



Office of the City Manager

Date: June 10, 2021
To: Budget & Finance Policy Committee
From: Dee Williams-Ridley, City Manager
Submitted by: David White, Deputy City Manager
Subject: Measure P Projection and Allocations as of June 10, 2021

Attached to this memorandum is an update to Measure P projections and allocations prepared by city staff. At a high level, the attachment reflects the following:

- Increase in revenue projections to conform to the recent update provided to the Budget and Finance Policy Committee on June 2, 2021.
- A requested allocation of \$5.0 million in FY 2022 to support the City's efforts in acquiring a hotel under Project Homekey. The Homeless Panel of Experts recommends allocating \$3.0 million but staff believes additional resources may be needed to effectuate an acquisition. Importantly, under the American Rescue Plan, the City will receive approximately \$2.7 million that will be utilized as well.
- For 5150 transports, there is an allocation of \$2.4 million to enable the existing contract with Falck to be extended for an additional year to continue providing this service.
- Resources for the Coordinated Entry System have been reduced by a little more than \$400,000 to \$1.0 million.
- Adjustments to the costs of the Homeless Response Team that results in FY 2022 expenditures estimated at \$900,450. Previous estimates were slightly higher. (See Exhibit 2 for detail costs associated with the Homeless Response Team)
- Updated costs associated with the shelter at 742 Grayson Street. These costs reflect the costs associated with contracts that have been approved by City Council. The Homeless Panel of Experts allocates \$850,000 to the shelter but additional resources are needed.

- City staff is asking for the Budget and Finance Policy Committee to consider a recommendation from staff to provide flexibility to direct resources associated with permanent housing subsidies as a shallow subsidy program. Shallow rental subsidies provide a small amount of money to bridge the gap between income and rent. This approach recognizes persistent shortfalls in income for households living from paycheck-to-paycheck and struggling to cover housing and basic living expenditures at their earned wage levels.
- Resources for the University Avenue Step Up project have been adjusted to reflect when staff understands the project will open and resources will actually be needed.
- For FY 2022, staff is requesting an allocation of \$50,000 for training and evaluation whereas the Homeless Panel of Experts does not recommend that any resources be allocated to this activity. City staff would utilize these resources to evaluate the effectiveness of resources deployed under Measure P.

ATTACHMENTS

1. Measure P Projection and Allocations

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EXHIBIT 1
TRANSFER TAX -- MEASURE P PROGRAM PROJECTION

6/9/21 6:16 PM

	FY 2019 Actuals	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	FY 2023 Estimate	FY 2024 Estimate
Revenues						
Beginning Fund Balance		\$2,932,313	\$9,859,779	\$11,374,137	\$4,185,966	\$219,822
Measure P Revenues (1)	2,932,313	9,512,603	9,200,000	8,500,000	8,500,000	8,500,000
Permanent Local Housing Allocation (FY 21)	0	0	0	0	0	0
Total Revenues and Balance of Funds	2,932,313	12,444,916	19,059,779	19,874,137	12,685,966	8,719,822
LESS: Total Expenses	0	2,585,137	7,685,642	15,688,170	12,466,144	12,218,776
Personnel Costs	0	118,521	279,927	336,951	460,909	477,041
Finance: Accountant II (2)		0	152,965	158,319	163,860	169,595
Finance: Contract Staffing		38,266	11,734	0	0	0
HHCS: Community Services Specialist II (Filled) (3)		80,255	115,228	178,633	184,885	191,356
HHCS: 50% Senior Management Analyst (Requested) (4)		0	0	0	112,164	116,090
Non-Personnel Costs/ Program Expenses	0	2,466,616	7,405,715	15,351,219	12,005,235	11,741,735
Fire: 5150 Response & Transport (2) (5)	0	846,616	2,753,384	2,400,000	2,400,000	2,400,000
Dorothy Day House Shelter (6)	0	0	300,000	566,000	566,000	566,000
Dorothy Day House Drop In (6)	0	0	21,340	182,000	182,000	182,000
Pathways STAIR Center	0	0	1,200,000	1,499,525	2,499,525	2,499,525
No Place Like Home	0	0	0	0	200,000	200,000
Coordinated Entry System	0	0	0	1,000,000	1,442,426	1,442,426
BDIC Locker Program	0	0	25,000	50,000	50,000	50,000
LifeLong Medical - Street Medicine	0	0	50,000	525,000	525,000	525,000
YSA Tiny Home	0	0	117,000	78,000	78,000	78,000
DBA- Homeless Outreach Worker	0	20,000	40,000	40,000	40,000	40,000
Downtown Streets Team	0	0	225,000	225,000	225,000	225,000
Shelter at 742 Grayson Street						
Lease Payments	0	0	33,000	198,000	49,500	0
Operator (Dorothy Day)	0	0	130,000	784,000	196,000	0
Portable Toilets	0	0	5,000	20,000	18,000	0
COVID-19 Housing Solutions (8)	0	0	0	0	0	0
Project Homekey	0	0	0	5,000,000	0	0
Permanent Housing Subsidies / Shallow Subsidies	0	0	1,501,078	1,600,000	1,600,000	1,600,000
1367 University Avenue Step Up Housing Project (9)	0	0	0	233,244	900,000	900,000
HHCS: Square One Hotel Vouchers	0	0	65,947	0	0	0
Training and Evaluation	0	0	0	50,000	133,334	133,334
Homeless Response Team	0	0	938,966	900,450	900,450	900,450
Berkeley Relief Fund	0	1,600,000	0	0	0	0
Fiscal Year Surplus (Shortfall)	2,932,313	6,927,466	1,514,358	(7,188,170)	(3,966,144)	(3,718,776)
Ending Fund Balance	\$2,932,313	\$9,859,779	\$11,374,137	\$4,185,966	\$219,822	(\$3,498,954)

