

Project title: Commerce Shelter Grant for Pallet Shelter Pilot

Council Bill # *interoffice use*

Agenda dates requested:
2/17/2021

Briefing
Proposed action
Consent
Action
Ordinance
Public hearing
 Yes No

Budget amendment:
 Yes No

PowerPoint presentation:
 Yes No

Attachments:
Contract and Contract
Routing Sheet

Department(s) involved:
Public works, Community
Development- and many
others in development of
project.

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Initialed by:

Department head

Administration

Council President

Project: Commerce Shelter Grant for Pallet Shelter Pilot

Partner/Supplier : *Snohomish County Human Services/ WA State Dept. of Commerce*

Location: *If relevant*

Preceding action: *Council approved application July 22,2020*

Fund: *Fund 155 – General Government Special Projects and Fund 401- Utilities*

Fiscal summary statement:

The City of Everett will be awarded \$1,040,149 from Snohomish County Human Services to pilot a new shelter program utilizing Pallet Shelters.

Funds include \$55K from the 1/10th of 1% Sales Tax Chemical Dependency and Mental Health Fund and \$985,149 from Washington State Commerce Department.

Grant expenditures will be \$1,040,149, reimbursable to City of Everett for cost of site development, shelter purchases, and sub-contractor fees for site management.

A budget amendment will be required.

Project summary statement:

The proposed pilot will provide non-congregate emergency shelter for individuals referred by the Community Outreach and Enforcement Team (COET). The pilot will utilize Pallets, small aluminum and composite shelters, to shelter 20-30 individuals who are living on public land unsuitable for human habitation or experience barriers to traditional shelter services.

The proposed site for the pilot is a portion of an Everett Transit parcel located on the 3700 Block of Smith Avenue. With its close proximity to Everett Gospel Mission (EGM), it is proposed that EGM will enter into an agreement with the City of Everett to obtain temporary use of the land and to operate the shelter program, ensuring safety, security sanitation, and that grant requirements are met.

This pilot is intended to address public health and environmental hazards and to reduce collateral damage in our community, in particular in the Smith Avenue area. Additional shelter space will also help ensure police have the necessary tools for enforcement, and increase the safety and resources for our first responders and outreach workers.

If Council accepts the grant, next steps will include the development of a land use agreement, a land use review process III which allows for public comments, a management plan with EGM, preparation of the land, and the purchase and placement of the Pallets.

It is anticipated that site development and necessary plans and permits will take several months. Once operational the grant will reimburse a daily per bed rate for each sheltered individual and the pilot will run for 13 months.

Recommendation (exact action requested of Council):

Authorize the Mayor to sign the contract with Snohomish County Human Services in the amount of \$1,040,149 for the development, purchase, and operations of the Pallet Shelter Pilot.

EXHIBIT A

SPECIFIC TERMS AND CONDITIONS

PALLET SHELTER PILOT

I. TERMS AND CONDITIONS

A. This Contract is made by and between Snohomish County (hereinafter the County) and the City of Everett (hereinafter the City).

B. Shelter Program Grant

The purpose of the Shelter Program Grant (SPG) is to fund equitable approaches to develop or expand shelter programs for persons experiencing homelessness and to bring people inside with the goal of exiting participants to permanent housing and positive destinations quickly. Projects funded are required to enact strategies to ensure racially equitable access and racially equitable outcomes at shelter exit, provide outreach to unsheltered individuals, and provide housing stability focused services.

The Washington State Department of Commerce (Commerce) administers the Shelter Program Grant (SPG), in addition to other state and federal funds, to support homeless crisis response systems in Washington State. The SPG seeks to help people living unhoused to become stably housed through a low-barrier, culturally responsive, and housing-first oriented system that promotes evidence-based, anti-racist practices. The fund source is the Washington State Home Security Fund authorized by RCW 43.185C.

1. The City shall comply with Commerce's [Guidelines for the Shelter Program Grant](https://www.commerce.wa.gov/wp-content/uploads/2020/09/hau-ofah-shelter-guidelines-2020-2023.pdf), dated August 2020, and as may be subsequently amended, at <https://www.commerce.wa.gov/wp-content/uploads/2020/09/hau-ofah-shelter-guidelines-2020-2023.pdf> for details on administrative requirements, allowable expenses, allowable interventions, facility requirements, reporting, and other required policies and procedures.
2. Additional information and sample forms are also available on Commerce's website at: <https://www.commerce.wa.gov/serving-communities/homelessness/office-of-family-and-adult-homelessness/shelter-program-grant/>.

