

**Budget Priorities for the Richardson Bay Regional Authority (the “RBRA”) of \$3,000,000 and the County of Marin (the “County”) of \$2,000,000 for the FY 2022-2023 State Budget Act
(Total Marin Funding Request: \$5,000,000)**

The budget priorities for the Richardson Bay Regional Authority (RBRA) and the County of Marin (County) consist of the below at a high level (background and detail follow):

- A. \$3,000,000 to RBRA to transition anchor outs off the bay consistent with its BCDC agreement – roughly \$1.5M for vessel abatement and relocation and \$1.5M for housing assistance for either water-based or land-based housing solutions; and*
- B. \$2,000,000 to County to be distributed equally to three city-operated housing solutions for individuals in encampments in Sausalito, San Rafael and Novato as they transition to permanent housing solutions already under way in the County.*

A. RBRA Budget Priorities: \$3,000,000

The RBRA is a small, unique municipal agency created to improve coordination efforts and effectiveness in maintaining navigable waterways, open waters, and a healthy shoreline of the multi-jurisdictional Richardson Bay in Marin County. Agency members include the County of Marin, the Cities of Mill Valley and Belvedere, and the Town of Tiburon.

The RBRA respectfully requests that the Legislature consider a significant one-time investment of \$3.0 million to assist the RBRA as it deals with the challenging environmental restoration goals of Richardson Bay while also ensuring a supported, limited-term water-based and land-based “bridge housing” transition for the approximately 40 individuals currently reliant on their vessels for housing.

Permanent supportive housing units are expected to be brought online by 2026 in concert with the County of Marin and housing partners.

Background

After many years of inaction and tolerance of vessels anchored historically yet illegally in Richardson Bay, the RBRA began to address the abundance of abandoned and other vessels on the water. The great majority of these vessels were anchored in areas of eelgrass, a marine plant that plays an essential role in the development and maintenance of fish habitat, in maintaining water cleanliness and in stabilizing the ocean floor.

In August of 2021, the RBRA and BCDC entered into a Settlement Agreement (SA) that required the mapping of the eelgrass, and subsequent development of an eelgrass protection and management plan (EPMP) and establishment of an eelgrass protection zone (EPZ). Additionally, the SA requires the RBRA to establish 20 moorings by December 15, 2022 and to remove all illegally anchored vessels from the water by October 15, 2026. The large number of vessels that have permanently anchored in Richardson Bay has given rise to unique challenges and heightened environmental concern for the ecology of the Bay. Vessels are legally allowed to anchor in Richardson Bay for up to 72 hours, but in the wake of the Great Recession nearly 200 vessels – both inhabited and abandoned – were left for months and years on the waters of Richardson Bay.

Anchor-outs on Richardson Bay present not only environmental concerns but are also a symptom of the larger housing crisis regionally and statewide. Many of the individuals living on illegally anchored vessels – the majority of which are in disrepair and/or non-navigable – are extremely low income, and their boat provides their only housing option. The US Department of Housing and Urban Development defines those living as anchor-outs as homeless.

Citing the environmental concerns related to illegally anchored moorings and non-permitted residential use of the bay, the San Francisco Bay Conservation and Development Commission (BCDC) entered into

an agreement with RBRA to complete certain administrative and operational actions with the goal of removing all vessels from the anchorage by October, 2026.

To meet these goals, the RBRA has more than doubled its annual budget in the last five years, including significant investments in vessel abatement and environmental study. Its budget is anticipated to nearly double again in FY 2022-23. Of the 192 vessels illegally anchored beyond the 72-hour time limit in 2019, approximately 70 vessels remain.

NEED FOR ONE-TIME FUNDING

Despite the progress made thus far, to ensure a supported transition for those reliant on their vessels for housing ***a significant funding investment of \$3.0 million is needed to assist with the two areas of most urgent need: Vessel Management and Housing Assistance.***

1. Vessel Management: Capacity building for abatement and relocation: \$1,500,000

There is strong reluctance from many of the vessel owners within the Eelgrass Protection/No Anchoring Zone to relinquish or relocate their vessels. To many, these vessels are not only their homes but represent their sole material asset as well. These individuals will need strong incentives to comply – which would involve, but not be limited to, financial resources to support:

- Repair funds to make some vessels seaworthy and/or eligible for slip placement;
- Development of a temporary mooring field for 15–20 vessels, placed within the anchorage area and outside of the Eelgrass Protection Zone, to allow for the temporary relocation of vessels currently anchored in eelgrass areas;
- Development of additional slip space within existing marinas:
 - Work cooperatively with existing marina operators to request approval from BCDC to increase the percentage allowance for live-aboard space in existing slips, as specifically allowed in the 2021 Settlement Agreement; and
 - Identify and work to develop space for the development of an additional dock with up to 20 new slips, to be used exclusively for a limited term by the anchor-out community

2. Housing Assistance: Land or Limited-Term Water Based Housing: \$1,500,000

To avoid displacement from the bay leading to city encampments, we would seek both land and water solutions to provide housing solutions to anchor outs. For example, with the addition of a new dock with up to 20 new slips (see above), RBRA would purchase up to 20 new vessels for use as cost-effective “bridge” housing units for the displaced anchor-out community. RBRA would retain ownership of the vessels; limited-term lease rights to residency and use of the vessels would be exclusive to the recipient anchor-out per written agreement. Slip fee and insurance subsidies when necessary would continue for up to three years, during which time RBRA will work with service providers to develop permanent housing options for those who may need such services. At the termination of the leases, the vessels would be sold as surplus.

