

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

Meeting Date: June 2, 2020

☐ Consent ☒ Regular
☐ Ordinance ☐ Public Hearing

Departments: Facilities Development and Operations

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to:

- A) **approve** a finding of emergency establishing that the design and renovation of the two County-owned improved properties is at this time the most effective way to meet the non-congregate sheltering needs of the Western Communities and that the delay associated with complying with all governing rules, regulations, or procedures would be detrimental to the interests, health, safety, and welfare of the County;
- B) **approve** the use of up to \$5,000,000 of CARES Act funding allocated to Non-Congregate Sheltering for the renovation of the Pahokee Facility;
- C) **authorize** the County Administrator, or her designee which in this case shall be the Director of Facilities Development & Operations, to execute all emergency design and construction contracts necessary to renovate the Pahokee and Belle Glade Facilities; and
- D) **authorize** the County Administrator, or her designee to commence direct negotiations with a not-for-profit provider to operate both facilities pursuant to an operator agreement substantially similar to the operation of Program Reach, which provides emergency and supportive housing to families on the coast.

Summary: On April 6, 2020, the Palm Beach County Board of County Commissioners received authorization from the Federal Emergency Management Agency (FEMA) to conduct non-congregate sheltering activities under the Public Assistance program as part of the response to the coronavirus emergency. Under this authorization the County entered into six (6) reservation/buyout agreements with different hotels for the provision of non-congregate sheltering in the North, South and Central geographical regions of the County. All efforts to secure such agreements in the Western Communities proved unsuccessful. Staff has identified two County-owned properties that could be renovated and repurposed to provide for non-congregate sheltering in the Western Communities. To implement the multisite non-congregate sheltering program a capital appropriation of up to \$5,000,000 of CARES Act funding will be required for the Pahokee facility and an additional \$500,000 in funding for capital improvements at the Belle Glade facility. Annual operational costs for both sites are estimated at \$2,200,000. **FDO Admin (District 6/Countywide) LDC**

Background & Justification: In 2019, through a foreclosure action, the County gained ownership of a 42 apartment unit residential property located in Pahokee. A second County-owned property located in Belle Glade has historically been used for mental health counseling and is currently unoccupied. Combined, the properties can provide for the needed multisite non-congregate sheltering program as described in the attached white paper.

Attachments:

1. Non-Congregate Sheltering Strategy for the Western Communities White Paper

Recommended by:  6/1/2020
Department Director Date

Approved by:  6/2/2020
County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2020	2021	2022	2023	2024
Capital Expenditures	<u>\$5,000,000</u>	<u>\$ 500,000</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Operating Costs	<u>0</u>	<u>\$1,650,000</u>	<u>\$2,200,000</u>	<u>\$2,200,000</u>	<u>\$2,200,000</u>
External Revenues	<u>0</u>	<u>0</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Program Income (County)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
In-Kind Match (County)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
NET FISCAL IMPACT	<u>\$5,000,000</u>	<u>\$2,150,000</u>	<u>\$2,200,000</u>	<u>\$2,200,000</u>	<u>\$2,200,000</u>

ADDITIONAL FTE
POSITIONS (Cumulative)

Is Item Included in Proposed Budget? Yes___ No __X__

Does this item include the Use of Federal Funds? __X__ Yes _____ No

Budget Account Nos:

Fund ___ Agency ___ Org ___ Object _____

Reporting Category

B. Recommended Sources of Funds/Summary of Fiscal Impact:

Staff is recommending the use of CARES Act funding to cover the \$5,000,000 in capital improvements required at the Pahokee facility in FY 20. The funding source for the \$500,000 in capital improvements to the Belle Glade facility will be identified in the FY 21 CIP budget recommendations. The implementation of the multi-site program will carry an operational cost of \$2.2M and will be funded from a combination of CDBG and ad valorem funding as further detailed in FY 21 operating budget proposal.

C. Departmental Fiscal Review: _____

III. REVIEW COMMENTS:

A. OFMB Fiscal and/or Contract Development & Control Comments:

OFMB
Contract Dev. and Control

B. Legal Sufficiency:

Assistant County Attorney

C. Other Department Review:

This summary is not to be used as a basis for payment.