C. Documents Incorporated by Reference

In performing the services under this Contract, the City shall comply with the following documents incorporated by reference:

1. RCW 82.14.460;
2. Snohomish County Ordinance Number 20-075; and
3. Snohomish County Human Services Department Management and Policy Memoranda, as applicable.

II. ORDER OF PRECEDENCE

In the event that any provisions of the Contract, including all authorities incorporated by reference, are in conflict with one another, the provision which is the more encompassing and restrictive on the City's actions shall apply. In the event that equally restrictive provisions are in conflict with one another, the sources of the provisions shall govern their precedence. The order of precedence shall be first federal, then state, then local, and shall in all cases be ruled upon by the County.

III. SCOPE OF SERVICES

- A. The City shall provide the services described in the Approved or amended Approved Exhibit B (Statement of Work), pursuant to the provisions of this Contract.
- B. The City shall initiate criminal history background checks pursuant to RCW 43.43.830 and RCW 43.43.834 for all prospective employees and volunteers who may have unsupervised access to children under sixteen years of age, developmentally disabled persons of any age, or vulnerable adults.

IV. FINANCIAL AWARD

- A. The City is hereby awarded, in the form of a subaward, the total sum indicated in Exhibit C, Approved Contract Budget, to provide part of the funding for the full undertaking and performance of the Project. It is expressly agreed and understood that the total amount paid by the County under this Agreement shall not exceed the total subaward indicated in Exhibit C.
- B. In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Contract and prior to normal completion, the County may amend the Contract amount to reflect any new funding limitations and conditions.
- C. Allowable costs under this Contract shall include costs incurred by the City during the Contract term set forth on the Contract Face Sheet, PROVIDED, that all costs shall not exceed the Contract Maximum, and PROVIDED, FURTHER, that no payments will be made before the Effective Date.

- D. All funds shall be available only in strict accordance with the provisions of this Contract, the Basic Terms and Conditions referenced on the Contract face sheet, and the following, each of which is incorporated herein by this reference:
1. The Commerce Shelter Program Grant Interagency Agreement; and
 2. Commerce Guidelines for the Shelter Program Grant; and
 3. Other applicable federal, State, and local laws, regulations, and policies governing the funds provided in this Contract.

V. ALLOWABLE COSTS

- A. Costs allowable under this Contract are based on an approved budget up to the Maximum Contract Amount. If provided for in the Approved Statement of Work (Exhibit B) and the Approved Contract Budget (Exhibit C), allowable use of the funds shall include:
1. Administration;
 2. Facility Support;
 3. Program Operations;
 4. Capital Construction; and
 5. Property Acquisition.
- B. Shelter Program Grant Costs allowable under this Contract must meet requirements and restrictions included in Commerce's Guidelines for the Shelter Program Grant, dated August 2020, and as may be subsequently amended.

VI. FISCAL MANAGEMENT

- A. Cost Reimbursement
1. Reimbursement for services delivered pursuant to the approved Statement of Work (Exhibit B) under this Contract will be provided by Snohomish County on a cost reimbursement basis. Following the reimbursement procedures described in the Basic Terms and Conditions Agreement referenced on the Contract Face Page, the City shall submit, in a format prescribed by the County, an invoice detailing, on a monthly basis, all costs associated with the project based on the Approved Contract Budget (Exhibit C).

2. City must take reasonable steps to prevent the ineligible use of funds and must inform the County if any grant funds are spent on ineligible expenses.

B. Budget Revisions

The City may make limited changes to the approved budget that comply with the provisions for budget revisions in the Basic Terms and Conditions. Certain types of post-award changes to the approved project budget will require the prior approval of Snohomish County, specifically:

1. Administrative costs actually incurred to support operating activities funded under this Contract may be charged to this Contract up to the amount specified in Exhibit C but will not exceed ten percent (10%) of the total Contract.
2. Any revision to the approved project budget that would require prior Commerce approval; Snohomish County will obtain such approval before approving the request.

C. Prevailing Wage

If any construction, repair or maintenance activities occur under this Contract, (see Section IX.D. below), State Prevailing Wage requirements must be followed. Contract reimbursements that include construction, repair or maintenance costs will not be made until the approved Statement of Intent to Pay Prevailing Wages is provided to the County.

Final reimbursement will not be made until the approved Affidavit of Wages Paid is provided to the County.

