



CITY OF  
**PALO  
ALTO**

## City Council Staff Report

**From: City Manager**

**Report Type: CONSENT CALENDAR**

**Lead Department: Community Services**

**Meeting Date: June 19, 2023**

Report #:2305-1588

### **TITLE**

Approval of a Professional Services Agreement (Contract No. C23184669A) with LifeMoves for the provision of Homeless Outreach Services in an Amount Not to Exceed of \$460,000 for a term of two years; CEQA status – not a project.

### **RECOMMENDATION**

Staff recommends that the City Council approve and authorize the City Manager or their designee to execute Contract No. C23184669A (Attachment A) with LifeMoves to provide outreach services to the unhoused for a term of two years and a total amount not-to-exceed \$460,000.

### **EXECUTIVE SUMMARY**

If approved, the scope of services in this contract provides for outreach services to unhoused individuals for a two-year period. Services will include regular street outreach to locate and engage with unhoused individuals where they are in the Palo Alto area, to build trust, increase awareness of services and resources, improve neighbor relations, act as a resource to local businesses and, when feasible, connect them with support services including shelter, housing, government benefits, mental health, substance abuse treatment, or employment training among other needs. A small portion of the outreach team's time will be spent on Stanford University land as part of a revenue agreement between Stanford and the City.

This contract is considered a pilot. At the end of the contract term and upon review of the service outcomes and available funding, it will be determined whether and how future homeless outreach services will be provided by the City.

## BACKGROUND

The need for outreach services to the unhoused was first brought to the Council on April 5, 2021, as part of study session on Services to the Unhoused in Palo Alto<sup>1</sup> at which Council was asked to consider four areas of support for the unhoused, including “Outreach/Street Outreach Case Workers for Unhoused and Mental Health Support”. At that time staff explained that building trust with unhoused individuals to help them to address their needs is most effective with the help of a consistent outreach case worker. A City funded outreach case worker could provide services to other vulnerable populations regularly using public spaces such as parks, libraries, and community centers. Staff also shared that the City does not have any organization under contract specifically to perform this function.

This concept was reintroduced on August 30, 2021, during a Council discussion on “Direction on Strategies Related to Services for Unhoused Palo Alto Residents, Including Potential Emergency Shelter, and Adoption of a Resolution Endorsing the Santa Clara County Community Plan to End Homelessness 2020-25”<sup>2</sup>. At that time, Council directed staff to “Return with a proposal for an outreach team to the unhoused, which will include case management resources, additional Police resources, and program coordination staff. Funding in the amount of \$100,000 was approved on October 25, 2021, as a budget amendment as part of a discussion on the “Preliminary Q1 FY 2022 Financial Status to the FY 2022”<sup>3</sup>.

## ANALYSIS

The City issued a Request for Proposal (RFP) for Homeless Outreach Services on the city’s eProcurement platform, on May 19, 2022. The City received one response which was reviewed and deemed non-responsive. Feedback received from other organizations was that the funding available was not sufficient to safely and adequately provide the services listed in the scope of services. The scope was reassessed, and additional funding became identified by means of the Permanent Local Housing Allocation (PLHA) Entitlement Funding (a state funding source administered by the State of California Department of Housing and Community Development (HCD) to local jurisdictions)<sup>4</sup>. The city received the PLHA award letter from HCD on December 20,

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<sup>1</sup> City Council, April 5, 2021, Agenda Item #2, SR #12133;  
<https://www.cityofpaloalto.org/files/assets/public/agendas-minutes-reports/reports/city-manager-reports-cmr/yr-archive/2021/id-12133.pdf>

<sup>2</sup> City Council, August 30, 2021, Agenda Item #8, SR #13521;  
<https://www.cityofpaloalto.org/files/assets/public/agendas-minutes-reports/agendas-minutes/city-council-agendas-minutes/2021/08-august/20210830/20210830pccsm-amended-for-print-linked.pdf>

<sup>3</sup> City Council, October 25, 2021, Action Minutes, Action Item #5;  
<https://www.cityofpaloalto.org/files/assets/public/agendas-minutes-reports/agendas-minutes/city-council-agendas-minutes/2021/10-october/20211025/20211025amccs.pdf>

<sup>4</sup> City Council, October 24, 2022, Agenda Item #5; SR #14715  
<https://www.cityofpaloalto.org/files/assets/public/agendas-minutes-reports/agendas-minutes/city-council-agendas-minutes/2022/20221024/20221024pccsm-amended.pdf>

2022, and is still awaiting the HCD Standard Agreement for PLHA funding for signatures which will enable a request for the disbursement of the funds<sup>5</sup>.

An updated RFP was released with an increased budget, see Table 1 below for details.

