



Office of the City Manager

CONSENT CALENDAR

June 27, 2023

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Lisa Warhuus, Director, Health, Housing, and Community Services

Subject: Fiscal Year 2023 Community Development Block Grant (CDBG) Public Facility Improvement Program Funds for Insight Housing's (formerly Berkeley Food and Housing Project (BFHP)) Dwight Way Center

RECOMMENDATION

Adopt a Resolution authorizing the City Manager or her designee to:

1. Allocate \$680,000 of FY 2023 federal CDBG funds available to the Public Facility Improvement Program, to Insight Housing (IH) to rehabilitate IH's Dwight Way Center (DWC); and
2. Execute all resultant agreements and amendments with IH for the above-mentioned funds; and
3. Recapture any unspent CDBG funds awarded to IH for the resulting contract, if the funds are not spent by June 30, 2024.

FISCAL IMPACTS OF RECOMMENDATION

On April 26, 2022, City Council adopted Resolution 70,332-N.S. which authorized the City Manager to allocate \$621,746 in FY 2023 CDBG (Fund 128) funds, and any program income and earlier unexpended funds, that were more than was estimated, for Public Facility Improvement project(s). Adopting this resolution will allow \$680,000 of currently available funds to a Public Facility Improvement project, to be allocated to the IH Dwight Way Center project. There is no impact to the city's General Fund as the project will be entirely funded with federal CDBG funds.

CURRENT SITUATION AND ITS EFFECTS

CDBG funds are made available for public facility improvement projects on a first-come, first-served basis and applications are accepted at any point in the year.

On April 5, 2023 IH submitted an application for renovations to the Dwight Way Center (DWC) located at 2140 Dwight Way, Berkeley, CA 94704. IH requested \$680,000 to rehabilitate the facility. The full scope includes addressing the major repairs needed, accessibility barriers, and safety issues throughout the building and provides a safer, cleaner, more energy efficient facility for clients and staff. The scope of work addresses

path-of-travel accessibility, safety, balcony repair, age-damaged bathrooms and flooring, and brings all restrooms up to ADA code.

Housing and Community Services staff reviewed the proposal and confirmed that the project is CDBG eligible and project ready. The request can be met with currently available funds.

At its June 1, 2023 meeting, the HAC reviewed the IH DWC Public Facility Improvement application and passed a motion (M/S/C: Calavita/Ortiz-Cedeño) recommending to Council that IH's Dwight Way Center public facility be awarded \$680,000 of FY2023 CDBG Public Facility Improvement funding, to meet the IH's requested amount for the project. (Vote: Ayes: Calavita, Mendonca, Ortiz-Cedeño, Potter, and Rodriguez. Noes: None. Abstain: None. Absent: Fain (unexcused), Johnson (unexcused), and Simon-Weisberg (excused).

### BACKGROUND

CDBG funds are used for improvements to public facilities located within Berkeley that are open to the public and primarily serve low-to-moderate income Berkeley residents. Expenditures for public facilities have included health and safety repairs, improving accessibility access and/or energy efficiency improvements. Recently funded projects include the West Berkeley Service Center and the Larkin Street Turning Point Facility.

### ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

The use of CDBG funds for the IH DWC renovation project will increase energy efficiency by updating the electrical system, installing new windows, exhaust fans upgrade, and upgrading the light fixtures. It will also help preserve an existing building.

### RATIONALE FOR RECOMMENDATION

DWC offers those who are experiencing homelessness supportive services and a safe place to live while they build income, skills, and seek permanent housing. DWC operates 24 hours/day, 365 days/year and offers clean, warm beds, meals, shower and laundry facilities, access to computers and telephones, case management, mental health resources, dental and medical health support, and links to mainstream services.

As of November 2022, DWC has been unoccupied due to fire damage. When completed, the repairs and renovation will support:

- Women's Shelter for 32 women on the 1st floor
- Transitional Housing for 26 Veterans on the 2nd floor
- 15 Board and Care beds for formerly homeless adults with serious mental illness on the 3rd floor
- An industrial kitchen which will produce meals for all 73 clients in the building.

FY 2023 CDBG Public Facility Improvement Program Funds  
for the Berkeley Food & Housing Project

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ALTERNATIVE ACTIONS CONSIDERED

Staff did not consider an alternative, given the high need and public benefit of funding this project and availability of applicable funds. If not funded, IH would be in immediate need to find additional funds to complete these critical repairs necessary to reoccupy the DWC, and for the safety and comfort of their vulnerable clients.

CONTACT PERSON

Mary-Claire Katz, Associate Management Analyst, HHCS, 510-981-5414

Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

FISCAL YEAR 2023 COMMUNITY DEVELOPMENT BLOCK GRANT  
(CDBG) FUNDING FOR PUBLIC FACILITY IMPROVEMENTS TO  
INSIGHT HOUSING (IH)

WHEREAS, the City of Berkeley is an entitlement jurisdiction which receives annual allocations of Community Development Block Grant (CDBG) funds from the US Department of Housing and Urban Development (HUD); and

WHEREAS, the City's allocation of CDBG funds currently includes an annual allocation for public facility improvements (CDBG Special Revenue Fund 128) these funds to the community through a first come, first served rolling application basis; and

WHEREAS, the City's Program Year (PY) 2022 (Fiscal Year (FY) 2023) CDBG funds available for the Public Facility Improvement Program, as adopted by Council on April 26, 2022 (Resolution 70,332-N.S.) was \$621,746, plus program income and earlier unexpended funds that were more than anticipated; and

WHEREAS, Insight Housing (IH) (formerly Berkeley Food and Housing Project (BFHP)) has applied for \$680,000 of FY 2023 CDBG funds available for the Public Facility Improvement Program and has a demonstrated need for eligible rehabilitation repairs; and

WHEREAS, on June 1, 2023, the Housing Advisory Commission (HAC) reviewed IH's application and passed a motion to support the City Manager's recommendation to the City Council to allocate \$680,000 of FY 2023 CDBG funds available for the Public Facility Improvement Program funding for one public facility rehabilitation project at the IH Dwight Way Center (DWC) location.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley and the City Manager or her designee is authorized to allocate \$680,000 of FY 2023 CDBG funds available to the Public Facility Improvement Program, to Insight Housing (IH) to rehabilitate IH's Dwight Way Center (DWC).

BE IT FURTHER RESOLVED that the City Manager is authorized to execute a contract with IH in accordance with the proposal approved hereunder. A record copy of said contracts and any amendments are on file in the Office of the City Clerk.

BE IT FURTHER RESOLVED that the City Manager is authorized to recapture any unspent CDBG funds awarded to IH for the resulting contract, if the funds are not spent by June 30, 2024.