VII. PROJECT REQUIREMENTS

A. Nondiscrimination, Fair Housing, and Accessibility

Supplemental to the following requirements of the Basic Terms and Conditions (Compliance with the Snohomish County Human Rights Ordinance, Nondiscrimination and Affirmative Action, and Noncompliance with Nondiscrimination Plan), the City shall comply and require its subagencies performing work funded in whole or in part under this Contract to comply with all applicable federal, State, and local nondiscrimination laws, regulations, and policies, including, but not limited to:

1. The Washington State Law Against Discrimination, RCW 49.60, as it now reads or as it may be amended. RCW 49.60 currently prohibits discrimination or unfair practices because of race, creed, color, national origin, families with children, sex, marital status, sexual orientation, age,

honorably discharged veteran or military status, or the presence of any sensory, mental, or physical disability or the use of a trained guide dog or service animal by a person with a disability.

2. Title VIII of the Civil Rights Act of 1978 (P.L. 90-284), commonly referred to as the Fair Housing Act of 1968, and its amendments, as it now reads or as it may be amended. The Fair Housing Act currently prohibits discrimination because of race, color, national origin, religion, sex, disability, or family status. The Fair Housing Act prohibits enforcing a neutral rule or policy that has a disproportionately adverse effect on a protected class.
3. Chapter 39.80.040 RCW (Contracts for Architectural and Engineering Services – Participation by Minority and Women-Owned Firms), and its amendments, as it now reads or as it may be amended.
4. Projects serving households with children must serve all family compositions. If a project operates gender-segregated facilities, the project must allow the use of facilities consistent with the participant's gender expression or identity.
5. The City must ensure effective communication with people with disabilities, including access to all appropriate auxiliary aids and services necessary (e.g. braille, large type, assistive listening devices, and sign language interpreters).
6. The City must ensure effective communication with people who speak other languages, have limited English proficiency, and/or have limited literacy abilities.

B. Procurement Contracts

The following provisions apply to procurements of supplies, equipment, construction, or other services financed in whole or part under this Contract:

1. Bid procedures and bid documents must be approved by the County, if requested, prior to award of any contracts for construction services for capital improvements financed in whole or in part under this Contract, which approval will not be unreasonably withheld.
2. The City agrees that it will incorporate into every procurement contract funded under this Contract substantially the following provision:

Records: The Contractor agrees to provide duly authorized representatives of the City, Snohomish County, and federal and state agencies access to any books, documents, papers, and records of the City which are pertinent to contract performance for the purpose of making audit examination,

excerpts, and transcriptions.

The City shall procure all materials, property, supplies, or services in accordance with the requirements in the Snohomish County Environmentally Preferable Purchasing and Product Utilization Policies.

C. Facility Requirements

1. **Emergency Shelter Facility.** An Emergency shelter facility is defined as a building locally permitted to provide emergency shelter for people experiencing homelessness. This includes re-use of existing buildings and new buildings. This designation requires a certificate of occupancy issued by the local jurisdiction.
2. **Temporary Shelter Site.** A Temporary Shelter Site is defined as structure(s) or a location locally permitted to provide temporary shelter for people experiencing homelessness. Tents, migration sites or hosted encampments are examples of Temporary Shelter sites. This designation requires use approval, as required by the local jurisdiction. This could be conditional or temporary use permits, or a zoning letter stating approvals required. Temporary shelter structures referred to as “tiny shelters” or “tiny homes” are allowable facility types, in addition to other models approved by Commerce.
3. **Other Facility Types.** Hotels, motels, dormitories and efficiency dwelling units or apartments are allowable types of shelter facilities.
 - a. Local permitting and occupancy requirements must be followed, as applicable.
 - b. Shelter programs utilizing hotel/motels must ensure access to, and use of, beds for each day the program is operational.
4. **COVID-19 Safety Measures.** All shelters must implement applicable recommendations provided by the Washington State Department of Health and Centers for Disease Control and Prevention Guidance for Shared or Congregate Housing. Shelter facilities must obtain approval by the relevant local public health jurisdiction, Public Health Officer, County Medical Director or Department of Public Health Director prior to occupancy of the shelter.
5. **Health and Safety**
 - a. All shelter facilities must be structurally sound to protect occupants from the elements and not pose any threat to health and safety. Space and privacy in sleeping areas must ensure privacy and dignity.

