



# AGENDA REPORT

**TO:** Stevan Falk  
Interim City Administrator

**FROM:** Sara Bedford  
Director, Human Services

**SUBJECT:** HEAP-HHAP funds and follow up from  
LEC of 12/4/19

**DATE:** April 27, 2020

City Administrator Approval

Date: 4-30-2020

## RECOMMENDATION

**Staff Recommends That The City Council Adopt a Resolution:**

- 1. Accepting And Appropriating An Award Of Homeless Housing, Assistance, And Prevention Program Grant Funds In The Amount Of \$19,697,548 And Any Additional HHAP Grant Funds That Become Available For The Provision Emergency Homeless Interventions;**
- 2. Approving The Award Of Grant Agreements And Professional Service Agreements To Public And Private Entities In An Amount Up To \$1 Million For The Provision Of Homeless Intervention Services Through June 30, 2021, With A One Year Option To Renew; And**
- 3. Authorizing The City Administrator To Amend Existing Grant Agreements And Professional Service Agreements With Homeless Intervention Service Providers To Extend The Term Of Said Agreements Through June 30, 2021 And To Increase The Amount Of Said Agreements Using Homeless Housing, Assistance, And Prevention Grant Funds;**
- 4. Approving The Award Of Emergency Agreements Using Homeless Emergency Aid Program And Homeless, Housing, Assistance And Prevention Grant Funds To Provide Emergency Support And Services To The Homeless During The Covid-19 Crisis;**
- 5. Accepting And Appropriating Grants And Donations For Homeless Programs And Services From Outside Sources, Including Other Governmental Agencies, In An Amount Not To Exceed \$2 Million Per Grant Or Donation, And Not To Exceed \$10 Million In Total Through June 30, 2023;**
- 6. Creating A 1.0 Full Time Equivalent Administrative Analyst I Position And Extending An Existing Administrative Analyst II Position Through June**

City Council  
May 5, 2020

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**30, 2023 In The Human Services Department To Provide Contract Management And Administrative Support For Homeless Housing, Assistance, And Prevention Funded Programs.**

**EXECUTIVE SUMMARY**

Adoption of this resolution will allow the City Administrator to accept and allocate \$19.6 million dollars in state Homeless Housing Assistance Program (HHAP) funds to be used in professional service agreements and grant agreements to address homelessness through Fiscal Year (FY) 2020-2021. In addition, it will authorize the continued use of Homeless Emergency Assistance Program (HEAP) funds through June 2021. The resolution also authorizes the use of HEAP and HHAP funds for homeless Covid response activities, if needed.

The HEAP and HHAP funds are one-time block grants offered by the State of California (State) to assist local governments in their response to the statewide homelessness crisis. Eligible municipalities include counties, Continuums of Care (CoC ) and large cities with populations exceeding 300,000. Each jurisdiction has a specific amount of funds set aside by the State based on 2019 Point In Time (PIT) Count numbers. HEAP funds were the first allocation to come to cities in FY 2018/19. HHAP funds are the second allocation of one time funds from the state, allowing jurisdictions to continue and expand upon the interventions started with HEAP funds. The City submitted its application to the State for HHAP funds in late January. The State awarded the funds to the City in April and expects to disburse the funds in May, 2020.

This report also responds to a request made by the Life Enrichment Committee at its December 4, 2019 meeting to return with the following recommendations:

- Program proposal and policy recommendations for targeted homeless prevention;
- Program proposal and policy recommendations for enhancing the income of homeless persons through workforce development
- Evaluation of strategies for crisis response and rapid rehousing with geographic equity;
- Interdepartmental response, collaboration and coordination

**BACKGROUND / LEGISLATIVE HISTORY**

On November 30, 2018, the City Council adopted Resolution No. 87403 C.M.S., which authorized the City Administrator to accept Homeless Emergency Aid Program ("HEAP") funding provided by the State of California and to implement several new homeless programs.

