



Office of the City Manager

CONSENT CALENDAR
July 11, 2023

To: Honorable Mayor and Members of the City Council
From: Dee Williams-Ridley, City Manager
Submitted by: Peter Radu, Assistant to the City Manager
Subject: Contract: Insight Housing (formerly Berkeley Food and Housing Project) to operate interim housing at the Super 8

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute a contract and all necessary amendments with Berkeley Food and Housing Project to operate an interim housing program at the Super 8 Motel (1619 University Ave.) in an amount not to exceed \$7,295,634.55 for the period of August 1, 2023 to July 31, 2028.

FISCAL IMPACTS OF RECOMMENDATION

If approved, this resolution will result in an expenditure contract with Insight Housing (formerly Berkeley Food and Housing Project) for an amount not to exceed \$7,295,634.55 for 60 months of program operations through July 31, 2028. This contract will be funded by the Encampment Resolution Fund Round 2 grant (the acceptance of which award is also before Council on the July 11, 2023 agenda) for the first two years. Extending beyond the first two years will require additional funding; consistent with the guidance from the Budget and Finance committee on February 9, 2023, years 3-4 would need to be covered by Measure P. The City will allocate \$2,913,253.82 of the \$4.9M Encampment Resolution Fund Round 2 (ERF-2) grant and/or additional Measure P to maintain shelter operations through July 31, 2028.

These funds will first be appropriated as part of the First Amendment to the FY 2024 Annual Appropriations Ordinance.

CURRENT SITUATION AND ITS EFFECTS

The encampments in Northwest Berkeley are the highest priority encampments in the City: they are our largest remaining encampments and pose numerous risks to community health, including heavy drug use, rodent harborage, and fire concerns. The accumulation of debris and rodent harborage conditions in the area negatively affects both the residents and the surrounding businesses. These encampments have been deep cleaned and/or closed on multiple occasions and have received significant street outreach efforts such as shelter offers, case management, housing navigation, and problem solving.

Prioritizing the well-being of the people who call the area home necessitates that they be assisted indoors or into places of greater safety. By developing a resource specifically tailored to the needs of the encampment, the City can assist everyone that wants a shelter bed to get indoors and work with remaining residents to identify a safer alternative. Further, we have not yet had a dedicated funding source to appropriately serve these encampments in their entirety (which together have an estimated 40 residents); by finding a resolution to this geographic area, we can more equitably redistribute resources to other areas of the city that require assistance.

Given the tremendous success of the City's use of the first round of state Emergency Resolution Funding, which targeted the encampment in People's Park by providing noncongregate, interim housing at the Rodeway Inn, staff is optimistic that this intervention will be equally successful. Since the beginning of ERF operations in May 1, 2022, over 125 individuals have been served with 42 individuals moving to permanent housing. Additionally, the Super 8 partnered with the City of Berkeley to utilize the Winter Relief Shelter funds, provided by Alameda County, which granted short term motel stays for individuals experiencing street homelessness during the winter months of 2023. By establishing a master lease with the property and bringing in supportive services provided by Insight Housing, staff will strengthen the partnership with the motel owner. A lease ordinance for this project is also before the Council on the July 11, 2023 agenda.

Staff propose to provide services from Insight Housing (formerly Berkeley Food and Housing Project) for the cohort currently living in the Northwest Berkeley encampments, and is recommending that the Council authorize the City Manager to contract with Insight Housing for this purpose. The proposed contract with Insight Housing would be for \$7.3M over 60 months and would cover an array of services including supportive housing navigation, housing search assistance and flexible funding to support moving and move-in expenses; three meals a day; transportation assistance; and intensive clinical case management that would help link individuals to a variety of other needed services. The City's Homeless Response Team will partner with LifeLong Medical Care, Bay Area Community Services, and the Homeless Action Center street teams to perform extensive outreach to the people living in the encampments and will coordinate and facilitate referrals with BFHP to support Super 8 enrollments. The City and Alameda County will partner to provide as many housing and supportive services resources as possible (given various Federal and State regulations) to the cohort at the Super 8, with the goal of ensuring that everyone at the encampment is ultimately transitioned to a permanent home.

If approved, the contract with BFHP would begin on August 1, 2023 and extend through July 31, 2028. Funding for the contract would come from the state's Encampment Resolution Fund Round 2 grant and possibly the City's Measure P funds.