- b. Shelter facilities must be accessible for people who use wheelchairs or mobility devices and must provide reasonable accommodations, as needed.
- c. All shelter facilities must provide:
 - i. Access to hygiene facilities, including toilets, handwashing and garbage containers, all of which are serviced frequently;
 - ii. Access to storage for the belongings of shelter guests;
 - iii. Janitorial service/cleaning which ensures shelter space is hygienic and comfortable;
 - iv. A bed for each participant that is in good condition with a clean and comfortable mattress, including bed linens, except for hosted encampments. Sites utilizing tents must include clean, comfortable and warm sleeping accommodations, such as a sleeping bag and pad or cot; and
 - v. Cribs, bassinets, and infant formula for participants with minor children, as needed.
- d. Shelter facilities should also provide:
 - i. Personal hygiene products;
 - ii. Access to kitchen facilities including a sink, refrigerator, stove, garbage containers and eating and cooking utensils;
 - iii. Food and beverages and food that is in accordance with the participant's religious and cultural beliefs and personal practices; and
 - iv. Access to laundry facilities.

D. Lead-Based Paint

The City must comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§ 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. §§ 4851-4856), and implementing regulations at 24 CFR Part 35, subparts A, B, J, K, M, and R, and with any and all applicable laws, regulations or standards hereafter enacted or issued with regard to lead-based paint.

E. Labor Standards

The County is not responsible for determining whether state prevailing wage

applies to this project or for any state prevailing wage payment that may be required by law. City is advised to consult the Washington Department of Labor and Industries and/or private counsel to determine whether prevailing wages must be paid. City will comply with applicable prevailing wage rules set forth in chapter 39.12 RCW, including the filing of the "Statement of Intent to Pay Prevailing Wages" and "Affidavit of Wages Paid" as required by RCW 39.12.040, if required under Chapter 39.12 RCW. City shall maintain records sufficient to evidence compliance with Chapter 39.12 RCW, if applicable, and shall make such records available for the County's review upon request.

VIII. Records

A. Records to Be Maintained

Supplemental to the Maintenance of Records provisions in the Basic Terms and Conditions, the Contractor shall maintain books, records, documents, data and other evidence relating to this contract and performance of the services funded under this Contract and as further described in the Approved Statement of Work (Exhibit B), and shall furnish such records to the County, Commerce, the Office of the State Auditor, and federal and state officials so authorized by law, regulation or agreement. The City shall maintain records, including, but not limited to:

1. Records providing a full description of each activity undertaken;
2. Records required to determine the eligibility of activities, including participant data demonstrating eligibility for assistance provided under this Contract and as further described in the Approved Statement of Work (Exhibit B); and in the event that an individual or family is deemed ineligible, records documenting the reason for that determination;
3. Records of the services and assistance provided to each participant, including, where applicable, compliance with the grievance procedure and termination/denial of assistance requirements;
4. Records of use of the Coordinated Entry system;
5. Records of compliance with shelter health and safety and housing lead-based-paint requirements;
6. Records used for data collection for reports and the Snohomish County HMIS (or a comparable database);
7. Records of compliance with the nondiscrimination requirements; and
8. Financial Records, including supporting documentation of all accounting

procedures and practices that sufficiently and properly reflect all direct and indirect costs of any nature expended in performance of this Contract.

B. Supplemental to the Right of Inspection and Access provision in the Basic Terms and Conditions, at no additional costs, these records, including materials generated under the Contract, shall be subject at all reasonable times to inspection, review or audit by the County, Commerce, personnel duly authorized by Commerce, the Office of the State Auditor, and federal and state officials so authorized by law, regulation, or agreement.

C. Retention and Destruction

1. The above records and all other financial records, supporting documents, statistical records and all other records pertinent to this Contract shall be retained for a period of six (6) years after close-out or termination of this Contract.
2. Paper records derived from HMIS which contain personally identifying information must be destroyed within seven (7) years after the day the household receive services from the City.

IX. CONFIDENTIALITY/SAFEGUARDING OF INFORMATION

A. "Confidential Information" as used in this section includes:

1. All material provided to the City by the County that is designated as "confidential" by the County;
2. All material produced by the City that is designated as "confidential" by the County; and
3. All personal information in the possession of the City that may not be disclosed under state or federal law. "Personal information" shall mean information identifiable to any person, including,, but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of government services or other activities, addresses, telephone numbers, social security numbers, driver's license numbers, other identifying numbers, and any financial identifiers.

B. The City shall comply with all state and federal laws related to the use, sharing, transfer, sale, or disclosure of Confidential Information. The City shall use Confidential Information solely for the purposes of this Contract and shall not use, share, transfer, sell, or disclose any Confidential Information to any third party except with the prior written consent of the County or as may be required by law. The City shall take all necessary steps to assure that Confidential Information is safeguarded to prevent unauthorized use, sharing, transfer, sale,

or disclosure of Confidential Information or violation of any state, or federal laws related thereto. Upon request, the City shall provide the County with its policies and procedures on confidentiality. The County may require changes to such policies and procedures as they apply to this Contract whenever the City reasonably determines that changes are necessary to prevent unauthorized disclosures. The City shall make the changes within the time period specified by the County. Upon request, the City shall immediately return to the County any Confidential Information that the County reasonably determines has not been adequately protected by the City against unauthorized disclosure.

