

CITY OF OAKLAND
AGENDA REPORT

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2008 APR 10 PM 4:43

TO: Office of the City Administrator
ATTN: Deborah A. Edgerly
FROM: Department of Human Services
DATE: April 22, 2008

RE: **Resolution Authorizing Funding For Homeless Housing Programs And Projects And Authorizing The City Administrator To Negotiate And Enter Into Agreements For (1) Crossroads, The New Emergency Housing Facility Located At 7515 International Blvd In The Amount Of \$200,000 To Cover Additional Operating Costs; (2) Matilda Cleveland Transitional Housing Program In The Amount Of \$50,000 As Matching Funds To The HUD Supportive Housing Program Funds For FY 2007/2008; (3) Matilda Cleveland Transitional Housing Program In The Amount Of \$25,000 For Rehabilitation Costs Not Covered By State Emergency Housing Assistance Program Capital Development (EHAPCD) Funds; (4) Henry Robinson Multi-Service Center In The Amount Of \$102,000: \$52,000 Towards The Replacement Of Two Roofs And \$50,000 For The Installation Of Shut-Off Valves On The Plumbing System; And (5) The Families In Transition / Scattered Sites Program In The Amount Of \$110,000 For The Rehabilitation Of Five City-Owned Properties To Supplement EHAPCD Funds And To Cover Additional And Unexpected Rehabilitation Costs**

SUMMARY

A resolution has been prepared authorizing the City Administrator to negotiate and enter into agreements to provide funding for homeless housing services programs and projects. The funding will allow the programs, Crossroads and Matilda Cleveland Transitional Housing Program (MTCHP) to continue to operate in the fiscal year 2007/2008, and allow for the completion of construction projects at the Henry Robinson Multi-service Center (HRMSC), the Matilda Cleveland and the Families in Transition / Scattered Sites (FIT/SS).

FISCAL IMPACT

Approval of this resolution will provide \$437,000 from Community Development Block Grant (CDBG) reprogrammed funds for homeless housing services programs and projects as follows: \$200,000 from HUD-CDBG Fund (2108), Department of Human Services Administration Org. (78111), Grant Contracts Earned Account (54912) and E.O. Shelter Relocation Project (G168550) for the Crossroads for additional operating costs; \$237,000 from HUD-CDBG Fund (2108), Department of Human Services Org. (78111), Miscellaneous Services Account (53719) and CD Reprogramming Project (G10050) for the rehabilitation of the Matilda Cleveland

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facility, \$25,000; roofing and plumbing work at the HRMSC, \$102,000; and the completion of rehabilitation work on 5 properties in the FIT/SS program, \$110,000.

The resolution also provides \$50,000 from the City's General Purpose Fund under the FY 2007/2008 Community Promotions Program for Service Organizations (CPPSO) General Purpose Fund (1010), Department of Human Services Administration Org. (78111), THP Matilda-Cleveland Project (G309610) as a funding match for the Department of Housing and Urban Development's (HUD) Supportive Housing Program (SHP) grant awarded to the MCTHP for the FY 2007/2008.

BACKGROUND

Housing programs for the homeless in Oakland are funded from a number of sources including the City, Alameda County, State and Federal governments and philanthropic resources. The programs offered currently by the City through non-profit service providers include emergency shelter and transitional housing, food, housing advocacy, legal and health assistance and homeless prevention services. The homeless populations served include single men and women, families with children, youth and persons with special needs and disabilities.

The City and the Redevelopment Agency of the City of Oakland (Agency) own a number of the properties that are used to house the homeless. The City owns the 6 properties used in the FIT/SS program and the Agency owns the HRMSC. The service providers that operate the programs in these facilities provide for maintenance upkeep of the facilities in their operating budgets. However, there are never sufficient funds in their budgets for structural repairs or to replace large equipment.