BACKGROUND

On February 1, 2023 the Homeless Services Panel of Experts moved to support the City of Berkeley's application for Encampment Resolution Funding to enter into a lease agreement with the Super 8 at 1619 University Ave for four years.

On February 9, 2023, the Budget and Finance Committee approved staff to apply for a second round of Encampment Resolution Funding from the California Interagency Council on Homelessness and authorized staff to include in the application a match commitment funded with Measure P dollars to continue the program in Fiscal Years 26-27 if awarded.

On Feb 28, 2023, staff submitted this application and on June 14, 2023, the City was awarded the full amount of its ERF Round 2 grant application.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

Helping unhoused people currently living in West Berkeley transition into interim and permanent housing placement will minimize the detrimental environmental impacts associated with encampment homelessness over the long run, including vector and fire hazards, accumulation of trash and waste, and impacts on sensitive waterways. It will also reduce negative impacts of environmental elements on the health and safety of those living in these encampments.

RATIONALE FOR RECOMMENDATION

Insight Housing will be the main social service provider for the proposal and has been providing services in our community since 1970, including: emergency food and shelter, transitional housing, rapid rehousing, and permanent supportive housing with support services to individuals and families. Insight Housing also has experience operating non-congregate shelter in Berkeley, having operated a Project Roomkey site during the pandemic.

ALTERNATIVE ACTIONS CONSIDERED

None. The City of Berkeley's current shelter crisis resolution (Resolution No. 70,179-N.S.) authorizes the City Manager to waive usual purchasing and bid requirements for the provision of emergency shelter; pursuant to this authority, and for the purpose of implementing the new ERF-2 funding as quickly as possible, staff recommend sole-sourcing this contract to BFHP.

CONTACT PERSON

Josh Jacobs, Homeless Services Coordinator, 510-225-8035.

Attachments:

1: Resolution

RESOLUTION NO. XX,XXX N.S.

AUTHORIZING A CONTRACT WITH INSIGHT HOUSING TO OPERATE INTERM HOUSING AT THE SUPER 8 MOTEL FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$7,295,634.55 FOR THE PERIOD AUGUST 1, 2023 TO JULY 31, 2028.

WHEREAS, the severe lack of housing affordable to people who are experiencing homelessness or insecurely housed, is contributing to an acute housing shortage that is worsening the rates of homelessness in Berkeley; and

WHEREAS, Northwest Berkeley is currently home to several large encampments of unsheltered individuals who will need to be assisted indoors into realistic, safe, and dignified interim and permanent housing options in order to address the street conditions in the area; and

WHEREAS, the City applied for \$4.9M in State of California Encampment Resolution Fund (ERF) grant funds to operate the Super 8 as an intensive interim housing destination for the cohort currently living in the Northwest Berkeley encampments; and

WHEREAS, as part of this ERF application, the City secured commitments from the County as well as Insight Housing to establish a program model at the Super 8 to serve and rehouse the cohort in Northwest Berkeley; and

WHEREAS, the City was awarded the full amount of their ERF application on June 14, 2023; and

WHEREAS, Insight Housing (formerly Berkeley Food and Housing Project) is an experienced provider of shelter and services to people experiencing homelessness, and is uniquely qualified to operate the Super 8, having provided emergency food and shelter, transitional housing, rapid rehousing, and permanent supportive housing with support services to individuals and families since 1970, and having operated noncongregate, motel-based shelter in Berkeley during the COVID-19 pandemic; and

WHEREAS, The City of Berkeley's current shelter crisis resolution (Resolution No. 70,179-N.S.) authorizes the City Manager to waive usual purchasing and bid requirements for the provision of emergency shelter; pursuant to this authority, and for the purpose of implementing the new project as quickly as possible, staff recommend sole-sourcing this contract to Insight Housing.

NOW THEREFORE, BE IT RESOLVED that the Council of the City of Berkeley authorizes the City Manager to enter into a contract and all necessary amendments for the period August 1, 2023 through July 31, 2028 with Insight Housing for operating a noncongregate interim housing program at the Super 8.

July 11, 2023

BE IT FURTHER RESOLVED that the contract amount will not exceed \$7,295,634.55. Contract payments will be paid from the Encampment Resolution Fund grant monies and Measure P general fund dollars.

BE IF FURTHER RESOLVED that an advance payment of \$368,575 (25% of the FY24 annual allocation) will be advanced prior to contract execution to cover staffing and operating costs. A recorded signature copy of said contract and any amendments will be on file in the City Clerk Department.