- C. Unauthorized Use or Disclosure. The City shall notify the County within five (5) working days of any unauthorized use or disclosure of any confidential information, and shall take necessary steps to mitigate the harmful effects of such use or disclosure.
- D. Personally identifying information must never be sent electronically unless sent via a secure file transfer.

X. COPYRIGHT

Unless otherwise provided, all Materials produced under this Contract shall be considered "works for hire" as defined by the U.S. Copyright Act and shall be owned by the County. The County shall be considered the author of such Materials. In the event the Materials are not considered "works for hire" under the U.S. Copyright laws, the Contractor hereby irrevocably assigns all right, title, and interest in all Materials, including all intellectual property rights, moral rights, and rights of publicity to the County effective from the moment of creation of such Materials.

"Materials" means all items in any format and includes, but is not limited to, data, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions. "Ownership" includes the right to copyright, patent, register and the ability to transfer these rights.

For Materials that are delivered under the Contract, but that incorporate pre-existing materials not produced under the Contract, the City hereby grants to the County a nonexclusive, royalty-free, irrevocable license (with rights to sublicense to others) in such Materials to translate, reproduce, distribute, prepare derivative works, publicly perform, and publicly display. The City warrants and represents that the Contractor has all rights and permissions, including intellectual property rights, moral rights and rights of publicity, necessary to grant such a license to the County.

The City shall exert all reasonable effort to advise the County, at the time of delivery of Materials furnished under this Contract, of all known or potential

invasions of privacy contained therein and of any portion of such document which was not produced in the performance of this Contract. The City shall provide the County with prompt written notice of each notice or claim of infringement received by the City with respect to any Materials delivered under this Contract. The County shall have the right to modify or remove any restrictive markings placed upon the Materials by the City.

XI. PERFORMANCE REVIEW

At a minimum, the County shall review quarterly the City's level of planned performance compared to actual performance as reported on monthly expenditure and reports as provided pursuant to the Approved Exhibit B (Statement of Work). If the City has expenditure issues, or performance issues related to utilization or outcomes defined in the Approved Exhibit B, the County may reallocate those funds to other eligible program agencies. Any reduction will be based on actual performance. The level of funding reduction shall be negotiated between the City and the County, with the County retaining the authority to set the reduction level.

XII. PROHIBITIONS

Funds awarded under this Contract shall not be used for activities not related to the SPG Program.

XIII. HOMELESS MANAGEMENT INFORMATION SYSTEM PARTICIPATION

A. The City shall require its subagencies performing work funded in whole or in part under this Contract to participate in the Snohomish County Homeless Management Information System ("Snohomish County HMIS"), which is administered by the County's Human Services Department. Snohomish County HMIS is an electronic database that collects data on homeless persons who receive coordinated entry, navigation services, outreach, homeless prevention and intervention services, emergency shelter, transitional housing, supportive services not linked with housing, and permanent housing, including rapid rehousing, permanent supportive housing, and other permanent housing.

B. Participation shall include:

1. Technical set up;
2. Staff training;
3. Development of and adherence to an HMIS implementation schedule;
4. Adherence to the requirements set forth in the Local HMIS Data Quality Plan, including timely data entry, internal monitoring of data quality, and timely correction of data;

5. Adherence to other requirements as set forth in the Snohomish County HMIS Policy and Procedures Manual; and
6. Adherence to the requirements set forth in the “Agency Partner Agreement” and “User Policy, Code of Ethics and Responsibility Statement” executed by the participating subagency and subagency’s staff.

XIV. PUBLICITY

The City agrees not to publish or use any advertising or publicity materials in which the State of Washington or the County’s name is mentioned, or language used from which the connection with the State of Washington’s or the County’s name may reasonably be inferred or implied, without the prior written consent of the County.

XV. WRITTEN POLICIES AND PROCEDURES

- A. Written policies and procedures consistent with requirements under this Contract and with federal and state regulations, as applicable, shall be kept on file in the office of the City and available for review.
- B. Such policies and procedures shall include, but not be limited to:
 1. Personnel and job descriptions;
 2. Organizational chart;
 3. Travel;
 4. Fiscal management;
 5. Grievance procedure;
 6. Termination and Denial of Service policy; and
 7. Confidentiality Policy.