KEY ISSUES AND IMPACTS

1. Crossroads

The East Oakland Community Project (EOCP) operates the Crossroads, a recently completed green building with a 125-bed emergency shelter capacity located at 7515 International Blvd. in East Oakland. The City provided CDBG funding in the amount of \$1,000,000 towards the construction of Crossroads and the Redevelopment Agency provided a loan guaranty for a portion of the financing provided by a commercial bank.

EOCP has been providing emergency housing services for many years in East Oakland. The old 100-bed emergency shelter which was located in the old Safeway Headquarters building on International Blvd and 57th Street was in a general state of disrepair and the owners were unwilling to spend the amount of money required to properly renovate it. EOCP worked hard to secure funding to build the new facility which was opened in February of this year. The City provides operating funds for the shelter program from a number of sources including two State

programs, the Emergency Shelter Grant Program and the Emergency Housing Program, and from HUD’s CDBG funds.

Crossroads provides an emergency 24-hour shelter, housing over 700 households annually. In addition, it provides substance abuse counseling, case management, employment/income support, housing advocacy and eviction defense. The program is evaluated by the number of persons served and by its record of transitioning homeless persons to more permanent or stable housing.

The shelter program has been operating at a deficit for several months due to an increase in staffing costs and increases in the cost of food and utilities. A facilities manager will be added to the staff to oversee the new building. The capacity of the program has increased from 100 beds to 125 beds, which affects costs at all levels. The requested funding of \$200,000 is necessary to keep the shelter operating efficiently at its capacity of providing 125 beds, at appropriate staffing levels to provide necessary services to homeless persons each day for this year.

The budget below shows the various City funding and the current and proposed budgets.

Funds / Line Items	Emergency Shelter Grant	Emergency Housing Program	CDBG	Requested CDBG	New Budget (All funds)
Essential Services					
Staff	\$33,053.94				\$33,053.94
Program Director	\$7,437.14			\$5,690.32	\$13,127.46
Resident Advisors (4FTE’s)				\$105,600.00	\$105,600
Facilities Manager				\$50,000.00	\$50,000
Benefits (24%)	\$6,081.92			\$38,709.68	\$44,791.60
Maintenance					
Maintenance /Repair		\$1,951.83			\$1,951.83
Supplies		\$2,087.51			\$2,087.51
Utilities		\$11,975.37			\$11,975.37
Insurance		\$3,044.29			\$3,044.29
Bednights (Winter Relief Program)			\$56,967		\$56,967
Lease/Mortgage			\$296,000		\$296,000
Total	\$46,573.00	\$19,059.00	\$352,967	\$200,000.00	\$618,599

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2. Matilda Cleveland Transitional Housing Program – SHP Program

The EOCP also administers the Matilda Cleveland Transitional Housing Program. The MCTHP is a 14-unit facility located at 8314 MacArthur Blvd. It provides transitional housing with services for 14 families with children.

EOCP receives Supportive Housing Program (SHP) funds through the City from the Department of Housing and Urban Development (HUD) for operating costs for the MCTHP. For the 2007/2008 fiscal year, EOCP was awarded approximately \$259,000. HUD requires that the federal funds be matched with local funds. The City allocates on an annual basis, \$52,750 from its General Purpose Fund to support the Community Promotions Program for Services Organizations (CPPSO) and these funds have been used to match grant funds. The CPPSO funds are available to be used as matching funds for the SHP funds awarded to EOCP. For the FY 2007/2008 program year, the match amount required for the SHP funding allocated to the MCTHP is \$50,000.

3. Matilda Cleveland Transitional Housing Program - EHAPCD

In 2006, City staff applied for the State Emergency Housing Assistance Program Capital Development (EHAPCD) funds and received \$998,000 for the MCTHP. The funds are to be utilized for various repairs at the Matilda Cleveland, and construction work is expected to begin within the next two months. The EHAPCD funds cannot be utilized for some of the work being undertaken, such as landscaping, fencing and offsite improvements and the purchase of appliances and furnishings. As a result, other funds are required to cover such expenses. The request for \$25,000 is to cover those items that are not eligible expense items for EHAP funds.