Notes:

Measure P: General Fund (Fund 011)/ Program Code 5002

(1). Revenues revised to reflect FY 20 actuals and revised projections part of FY 21 adopted budget.

(2). Approved as part of FY 20 budget.

(3). This position supports the Measure P Panel of Experts, monitors contracts with BACS, tracks and reports on outcomes of homeless programs and represents Berkeley at county-wide homeless coordina

(4). Responsibilities include processing contracts and payments for homeless contracts, tracks expenditures and assists in reporting to funders. Funding to be shared with Measure U1 as proposed and discussed at Land Use Policy Committee.

(5). Assumes 1,200 calls per year and a cost per call of \$2,000. Reimbursement levels will vary and may impact this estimated cost.

(6). Existing program. FY 20 represents partial year funding. FY 21 and thereafter represents full year funding.

(7). FY 21 and FY 22 expenditures reduced by \$1.0M for costs that will be covered by revenues from the City's allocation of Permanent Local Housing Allocation funds.

(8). [Per Mayor's Recommended Adopted Budget for FY 21, STAIR Center Expansion \(\\$705,000\) and Safe RV Parking \(\\$100,000\) were combined for COVID-19 Homeless Solutions.](#) On December 15, 2020, City Council adopted FY 21 AAO#1 and reallocated these funds to the Homeless Response Team.

(9). Pursuant to Resolution 69,586-N.S. adopted by the City Council on October 13, 2020 and confirmation of resource availability by the Budget and Finance Policy Committee on January 28, 2020.

EXHIBIT 2
Homeless Response Team

	FY 2021 Estimate	FY 2022 Estimate	FY 2023 Estimate	FY 2024 Estimate
<i>Personnel Costs</i>	\$261,449	\$735,100	\$735,100	\$735,100
CMO: Community Services Specialist II	47,750	191,000	191,000	191,000
CMO: Health Services Program Specialist	11,000	11,000	11,000	11,000
CMO: Social Services Specialist	75,362	163,940	163,940	163,940
PRW: Landscape Gardener	69,417	65,240	65,240	65,240
PW: Helper and Driver	0	246,000	246,000	246,000
PD: Staff Support Overtime	57,920	57,920	57,920	57,920
<i>Non-Personnel Costs/ Program Expenses</i>	\$677,517	\$356,350	\$356,350	\$356,350
CMO: Neighborhood Services Outreach Fund	15,000	15,000	15,000	15,000
CMO: Neighborhood Services Mitigation Flex Fund	29,167	50,000	50,000	50,000
CMO: Staff Operating Costs	43,600	21,600	21,600	21,600
CMO: Outreach Vehicle	32,000	0	0	0
CMO: Outreach Vehicle - Replacement and Maintenance Fees	1,000	6,700	6,700	6,700
Public Works: Downtown Streets Handsweep	50,000	100,000	100,000	100,000
Public Works: Tipping Fees	43,750	75,000	75,000	75,000
Public Works: Rear Loader and Stake Bed Truck	380,000	0	0	0
Public Works: Truck - Replacement and Maintenance Fees	83,000	88,050	88,050	88,050
Total Expenses	\$938,966	\$1,091,450	\$1,091,450	\$1,091,450
Measure P Expenses		900,450	900,450	900,450