***Non-Congregate Sheltering Strategy for the Western Communities
Coronavirus (COVID19) Response Actions
June 1, 2020***

I. Background

On March 1, 2020, Florida Governor Ron DeSantis issued Executive Order 20-51 directing the Florida Department of Health to issue a Public Health Emergency in response to the conditions created by the coronavirus and its associated severe respiratory disease, COVID19. On March 9, 2020, Governor Ron DeSantis, issued Executive Order 20-052 declaring a state of emergency for the State of Florida as a result of COVID19. Consistent with the State's emergency declaration, on March 13, 2020 Palm Beach County declared a local State of Emergency due to the coronavirus pandemic. On March 31, 2020, the County requested approval from the Federal Emergency Management Agency (FEMA) to conduct non-congregate sheltering activities under the Public Assistance (PA) program. On April 6, 2020, FEMA approved the County's request.

From the moment approval was received to this date, the County has entered into five (5) reservation agreements and one (1) buyout agreement for the provision of non-congregate sheltering. Combined, the agreements provide the County access to 359 hotel rooms. A thorough analysis was conducted by County Staff to identify areas where hotel rooms should be secured as a function of reported incidence of COVID19-positive cases, geographical proximity to hospitals and availability of supporting services. Based on this analysis, reservations/buyout agreements were secured in the North, South and Central geographical regions of the County. All efforts to secure such agreements in the Western Communities have proved unsuccessful.

There are several variables that frame the very specific conditions (and resulting challenges) seen in the Western Communities. First, there is the geographic separation that results in access limitations; only two principal roadways serve the area, US 441 running east to west, and US 27 running north to south. Any emergency incident that impedes passage through these roadways can effectively result in the region being cut off from the rest of the County. Although a regional county services complex exists in the area, the three main cities that comprise the Western Communities (i.e. Belle Glade, Pahokee and South Bay) are at a minimum, an hour-long drive away from the County seat. Second, the region holds a population of approximately 36,000 individuals (compared to the County's 1.4M), has a significant lower median household income (\$25,255 vs. \$59,943 for the county) and higher poverty rate (42.0% vs. 12.8%)¹. Third, hotel availability in the area is significantly limited (i.e. there are only three available), out

¹ <https://data.census.gov/cedsci/profile?g=0600000US1209990143&q=Belle%20Glade-Pahokee%20CCD,%20Palm%20Beach%20County,%20Florida>

of which only one was deemed suitable for non-congregate sheltering. Staff was unsuccessful in securing an agreement with the hotel owner therefore, at the moment the County lacks an easy-to-implement alternative to provide non-congregate sheltering in the Western Communities. There is also a shortage of decent, safe and affordable housing in the area for extremely low, very low and low-income families which also impedes the County's ability to coordinate direct-rent for families that may become homeless as a result of COVID19. If an immediate need to shelter county residents in the area were to surface, the only viable option would be to transport them to one of the six locations for which the County secured reservation/buyout agreements and that are located in other regions of the County. Although valid, this approach may be disruptive as it removes individuals from their communities which in turn, can be a main obstacle in getting those that need to isolate to do so. Federal, State and Local health agencies have indicated that failing to isolate when necessary (i.e. those that have tested positive or are symptomatic) and not following social distancing guidelines, contributes to the spread of coronavirus. Identifying a viable, local alternative for non-congregate sheltering in the Western Communities can be qualified as an urgent need, which requires exploration of non-conventional approaches.

Through a collaborative effort, County Staff has reviewed the available county-owned properties in the Western Communities with the intent of determining if any can be repurposed to meet the region's non-congregate sheltering needs. It is Staff's belief that one such property has been identified, this document summarizes Staff's findings and presents a plan for delivering a non-congregate sheltering alternative to the County's Western Communities.

II. Property Description

Through a foreclosure action, the County gained ownership of a residential property located at 1749 East Main Street #101, Pahokee, Florida, with direct access to public transportation (i.e. a bus stop is located directly in front of the property). The property is zoned as Single Family, Mixed Use and contains forty-two (42) individual housing units (i.e. one-bedroom apartments). For the past several months and under a separate effort, Staff had been conducting preliminary evaluations to determine future use, management and/or disposal of the property. In late April 2020, Staff received an assessment report that pointed to the possibility of reusing the property. On May 15, 2020, Staff conducted a site visit accompanied by representatives from an architectural/engineering firm (i.e. Colome' and Associates, Inc.) and local law enforcement. The architectural/engineering inspection led to the conclusion that the property can be renovated for use in the short-term to provide non-congregate sheltering; the information provided by local law enforcement officers shed valuable light into the property's history and its current condition. Most importantly, through the inspection it was confirmed that the reuse of the

property aligns with the County's short and long-term needs under the non-congregate sheltering activities authorization and under *the Leading the Way Home* Plan.

