

June 23, 2005

Homeless Housing Project
3770 N. River Rd.
Paso Robles, CA 93446
238-7056

Hon. Mayor Mecham and Hon. Members of the City Council
City Hall
1000 Spring St.
Paso Robles, CA 93446

Hon. Mayor and Councilmen:

EOC has received a grant to build its new shelter in Atascadero. When it is complete, EOC will need funds to operate it, and will undoubtedly be applying for CDBG funds from the City of Paso Robles. This endangers our funding. But there is a way out.

Recently we signed a month-to-month rental agreement with the owner of the old Shady Rest Motel on Mission Street in San Miguel. I have sent a copy of the agreement to Ed Gallagher of City Planning. The agreement provides for a \$500 security deposit and rent of \$530/mo. and permission to "exchange occupants" at will. We have enough clients to keep one or more motel rooms full at all times (though there might be a short gap between because of scheduling). The agreement provides for a \$500 security deposit which is not refundable unless we keep the room for a year. We have paid the owner \$1030 for the deposit and first month's rent.

We have been looking for a monthly rate at a motel, to save money. The best we had found before was a weekly rate, which we used when the client was expected to need our services for at least a week. The best weekly rate was about \$250 under optimal circumstances. This monthly rate cuts our cost approximately in half.

If Mr. Gallagher determines that City Council approval is needed for us to be reimbursed for the security deposit and for any days when the room is temporarily unoccupied (allow the full month's rent), please give your consent.

This one room will not cover the needs of all our clients, but it will help. The owner has excluded wheel-chair patients because the bathrooms are too small, and excluded mental patients and convicted sex offenders. We don't have many of the latter, but I remember one who was dying of cancer and had committed an offence 20 years before, without recurrence. We do take mental patients if referred by County Mental Health or EOC.

There will be times, too, when one room will not take care of all our clients, and two or three or more are needed.

There are time, such as the Mid-State Fair, when no motel rooms are available. This can even happen on weekends in the summer. Also, motel rent varies with the season and with events in town. This room in San Miguel will always be available, except when already occupied.

There is more. The motel is for sale. The owner is fixing it up, cabin by cabin. He has a permit, and is doing a good job very economically.

There are HUD grants available for the purchase, some under the heading of Continuum of Care. But I believe that the applicant must be a governmental entity. I am sure that the City could structure an

application. Our only interest is in continuing services to the ill and disabled homeless. In order to avoid the requirement of prevailing wages, the sale to the City could be conditional on repairs made by the current owner. We could easily keep it full, either with temporary occupants awaiting subsidized housing, or permanent, low-income residents, and there would be income from rents. It might be possible to get it certified as subsidized housing. If the City wished, we could rent it, or just find the tenants. We are all volunteers. We have expenses for telephone (the Motel Voucher Program is operated on the phone), consisting of one cell phone and call forwarding. Our volunteers provide the use of their home phones without reimbursement. We have expenses for insurance, and for postage, paper and computer supplies, and membership in the Chamber of Commerce. The City could operate the motel itself, or give it to the Housing Authority. There are many sorts of relationships which can be structured. We are only interested in the continuation of services to a vulnerable population with no other resource or recourse.

Please set up a meeting with us to explore ways in which this can be done.

The client we have in unit number 5 of the motel has a small, one-bedroom apartment with a new kitchenette and new bath fixtures. The units are unfurnished. The owner donated a bed and we have completed the furnishings from donations. You'd be surprised how nice it is. It is close to Casa San Miguel (the Ovitt Center). The owner has put on all new doors and roofs. When he has finished renovating the 10 units from the inside, he plans to do the outside. There is a laundry room beside the house at the back which is also part of the parcel. The owner has stripped the units down to the studs and installed insulation and drywall, and new windows.

I have asked Doug Barth to give a free appraisal, and am awaiting his reply.

Please help. Thank you. God bless you.

Sincerely,



Pearl Munak, President