4. Henry Robinson Multi-Service Center

The Henry Robinson Multi-Service Center (HRMSC) located on 16th Street in the downtown area provides both transitional and emergency housing as well as drop-in services for the homeless. The facility is an old Single Room Occupancy hotel which was purchased by the Redevelopment Agency in 1991 to provide housing and other services to the homeless. The facility contains 54 transitional housing units and 8 emergency housing units and is operated by Anka Behavioral Health, Inc.

City staff submitted a list of items that needed to be replaced or repaired at the HRMSC as part of the City's Capital Improvement Projects (CIP) process. However, all the items for the HRMSC remained unfunded at the end of the CIP process and City staff was directed to explore the availability of funds from other City programs. Later, a commitment was made to provide some CDBG funds for repairs at the facility.

City staff also applied and received \$999,998 from State 2006/2007 EHAPCD funds for a number of construction items including the replacement of an old and inefficient elevator and

City staff also applied and received \$999,998 from State 2006/2007 EHAPCD funds for a number of construction items including the replacement of an old and inefficient elevator and other major equipment and to repair the two roofs. Recent rains have caused the roofs to leak very badly into some of the housing units and the public areas. A recent inspection of the roofs shows that repairing the roofs is not a feasible option. Rather, it is necessary to tear off the many layers of old roofing materials and install new roofs. The cost to replace the roofs far exceeds the amount allocated in the EHAPCD budget for the repair work. As a result, additional funds are needed to cover the cost of replacing the roofs. The EHAPCD funds will pay for at least 42% of the estimated cost of over \$100,000 to replace the roof. The requested amount of \$52,000 from CDBG funds will pay for the portion of the costs not covered by EHAPCD funds.

The installation of shut-off valves on the plumbing system on each floor was one of the items on the CIP list for the HRMSC. These valves will provide for more control over the plumbing system to enable work to be conducted on parts of the system without affecting the whole system. The cost of installing the shut-off valves has been estimated at \$50,000 by the Public Works Agency. The request for \$50,000 from CDBG funds will allow for the installation of the shut-off valves.

5. Families in Transition / Scattered Site Program

The EOCP also operates the FIT/SS programs. The transitional housing program is operated out of 6 single family and multi-family buildings located in East and West Oakland. The FIT/SS program provides transitional housing for 10 families at one time. In 2005, City staff applied for State Emergency Housing Assistance Program Capital Development (EHAPCD) funds and received an award of approximately \$763,000 for the FIT/SS program. The funds are to be used for the rehabilitation of 5 buildings.

Rehabilitation of two of the buildings in the FIT/SS program was completed in December 2007, and construction will begin on three single-family homes within the next month. As mentioned earlier, EHAPCD funds cannot be utilized for some of the construction work being undertaken at these sites, including landscaping, fencing and offsite improvements and the purchase of recreational equipment, appliances and furnishings. As a result, other funds are required to cover such expenses. In addition, a major mold problem has developed in one of the homes, there is more dry rot than anticipated in all the homes and the cost of hardware, equipment and appliances which have to be purchased for all the units have increased the costs of completing the homes for occupancy.

Of the \$110,000 requested to complete work on the FIT/SS homes, \$75,000 will be used to abate the mold in one of the homes and complete rehabilitation of that home and two other homes (Hunter, Adeline and 84th Avenue). \$35,000 is to be used to complete the work on the two homes at Bancroft Avenue and Church/Halliday, and to purchase appliances, hardware and other equipment for all five properties in the FIT/SS program.

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SUSTAINABLE OPPORTUNITIES

Economic:

All the programs and the construction work will occur on the sites mentioned. The physical improvements to the housing will be a positive impact on the economic stability and visual attributes of the neighborhoods.

Environmental:

The contractors selected for the construction work will be required to abide by the City's Waste Recycling Reuse Plan. Crossroads is the only "green" shelter in the country. The building is designed to be more energy efficient, conserve resources, be healthier for occupants and be more affordable to operate and maintain. No other environmental opportunities have been identified at the other existing sites.

