



Office of the City Manager

CONSENT CALENDAR
January 23, 2018

To: Honorable Mayor and Members of the City Council
 From: Dee Williams-Ridley, City Manager
 Submitted by: Paul Buddenhagen, Director, Health, Housing & Community Services Department
 Subject: Mental Health Adult Clinic Renovation – Allocation of Measure T1 Funds

RECOMMENDATION

Adopt a Resolution authorizing the allocation of \$2 million of Phase 1 Measure T1 funds for major renovations of the City of Berkeley's Adult Mental Health Clinic located at 2640 Martin Luther King Jr. Way.

FISCAL IMPACTS OF RECOMMENDATION

The allocation of \$2 million of T1 funds will match \$5 million of Mental Health Services Act (MHSA) and Community Development Block Grant funds, and general fund to make the renovation possible. CDBG funds of \$1 million slated for this project must be expended before May 2019.

On June 28, 2017 City Council adopted a resolution implementing a list of 33 projects for Phase 1 of the Measure T1 infrastructure bond program, at an estimated cost of \$37.365M. The addition of the Adult Mental Health Clinic renovation project to Phase 1 will add \$2M, bringing total Phase 1 estimated costs to \$39.365M.

The T1 Phase 1 spending limit is \$35M because the upper limit of bond sales cannot exceed the total debt covered by the current 10-year average tax rate for a Berkeley resident. If this resolution is approved, the estimate to complete the 34 projects will be \$4.365M over available funds. This overage, combined with the possibility of larger than normal increase in construction costs over the next several years due to the Northern and Southern California fires, may limit our ability to complete the list of Phase 1 projects. Staff will provide information on this issue in the next bi-annual T1 update in May, 2018.

CURRENT SITUATION AND ITS EFFECTS

The City of Berkeley's Adult Mental Health Clinic at 2640 Martin Luther King, Jr. Way is uninhabitable. The clinic needs major renovations so that it can be reopened and used to treat severely mentally ill people from Berkeley and Albany. The initial total renovation project cost was significantly under estimated at \$3.5 million. Additionally, costs have increased substantially, and the total project cost has now doubled to \$7

million. Current funding allocated for the project includes \$3.3 million from The Health, Housing and Community Services Department's Mental Health Division, \$1 million from Community Development Block Grant, and \$700,000 from the general fund. This leaves a \$2 million gap that unless filled makes the renovations impossible. Had the funding gap been known at the time the City was undergoing the T1 funding allocation process, this project would have been submitted for consideration, as it meets the T1 criteria, being a city owned facility in disrepair.

Mental Health Staff are currently split up, and based in several City buildings while providing services primarily in the field, which is inefficient and challenging, negatively impacting services provided as well as revenue generated. A planned, temporary adult clinic at 1521 University Avenue, is scheduled to open in January 2018 to accommodate staff while the reconstruction renovations at 2640 MLK happen through June 2019. While a significant improvement over the current situation, the site at 1521 University is not large enough for all staff and services previously provided at the 2640 location, and for the time that the clinic will be sited at 1521 University, medication, some case management and sub-representative payee services will be provided from a different location. When 2640 MLK is renovated and the adult clinic returns to that site, 1521 University will be utilized by the Family, Youth and Children's Clinic currently located in a rented facility at 3282 Adeline Street.

BACKGROUND

The City of Berkeley Adult Mental Health Clinic at 2640 Martin Luther King, Jr. Way was closed to staff and clients on Monday, June 27, 2016 due to an ongoing and persistent infestation of fleas, rodents and raccoons, as well as water intrusion and related attendant health and safety concerns. Staff have been working out of various City facilities since that time, moving from place to place as demands on the temporary work spaces have changed and providing the majority of services to clients in the field.

The City of Berkeley Mental Health Adult Clinic provides invaluable mental health and related social services to Berkeley and Albany community members and their families living with serious and persistent mental illness. Program efforts include case management and support services, coordination and consultation with other agencies and groups, providing linkages and referrals to community resources, assessments and crisis response. Some clients are seen on a daily basis, when necessary, to obtain assistance with multiple and complex needs that put them at critically high risk for mental health emergencies. Some of the work of Mental Health staff is conducted outside of the clinic when staff meet clients in the community for service provision. The Adult Clinic provides comprehensive services that maintain personal and community stability, supporting over 300 adults with ongoing clinical case management services per year.

