



Office of the City Manager

ACTION CALENDAR
March 27, 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: Contract Agreement: Bay Area Community Services (BACS) to Operate the Pathways Project

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute a contract with Bay Area Community Services (BACS) for 13 months of operations and facilities expenses for the Pathways STAIR Center (Pathways), as described below, for a total contract amount not to exceed \$2,440,000.

FISCAL IMPACTS OF RECOMMENDATION

Approving this recommendation would allow the City to execute a 13-month contract with Bay Area Community Services (CMS No. PRX75) for a total not to exceed \$2,440,000. Budget sources include \$1,900,000 in Pathways operating expenses (budget code: 010-9703-410-3510); \$200,000 in Flexible Housing Subsidy Pool funding (budget code: 010-7906-463-3560), re-allocated from Contract No. 10568; \$40,000 in donations to the Berkeley Homeless Fund (budget code: 411-3302-368-2315), to be authorized by Council consent on 3/27/18 (see report: "Donation: Berkeley Homeless Fund"); and up to \$300,000 in funding from the Alameda County Housing and Community Development Department (HCD) Unsheltered Homeless Immediate Impact Program, the receipt of which is authorized by Resolution No. 68,288-N.S.

CURRENT SITUATION AND ITS EFFECTS

On April 4, 2017, Council voted to direct the City Manager to implement the Pathways Project to provide stability, navigation and respite to homeless individuals and pathways to permanent housing and services. On July 11, 2017 Council refined their approval of the Pathways Project to establish a combined STAIR Center/Bridge Living Community and associated Homeward Bound and rapid rehousing components, plus an outreach team, as recommended by formal action of the Council's Ad Hoc Subcommittee on Homelessness.¹

¹ https://www.cityofberkeley.info/Clerk/City_Council/2017/07_Jul/Documents/2017-07-11_Item_36_Analysis_and_Recommendations.aspx

The Pathways goals are to provide homeless people in Berkeley temporary respite from the streets in a low barrier shelter, connection to services, and ultimately, permanent housing. Since that time, a temporary site on 2nd street between Cedar and Virginia has been located and modulars have been secured for Pathways shelter and services.

City Staff circulated a Request for Information to all Berkeley homeless services nonprofits, as well as other large nonprofits providing homeless services in the greater Bay Area, to identify an operator for the Pathways Project. Among the two responders, staff identified Bay Area Community Services (BACS) as the operator better positioned to fulfill the original vision of the Pathways Project which would provide street outreach for unsheltered homeless people living in encampments, respite from the streets in a low-barrier, service-rich facility, and flexible funding to rapidly rehouse these individuals as quickly as possible. Should City Council approve this contract tonight, HHCS staff will negotiate and finalize a scope of services and a budget with BACS to accomplish this vision, and submit those documents in a future off agenda memo to the City Council, per Council's earlier direction.

One year of funding has been identified for the operations and staffing expenses for this program, which will provide beds for 40 - 50 individuals on any given night. The total population over the course of the contract will be double or possibly triple, depending on how quickly people can be housed and subsequently free up previously occupied beds. These funds consist of a total amount not to exceed \$2,440,000 from the following sources:

- \$1,900,000 for the Pathways Project allocation approved by Council at the December 5, 2017 City Council meeting as part of the mid-year budget update process;
- \$200,000 in funding (\$100,000 in FY2018 and \$100,000 in FY2019) from the Flexible Housing Subsidy Pool (FHSP) to provide rapid rehousing services for homeless people in the program. These funds had previously been approved by Council on October 3, 2017 for Contract No. 10568 with the Berkeley Food and Housing Project (BFHP), two months prior to the identification of any Pathways operating funds. After the allocation of Pathways funding on 12/5/17 made the project a reality, BFHP volunteered a transfer of these funds to Pathways as a better fit with the original spirit of the FHSP as envisioned by the Mayor's 6/27/17 budget recommendation.
- \$40,000 in donations to the Berkeley Homeless Fund. These funds are to be used for major Council priorities relating to homelessness, and staff recommends that this intent be fulfilled in part by allocating \$40,000 to cover programmatic start-up expenses (see 3/27/18 Consent report: "Donation: Berkeley Homeless Fund").
- Up to \$300,000 in funding from the Alameda County Housing and Community Development (HCD) Unsheltered Homeless Immediate Impact Program, the receipt of which was authorized by Council on 1/23/18. The City of Berkeley is eligible for between \$100,000 and \$300,000 in funds from this source to serve

people living in encampments, and staff submitted an application to HCD that committed the funds to Pathways Project operating expenses.