Social:

The provision of housing and other services to the City's homeless population presents increased social equity and economic opportunities.

DISABILITY AND SENIOR CITIZEN ACCESS

All the homeless housing programs mentioned in this report, namely, the Crossroads, MCTHP, the HRMSC and the FIT/SS provide housing and services that are available and accessible to seniors and persons with disabilities as required by law.

RECOMMENDATION(S) AND RATIONALE

That the City Council authorize funding for homeless housing programs and projects as detailed in this report.

ACTION REQUESTED OF THE CITY COUNCIL

Staff requests that the City Council approve a resolution authorizing the City administrator to negotiate and enter into agreements for (1) Crossroads, the new emergency housing facility located at 7515 international blvd in the amount of \$200,000 to cover additional operating costs; (2) Matilda Cleveland transitional housing program in the amount of \$50,000 as matching funds to the HUD Supportive Housing Program funds for FY 2007/2008; (3) Matilda Cleveland transitional housing program in the amount of \$25,000 for rehabilitation costs not covered by the State Emergency Housing Assistance Program Capital Development (EHAPCD) funds; (4) Henry Robinson Multi-Service Center in the amount of \$102,000: \$52,000 towards the replacement of two roofs and \$50,000 for the installation of shut-off valves on the plumbing system; and (5) the Families In Transition / Scattered Sites program in the amount of \$110,000 for the rehabilitation of five city-owned properties to supplement EHAPCD funds and to cover additional and unexpected rehabilitation costs.

Respectfully submitted,



**ANDREA YOUNGDAHL, Director
Department of Human Services**

Reviewed by:
Susan R. Shelton, Manager
Community Housing Services

Prepared by:
Gladys Moore, Housing Coordinator
Department of Human Services

APPROVED AND FORWARDED TO THE
LIFE ENRICHMENT COMMITTEE:



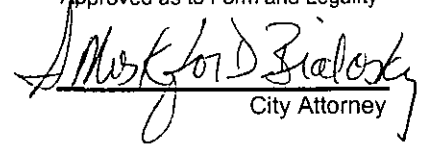
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OAKLAND CITY COUNCIL

Approved as to Form and Legality


City Attorney

RESOLUTION No. _____ C.M.S.

RESOLUTION AUTHORIZING FUNDING FOR HOMELESS HOUSING PROGRAMS AND PROJECTS AND AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE AND ENTER INTO AGREEMENTS FOR (1) CROSSROADS, THE NEW EMERGENCY HOUSING FACILITY LOCATED AT 7515 INTERNATIONAL BLVD IN THE AMOUNT OF \$200,000 TO COVER ADDITIONAL OPERATING COSTS; (2) MATILDA CLEVELAND TRANSITIONAL HOUSING PROGRAM IN THE AMOUNT OF \$50,000 AS MATCHING FUNDS TO THE HUD SUPPORTIVE HOUSING PROGRAM FUNDS FOR FY 2007/2008; (3) MATILDA CLEVELAND TRANSITIONAL HOUSING PROGRAM IN THE AMOUNT OF \$25,000 FOR REHABILITATION COSTS NOT COVERED BY STATE EMERGENCY HOUSING ASSISTANCE PROGRAM CAPITAL DEVELOPMENT (EHAPCD) FUNDS; (4) HENRY ROBINSON MULTI-SERVICE CENTER IN THE AMOUNT OF \$102,000: \$52,000 TOWARDS THE REPLACEMENT OF TWO ROOFS AND \$50,000 FOR THE INSTALLATION OF SHUT-OFF VALVES ON THE PLUMBING SYSTEM; AND (5) THE FAMILIES IN TRANSITION / SCATTERED SITES PROGRAM IN THE AMOUNT OF \$110,000 FOR THE REHABILITATION OF FIVE CITY-OWNED PROPERTIES TO SUPPLEMENT EHAPCD FUNDS AND TO COVER ADDITIONAL AND UNEXPECTED REHABILITATION COSTS

