



Office of the City Manager

CONSENT CALENDAR

October 25, 2005

To: Honorable Mayor and
Members of the City Council

From: *PK* Phil Kamlarz, City Manager

Submitted by: Stephen Barton, Director, Housing Department

Subject: Contract: Shelter Plus Care Grant for the Homeless

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute a revenue contract and any subsequent amendments as needed with the Alameda County Housing and Community Development Department for the purposes of receiving Federal Department of Housing and Urban Development (HUD) funds to implement a new Shelter Plus Care grant for chronically homeless individuals in Berkeley in an amount not to exceed \$747,120 for a five-year period beginning with the date of execution of a contract with Alameda County Housing and Community Development Department.

FISCAL IMPACTS OF RECOMMENDATION

This is a new Shelter Plus Care Grant to provide permanent rental subsidies for chronically homeless individuals in Berkeley who are also frequent users of emergency medical and psychiatric services. The contract amount is \$747,120 for a five-year period through the County of Alameda Housing and Community Development Department. The County of Alameda is the grantee with HUD, and subcontracts with the City of Berkeley.

HUD does not require a cash match for this program, but does require that grantees leverage services of an equal or greater value to the actual funds spent on rental subsidies. The City of Berkeley has already allocated City General Funds to LifeLong Medical Care (\$40,000) and the Berkeley Food and Housing Project (\$10,000) as part of the FY2006 budget process to provide matching services related to this grant. Partner agencies, including Berkeley Mental Health, have committed the balance of the leveraged services match required, and these will be funded from other non-City sources.

Of the \$747,120 in additional grant funds, \$687,350 represents actual rental subsidies for Shelter Plus Care clients and the remaining \$59,770 (approximately 8%) represents potential earnings that can be used to support Housing Department and Berkeley Housing Authority grant-related administrative activities. Upon placing Shelter Plus Care clients into rental units, the City invoices the County of Alameda for full reimbursement of the rental subsidy plus the 8% administration earnings. The projected annual amount of administrative earnings will be included

in the first amendment proposal to the FY2006 annual appropriations ordinance, to be budgeted in account codes 486-7801-463-various.

CURRENT SITUATION AND ITS EFFECTS

This contract provides for new tenant-based rental assistance for 11 chronically homeless individuals living on the streets or in shelters in Berkeley who are frequent users of health services. This project was funded in FY2005 through the Alameda County-wide Homeless Continuum of Care Council application to HUD's Supportive Housing Program.

BACKGROUND

Based on a national competition, HUD awarded \$1,494,240 in grant funds to the Alameda County Shelter Plus Care Program for tenant-based rental assistance to support chronically homeless people in Alameda County who are frequent users of health care services. Alameda County will subcontract one-half of the grant to the City of Berkeley Shelter Plus Care Program to provide tenant-based rental assistance to 11 single adults. The federal rent subsidies are matched by locally provided services to transition homeless, disabled individuals into permanent, supportive housing units. These units are rented from private property owners in Berkeley, Oakland and Emeryville. LifeLong Medical Care, the City's Mental Health Division and the Berkeley Food and Housing Project will provide dedicated case management and money management services, and these services will fulfill the service match that is required by the HUD grant.

Service coordination and grant administration are provided by the City's Housing Department, with the Berkeley Housing Authority responsible for rental payments and property inspections. Including this new grant, the City of Berkeley operates four Shelter Plus Care grants, providing over 200 units of supportive housing for people who are homeless and disabled due to HIV/AIDS, mental illness, and/or drug and alcohol dependence.

RATIONALE FOR RECOMMENDATION

This project expands housing resources for 11 chronically homeless men and women who are visibly homeless in Berkeley, and who consume substantial resources in the public health system largely due to their lack of stable housing and ongoing supportive services.

ALTERNATIVE ACTIONS CONSIDERED

None.

CONTACT PERSON

Andrew Wicker, Community Services Specialist, Housing Department, 981-5418.

Attachments:

1: Resolution

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

SHELTER PLUS CARE COACH CONTRACT WITH THE COUNTY OF ALAMEDA

WHEREAS, the Federal Department of Housing and Urban Development (HUD) awarded \$1,494,240 in grant funds to the Alameda County Shelter Plus Care Program for tenant-based rental assistance to support chronically homeless people in Alameda County who are frequent users of health care services; and

WHEREAS, Alameda County will subcontract one-half of the grant to the City of Berkeley Shelter Plus Care Program to provide tenant-based rental assistance to 11 single adults; and

WHEREAS, the City leverages City and non-City funds as matching contributions to the Shelter Plus Care program; and

WHEREAS, dedicated case management matching services for the project will be provided by the City's Mental Health Division, LifeLong Medical Care and the Berkeley Food and Housing Project as part of their existing budgets; and

WHEREAS, upon placing Shelter Plus Care clients into rental units, the City invoices the County of Alameda for full reimbursement of the rental subsidy (\$687,350) plus the 8% administration earnings (\$59,770), and the projected annual amount of administrative earnings will be included in the first amendment proposal to the FY2006 annual appropriations ordinance, to be budgeted in account codes 486-7801-463-various.

NOW THEREFORE, BE IT RESOLVED that the Council of the City of Berkeley authorizes the City Manager to execute a revenue contract and any subsequent amendments as necessary with Alameda County Housing and Community Development Department for the purposes of receiving HUD funds to implement a Shelter Plus Care grant for eleven chronically homeless individuals in Berkeley in an amount not to exceed \$747,120 for a five-year period beginning with the date of execution of a contract with Alameda County Housing and Community Development Department.