



City Council Staff Report

From: City Manager

Report Type: CONSENT CALENDAR

Lead Department: Planning and Development Services

Meeting Date: June 19, 2023

Report #:2306-1616

TITLE

Approval of Contract with Downtown Streets Team, Inc. (C23188369) for a Total Not-to-Exceed Amount of \$168,340 for Fiscal Year 2024 for Workforce Development Services: Environmental Assessment: Exempt in Accordance with CEQA Guidelines Section 15061(b)(3).

RECOMMENDATION

Staff recommends the City Council authorize the City Manager or their designee to execute Contract C23188369 (Attachment A) with Downtown Streets Team, Inc. to provide Workforce Development Services for a term of one year ending June 30, 2024 for a total amount not to exceed amount of \$168,340.

BACKGROUND

On June 20, 2022, City Council approved allocating \$160,477 from the General Fund for workforce development services to be provided by Downtown Streets Team, Inc. (DST). Historically, DST has been funded through the Department of Housing and Urban Development's Community Development Block Grant (CDBG) program. During Fiscal Year 2022, staff was notified that DST no longer qualified as a community-based development organization due to a change in its board membership and, as a result, was no longer eligible to receive CDBG funding in FY 2023. Due to this change of status and to provide continued support to the program in FY 2023, staff recommended and City Council approved funding DST from the General Fund.

Staff reported at the time that it would seek opportunities to potentially resolve the issue by applying for an exemption as provided for by the federal department for Housing and Urban Development. This research took several months and recently concluded with a finding that the exemption process was not likely to result in a favorable outcome, and therefore will not be pursued. More background information is available from the June 20, 2022 staff report.

Under Palo Alto Municipal Code (PAMC) 2.30.360(b)(2), the City Manager has approved an exemption from competitive solicitation due to the impracticality to solicit for these services.

During the next fiscal year, the City Manager's Office in collaboration with the Community Service Department will evaluate and recommend a path forward to support these services. The actions in this report will result in continued support for the DST Workforce Development program in FY 2024.

ANALYSIS

The DST program provides homeless and/or extremely low-income individuals with job readiness training and employment opportunities through job search skill instruction, supportive services, and direct employment placements with partnering companies. The objective of this program is to help previously homeless individuals rebuild their self-esteem and confidence through the dignity of work. The primary goal of the program is to transition people from a state of non-worker readiness and unemployment into regular paid employment.

The program provides counseling and training to assist participants develop a plan for self-sustainability by procuring housing or shelter, address physical/mental issues, receive transportation assistance, or providing other services. Training primarily focuses on building successful work habits, job readiness skills, resume writing, and employment search skills. DST will additionally recruit and work with a network of local businesses to identify and increase the number of job opportunities suitable for the targeted population from the private sector. This program differs from the outreach worker program which is also on the City Council agenda for adoption on June 19, 2023. The outreach worker program, proposed to be provided by LifeMoves, is intended to have a consistent presence to locate and engage with unhoused residents throughout Palo Alto. Both programs are part of the City's ecosystem to support homeless and or extremely low-income individuals in the Palo Alto community.

FISCAL/RESOURCE IMPACT

Funding for this contract is included in the FY 2024 Operating Budget of the Planning and Development Services Department. No additional resources required at this time.

ENVIRONMENTAL REVIEW

The recommended action is CEQA exempt under the California Environmental Quality Act pursuant to CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty that there is no possibility of a significant effect on the environment.

ATTACHMENTS

Attachment A: Downtown Streets Team Contract, C23188369

APPROVED BY: Jonathan Lait, Planning and Development Services Director