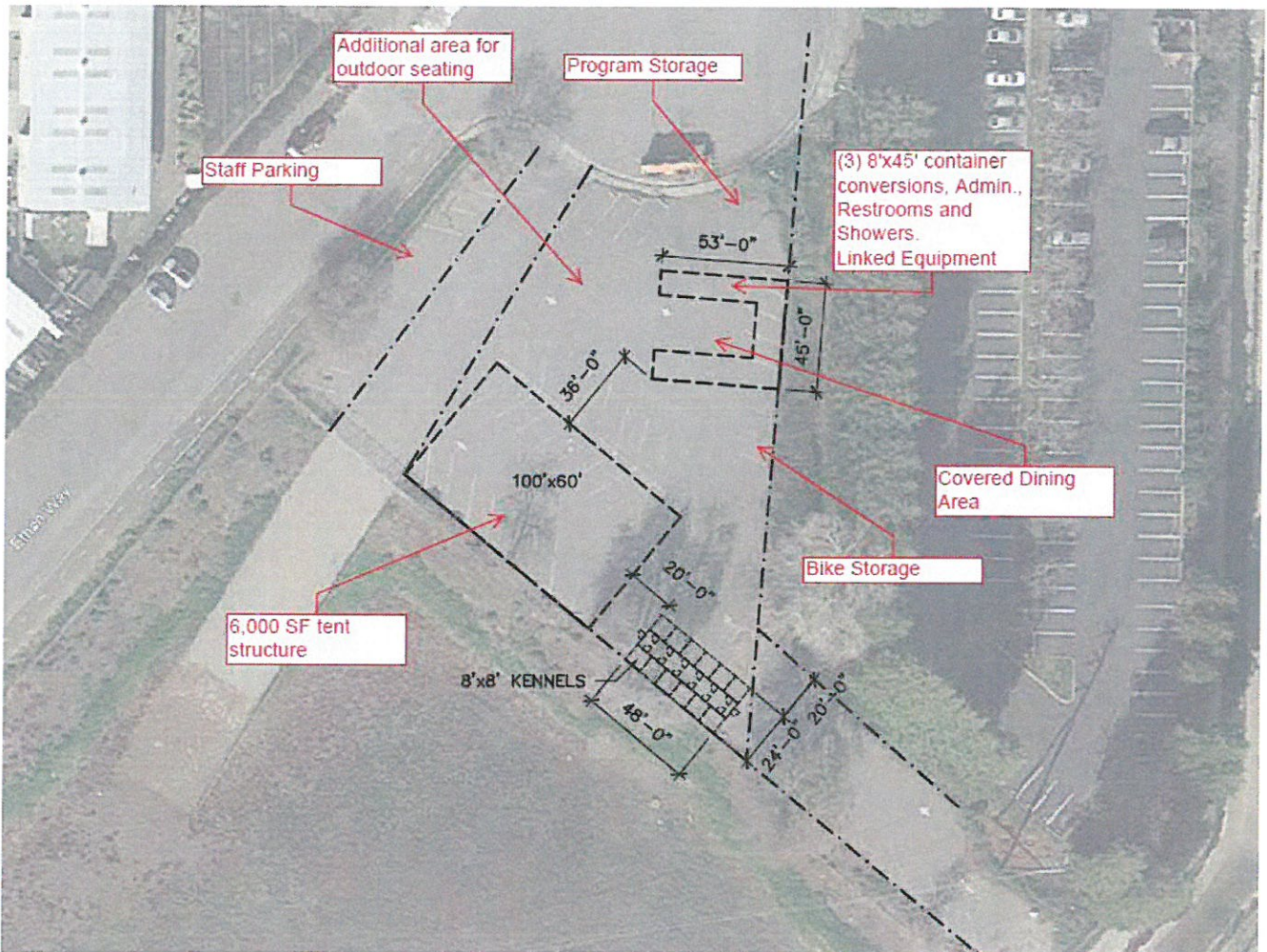


Christopher C. Conlin
Assistant City Manager

Aerial Image



Conceptual Site Plan



Triage Shelter Fact Sheet

OVERVIEW

The Triage Shelter is funded by the City of Sacramento and operated in partnership with Volunteers of America (VOA). Recognizing the impacts of unsheltered homelessness in the community, the Triage Shelter was designed to accommodate individuals with complex needs, long histories of homelessness, and higher barriers to accessing the traditional shelter system. The unique needs of this underserved population informed these five principles that the City and VOA intentionally incorporated into the design and operations of the Triage Shelter:

- 1) lowering barriers to program entry; and
- 2) expanding hours of operations to allow guests to remain onsite during both daytime and nighttime hours; and
- 3) incorporating accommodations for guests with pets; and
- 4) allowing for partners and adult family configurations; and
- 5) allowing for storage of large amounts of personal belongings.

By developing a shelter model which includes these approaches, the City set out to target more deeply our community's more entrenched homeless populations and will inform the way our community approaches emergency sheltering and services in the future.

Since opening its doors on December 8, 2017, the Triage Shelter has enrolled 619 unduplicated guests, primarily from encampments within a mile of the shelter site. These guests generally represent a highly vulnerable population with an array of service needs. Eighty-six percent of shelter guests report living with a disabling condition, half are over the age of 50, and 75% have experienced at least one year or more of continual homelessness. Nearly half of all guests served report having no income at time of enrollment and even more live under the poverty line. For nearly 40% of guests, the Triage Shelter is the first homeless program they have connected with, according to records found in the Sacramento Homeless Management Information System (HMIS).