On December 11, 2018, the City Council adopted Resolution No. 87456 C.M.S which amended 87403 C.M.S. and further outlines the use of HEAP funds for homeless interventions. Depending on the specific timeframe of each grant, the City's HEAP funds will all be expended within the FY 2020/21 year, leaving a variety of crisis response programs in need of additional funding. This resolution and report proposes to use HEAP funds, as intended, through part of FY 20/21 and authorizes the use of State HHAP funding to maintain and improve these crisis response strategies.

On December 4, 2019, the City's Five Year Framework to address homelessness was presented to the Life Enrichment Committee. The PATH Framework provided priority areas for

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City investment that are outlined below. The funded projects proposed under the HHAP allocation are aligned with these priorities and supports the City's goal in achieving them.

City Council also requested additional recommendations and information on a number of key areas of homeless services including:

- Program proposal and policy recommendations for targeted homeless prevention;
- Program proposal and policy recommendations for enhancing the income of homeless persons through workforce development
- Evaluation of strategies for crisis response and rapid rehousing with geographic equity;
- Interdepartmental response, collaboration and coordination

These items are addressed in **Attachment A**.

## **ANALYSIS AND POLICY ALTERNATIVES**

### **HHAP Funding**

The HHAP funds are a one-time block grant offered by the State of California (State) to assist local governments in their response to the statewide homelessness crisis. Eligible municipalities include counties, Continuums of Care (CoC ) and large cities with populations exceeding 300,000. Each jurisdiction had a specific amount of funds allocated by the State based on 2019 Point In Time (PIT) Count numbers. These funds are the second recent allocation of one time funds from the state, allowing jurisdictions to continue and expand upon the interventions started with Homeless Emergency Aid Program (HEAP) funds. The City submitted its application to the State for HHAP funds in late January. The State expects to disburse all HHAP funds in May, 2020.

The City's proposed HHAP funding is part of a larger set of expanded resources that will impact people experiencing homelessness in Oakland in FY 20/21. Together, these funds will maintain, improve and expand the City's current homeless services.

Specifically, using the HHAP funds, the City expects to prevent the homelessness of approximately 300 households and to provide crisis beds/ parking spaces to approximately 1922 individuals per year. From these programs, which offer various levels of housing exit support (including HHAP exit resource funding), the City expects to place 837 individuals (44%) into permanent housing.

The City's proposed HHAP funding plan is aligned with three short term policy priorities recently adopted by the Oakland City Council under the PATH Framework. This includes:

1. *Preserving existing capacity of homeless prevention, crisis response beds/spaces, and street based health and hygiene interventions*

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With the 2018 allocation of HEAP funds, the City funded the interventions in the chart below.

<b>HEAP FUNDING: \$11,790,156 (City + County)</b>				
	<b>FY 18/19 (Jan-June)</b>	<b>FY 19/20</b>	<b>FY 20/21</b>	<b>3-YR TOTAL</b>
Administration	\$23,976	\$57,432	\$430,124	\$511,532
Outreach	\$46,719	\$28,123	\$126,726	\$201,568
Covenant House Capital Campaign Expansion	N/A	N/A	\$433,500	\$433,500
SVdP Shelter	\$547,817	\$1,049,788	see HHAP	\$1,597,605
5 community cabins sites	\$1,937,000	\$5,100,000	See HHAP	\$7,037,000
Safe RV Parking-3 sites	\$325,000	\$1,176,860	See HHAP	\$1,501,860
Mobile Showers/ Laundry/Hygiene	N/A	\$507,091	See HHAP	\$507,091
<b>TOTALS</b>	<b>\$2,880,512</b>	<b>\$7,919,294</b>	<b>\$990,350</b>	<b>\$11,790,156</b>

The City's proposal for HHAP funding maintains all programs and services funded by HEAP. By using HHAP funding these services and interventions will be sustained through at least through FY 2020-21 with an option to renew some key strategies with remaining funding for FY 2021-22.