**Table 1. Summary of RFP Process**

<b>RFP Name/Number</b>	<b>Homeless Outreach Services RFP 184669A</b>
Request for Proposal	11/10/22
Proposal Due	12/15/22
Total Days to Respond to RFP	34
Number of Proposals Received	3
Public Link to Solicitation	<a href="https://pbsystem.planetbids.com/portal/25569/bo/bo-detail/99724">https://pbsystem.planetbids.com/portal/25569/bo/bo-detail/99724</a>
Proposal Price Range	\$218,730 - \$230,000 per fiscal year

An evaluation committee comprised of staff from the City's Office of Human Services, City Manager's Office and a representative from Stanford University's Office of Community Engagement carefully reviewed each firm's qualifications and submittals in response to the criteria identified in the RFP:

1. Quality and completeness of proposal;
2. Quality, performance and effectiveness of the solution, goods and/or services to be provided by the Proposer;
3. Proposers experience, including the experience of staff to be assigned to the project, the engagements of similar scope and complexity;
4. Cost to the city;
5. Proposer's financial condition and stability;
6. Proposer's ability to perform the work within the time specified;
7. Proposer's prior record of performance with City or other local, county or state agency;
8. Proposer's compliance with applicable laws, regulations, policies (including City Council policies), guidelines and orders governing prior or existing contracts performed by the contractor.

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<sup>5</sup> Permanent Local Housing Allocation program (PLHA) Award letter to Palo Alto from California Department of Housing and Community Development Department – December 20, 2022;  
<https://www.cityofpaloalto.org/files/assets/public/community-services/human-services/plha-award-letter-to-palo-alto-from-california-department-of-housing-and-community-development-department.pdf>

Proposals were received from three organizations: Move Mtn. View, LifeMoves and Peninsula HealthCare Connections. The evaluation committee reviewed each proposers' responses to the services requested in the scope of services and a series of additional questions that sought to assess the proposers' approach to outreach, reducing homelessness, cultural competency, and measurement tools to assess success towards reaching proposed contract goals.

The evaluation committee selected LiveMoves as the firm best qualified to provide services requested by the City. They provided a comprehensive approach to the scope of work, demonstrated a clear understanding of Palo Alto and its needs, and have extensive experience working with providing Homeless Outreach Services in several cities in the Bay Area.

Services to be provided include regular street outreach to locate and engage with unhoused individuals where they find themselves in the Palo Alto area, in order to build trust, increase awareness of services and resources, improve neighbor relations, act as a resource to local businesses and, when feasible, connect them with support services including shelter, housing, government benefits, mental health, substance abuse treatment, or employment training among other needs. For the specific program objectives, tasks and outcomes measures as part of this contract, see full scope of services in the contract (Attachment A).

This program differs from the Downtown Streets Team employment services program which is also on the City Council agenda for adoption on June 19, 2023. The employment services program, proposed to be provided by Downtown Streets Team, is intended to provide job readiness to homeless and or extremely low-income individuals in the Palo Alto community. Both programs are part of the City's ecosystem to support homeless and or extremely low-income individuals in Palo Alto.

#### **FISCAL/RESOURCE IMPACT**

Funding for this contract is available through a combination of funding sources. The primary funding source will be the Permanent Local Housing Allocation (PLHA) entitlement funding that is expected to be distributed. Additional funding support will be from a contract with Stanford University for services (\$25,000) and the City's General Fund (\$100,000). Below is the breakdown by year, the budget amendments to recognize the PLHA and Stanford University revenues and fund this contract are included in the FY 2024 Budget for Council consideration and adoption on June 19<sup>th</sup>, 2023:

- Year 1 \$230,000: \$116,000 PLHA entitlement (reflect entitlement year 2019), \$25,000 Stanford University, and remaining costs to be covered by the City's General Fund Community Services Department (appropriation for homeless outreach services)

- Year 2 \$230,000: \$209,000 PLHA entitlement (reflect entitlement year 2020 and 2021), \$21,000 Stanford University

As a two-year pilot contract, funding beyond these years if continuation of services is desired would need to be identified. This would be an eligible expense for the new Business Tax receipts for affordable housing and unhoused services or future PLHA entitlement funding in the future.

#### **STAKEHOLDER ENGAGEMENT**

Services to unhoused community members, including the concept of homeless outreach services, was discussed at Council Meeting on April 5, 2021, and August 30, 2021, and the public was able to give input during oral communications. The concept was also discussed during a meeting of the Palo Alto Homeless Services Providers Committee on April 8, 2021.

#### **ENVIRONMENTAL REVIEW**

Approval of this contract is not a project under the California Environmental Quality Act (CEQA) per CEQA Guidelines 15061(b)(3).

#### **ATTACHMENTS**

Attachment A –C23184669A Homeless Outreach Agreement - LifeMoves

#### **APPROVED BY:**

Kristen O'Kane, Community Services Director