

CC 04-02-2025

#8

MOU for Feasibility Study

Supplemental Report



CITY MANAGER'S OFFICE

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CITY COUNCIL STAFF REPORT

SUPPLEMENTAL 1

Meeting: April 2, 2025

Agenda Item #

Agenda Item #8

Subject

Memorandum of Understanding (MOU) among West Valley Cities (Cupertino, Campbell, Saratoga, Monte Sereno, and Town of Los Gatos) for a feasibility study to evaluate the potential of any temporary housing facility or emergency shelter.

Recommended Action

Authorize the City Manager to execute the MOU for the West Valley Cities Shelter Feasibility Study.

Background:

Staff's responses to questions received from Councilmembers

On March 31, staff received the following questions via email from Mayor Chao regarding Item #8:

Q1: The MOU states "The feasibility study by Good City, Co. will begin in November 2024 and is expected to be completed by August 2025." But the other cities are adopting the MOUs from Feb. 2025 to April 2025. Would the timeline be adjusted?

Staff response: Demographic data that is available for housing and unhoused needs is typically presented at the county or regional level, such as in the Census or American Community Survey, accounted for in the "Needs Analysis" portion of the timeline. The "Feasibility Study" and "Project Meetings" account for the city-specific tasks that require interviewing local service providers for each City, which constitute the portion of tasks to be done throughout Summer 2025. To expand the project area of study, which began with Campbell, to include additional nearby cities, including Cupertino, would not require the timeline being adjusted.

Q2: The consultant agreement mentioned "Meet at key points in the project with County OSH staff", but nowhere else is the involvement of County mentioned in the MOU or the consultant agreement. About 34% of our property tax goes to the County, but only 7%

goes to the City of Cupertino. Therefore, the County has been in charge of shelters and emergency shelters and the related social services for the unhoused. Would the Feasibility Study include any data on the county shelters and how the county provides emergency shelter? The location of existing shelters and the cost of providing services in the County?

Staff response: The feasibility study proposed would take into account location of existing shelters and service costs and will be using data collected from both the County Continuum of Care and Office of Supportive Housing which are identified as key stakeholders. A component of determining feasibility would be factoring the availability of resources currently provided (for the County and cities), availability of resources currently available (for both the County and cities), and how that would interact with any proposed new service.

Q3: Any shelters, emergency or not, must include social services normally provided by county social service staff who have special training to manage the various needs of unhoused population. Would the Feasibility Study also evaluate the staffing needs for any emergency shelters? What services would be evaluated in the study?

Staff response: The feasibility study would include identification of service providers who could support the management of any proposed facility, both through County staff and non-profits which provide this service. Staffing resources to be analyzed would include all aspects of providing shelter, including: outreach, caseworkers, operations staff, supportive staff, and more. Included in stakeholders for outreach are current shelter providers such as LifeMoves, PATH, Abode, etc.

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#9

City Council Special Projects
Policy

Supplemental Report



ADMINISTRATIVE SERVICES DEPARTMENT

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CITY COUNCIL STAFF REPORT

SUPPLEMENTAL 1

Meeting: April 2, 2025

Agenda Item #9

Subject

Consider the adoption of a City Council Special Project Policy

Recommended Action

Adopt Resolution No. 25-XXX approving the City Council Special Project Policy

Background:

Staff's responses to questions received from councilmembers are shown in italics.

Q1: The staff report states "Special Projects are defined as one-time, staff-initiated projects that require City Council approval due to the need for budget appropriations that exceed a department's base budget." What is the current budget appropriation authority of each department, without council approval? What is the current budget appropriation authority of the City Manager, without council approval? (**Mayor Chao**)

Staff Response: All budget appropriations are approved by the City Council when the budget is adopted. Carryover appropriations carryover the Council authority into the new fiscal year for projects or purchases that were not completed in the fiscal year they were approved. Each department's appropriation authority is the amended budget approved and adopted by Council.

City Manager cannot appropriate new funds, they only have the authority to reappropriate funds within a given department and in the same fund. See page 99 of the FY 2025-26 Budget under financial policies, Annual Budget Process, Amendments for City Council and City Manager and Department Head authority:

Amendment

After the budget is adopted, a department may request a change through a budget amendment. A budget amendment is required to:

- Allocate additional appropriations during the fiscal year
- Reallocate appropriations between line items during the fiscal year

Adjustments to expenditures within or between departmental budgets are accomplished on an as-needed basis administratively throughout the year. The City Manager and Department Heads can transfer funds between their accounts and/or programs as needed. Transfers between fund types need approval by City Council.

City Council approval is also required for additional appropriations from fund balances or from new revenue sources.

Q2: The staff report states "In instances where there are sufficient budget appropriations the City Manager must request City Council authority in the form of a consent agenda item to reappropriate the funds as a special project."

For example, the Budget Format Review project, where a consultant was hired to review the budget format. Would that be considered a Special Project? Since the funding for the project seems to come the vacant Budget Manager position, would that be put on the council agenda since it is a reappropriation of fund? (Assuming that the amount is large enough to require council approval as an example. Or you could suggest other better examples) **(Mayor Chao)**

Staff Response: Under the new Special Project policy, if approved, this special project would now be presented to the City Council for approval as a consent item.

Q3: The staff report states "Special Projects are defined as one-time, staff-initiated projects that require City Council approval due to the need for budget appropriations that exceed a department's base budget." What category would be the staff-initiated projects which do not require city council approval? How do we get visibility into such non-special projects? **(Mayor Chao)**

Staff Response: Under the new Special Project policy, if approved, these special projects would now be presented to the City Council for approval as a consent item. Transfers within the same fund would be the only items remaining. Transfers are reported on a quarterly basis as part of the quarterly financial reports.

Attachments Provided with Original Staff Report:

- A – City Council Special Project Policy
- B – Draft Resolution