XVI. ENVIRONMENTAL TOBACCO SMOKE

Smoking is not permitted in any portion of any indoor facility owned, leased, or contracted for by the City and used routinely for the provision of services to children under the age of 18.

XVII. COORDINATION OF ACTIVITIES

Activities shall be coordinated with similar and related programs administered by the federal government and the state of Washington, including but not limited to, Continuum of Care planning.

XVIII. PERFORMANCE EVALUATION AND MONITORING

The City agrees to participate with the County in any evaluation of the Project conducted by the County, Commerce, or HUD and to make available all information in its possession relevant to such evaluation.

The County will monitor the performance of the City against the goals and performance standards set forth in this Contract. Remedies for substandard performance that is not corrected to the County's satisfaction may include Contract suspension or termination following the procedures described in the Basic Terms and Conditions Agreement.

XIV. CONFORMANCE

If any provision of this Contract violates any statute or rule of law of the state of Washington, it is considered modified to conform to that statute or rule of law.

XX. TAXES

All payments accrued on account of payroll taxes, unemployment contributions, the City's income or gross receipts, any other taxes, insurance, or expenses for the City or its staff shall be the sole responsibility of the City.

XXI. LIABILITY

Supplemental to the Indemnification and Responsibility provisions of the Basic Terms and Conditions, Commerce and the State of Washington are not liable for claims or damages arising from the City's performance of this Contract.

EXHIBIT B
STATEMENT OF WORK/PROJECT DESCRIPTION
PALLET SHELTER PILOT

I. DESCRIPTION

In compliance with the terms of the Contract, the City shall perform the tasks and services and carry out the Project as described as follows.

- A. The City shall provide through a subcontract with a nonprofit community or neighborhood-based organization (hereinafter the “Subcontractor”) to provide a minimum of 20 emergency shelter beds.
- B. The City shall comply with Commerce’s Guidelines for the Shelter Program Grant, dated August 2020, and as may be subsequently amended, at <https://www.commerce.wa.gov/wp-content/uploads/2020/09/hau-ofah-shelter-guidelines-2020-2023.pdf> for details on administrative requirements, allowable expenses, allowable interventions, facility requirements, reporting, and other required policies and procedures.
- C. The City shall have an agreement with the Subcontractor:
 - 1. The City shall provide the County a copy of the signed agreement and notify the County if subcontracts are terminated during the Contract period.
 - 2. The agreement must be time-limited and have defined roles and responsibilities, a detailed budget and performance terms.
 - 3. The City is responsible for ensuring Subcontractor compliance with all requirements identified in the Contract and the Shelter Program Grant Guidelines.
- D. The emergency shelter shall provide short-term temporary shelter (lodging) for people experiencing homelessness. It must be delivered using one of the following program models:
 - 1. Drop-In Shelter. Drop-In Shelters offering night-by-night living arrangements that allow households to enter and exit on an irregular or daily basis.
 - 2. Continuous Stay Shelter. Continuous Stay shelters offering living arrangements where households have a room or bed assigned to them through the duration of their stay.

II. SERVICE DELIVERY

Services shall be oriented toward bringing people experiencing unsheltered homelessness inside and exiting participants to permanent housing and positive destinations quickly.

A. Rules and Policies

The Subcontractor must have realistic and clear expectations. Rules and policies must be narrowly focused on maintaining a safe environment for participants and the community and avoiding exits to homelessness. Subcontractor must have flexible intake schedules and require minimal documentation.

1. The Subcontractor shall follow a low-barrier approach. At a minimum, participants must not be screened out based on the following criteria:
 - a. Having little or no income;
 - b. Having poor credit or financial history;
 - c. Having poor or lack of rental history;
 - d. Having a criminal record, with exceptions for state-mandated restrictions, and sex offenses for emergency shelters serving families with children;
 - e. Having active or a history of alcohol and/or substance use, except that sobriety/recovery focused emergency shelters may limit enrollment to individuals seeking a sobriety/recovery focused environment;
 - f. Having been impacted or affected by crime;
 - g. The type or extent of disability-related services or supports that are needed;
 - h. Lacking identification or proof of U.S. Residency Status;
 - i. Other behaviors that are perceived as indicating a lack of "housing readiness", including resistance to receiving services; and
 - j. If the emergency shelter serves households with children, the age of a minor child cannot be used as a basis for denying any household's admission to the program

2. The emergency shelter shall not have stay limits.
3. Participants shall not be exited to homelessness solely due to the number of days residing in a shelter.
4. Subcontractor shall not require participants to pay a share of rent or program fees.
5. The Subcontractor shall not terminate participants from the emergency shelter for any of the following reasons:
 - a. Failure to participate in supportive services or treatment programs;
 - b. Failure to make progress on a housing stability plan; or
 - c. Alcohol and/or substance use in and of itself, except for sobriety/recovery-oriented emergency shelters.
6. If a participant is terminated from the emergency shelter due to a violation of rules focused on maintaining a safe environment, the Subcontractor must have a process in place for the participant to re-enroll in the emergency shelter at a later date when the behavior has resolved.