Due to its residential nature, the programmatic space available at the Pahokee facility is very limited (almost non-existent). Therefore, Staff identified the need to locate supportive services elsewhere. To accomplish this, a second county-owned property is being targeted. The property, located at 341 NW 11th Street, Belle Glade, is County owned land that was leased to a variety of mental health not for profit organizations for mental health counselling. The existing building was constructed by a *not for profit* in the early 1990s and is identified as a nursing home in the Property Appraiser's website. Most recently, the building was used by Jerome Golden Center as a mental health facility. The Belle Glade property has: six (6) individual rooms with a full bathroom shared for every two rooms, sufficient administrative space and food preparation areas. Staff concluded that the Belle Glade property can be used as the base of operations for running the proposed non-congregate sheltering facility at Pahokee including but not limited to: participant screening, intake and medical monitoring. The Belle Glade building is in overall good condition, with only minimal renovations being needed to commence operations.

III. Program Framework

The need for isolation of high-risk individuals and households is evident in the Western Communities, as the continued spike of COVID-19 positive cases has labeled the region as a "hot zone". The presence of hotel rooms in the Western Communities has proved to be challenging due to limited (almost non-existent) availability, its associated cost and the inability to ensure complete isolation.

The proposed non-congregate sheltering as envisioned under this strategy will require a multi-site operation integrating the Pahokee and Belle Glade facilities. The site located in Belle Glade will serve as the intake and assessment center for the non-congregate sheltering located in Pahokee. At the Belle Glade facility families, singles, youth (18-24) and seniors will receive a full assessment for services, be entered into the coordinated entry system and if identified as being at high risk of, or positive for COVID-19 and no other non-congregate housing option exists, will be assigned an emergency shelter unit in Pahokee. The Belle Glade facility will be in continuous operation (24 hours / day, 7 days / week), Staff and security will be on site to ensure smooth transition into the site and comprehensive program intake services allowing referred families and individuals to be evaluated at any time. Identical to the process at Lewis Center, Lewis Center Annex and the proposed facility in suburban Lake Worth, individual and families without referrals will not be accepted. Referrals, through the coordinated entry system, may be made by law enforcement, the School Board, the Health Department, or a variety of not for profit agencies. The six individual sleeping rooms at the Belle Glade facility will provide for

immediate emergency placement. Those participants identified as needing to isolate due to COVID19 will then be referred to the Pahokee facility.

Once a homeless household is assessed and determined to be appropriate for placement into non-congregate sheltering, a driver will transport the household to the facility. To ensure operational soundness and adherence to sheltering best practices, the units at the Pahokee facility will be distributed to ensure that there is separation amongst the different population groups being served that is, singles, seniors and families. Each shelter unit consists of a private bedroom and bathroom, as well as independent kitchen areas to allow for isolation from other residents. Licensed Practical Nurses (LPN) will provide care to the residents in isolation.

The intake process into the Pahokee facility will provide the County a means to provide to the participants services that align with the County's *Leading the Way Home, a Plan to End Homelessness in Palm Beach County* published in 2019. The Plan calls for expanding supportive services; providing increased access to housing solutions in our community; and enhancing the Homeless System of Care. Consistent with the Plan's approach, each homeless household admitted to the non-congregate sheltering facility at Pahokee will be assigned a case manager to secure safe and affordable permanent housing. In some cases, placement into permanent housing will not be possible, as the household will have a need for continued housing due to disabilities, a chronic health condition, or severe behavioral health issue. In these instances, and once past the COVID19 emergency, the Pahokee facility will align with the County's long-term goals of providing supportive housing units. The length of stay in supportive housing can vary from three (3) to twenty-four (24) months depending on the need.

IV. Project Framework

Pahokee Facility: No evident structural or site deficiencies were identified during the inspection. Moderate water damage was evident throughout the interior of the building, anecdotal information obtained from local law enforcement points to a water heater leak that ran unattended for two days leading to standing water inside the facility. Per local law enforcement, the Code Enforcement officials from the City of Pahokee determine that the property could not be occupied due to the damage resulting from the broken water heater incident. Conditions observed are consistent with the anecdotal information received. As a result of the water damage, interior finishes (i.e. drywall, paint, flooring, etc.) need to be repaired and mold remediation is needed in select areas. All appliances, cabinets, fixtures and HVAC systems must be replaced. Previous occupants left a significant amount of personal belongings on site; garbage removal services will be required in preparation for renovation activities. Other components in need of renewal/replacement include: roofing, fire alarm, interior/exterior painting and ADA

compliance. From the engineering assessments commissioned through a separate effort, it is known that the site drainage system must be cleaned and repaired.

