



Office of the City Manager

CONSENT CALENDAR
November 27, 2007

To: Honorable Mayor and Members of the City Council

From: *PK* Phil Kamlarz, City Manager

Submitted by: Renelda Mary, Interim Director, Housing Department

Subject: Housing Retention Program Fiscal Agent Contract

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to increase the contract amount (Contract No. 7282) for Berkeley Food and Housing Project (BFHP) by \$166,123 to provide fiscal agent services to the City's Housing Retention Program, formerly the Homeless Prevention Grants Program.

FISCAL IMPACTS OF RECOMMENDATION

On June 26, 2007, Mayor and City Council adopted Resolution No. 63,757-N.S. adopting the City of Berkeley's biennial budget for fiscal years 2008 and 2009. The \$166,123 in General Funds needed for this program is already included in this resolution.

BFHP currently has an agreement with the City, Contract No. 7282, in the amount of \$597,400. This action would increase the annual contract to a total amount not to exceed \$763,523. The Housing Retention Program will provide eligible Berkeley residents with grant assistance to pay overdue rent in order to retain permanent housing. Of this \$166,123, \$16,123 will cover the costs associated with BFHP providing fiscal services and \$150,000 will be passed through as grants to Berkeley residents to enable them to retain permanent housing.

CURRENT SITUATION AND ITS EFFECTS

On September 11, 2007, the Mayor and City Council approved the Finance Department's request on behalf of the Housing Department to issue a formal bid solicitation and request for proposal for the Homeless Prevention Program. On September 13, 2007, the City issued a Request for Proposals for fiscal agent services to disburse checks to eligible Berkeley residents at imminent risk of eviction.

On October 4, 2007, the City received one proposal in response to its RFP for fiscal agent services for the Homeless Prevention Program. The proposal was submitted by Berkeley Food and Housing Project. The key components outlined in the RFP's scope of services included the need for a fiscal agent to: 1) disburse approximately 150

checks annually; 2) respond to a funds request within 5 business days by mailing check to landlords; 3) work closely with Collaborative members, who are direct service providers working with low-income Berkeley residents; 4) provide monthly reports on disbursements to the City; and 5) follow all Internal Revenue Service regulations for grant disbursement. BFHP met all of these requirements. Additionally, BFHP currently has an agreement with the City, Contract No. 7282, in the amount of \$597,400.

BACKGROUND

Eden Council for Hope and Opportunity (ECHO) has operated the City's Homeless Prevention Grants Program for the past several years. ECHO is a non-profit agency based in Hayward whose staff maintain limited office hours in Berkeley out of the Center for Independent Living's offices. ECHO's lack of Berkeley presence made it difficult for residents to access services and created challenges to integrating the prevention grants with other City strategies to prevent homelessness.

As this Program is a critical component of the City's homeless prevention strategy, during the FY08-09 Community Agency Allocation process, the Homeless Commission and City Manager recommended significant improvements to this Program. In order to better integrate homeless prevention efforts with existing services provided to low-income and homeless people, the Homeless Commission and City Manager recommended that the City issue a Request for Proposals for the Homeless Prevention Grants Program in FY08. ECHO continued to provide grant assistance during this interim period through a contract extension, which allowed ECHO to grant the balance of their FY 07 contract of \$88,105 through December 2007.

Over the past few months, staff has discussed retooling the City's Homeless Prevention Program to increase its effectiveness and efficiency in reaching Berkeley residents most in need of grant assistance to retain their housing. One effective model is a collaboration of direct service providers, who have established relationships with clients, to identify, assess and approve eligible tenants for grant assistance. By forming a collaborative of direct service providers who represent both community based agencies and City of Berkeley programs, the Housing Retention Program can effectively target residents most at risk of eviction. Understanding the housing and economic challenges facing Berkeley's low-income residents residing in West and South Berkeley, staff has identified potential collaborative partners that work closely with residents in these neighborhoods. The collaborative partners include: Lifelong Medical Services, Inner City Services, Rubicon, Inc, and Women's Daytime Drop-in Center as well as the City of Berkeley's Public Health Department, Berkeley Mental Health, and City of Berkeley Aging Services.

This model enables the Housing Retention Program to be better integrated and supportive of the work performed by direct service providers. This model maximizes the amount of grant funds available to directly assist tenants because of collaborative members willingness to process and approve grant applications for clients who meet the

Program eligibility requirements at no cost to the program thereby reducing administrative costs needed to operate this Program to fiscal agent services associated with processing and accounting for the cash grants. Housing staff will manage the Housing Retention Program Collaborative and will review Collaborative processes for selecting eligible clients and approving applications on an ongoing basis.

RATIONALE FOR RECOMMENDATION

The application review panel found that BFHP met all of the fiscal agent services requirements listed in the RFP. BFHP has provided Representative Payee services for the past ten years for clients mandated by the Social Security Administration. BFHP has an established accounting system that allows them to disburse approximately 900 checks each month. BFHP is willing to offer a two-day response to approved check requests, three days faster than the RFP required, making the delivery of Program funds extremely efficient.

ALTERNATIVE ACTIONS CONSIDERED

None

CONTACT PERSON

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Attachment:
1: Resolution

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

INCREASE CONTRACT AMOUNT (CONTRACT 7282) WITH THE BERKELEY
FOOD AND HOUSING PROJECT

WHEREAS, the City of Berkeley adopted Resolution No. 63,757–N.S. adopting the City of Berkeley’s biennial budget for fiscal years 2008 and 2009 which included \$166,123 in General Funds for Homelessness Prevention Operations and Grants; and

WHEREAS, the City of Berkeley adopted Resolution No. 63,757–N.S. authorizing the City Manager to initiate a Request for Proposals for the Homelessness Prevention Operations and Grants; and

WHEREAS, on September 13, 2007, the City of Berkeley issued a Request for Proposals for fiscal agent services as part of its Housing Retention Project; and

WHEREAS, on October 4, 2007, Berkeley Food and Housing Project submitted a proposal, which met all of the requirements for fiscal agent services; and

WHEREAS, Berkeley Food and Housing Project currently has an agreement with the City, Contract No. 7282, in the amount of \$597,400 to provide a range of homeless services.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to increase Berkeley Food and Housing Project (BFHP)’s Contract No. 7282 by \$166,123 (\$16,123 for BFHP fiscal agent costs) to provide fiscal agent services to the City’s Housing Retention Program for a total amount not to exceed \$763,523.