



## CITY OF BANNING STAFF REPORT

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

**PREPARED BY:** Laurie Sampson, Assistant City Manager  
Doug Schulze, City Manager

**MEETING DATE:** February 11, 2025

**SUBJECT:** Receive and File Opportunity Village Project Update

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**RECOMMENDATION:**

Receive and file.

**BACKGROUND:**

Opportunity Village is funded through a combination of grant funds and Housing Funds.

On January 11, 2022, City Council approved Resolution 2022-04 Declaring a Shelter Crisis Pursuant to Government Code Section 8698.2. Staff were given direction to seek any grant funding available for these purposes and to expend City Housing Funds to address the homeless crisis in the City of Banning.

The City was able to obtain ESG-CVII (Emergency Service Grant) funds in the amount of \$175,000 specifically to help defray the cost of personnel and \$175,000 to help offset the cost of security for the Village. The terms of these grants were met, and the City was reimbursed with the complete \$350,000. In addition to the grant funds \$1,209,604 in Housing funds were designated for this project for a total budget of \$1,559,604. The Grants Manager continues to seek funds for the homeless in a very competitive environment.

In August 2023, the City was awarded a grant from Cal ICH Encampment Resolution Fund Round 2 (Cal ICH ERF-2) in the amount of \$980,461. The use of these funds is specific and must be approved by Cal ICH prior to spending. Quarterly Reports are required to determine funds are being spent appropriately and timely. Conditions include grant funds to be 100% committed and 50% spent by June 30, 2024. The budget and projects for this grant are included with this report as an attachment. We are in compliance with the grant requirements.

In addition to the day-to-day operations our staff at Opportunity Village have implemented a program that rewards our shelter residents for continuing to better themselves by working to reestablish their identities, participating in drug and alcohol counseling and community events, and other requirements. The staff has found that by treating the residents with dignity and human decency, they advance toward this goal of self-reliance more rapidly.

**JUSTIFICATION:**

One of the key components of helping residents is restoring a sense of community, dignity and emotional well-being. When residents participate in community events such as clean up events in the parks and removal of homeless encampments, they begin to redevelop pride and commitment. The issuance of gift cards fosters dignity as they empower the residents to make personal choices and control over their

lives. Making these choices also helps them develop financial literacy.

The Gift Card Issuance Program is not available to all residents. There are parameters that allow them to participate as well as precluding some. The requirement to obtain gift cards includes signing for receipt of these cards as well as having a W-9 on file in case the issuance of these gift cards exceeds \$600 per year.

The Opportunity Village Project conforms with the City Manager's goals approved by City Council.

**FISCAL IMPACT:**

<b>Account</b>	<b>810-9700-490.90-59</b>	<b>Project Code HA2201</b>	
FY2022/2023	ESG Funds		\$ 350,000.00
	Housing Funds		\$ 1,209,604.00
	Total		\$ 1,559,604.00
FY2022/2023	Expenses		\$ 1,098,201.60
FY2023/2024	Expenses		\$ 188,900.05
FY2024-2025	Expenses	Through 12/31/2024	\$ 55,496.73
Balance Available			\$ 217,005.62

<b>Account</b>	<b>810-9700-490.90-60</b>	<b>Project Code HA2401</b>	
Cal ICH ERF-2 Grant			\$ 980,461.00
FY2023/2024	Expenses		\$ 504,230.64
FY2024-2025	Expenses	Through 12/31/2024	\$ 112,040.77
<b>Balance Available</b>			<b>\$ 364,189.59</b>

These accounts are set up like capital improvements projects. They are funded at the onset of the project and the funds roll into the future fiscal years until the funds are gone. These expenses are not included in the annual budget, unless additional funding is requested and approved. To date staff have not asked for additional funding for these activities.

**ALTERNATIVES:**

N/A

**BUDGETED?:**

Yes

**CONTRACT/AGREEMENT:**

No

**ATTACHMENTS:**

1. [Att 1 FY2023 Expenses\\_Combined.pdf](#)
2. [Att 2 FY2024 Expenses\\_Combined.pdf](#)
3. [Att 3 FY2025 Expenses\\_Combined.pdf](#)

4. [Att 4 Cal ICH ERF-2 Approved Grant Budget.pdf](#)
5. [Att 5 Cal ICH ERF-2 Grant Expense Tracking.pdf](#)
6. [Att 6 OPV Gift Cards Why We Do It.pdf](#)
7. [Att 7 Gift Card Participation Requirements.pdf](#)
8. [Att 8 OPV Visa Gift Purchase Receipts.pdf](#)
9. [Att 9 OPV Visa Gift Card Tracking.pdf](#)
10. [Att 10 OPV Visa Gift Card Proof of Receipt.pdf](#)