B. Housing Stability Focused Services and Planning

Subcontractor must offer housing stability focused services that are driven by the needs of the participant, flexible, trauma-informed, strengths-based, and culturally relevant and that focus on obtaining stable housing.

C. Racially Equitable Access and Outcomes

Subcontractor must develop and implement strategies to prevent racial inequities in who is served and program outcomes. At a minimum, the strategies must include:

1. Hiring and promoting both frontline and management staff who reflect the racial, cultural, and language demographics of the population being served;
2. Implementing inclusive programming by intentionally seeking and utilizing input from the population being served;
3. Providing interpretation services to ensure effective communication with

people who have limited English proficiency; and

4. Translating all documents and marketing information (including website) into the most common languages spoken in the community.

D. Staff Training

Subcontractor staff are required to attend training in the following areas at least once every three years and attendance must be documented by the Subcontractor:

1. Trauma-informed services;
2. Racial equity; and
3. LGBTQ+ competency.

E. Coordinated Entry System

The Subcontractor shall ensure that all participants are enrolled in the Coordinated Entry (CE) system established by the Everett/Snohomish County Continuum of Care by:

1. Enrolling participants directly into the CE System; or
2. If the Agency does not have access to the CE System, referring participants to North Sound 2-1-1 to enroll the household into the CE system.

F. Grievance Procedure

Supplemental to Client Grievances in the Basic Terms and Conditions, the Subcontractor must have a written grievance procedure for households seeking or receiving services that:

1. Includes the right of participants to review decisions and present concerns to program staff not involved in the grievance;
2. Clearly describes how participants can request a review or report concerns; and
3. Is accessible to all participants seeking or receiving services.

G. Termination and Denial of Service Policy

Supplemental to Client Grievances in the Basic Terms and Conditions, the

Subcontractor must have a written termination and denial of service policy that:

1. Describes the reason(s) a household would be denied services and/or terminated from program participation;
2. Describes the notification process to the household of the termination or denial of service decision by the Subcontractor;
3. Ensures participants are made aware of the grievance procedure; and
4. Complies with the Shelter Program Grant Guidelines.

III. REIMBURSEMENT ON EMPTY BEDS

- A. Reimbursement for services delivered pursuant to this Contract will be provided on a cost reimbursement basis. Reimbursement is allowable for all new shelter beds within this Project up to the \$56 per day per bed rate with up to a 10% vacancy rate in the Project in a given month. The bed rate shall be pulled and calculated from HMIS data.
- B. Reimbursement is not allowable for empty shelter beds over the 10% vacancy rate in a given month without prior written approval from the County. County approval over 10% vacancy rate is only allowable within the Project's first 12 months of operation and will only be granted in rare circumstances. This exception requires Commerce approval and the County will obtain such approval before approving the City's request.

IV. OUTPUTS AND OUTCOMES

- A. The Project shall provide a minimum of 20 bed nights each day.
- B. The Subcontractor shall make best efforts to meet or exceed the identified outcomes for the Project; these outcomes are aligned with the System Performance Benchmarks, as adopted by the Partnership to End Homelessness (PEH) Continuum of Care Board. The outcome measures for the Project are as follows:

Measure	Description	Outcome
Length of Stay	Average number of days households remain in Emergency Shelter	Less than sixty-one (61) days
Exits to Permanent	Percentage of households who exit to permanent housing	Increase to more than thirty-seven percent (37%)

V. REPORTS

The City shall ensure the Subcontractor submits to the County such reports as the County requests pursuant to the requirements of federal, state, and/or local law, as applicable. At a minimum, the Subcontractor shall submit, in a format prescribed by the County, the following reports:

REPORT	DUE DATE
Housing Inventory Count (HIC)/ Annual Report	Annually, by the submission deadline established by the County;
Commerce Golden Report. Any data issue identified by the County, including but not limited to, client enrollment and assessment data, performance outcomes, and financial data must be addressed by the Agency in accordance with the Snohomish County HMIS Policies and Procedures, as described further in Exhibit A	Annually, by the submission deadline established by the County; and
Quarterly Performance Report Review Form	Within 14 days after Subcontractor receives each Quarterly Performance Report from the County.