Adopting this resolution would authorize the City Manager to utilize these funds to execute a contract with BACS for Pathways staffing and operations, for a twelve month period plus one month for program start-up.

BACKGROUND.

The City of Berkeley is experiencing a homelessness crisis, with an estimated 664 people sleeping without shelter on any given night. To address this crisis, the City Council has authorized the implementation (on April 4, 2017) and rapid opening of the Pathways Project (on Oct. 3, 2017) to serve homeless people living on the streets of Berkeley. City staff have identified Bay Area Community Services as the most qualified respondent to a Request for Information for program Operations.

ENVIRONMENTAL SUSTAINABILITY

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

RATIONALE FOR RECOMMENDATION

This recommendation supports the City Council's October 31, 2017 extension of its January 19, 2016 and November 15, 2016 resolutions declaring a homeless shelter crisis in Berkeley through January 19, 2020. Additionally, at its October 3, 2017 meeting, the City Council directed the City Manager to immediately establish a modular building-based facility to serve as the Pathways Bridge Living (hybrid STAIR/Bridge facility). City staff have negotiated a 13 month contract with BACS that supports the Pathways hybrid STAIR/Bridge vision, and the City Manager has determined that the blending of these funds to support this contract is the most expedient way to begin operating the Pathways Project. Throughout the course of the year the project will produce outcome reports that will be used to modify program elements as needed and refine so that it is maximally impactful in hopes that additional funds will be secured for subsequent years.

ALTERNATIVE ACTIONS CONSIDERED

None.

CONTACT PERSON

Peter Radu, Homeless Services Coordinator, HHCS, (510) 981-5435

Attachments:

1: Resolution

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

CONTRACT: BAY AREA COMMUNITY SERVICES (BACS) FOR PATHWAYS
PROJECT

WHEREAS, the Berkeley City Council authorized the implementation of a Pathways Project to Address Homelessness in Berkeley on April 4, 2017; and

WHEREAS, the City Council, on October 3, 2017, authorized the immediate establishment of a temporary modular building-based facility to serve as the Pathways STAIR Center/Bridge Living Community hybrid program and directed the City Manager to take all steps necessary to begin operations as soon as possible; and

WHEREAS, City Staff has identified, through a widely circulated Request for Information process, Bay Area Community Services (BACS) as the operator of the Pathways Project; and

WHEREAS, the City Council allocated \$1,900,000 in Pathways Project costs on December 5, 2017; and

WHEREAS, Alameda County Housing and Community Development (HCD) may award the City of Berkeley an amount between \$100,000 and \$300,000 from the Unsheltered Homeless Immediate Impact Program, the money for which has been committed to the direct operation and associated activities of Pathways in Berkeley and the receipt of which has been authorized by Council consent on January 23, 2018; and

WHEREAS, staff recommends that \$40,000 in the Berkeley Homeless Fund, created by Council on October 17, 2018 to accept donations “for major Council initiatives and priorities” to serve those who are homeless or at risk of becoming homeless, of which the STAIR Center is such a priority, be made available to cover programmatic start-up expenses; and

WHEREAS, \$200,000 in FY18-19 were allocated for the creation of a Flexible Housing Subsidy Pool to rapidly rehouse people experiencing homelessness in Berkeley, with funds previously committed to Contract No. 10568 with the Berkeley Food and Housing Project (BFHP) but later voluntarily relinquished by BFHP to support the Pathways Project; and

WHEREAS, the City Manager has found that blending these funding sources to support a 13 month contract with BACS is the most expedient method for addressing Council’s October 3, 2017 directive to “take all steps necessary” to begin operations of the Pathways Project as soon as possible.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute a contract and any amendments with Bay Area Community Services (BACS) for 13 months of facilities expenses and operations for the

Pathways Project for an amount not to exceed \$2,440,000. CMS No. PRX75. A signed copy of said documents, agreements and any amendments will be kept on file with the Office of the City Clerk.