*2. Improving the efficiency of existing beds to be housing focused – adding exit resources (both subsidies and services)*

In addition to maintaining services that started under HEAP funding, the proposed HHAP budget includes funding to strengthen these interventions. HHAP funds will be used to increase the effectiveness of existing beds, improving outcomes to permanent housing and allowing the beds to turn over more quickly and serve more people over the course of a year. These resources, primarily flexible housing funds and supportive services support before and after exit, will be available to a variety of the City's crisis response beds/spaces including emergency shelter, community cabins, and safe parking interventions.

*3. Improving program evaluation, data analysis, and agency capacity building with a focus on racial equity*

In Oakland, the drivers of homelessness fall most squarely on the backs of the African American community who, due to long standing structurally racist practices such as red lining and employment discrimination, are most vulnerable to losing their homes. Over 70 percent of individuals who are homeless in Oakland are African American, while they represent only 24 percent of the City's population. The work of addressing homelessness in Oakland must be defined by what works for African Americans first in order to reduce the racial disparities in

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homelessness in Oakland. Eliminating racial disparities in the rates at which people experience homelessness, and the rates they exit to stable housing is a priority for the City and requires strong evaluation of program models, disaggregated data analysis, and provider support.

A full description of the proposed uses for HHAP funding is in the attached HHAP narrative (**Attachment B**) and the proposed HHAP budget is below. The proposed budget includes allocations made by council as part of the FY 2019-21 budget process including co-governed encampments, navigation centers (community cabins), employment services (including Downtown Streets Team), prevention, hygiene, and safe parking.

<b>HHAP OAKLAND FUNDING: \$19,697,548</b>			
	<b>FY20/22</b>	<b>FY22/23</b>	<b>FY22/23</b>
<b>HSD POSITION</b>			
Direct Outreach Worker*		\$126,726	\$126,726
<b>YOUTH SET-ASIDE (8%)</b>			
	\$1,600,000		
<b>SHELTER</b>			
SVdP	\$1,049,788		
Family Shelter	\$2,415,480		
<b>SUBTOTAL</b>	<b>\$3,299,788</b>		
<b>EXIT RESOURCES FOR EXISTING SHELTER</b>			
improve exits from existing beds	\$1,600,000		
<b>SUBTOTAL</b>	<b>\$1,600,000</b>		
<b>COMMUNITY CABINS</b>			
Miller Site	\$850,000		
Mandela Site	\$1,600,000		
Lake Merritt Site	\$850,000		
Jack London/Oak St Site	\$850,000		
Northgate Site	\$850,000		
<b>SUBTOTAL</b>	<b>\$5,000,000</b>		
<b>CO- GOVERNED ENCAMPMENT</b>			
Co-Governed Site-TBD	\$600,000		
<b>SUBTOTAL</b>	<b>\$600,000</b>		

\*All positions funded for 3 years, the first year of these positions funded by HEAP

<b>SAFE PARKING</b>			
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Safe Parking - 71st Ave	\$600,000		
Safe Parking - Wood St	\$800,000		
Safe Parking - Beach St	\$200,000		
Safe Parking- High St	\$600,000		
<b>SUBTOTAL</b>	<b>\$2,200,000</b>		
<b>EMPLOYMENT</b>			
low barrier employment with linkage to permanent employment-Downtown Streets Team	\$500,000		
Adding employment specialist positions in core homeless services/ prevention services programs (to allow people to obtain and maintain their housing)	\$1,000,000		
Flexible funding pool to support career track training and employment programs			
<b>SUBTOTAL</b>	<b>\$1,500,000</b>		
<b>PREVENTION</b>			
	\$1,000,000		
<b>SUBTOTAL</b>	<b>\$1,000,000</b>		
<b>EQUITY FOCUSED EVALUATION/ CAPACITY BUILDING</b>			
	\$600,000		
<b>SUBTOTAL</b>	<b>\$600,000</b>		
<b>HEALTH AND HYGIENE</b>			
Mobile Showers/Laundry/Hygiene	\$500,000		
<b>SUBTOTAL</b>	<b>\$500,000</b>		
<b>Total Program Costs By Year</b>	<b>\$18,065,268</b>	<b>\$126,726</b>	<b>\$126,726</b>
<b>Total Administrative Costs</b>		<b>\$1,378,828</b>	
<b>TOTAL</b>		<b>\$19,697,548</b>	

Interventions proposed under HHAP funding which are new (not a continuation of HEAP funded interventions) will have providers selected through a competitive RFQ process.

