



Office of the City Manager

CONSENT CALENDAR
October 3, 2017

To: Honorable Mayor and Members of the City Council
 From: Dee Williams-Ridley, City Manager
 Submitted by: Paul Buddenhagen, Director, Health, Housing & Community Services
 Subject: Contract No. 10568 Amendment: Berkeley Food and Housing – The Hub and Flexible Housing Subsidy Pool

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute an amendment to an existing contract with Berkeley Food and Housing Project to add \$100,000 each year for two years, for a total not to exceed \$3,712,320 in FY 2018 plus \$3,322,320 in FY 2019 to expand the existing Hub operations to include the administration of the Flexible Housing Subsidy Pool, funded by Council with the adoption of the FY18-19 biennial budget.

FISCAL IMPACTS OF RECOMMENDATION

Council has allocated funding in the amount of \$200,000 over two years (FY18 and FY19) to create a Flexible Housing Subsidy Pool. These funds will be allocated from General Funds originally budgeted to the Health, Housing, and Community Services Department in Budget Code 010-7906-463-

3510. Should City Council approve the recommendation, \$100,000 each year for FY 2018 and FY 2019 would be added to an existing contract with the Berkeley Food and Housing Project (Contract No. 10568, CMS No. SGYNB) for a total not to exceed \$3,712,320 in FY 2018 and \$3,322,320 in FY 2019.

CURRENT SITUATION AND ITS EFFECTS

On June 27, 2017, as part of the FY 2018 and FY 2019 Biennial Budget Adoption, City Council allocated \$100,000 per year for two years to start the Flexible Housing Subsidy Pool (FHSP). The FHSP is intended to expand the rapid rehousing resources available to individuals experiencing homelessness in Berkeley.

Following the requirements of the U.S. Department of Housing and Urban Development (HUD) CoC Interim Rule 24 CFR 578 and all applicable notices, including Notice CPD-17-01, CPD-14-012 and CPD-16-11, Berkeley currently operates a Coordinated Entry System through Berkeley Food and Housing Project's Hub. According to the regulations laid forth in these Federal documents, housing resources for people experiencing homelessness should be accessible through a Coordinated Entry system that

standardizes eligibility across providers and prioritizes resources according to a person's level of need. This has the dual aim of (i) enhancing efficiency by assuring that limited resources are targeted to those who need them, and (ii) enhancing equity by ensuring that all homeless clients are assessed for resource eligibility in the same manner, using the same questions. This federal Coordinated Entry mandate, therefore, necessitates the coordination and disbursement of Berkeley's homeless resources in a centralized place. Since January 5th, 2016, the Berkeley Food and Housing Project has been that place. Berkeley Food and Housing Project was awarded this distinction after winning a competitive RFP process and being awarded funding for the purpose by City Council in June 2015.

As a result, all City-funded resources for permanent housing are only accessible through the Hub. To remain consistent with this local process and corresponding Federal mandate, the Flexible Housing Subsidy Pool—regardless of the actual individuals or target homeless population it serves—will need to be disbursed by the Berkeley Food and Housing Project's Coordinated Entry staff, who have already developed expertise in the administration and service provision of rapid rehousing subsidies. However, because the Flexible Housing Subsidy Pool was allocated directly to the Health, Housing, and Community Services Department and not to the Berkeley Food and Housing Project as part of the FY2018 Community Agency Allocation process, Council authorization is required to amend the existing Hub contract to include the new FHSP funds.

BACKGROUND

The City of Berkeley currently abides by U.S. Department of Housing and Urban Development (HUD) CoC Interim Rule 24 CFR 578 and accompanying notices, including Notice CPD-17-01, CPD-14-012 and CPD-16-1, by operating a Coordinated Entry System for homeless resources. Through a competitive RFP process in 2015, the Berkeley Food and Housing Project (BFHP) was awarded contract No. 9990 to operate the Hub, which serves as the administrative backbone for complying with these Federal mandates.

BFHP currently performs the following core Coordinated Entry System functions:

1. All homeless persons in the City of Berkeley interested in housing and shelter resources are directed to the Hub, which serves as the single point of entry for homeless resources in Berkeley. Trained staff assess all prospective clients for their eligibility and level of need using the same standardized questions.
2. Because Berkeley currently does not have enough resources to house every person experiencing homelessness, the Hub prioritizes limited housing navigation and rapid rehousing assistance to people who have the highest needs.