VI. ADDITIONAL REQUIREMENTS

Everett/Snohomish County Continuum of Care (CoC) activities, including participation in planning activities, and the annual Point-In-Time (PIT) Count of individuals and families experiencing homelessness or who are at risk of homelessness. PIT participation includes the active recruitment of volunteers to conduct the PIT Count and submission of PIT project-specific data and information.

**EXHIBIT C
 CONTRACT BUDGET - COST REIMBURSEMENT
 PALLET SHELTER PILOT**

AGENCY NAME: City of Everett
CONTRACT PERIOD: 1/1/2021 to 6/30/2022

FUNDS AWARDED UNDER CONTRACT:

REVENUE SOURCE	FUNDING PERIOD	AMOUNT	AMENDMENT	TOTAL AMOUNT
Commerce Shelter Program Grant	1/1/2021 to 6/30/2022	\$ 985,149		\$ 985,149
1/10th of 1% Sales Tax	1/1/2021 to 5/31/2021	\$ 55,000		55,000
				-
				-
				-
				-
TOTAL FUNDS AWARDED:		\$ 1,040,149	\$ -	\$ 1,040,149

MATCHING RESOURCES:

N/A	N/A
TOTAL MATCHING RESOURCES:	
N/A	

MATCH REQUIREMENTS FOR CONTRACT: % N/A AMOUNT: N/A

OTHER PROGRAM RESOURCES (Identify):

SOURCE	FUNDING PERIOD	AMOUNT
TOTAL OTHER RESOURCES:		\$ -

EXPENDITURES

CATEGORY	FUND SOURCE 1/10th of 1%	FUND SOURCE SPG	FUND SOURCE	FUND SOURCE	FUND SOURCE	FUND SOURCE	TOTAL	OTHER RESOURCES
Salaries/Wages		\$ 225,000					\$ 225,000	
Benefits		50,000					50,000	
Supplies/Minor Equip.		50,000					50,000	
Prof. Services		225,000					225,000	
Postage							-	
Telephone		1,000					1,000	
Mileage/Fares							-	
Meals							-	
Lodging							-	
Advertising							-	
Leases/Rentals							-	
Insurance		20,000					20,000	
Utilities		5,000					5,000	
Repairs/Maint.		30,634					30,634	
Client Flex Funds		10,000					10,000	
Printing							-	
Dues/Subscrip.							-	
Regis./Tuition							-	
Machinery/Equip.		143,000					143,000	
Administration		68,515					68,515	
Indirect							-	
Miscellaneous							-	
Flex Funds							-	
Misc. Construction	55,000	157,000					212,000	
Acquisition							-	
Relocation							-	
							-	
TOTAL	\$ 55,000	\$ 985,149	\$ -	\$ -	\$ -	\$ -	\$ 1,040,149	\$ -

EXPENDITURE NARRATIVE

AMOUNT	CATEGORY	NARRATIVE (provide justification describing each category supported with funds awarded under this contract)
\$ 225,000	Salaries/Wages	Salary for daily site supervisors; details included on Detail Salaries-Wages tab
50,000	Benefits	Staff insurance and benefits plan
50,000	Supplies/Minor Equip.	TP, sanitizer, fire extinguisher, shower supplies, etc
225,000	Prof. Services	24 hr Security and Porta Potty service
1,000	Telephone	Staff cell phones
20,000	Insurance	Liability and required insurance
5,000	Utilities	Fees for electricity and water
30,634	Repairs/Maint.	Replacement pallet parts/ fence repairs/ misc maintenance
10,000	Client Flex Funds	Personal support items
143,000	Machinery/Equip.	21 Pallet shelters
68,515	Administration	Administrative costs
212,000	Misc. Construction	Site development and security fencing
\$ 1,040,149	TOTAL	

DETAIL SALARIES / WAGES

POSITION	FUND SOURCE	% OF TIME TO FUND SOURCE	TOTAL MONTHLY	MONTHLY CHARGE TO FUND SOURCE	# OF MONTHS	TOTAL CHARGE TO FUND SOURCE
Site Supervisor	SPG	100.00%	9,000	9,000	12.00	108,000
Maintaince Staff	SPG	100.00%	3,000	3,000	13.00	39,000
Site Supervisor	SPG	100.00%	6,000	6,000	13.00	78,000
TOTAL:						\$ 225,000

NOTE: Above figures may reflect rounding