



Office of the City Manager

CONSENT CALENDAR  
July 14, 2020

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Lisa Warhuus, Director, Health, Housing & Community Services

Subject: Contract No. 32000117 Amendment: Berkeley Food & Housing Project for Administrative Services

RECOMMENDATION

Adopt a Resolution authorizing the City Manager or her designee to execute an amendment to Contract No. 32000117 with Berkeley Food & Housing Project (BFHP) to provide administrative services for Berkeley Mental Health (BMH) Flexible Spending Programs and the Russell Street Residence through June 30, 2021 in an amount not to exceed \$1,907,293. This will extend the existing contract by one year and add \$946,419 in funding.

FISCAL IMPACTS OF RECOMMENDATION

Funds for the scope of work in the amount of \$946,419 will be provided from ERMA GL Code 315-51-503-526-2017-000-451-636110-. Funding is available in the FY21 budget, subject to the adoption of the Annual Appropriations Ordinance.

CURRENT SITUATION AND ITS EFFECTS

BMH has used BFHP as the administrator for Flexible Spending Programs and operator of the Russell Street Residence (RSR) in the past through a contract administered by the Housing & Community Services Division (HCS), and for the past six months through a contract administered by BMH. The Mental Health Division is planning to amend the contract with BFHP to improve contractual oversight and to ensure the rate paid for residents at RSR aligns with costs of operating this housing program. RSR will provide up to 17 beds per night for some of the most vulnerable members of our community. \$106,000 will be used toward a one-time funding gap for the project, and \$520,169 will be allocated toward ongoing operational expenses for RSR. The amounts allocated for the BMH Flexible Spending Programs will also change according to the needs of the respective programs, and a total of \$320,250 will be allocated for all Flexible Spending Programs. Full Service Partnership will increase from \$90,000 to \$130,000; Children's Full Service Partnership will remain unchanged at \$17,250; Comprehensive Community Treatment will remain unchanged at \$23,000; Homeless Outreach and Treatment Team will increase from \$23,000 to \$30,000; Homeless Full Service Partnership will increase

from \$23,000 to \$100,000; and Focus on Independence Team will increase from \$13,800 to \$20,000.

### BACKGROUND

On December 3, 2019 by Resolution No. 69,192-N.S., City Council approved entering into Contract No. 32000117 with BFHP to support Berkeley Mental Health's Flexible Funding programs and the Russell Street Residence. On May 26, 2020 by Resolution No. 69,404-N.S., City Council approved amending contract No. 32000117 with BFHP to increase the contract limit to \$960,874. BFHP has done a satisfactory job administering these programs, and staff would like to ensure they can continue completing this necessary work to support the Division and some of the City's most vulnerable residents.

The State of California MHSAs provide funding for local mental health services and supports. City of Berkeley MHSAs Three Year Program and Expenditure Plans (Three Year Plans) and Annual Updates, details the uses of local MHSAs funds. Development of local MHSAs Three Year Plans and Annual Updates require community program planning, writing a draft plan, providing a 30-day public review, and conducting a public hearing at the Mental Health Commission.

The development of the MHSAs FY20/21 – 22/23 Three Year Plan is currently underway and will be on the City Council Agenda in October 2020. The proposed Three Year Plan will include continued funding to BFHP for RSR and Flexible Spending programs.

Given unforeseen delays due to Covid-19, that have occurred (and may likely continue to occur in the near future), approval of this Council Item will enable contract amendments to be executed and payments to be made in a timely manner. This will assist Contractors who may be experiencing financial hardships during this time as a result of Covid-19. Funding for these services and supports has been included in the FY21 Budget.

### ENVIRONMENTAL SUSTAINABILITY

There are no identifiable environmental effects or opportunities associated with the action recommended in this report.

### RATIONALE FOR RECOMMENDATION

BFHP recently experienced a major gap in their funding structure, and the allocation proposed here will help resolve that disparity, allowing a vital community organization to continue their important work. BFHP is a trusted partner in the implementation of programs to ensure the needs of our community's most vulnerable members are met in the most effective manner possible. Each of the programs funded by this contract were developed as a result of feedback from stakeholders, and went through a lengthy community input process before being presented to City Council as part of the MHSAs Plan Annual Update. Russell Street Residence provides much needed supported

housing for individuals with serious mental illness in Berkeley; the flex funds program allows for a variety of mental health programs to meet the needs of mental health consumers through the purchase of a variety of goods that support their stability and recovery.

ALTERNATIVE ACTIONS CONSIDERED

As an alternative action, Council could instead direct staff to circulate a new RFI or formal Request for Proposals (RFP) to competitively solicit a different vendor.

CONTACT PERSON

Conor Murphy, Assistant Management Analyst, HHCS, 510-981-7611

Steven Grolnic-McClurg, Manager of Mental Health Services, HHCS, 510-981-5249

Attachments:

1: Resolution

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

CONTRACT NO. 32000117 AMENDMENT: BERKELEY FOOD & HOUSING PROJECT  
FOR ADMINISTRATIVE SERVICES

WHEREAS, City Council approved the MHSA Plan FY2019-2020 Annual Update on July 23, 2019 by Resolution No. 69,033-N.S., which included funding for the programs to be included in the contract here; and

WHEREAS, City Council approved participation in the Homeless Mentally Ill Outreach and Treatment allocation funding on September 13, 2018 by Resolution No. 68,592-N.S.; and

WHEREAS, City Council approved a contract with Berkeley Food and Housing Project for Flexible Spending Programs and the Russell Street Residence on December 3, 2019 by Resolution No. 69,192-N.S.; and

WHEREAS, City Council approved a contract amendment with Berkeley Food and Housing Project for Flexible Spending Programs and the Russell Street Residence on May 26, 2020 by Resolution No. 69,404-N.S..; and

WHEREAS, community input and stakeholder feedback has determined a need for the programs being funded; and

WHEREAS, the Berkeley Food and Housing Project has been a trusted partner in the implementation of a variety of programs in collaboration with the City; and

WHEREAS, funding in the amount of \$946,419 is available in the FY21 budget, subject to the adoption of the Annual Appropriations Ordinance in ERMA GL Code 315-51-503-526-2017-000-451-636110-.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager or her designee is authorized to execute an amendment to Contract No. 32000117 with the Berkeley Food and Housing Project for administrative services through June 30, 2021 in an amount not to exceed \$1,907,293. A record signature copy of said contract and any amendments to be on file in the City Clerk Department.