WHEREAS, the City provides funding to local non profit homeless service agencies for shelter, transitional housing, homeless prevention and other support services for the homeless in Oakland; and

WHEREAS, the City and the Redevelopment Agency own the Henry Robinson Multi-Service Center (HRMSC) and 6 properties in West and East Oakland which are used to house the homeless; and

WHEREAS, the Crossroads, a 125-bed emergency shelter located in East Oakland and operated by the East Oakland Community Project (EOCP), needs additional operating funds in the amount of \$200,000 for FY 2007/2008 as a result of increased staffing costs and increased costs for food and other operating expenses; and

WHEREAS, the Matilda Cleveland Transitional Housing Program (MCTHP), a 14-unit transitional housing facility, also located in East Oakland and operated by EOCP was awarded HUD's Supportive Housing Program (SHP) funds in the amount of approximately \$259,000 for which a local match of \$50,000 is required; and

WHEREAS, the MCTHP, the Henry Robinson Multi-Service Center (HRMSC) located in the downtown area, and five properties in the Families in Transition / Scattered Sites (FIT/SS) program require funding for various rehabilitation projects; and

WHEREAS, the MCTHP, the HRMSC and the FIT/SS which have all received State EHAPCD funding totaling \$2,762,076 for rehabilitation of the facilities, still require additional funds because the EHAP regulations do not allow the use of the funds for certain costs and the funds are insufficient to cover other unanticipated costs. For instance, there is an extensive mold problem in one of the properties and unexpected construction costs in other properties. Additional funds are also needed for the purchase of appliances, hardware and equipment; and

WHEREAS, the MCTHP requires \$25,000 for rehabilitation costs not covered by EHAPCD, the HRMSC requires \$102,000 towards the replacements of two roofs and the installation of shut-off valves on the plumbing system and the FIT/SS requires \$110,000 for the rehabilitation of 5 homes; and

WHEREAS, the City has identified two sources of funds, namely the Community Development Block Grant (CDBG) funds and the Community Promotions Program for Service Organizations (CPPSO) which are available to be used to fund the homeless programs and projects listed above; now, therefore be it

RESOLVED: That the City Council authorizes an allocation of funds in the amount of \$437,000 from CDBG funds and \$50,000 from CPPSO funds for the homeless programs and projects listed above; and be it

FURTHER RESOLVED: That the City Council authorizes funding in the amount of \$200,000 from CDBG funds, HUD-CDBG Fund (2108), Department of Human Services Administration Org (78111), Grant Contracts Earned Account (54912), Project E.O. Shelter Relocation Project (G168550) for the Crossroads program for operating expenses; an amount of \$50,000 from CPPSO funds, General Purpose Fund (1010), Department of Human Services Administration Org. (78111), THP Matilda-Cleveland Project (G309610) for the Matilda Cleveland Transitional Housing program as matching funds; and from CDBG funds for the rehabilitation of the homeless facilities, from HUD-CDBG Fund (2108), Department of Human Services Org. (78111), Miscellaneous Services Account (53719) and CD Reprogramming Project (G10050); \$25,000 for the Matilda Cleveland Transitional Housing Program, \$102,000 for the Henry Robinson Multi-Service Center and \$110,000 for the Families in Transition / Scattered Site; and be it

FURTHER RESOLVED: That the City Council authorizes the City Administrator or her designee as agent of the City to negotiate and enter into agreements with the homeless housing service providers and other contractors in the use of the specified amounts for the purpose of providing shelter and support services to the homeless and for the performance of the rehabilitation work on the properties, and to conduct all negotiations, execute and submit all documents, including but not limited to applications, agreements, amendments, modifications, payment requests, and related actions which may be necessary in accordance with this resolution and its basic purpose; and be it

FURTHER RESOLVED: That agreements authorized under this resolution shall be reviewed as to form and legality by the Office of the City Attorney and copies shall be filed in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 20____

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, and PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California