The level of guests' needs and their disconnection to traditional homeless services confirmed the necessity of a shift in approaching service delivery. Creating a welcoming shelter environment would require careful attention and understanding of individual guest concerns and needs. Case management services through VOA and Sacramento Covered, the City's Pathways to Health + Home (Pathways) early engagement partner, proved to be critical to engaging and assessing guests' strengths and needs. Nearly half of the guests served in the Triage Shelter are enrolled in the City's Pathways program, and nearly all are engaging in onsite case management services. While inside the shelter, guests are encouraged to engage in services, outside the shelter, the City and its partners are working to ensure that any impacts to the community are mitigated and that the shelter is seen as a part of a larger strategy to reduce overall unsheltered homelessness.

PROGRAM OPERATIONS

Each day, referrals are made and received by the City's outreach partners and VOA staff. The referral process includes orientation to the program, reception of the guests, their belongings, and pet(s), and designation of a shelter bed and personal storage area. Basic demographic information is captured

during this time and entered into the community's Homeless Management and Information System, which connects to the community's broader system of coordinated services to the homeless. Each guest is offered and assigned a case manager with the goal of identifying housing opportunities and supportive services.

Access

- The Triage Shelter is accessible by referral from the City's Impact Team and through the City's Pathways to Health and Home partner, Sacramento Covered.
- Walk up referrals are not permitted, and coordination of referrals must go through City partners to ensure proper storage of personal belongings and transport of individuals and their pets.
- Outreach efforts to the shelter have been prioritized in the North Sacramento area as a commitment from the City to the surrounding community.
- Community members may report encampments by contacting the City's 311 by phone or on-line.

At intake each guest is provided

- A designated bed is assigned for the duration of their stay.
- Sleeping bag for use throughout their stay which is laundered once weekly or more often, as needed.
- An additional blanket which the guest may keep.
- A designated kennel for pets which will be assigned to each animal for the duration of their stay.
- A personal locker, 27-gallon storage bin, and tag to store their bike or cart.

Meals

- Continental breakfast, sack lunch, and a hot dinner are served 3 times a day in 2 separate shifts. Each shift can serve up to 100 guests at a time.
- Accommodations for guests with specific food restrictions are made when possible.
- Water and snacks are available throughout the day.

Facility maintenance

- Solid waste and recycling are collected twice weekly
- Shower grey water and portable restrooms are serviced 3 times a week, at a minimum.
- The vicinity immediately outside the shelter and along Railroad Drive is cleaned daily by VOA staff.
- Shelter is fully staffed 24 hours a day, 7 days a week

On-site accommodations

- 2 multi-stall shower trailers (ADA accessible) are on-site and available each day.
- Portable restroom (ADA accessible) and handwashing stations are available and serviced regularly
- An outdoor designated smoking and non-smoking area is available on the shelter grounds

- Personal laundry services are available to guests twice weekly.

Supportive services on-site

- Elica Health is on-site weekly with their mobile medical clinic providing basic outpatient medical services and medication management support.
- Sacramento Covered Community Health Workers are on-site daily providing case management services through the City's Pathways to Health and Home.
- Sacramento County Public Health Division provides Hep A and Flu vaccinations to shelter guests.
- Animal care is being coordinated through the City's Front Street Animal Shelter's staff and volunteers.

REFERRAL AND ENROLLMENT PROCESS

All referrals have come through two channels: The City's Pathways partner, Sacramento Covered and their Community Health Workers and City Police Impact Team Officers. To best support the transportation of guests, their belongings, and pets, and to ensure that once a camp is vacated, the remaining debris can be removed, referrals have been required to be coordinated through the Sacramento Impact Team. Enrollments through referral also helps to lessen the impact of shelter operations on the surrounding community.

PROGRAM PARTNERS

The Triage Shelter is a public-private partnership, working with a variety of community-based organizations to both provide services to the guests and to ensure that the host community is not negatively impacted by the shelters. While many individuals and organizations have supported the Winter Triage Shelter, the key partners are:

- Volunteers of America: Program operator providing onsite case management and 24/7 staffing.
- Pathways to Health + Home: Provides outreach and on-going case management to support individuals transition out of homelessness.
- Front Street Animal Shelter: Provides the animal care services and donated food to pets of shelter guests.
- Redtail Technology: Donated computers and technical equipment to help increase guests' access to services and resources.
- Uptown Wi-Fi: Provides free Wi-Fi to guests of the shelter and service providers working directly with guests during onsite appointments.

MITIGATION EFFORTS

As part of the funding for the Triage Shelter, Council also approved one-time funding allocations to support mitigation efforts in the North Sacramento area. These efforts included increased police presence, which includes the City's Impact Team Officers, and a contract agreement with The Downtown Streets Team (DST) to establish work crews of 20-25 currently and formerly homeless individuals to collect debris and provide beautification in the neighborhoods surrounding the community. Mitigation efforts along with a referral only enrollment process, were intended to lessen possible negative impacts the shelter may have on the surrounding community. VOA maintains on-site

staff presence at all times, which includes monitoring inside the shelter and immediate area outside the shelter. In this way, VOA staff have been able to intervene quickly to deescalate potential issues and elicit the proper elevated response, when necessary.