Professional architectural/engineering design, permitting and construction supervision services will be required to scope the renovations needed at the property. Construction Management services will be required for the renovations/construction phase.

Belle Glade Facility: No evident structural or site deficiencies were identified during the inspection. Maintenance, renewal and replacements typical of those required for a 20-year facility will be needed to ready up the facility, professional architectural/engineering services will be required to ensure that renovations remain cone compliant.

V. Budget and Funding

Non-Congregate Sheltering at Pahokee Facility: Preliminary estimates point to a total project construction cost of \$5,000,000 as per the breakdown that follows:

<u>Description</u>	<u>Estimate</u>
IAQ/Asbestos/Lead Assessment and Remediation ²	\$75,000
Construction	\$4,000,000
FFE	\$223,000
Soft Costs (A/E, permits, fees, staff costs, etc.)	\$480,000
Contingency	\$222,000
Total	\$5,000,000

Staff has confirmed with the County's Office of Financial Management and Budget that funding is available under the *Sheltering* budget line of the CARES Act spending strategy. Preliminary estimates point to a recurrent operational cost of \$1,283,065.

Program Intake and Support Services at Belle Glade: Preliminary estimates point to a total project construction cost of \$500,000 and to a recurrent operational cost of \$912,553. This facility not being the primary site for non-congregate sheltering under the COVID19 emergency, it is Staff's recommendation that alternate capital funding be identified from existing possible sources such as CDBG to cover the renovation costs. A detailed budget is included as Attachment I.

Combined, the required operational appropriation to implement the multisite program totals \$2.2M.

The Fair Market Rent (FMR) for a one-bedroom apartment in the County is \$1,208 per month and as part of the supportive services provided under transitional housing the County usually provides for the security deposits (i.e. two months' rent). In assessing the

² IAQ/ACM assessment has not been performed therefore, extent of remediation required (if any) is uncertain.

long-term impacts of the Pahokee facility as it aligns with the County's long-term goals of providing supportive housing units, it must be considered that to provide an equivalent number of units at FMR would cost the County \$676,480 annually.

VI. Miscellaneous Considerations

As part of the preliminary due diligence for the Pahokee facility, Staff has been made aware that code enforcement violations were issued by the City of Pahokee. As part of the project, preexisting violations will be addressed.

The Pahokee property having been acquired through foreclosure, it was necessary to validate that no obligations remain to pay back federal funds invested in the property at the time of the original mortgage process. The County, through its Housing and Economic Sustainability Department (HES), held the first lien position as a lender. HES has confirmed that it is not aware of any federal grant restrictions or payback obligations that would interfere with, or impose additional procedural requirements to, the project that the County intends to pursue if this *Non-Congregate Sheltering Strategy for the Western Communities* is approved.

Completion of the renovation activities in a manner that effectively aligns with the conditions imposed by the COVID19 emergency is essential. To achieve this goal, Staff will require all procurement processes to be carried under the emergency procurement provisions of the County's Purchasing Code. As such, Staff will rely on the existing lists of qualified contractors to select those that, based on experience, expertise and available resources, can facilitate delivery of the project within the established timeline.

VII. Implementation Timeline

Subject to Board approval no later than June 16, 2020 and following emergency procurement provisions, the project can be delivered and ready to commence non-congregate sheltering activities by December 4, 2020.

VIII. Staff Recommendations

Staff recommends to the Board that it:

- Approve a finding of emergency establishing that the design and renovation of the two County-owned improved properties is at this time the most effective way to meet the non-congregate sheltering needs of the Western Communities and that the delay associated with complying with all governing rules,

regulations, or procedures would be detrimental to the interests, health, safety, and welfare of the County.

- Approve the use of up to \$5M of CARES Act funding allocated to Non-Congregate Sheltering for the renovation of the Pahokee Facility.
- Authorize the County Administrator, or her designee which in this case shall be the Director of Facilities Development & Operations, to execute all emergency design and construction contracts necessary to renovate the Pahokee and Belle Glade Facilities.
- Authorize the County Administrator, or her designee to commence direct negotiations with a not-for-profit provider to operate both facilities pursuant to an operator agreement substantially similar to the operation of Program Reach, which provides emergency and supportive housing to families on the coast.