3. Because Berkeley has a robust network of other community providers, the Hub coordinates care for individuals by making referrals to shelter, benefits, and other providers in the City's nonprofit network.

The Hub is accessible by phone (1-866-960-2132) or walk-in (1901 Fairview Street, Berkeley) between the hours of 9AM to noon and 1PM to 4PM, Monday through Friday. No appointment is necessary to receive an initial screening and assessment.

ENVIRONMENTAL SUSTAINABILITY

There are no identifiable environmental effects or opportunities associated with the subject of this report.

RATIONALE FOR RECOMMENDATION

Through the end of FY 2017, 99% of the City of Berkeley's permanent housing resources for homeless people were Federal, meaning they were bound to the Coordinated Entry mandates set forth by the U.S. Department of Housing and Urban Development (HUD) CoC Interim Rule 24 CFR 578 and accompanying notices, including Notice CPD-17-01, CPD-14-012 and CPD-16-1. However, with well under \$4M in subsidized permanent housing resources¹ and a homeless population of 972 on any given night,² in practice this has meant that only high needs, chronically homeless people could be provided housing interventions at the Hub, leaving many others without the same assistance—even those who had been found eligible by Hub intake assessors, but for whom housing resources have not been available.

The Flexible Housing Subsidy Pool was designed to address this gap by expanding housing resources to more homeless people. Because Coordinated Entry at the Hub is a federally mandated administrative architecture to assess people's need and match them to available resources, BFHP is the only agency in Berkeley with the capacity and local authority to disburse these funds, providing the rationale for sole sourcing the Flexible Housing Subsidy Pool.

ALTERNATIVE ACTIONS CONSIDERED

None

CONTACT PERSON

Peter Radu, Homeless Services Coordinator, Health, Housing, and Community Services Department, 981-5435

Attachments:

- 1: Resolution

¹ See https://www.cityofberkeley.info/Clerk/City_Council/2016/11_Nov/Documents/2016-11-01_Item_24_Referral_Response_Comprehensive.aspx

² See https://www.cityofberkeley.info/Clerk/City_Council/2017/07_Jul/Documents/2017-07-25_Item_53_2017_Berkeley_Homeless.aspx

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

AMENDMENT TO CONTRACT WITH BERKELEY FOOD AND HOUSING PROJECT
FOR FLEXIBLE HOUSING SUBSIDY POOL ADMINISTRATION

WHEREAS, the City of Berkeley is committed to addressing homelessness with affordable housing interventions; and

WHEREAS, on June 27, 2017, with the adoption of the City's biennial budget for FY 2018 and FY 2019, the City Council created a Flexible Housing Subsidy Pool, initially funded at \$200,000 over two years; and

WHEREAS, the Flexible Housing Subsidy Pool was designed to expand access to housing resources for more people experiencing homelessness in Berkeley than local capacity has historically been able to address; and

WHEREAS, the City of Berkeley, by virtue of its receipt of US Department of Housing and Urban Development (HUD) Continuum of Care (CoC) and Emergency Solutions Grant (ESG) funding, are obligated to operate a Coordinated Entry System pursuant to CoC Interim Rule 24 CFR 578 and accompanying notices, including Notice CPD-17-01, CPD-14-012 and CPD-16-1; and

WHEREAS, Berkeley Food and Housing Project has an existing contract (Contract No. 10568) with the City of Berkeley to operate a Coordinated Entry System at the Hub, which serves as the City's single point of entry for all local and federally funded subsidized housing resources for people experiencing homelessness; and

WHEREAS, funds in the amount of \$200,000 (Budget Code: 010-7906-463-3510) for the Flexible Housing Subsidy Pool were initially allocated to the Health, Housing, and Community Services Department, which subcontracts with the Hub to disburse housing assistance resources for homeless individuals; and

WHEREAS, the Health, Housing and Community Services Department requires Council authorization to allocate these resources to Berkeley Food and Housing Project outside of the Community Agency Allocation process.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is hereby authorized to execute an amendment to Contract No. 10568 with Berkeley Food and Housing Project, adding \$100,000 each year for FY 2018 and FY 2019 for the purpose of administering the Flexible Housing Subsidy Pool for a total not to exceed \$3,712,320 in FY2018 plus \$3,322,320 in FY2019. A record contract of said contract and any amendments are on file with the Office of the City Clerk.