The Adult Mental Health Clinic at 2640 MLK is scheduled for a major reconstruction beginning in the summer of 2018 and ending in the summer of 2019. In addition to the

staff from 2640 MLK, all staff in the adjoining building at 2636 Martin Luther King, Jr. Way will also be relocated.

There have been significant problems with the building at 2640 MLK for many years. Throughout 2015 and 2016, these included issues with air quality and infestations of fleas and rodents. The building had many treatments for these issues, and the problems were ultimately deemed so systemic that the building was closed in June 2016 pending major rehabilitation. The rehabilitation work is significant and will result in a clean, well lit, but not fancy clinic that will be used to help seriously mentally ill Berkeley and Albany residents live better lives. Improving the quality of care by having all adult clinic staff in one facility that is accessible to, and respectful of, the people needing care is the goal of this renovation project.

ENVIRONMENTAL SUSTAINABILITY

The new mental health facility will be close to zero net energy which will have a positive environmental effect and be more economically efficient. Funding from Lawrence Berkeley National Labs has been secured for much of this aspect of the project.

RATIONALE FOR RECOMMENDATION

The seriously mentally ill adult residents of Berkeley and Albany deserve a dedicated, functional, clinic from which to receive care. \$5 million of the \$7 million required for this project have been secured, with only \$700,000 coming from the general fund. Without \$2 million to close the funding gap, the clinic will remain vacant and services will remain sub-optimally provided. The use of \$2 million in T1 funds for this project meet the T1 criteria and intent of renovating the City's aging infrastructure so that its citizens can benefit. In this case there is the additional benefit of helping those citizens who are the least able to help themselves and are disproportionately people of color. While funding the mental health clinic renovation would increase the T1 project shortfall for phase 1, staff are confident that the projects can be reworked in a way that supports the city.

Additionally this project supports five of the nine draft City of Berkeley Strategic Plan goals:

- Goal (1) Provide state of the art, well maintained infrastructure, amenities and facilities
- Goal (4) Champion and demonstrate social and racial equity
- Goal (6) Provide an efficient and financially healthy City government
- Goal (7) Be a global leader in addressing climate change and protecting the environment
- Goal (8) Attract and retain a talented and diverse City government workforce

- Goal (9) Provide excellent, timely, easily accessible service and information to the community.

ALTERNATIVE ACTIONS CONSIDERED

Considered selling the Adult Mental Health clinic and purchasing another facility, but were unsuccessful. One significant constraint is the deadline to expend the CDBG funding, which requires the project to start no later than February.

CONTACT PERSON

Paul Buddenhagen, Health, Housing & Community Services Department Director, 510-981-5400

Attachments:

1: Resolution

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

ALLOCATING \$2 MILLION FROM T1's PHASE 1 FOR MAJOR RENNOVATIONS OF THE CITY OF BERKELEY'S ADULT MENTAL HEALTH CLINC LOCATED AT 2640 MARTIN LUTHER KING JR. WAY

WHEREAS, the City of Berkeley's Adult Mental Health Clinic at 2640 Martin Luther King, Jr. Way is uninhabitable; and

WHEREAS, severely mentally ill adults are unable to receive care from the adult mental health clinic facility at 2640 MLK because it is uninhabitable; and

WHEREAS, the costs of renovating the Adult Mental Health clinic have grown from \$3.5 million to \$7 million; and

WHEREAS, the \$5 million currently secured for the project is \$2 million less than what is needed to complete the project; and

WHEREAS, the renovations needed to open the city owned clinic at 2640 MLK are allowable under measure T1; and

WHEREAS, severely mentally ill residents of Berkeley and Albany deserve to have a functional, clean clinic from which to receive care.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that funding in the amount of \$2 million from Measure T1 in phase 1 is authorized and allocated to renovate the City of Berkeley's Adult Mental Health Clinic at 2640 Martin Luther King Jr. Way.