Attachment I

Non-Congregate Sheltering Strategy for West County						
Projected Operational Costs						
Category	Pahokee Facility			Belle Glade Facility		
	Staff (FTE)	Operator	PBC	Staff (FTE)	Operator	PBC
Program Staff						
Housing/Engagement Tech	6	\$ 150,000.00		5	\$ 125,000.00	
LPN's				1	\$ 40,000.00	
Shift Coordinators	2	\$ 90,000.00				
Program Manager	1	\$ 65,000.00				
Case Managers	5	\$ 225,000.00		3	\$ 135,000.00	
Peer Support Specialist				3	\$ 75,000.00	
Resident Manager	1	\$ 25,000.00				
Driver	1	\$ 25,100.00		1	\$ 25,100.00	
Sr Program Director	0.2	\$ 17,000.00		0.2	\$ 17,000.00	
Handyman	1	\$ 50,000.00				
AVP Homeless Services				0.2	\$ 12,000.00	
Benefits @22%		\$ 142,362.00			\$ 94,402.00	
Program Operations & Supplies						
Supplies/Postage		\$ 18,000.00			\$ 12,000.00	
Client Supplies		\$ 50,000.00				
Food			\$ 12,000.00			
Laundry Services						\$ 1,000.00
Equipment Repairs		\$ 5,000.00			\$ 5,000.00	
Vech Main/leasing/insurance					\$ 50,000.00	
Consumable Vehicle (Gas)					\$ 8,000.00	
Tags & Reg					\$ 200.00	
Staff Mileage		\$ 5,000.00			\$ 4,000.00	
Employee Drug Screens/recruitment		\$ 3,500.00			\$ 3,500.00	
Staff Training		\$ 2,500.00			\$ 2,500.00	
General Liability		\$ 7,000.00			\$ 5,000.00	
Data Processing Licenses		\$ 2,000.00			\$ 1,000.00	
Printer Lease		\$ 10,000.00			\$ 10,000.00	
Phone	9	\$ 6,480.00		4	\$ 2,880.00	
Recruitment					\$ 3,000.00	
Document Shredding		\$ 1,500.00			\$ 1,500.00	
Recycling/Refuse Collection Services		\$ 2,400.00			\$ 2,400.00	
Janitorial/Pest Control		\$ 60,000.00			\$ 30,000.00	
Grounds		\$ 6,075.00			\$ 3,375.00	
Indirect Costs @10%		\$ 96,284.20			\$ 66,448.20	
Building Maintenance & Security						
Security (P: One 12 hour shift; BG: Three 8 hour shifts)	1		\$ 78,624.00	3		\$ 157,248.00
Utilities - Water			\$ 20,400.00			
Utilities - Electricity			\$ 66,840.00			
Building Maintenance			\$ 40,000.00			\$ 20,000.00
Sub-Total		\$ 1,065,201.20	\$ 217,864.00		\$ 734,305.20	\$ 178,248.00
Total		\$ 1,283,065.20			\$ 912,553.20	
						\$ 2,195,618.40

Non-Congregate Sheltering Strategy for West County			
Furniture Costs			
Equipment	Qty	Unit Cost	Cost
Office Equipment (Staff/Client Use)			
Belle Glade: Laptops (3) / Desktops (2)			\$ 5,500.00
Pahokee: Laptops (5) / Desktops (6)			\$ 12,100.00
Apartment Units			
Range	42	\$ 500.00	\$ 21,000.00
Kitchen Hood	42	\$ 150.00	\$ 6,300.00
Refrigerator	42	\$ 800.00	\$ 33,600.00
Microwave	42	\$ 400.00	\$ 16,800.00
Twin bunk beds	60	From existing inventory	
Twin mattress (PBSO supplier)	120	\$ 160.00	\$ 19,200.00
Dresser	42	\$ 350.00	\$ 14,700.00
TV	42	\$ 200.00	\$ 8,400.00
Sofa	42	\$ 750.00	\$ 31,500.00
Dining Table & Chairs	42	\$ 600.00	\$ 25,200.00
Curtains	84	\$ 200.00	\$ 16,800.00
Common Areas			
Washer	2	\$ 2,000.00	\$ 4,000.00
Dryers	2	\$ 2,000.00	\$ 4,000.00
Conference Room Table & Chairs (12 PP, community room)	1		\$ 3,600.00
		Total	\$ 222,700.00