



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: Encampment Resolution Funding Grant Award

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to receive a \$4,931,058.30 Encampment Resolution Funding Round 2 grant award from the State of California, and to enter into contract and all necessary amendments with the State of California resulting from this funding.

FISCAL IMPACTS OF RECOMMENDATION

It is anticipated that the \$4,931,058.30 state grant will fully fund two years of operations (i.e., master leasing a motel and contracting with a service provider for the provision of interim housing for persons experiencing homelessness). Extending beyond the first two years will require additional funding. Consistent with the guidance from the Budget and Finance Policy Committee on February 9, 2023, years 3-4 would need to be covered by Measure P. The total anticipated yearly expenses for the program are as follows:

- Year 1 (August 1, 2023 – July 31, 2024) - \$2,445,706.91M (funding source: State ERF)
- Year 2 (August 1, 2024 – July 31, 2025) - \$2,462,504.31M (funding source: State ERF)
- Year 3 (August 1, 2025 – July 31, 2026) - \$2,496,456.31M (potential funding source: Measure P)
- Year 4 (August 1, 2026 – July 31, 2027) - \$2,527,538.05M (potential funding source: Measure P)
- Year 5 (August 1, 2027 – July 31, 2028) - \$2,559,551.29M (potential funding source: Measure P)

CURRENT SITUATION AND ITS EFFECTS

Despite significant work from the City of Berkeley, there are still a considerable number of people living outside in Berkeley. To help move at least 23 homeless people into

noncongregate temporary housing for two years, staff completed and submitted an application on February 28, 2023 for \$4.9M in funding to support two years of operations and services to master lease the Super 8, a 23-room motel located on University Avenue in West Berkeley.

The City's Homeless Response Team, managed by the Neighborhood Services Division in the City Manager's Office, proposes to work with Insight Housing (formerly Berkeley Food and Housing Project) to assist those living in Northwest Berkeley encampments into noncongregate interim housing at the Super 8. The purpose of this funding is specifically to address and resolve encampments, and staff were required to identify encampments of focus in the grant application to the State. Super 8 will be available to other homeless people in Berkeley should there be rooms open after focusing on Northwest Berkeley and should adequate funding remain.

The City's application was awarded \$4,931,058.30 by the State on June 14, and must be fully expended by June 30, 2026. To meet this deadline and in order to lease the Super 8 and contract with Insight Housing for services, it is important to have the City Council adopt a resolution authorizing receipt of these funds for this purpose as quickly as possible. Creating this temporary homeless housing aligns with the City of Berkeley's strategic plan priorities.

BACKGROUND

On December 1, 2022, the State of California's Interagency Council on Homelessness (Cal ICH) released a Notice of Funding Availability (RFA) for the Encampment Resolution Funding Program, Round 2, Second Disbursement (ERF-2-R), a \$300M statewide competitive grant opportunity to fund local demonstration projects that assist people living in encampments to safe, low-barrier, and stable housing pathways. The Cal ICH awarded those applications that were deemed to not only be consistent with this mission, but to also be scalable and replicable across the State, furthering our collective understanding of best practices that effectively and compassionately bring people off the streets and under a roof.

On February 1, 2023 the Homeless Services Panel of Experts voted 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 City staff presented a plan, including the proposed priority encampment areas and a request for local Measure P match funding to extend the program beyond two years, to the Budget and Finance Policy Committee of the Council; the Committee voted unanimously to approve staff's application and to include a 1:1 Measure P match commitment in the application. (Given the short time between Council's return from Winter recess and the deadline for the grant application on February 28, there was no time to bring this item before the full City Council for consideration.) Staff

successfully completed and submitted the application on February 28, 2023, and were awarded the full amount on June 14, 2023.

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 the impact of these environmental elements on the health and safety of people with no shelter.

RATIONALE FOR RECOMMENDATION

Supporting homeless people living in Northwest Berkeley and elsewhere by providing them rooms at the Super 8 as well as services to help transition to permanent housing will be possible through accepting this state funding. The city has no other resources to address the encampments in Northwest Berkeley, which continue to pose serious health and safety threats to the residents of the encampment and immediate neighbors, and broader economic and operational challenges to the broader Berkeley community.

ALTERNATIVE ACTIONS CONSIDERED

Alternate city funding could be considered, and/or the resolution of these encampments could be suspended.

CONTACT PERSON

Josh Jacobs, Homeless Services Coordinator, 510 225-8035

Attachments:

- 1: Resolution
- 2: Award Letter from Cal-ICH

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

ACCEPTING THE STATE OF CALIFORNIA'S ENCAMPMENT
RESOLUTION ROUND 2 FUNDING GRANT AWARD

WHEREAS, on December 1, 2022, the State of California released a Notice of Funding Availability (NOFA) for the Encampment Resolution Funding Round 2 (ERF-2-R) Program, a Statewide, competitive \$300M funding opportunity to further the State's understanding of best practices to compassionately resolve encampments by assisting their residents into safe and stable pathways to housing; and

WHEREAS, on February 9, 2023, the Budget and Finance Policy Committee of the City Council unanimously voted to approve city staff's grant application and the inclusion of a local Measure P match commitment in that application; and

WHEREAS, on February 28, 2023, staff submitted a grant application to the ERF requesting \$4,931,058 to fund two years of operations at the Super 8 on University Avenue in Berkeley; and

WHEREAS, staff propose the use of the Super 8 as noncongregate interim housing for individuals currently residing in Northwest Berkeley encampments; and

WHEREAS, the City's Homeless Response Team will partner with Alameda County as well as LifeLong Medical Care, Homeless Action Center, Bay Area Community Resources, and other nonprofit organizations to assist those individuals living in Northwest Berkeley encampments into the Super 8 and onto pathways to stable housing; and

WHEREAS, the City Manager was notified on June 14, 2023 that the City's ERF-2 application will be funded at the full amount, supporting two years of operations and services for the shelter program at the Super 8.

NOW THEREFORE, BE IT RESOLVED that the Council of the City of Berkeley authorizes the City Manager to accept and receive an award from the State of California, and to enter into contract and all necessary amendments with the State, for \$4,931,058.30 in Encampment Resolution Funding grant funding, with funds to be appropriated in the First Amendment to the FY 2024 Annual Appropriations Ordinance.



California Interagency Council on Homelessness

June 2023

City of Berkeley
Attn: Josh Jacobs
2180 Milvia Street, 5th Floor
Berkeley, CA 94704

RE: ERF-2-R Award Announcement – City of Berkeley
Award Amount: \$4,931,058.30

Dear Josh Jacobs:

The Business, Consumer Services and Housing Agency's (BCSH) California Interagency Council on Homelessness (Cal ICH) is pleased to announce that the City of Berkeley has been awarded an Encampment Resolution Funding Rolling (ERF-2-R) grant in the amount of \$4,931,058.30. This letter constitutes notice of the award of ERF-2-R funds for use in the City of Berkeley.

The City of Berkeley will receive its full disbursement of funds after the Standard Agreement is fully executed. Please be advised that this award is subject to the terms and conditions of the Standard Agreement. Failure to sign and return the Standard Agreement within 30 days of receipt from BCSH may result in a delay of disbursement of funds.

Congratulations on your successful application. For further information or if you have any questions, please contact me at Jeannie.McKendry@bcsh.ca.gov or calichgrants@bcsh.ca.gov.

Sincerely,

Jeannie McKendry

Jeannie McKendry,
Grants Development Section Chief, Cal ICH

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HOUSING AGENCY**

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