Should environmental or other entitlement factors preclude the development of additional marina slips as described above within an existing marina, RBRA will use budgeted funds to work cooperatively and creatively with Marin HHS and any other providers or property owners to supplement case management, assist with housing, and/or provide rent or rental deposit support to ensure that individuals transitioning from the water to land-based housing are successful.

Wrap-around supportive services would be provided by County of Marin HHS for all water-based and/or land-based bridge housing options to ensure anchorouts remain housed.

Total RBRA budget request (including 10% administrative expenses):

1. Vessel management	\$1,500,000
2. On land and/or water housing assistance	<u>\$1,500,000</u>
Total	\$3,000,000

B. County of Marin Budget Priorities: \$2,000,000

Although Marin County and its cities have collaborated to achieve some remarkable successes in permanently housing previously unhoused individuals in the past two years with the assistance of the State, the County faces a critical need for which available local resources have not proved sufficient.

The County respectfully requests that the Legislature make a significant one-time, \$2 million multi-jurisdictional investment to help “bridge” the gap for individuals in need from unsheltered settings in the Cities of Sausalito, San Rafael, and Novato to permanent supportive housing options already underway in the County.

Background

As in most communities, the pandemic and its disruptions in service delivery and employment have disproportionately impacted the most vulnerable in our County. These encampments – some located under highways, in flood zones, in open space, and in small downtown parks – have significant structural, safety, and health concerns. The concentration of individuals in need in unsheltered settings significantly strains both Marin’s existing homelessness system of care and local municipal budgets providing security and services.

The Board of Supervisors recently approved \$500,000 in County matching funds to support enhanced City-run homeless services in San Rafael, Novato and Sausalito. These funds will support services for encampment security, camp management, sanitation services, and outreach or other services. We have also offered our cities and towns the continuation of a 50 percent County matching program for city-run homeless service programs aimed at improving conditions at homeless encampments and efforts to transition individuals into more stable and permanent housing options once they come online.

Marin has successfully leveraged new state and federal funding during the pandemic to accelerate existing efforts to move vulnerable individuals into housing. This concerted effort has been highly successful, with 452 high-needs people experiencing chronic homelessness placed into in permanent supportive housing since October 2017 with a 95 percent housing retention rate.

Despite this success, the amount of time required to bridge individuals in need from unsheltered settings to permanent supportive housing takes time and significant coordination among counties, service organizations, municipalities and neighborhood groups. While this strains smaller municipal budgets, counties like Marin also face a funding cliff after limited-term non-local funding winds down for programs like Project Roomkey and Whole Person Care – which provide the case management and supports necessary to keep people housed.

The County has accepted this ongoing risk, and we stand ready to continue helping our cities implement small-scale shelter, transitional or bridge housing. We acquired two properties through Project Homekey in 2020; 18 units will come online as permanent supportive housing in late 2022 and another 44 are expected by 2024. The County’s emergency shelter is being re-built and will add 32 units of permanent

supportive housing units and could come online as soon as this summer. Finally, in the latest round of Project Homekey, Marin was awarded its third Homekey property to supply 43-50 more units of permanent supportive housing in 2023.

NEED FOR ONE-TIME FUNDING

As the County's three Project Homekey properties undergo construction to transition to permanent supportive housing (during which time they are no longer available as temporary shelter), there is an immediate need to fund enhanced supports within these encampments until permanent supportive housing units can come online.

\$2.0 million in one-time state funding would be split equally among the three cities facing the greatest encampment challenges, with specific proposed uses as follows:

- **Novato (\$666,667):**
 - Shelter (7 beds at Homeward Bound in Novato and 1 bed at the Helen Vine Detox Center for 1 year, emergency motel vouchers);
 - Outreach (contract for mental health liaison/outreach staff with local homeless service provider; additional hours for law enforcement as part of the Novato response Team outreach, transportation costs for clients); and
 - City Costs for encampment management including mobile showers, sanitation and wash stations, pest control, waste management, including extensive debris removal from Hamilton March encampment.
- **San Rafael (\$666,667):**
 - Construction and operation of a small site "pallet village" to be utilized as shelter or transitional housing.
- **Sausalito (\$666,667):**
 - Camp management (costs for contract with Urban Alchemy), and Donated housing renovation (Dorothy Gibson property) to serve as housing for several units.

[Our top priority for state funding is provide financial support to address the encampments in Novato, San Rafael and Sausalito as described above. The County has also applied for up to \$2.0 million in State Emergency Solutions Grant (ESG) Program funds. Should County be awarded both sources of funding, \$2.0 million would be used for the three city encampments and the remaining funds would be used to accelerate our transitions to permanent supportive housing countywide.

When paired with housing vouchers available through the Marin Housing Authority, these additional support services will result in new permanent supportive housing beds for vulnerable people experiencing chronic homelessness countywide. Specific proposed uses include:

- **Outreach:**
 - Support an additional outreach worker to serve emerging encampments countywide;
- **Case Management:**
 - Support an additional case manager to be matched with high utilizers countywide to expand the High Utilizer Case Management program with an additional 17 clients;
- **Landlord Incentives:**
 - Support outreach worker time to renew relationships with existing landlords countywide and address any on-going issues and to identify possible new landlords]