Since the HHAP application was submitted in January 2020, the City and the world has been gripped by the Covid-19 crisis. People experiencing homelessness are especially vulnerable to this illness as they have limited ability to safely shelter in place and often have underlying health

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conditions. The State has provided guidance stating that HEAP and HHAP funds can be used as part of a jurisdiction's Covid response, if needed. The resolution authorizes the use of HEAP and HHAP funding for this use as a part of the City's emergency ordinance.

**FISCAL IMPACT**

The projects authorized in this resolution will be funded through the City's \$19.7 million HHAP allocation from the State of California. The FY 2020-2021 Budget included an appropriation of estimated HHAP grant funding in the amount of \$9 million towards homelessness. The City anticipates receiving a grant award in the amount of \$19,697,548.19.

These funds will be appropriated in the funding code shown below and will be allocated to existing and new interventions described in this report.

	<b>FY20/21</b>	<b>FY 21/22</b>	<b>FY 22/23</b>
<b>HSD POSITION</b>			
Direct Outreach Worker		\$126,726	\$126,726
<b>TOTAL SUB-CONTRACTS</b>	\$18,065,268		-
<b>Program Totals By Year</b>	<b>\$18,065,268</b>	<b>\$126,726</b>	<b>\$126,726</b>
<b>ADMINISTRATIVE COST</b>			
Direct Outreach Worker (CSO)*		\$25,665	\$25,665
Program Analyst II*		\$185,238	\$185,238
Administrative Analyst II*		\$192,722	\$192,722
Administrative Analyst I	\$139,798	\$166,297	\$166,297
<b>Subtotal: Personnel Costs</b>	<b>\$139,798</b>	<b>\$569,922</b>	<b>\$569,922</b>
Administrative O&M, Consultants	\$50,186	\$49,000	
<b>Subtotal: Administrative Costs</b>	<b>\$189,984</b>	<b>\$618,922</b>	<b>\$569,922</b>
<b>Net: Administrative Totals</b>		<b>\$1,378,828</b>	
<b>TOTAL</b>		<b>\$19,697,548</b>	

\*All positions funded for 3 years, the first year of these positions funded by HEAP

Fund	Organization	Account	Project	Amount
<u>2159</u>	78411	(Various)	TBD	\$19,697,548.19

A chart showing the FY 20-21 Program funding covered by both HEAP and HHAP is attached (**Attachment E**).

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## **PUBLIC OUTREACH / INTEREST**

This report did not require public outreach other than the posting of this report on the website.

## **COORDINATION**

Coordination has occurred between the Human Services Department (HSD), City Administration, Workforce and Economic Development Department, City Attorney's Office, and Controller's Bureau in the preparation of this report and resolution.

## **PAST PERFORMANCE, EVALUATION AND FOLLOW-UP** *(If Applicable)*

In the first year of funding, from September 2018 through September 2019 HEAP funds were used to:

- Provide 573 showers for people experiencing homelessness
- Provide portable toilets and wash stations at 22 unique encampments
- Served 839 unduplicated individuals in emergency shelter
- Served 44 individuals in Safe RV parking programs

Since its inception in December 2017, Community Cabins have been funded with a combination of City, County, Private and State (HEAP) funding. The Community Cabins intervention has served 714 people of whom 505 have exited the program. 53% of exits to date have been to positive destinations, either permanent or transitional housing.

Since its inception in June 2019, the City's three Safe RV Parking sites have served 116 vehicle households and 159 individuals.

## **SUSTAINABLE OPPORTUNITIES**

***Economic:*** As noted in the report, all funds proposed in this report are for the purpose of providing housing and services to prevent, address and end homelessness.

***Environmental:*** The provision of housing and services for homeless persons is intended to address the environmental degradation caused by homeless families and individuals precariously housed or living on the streets.

***Social Equity:*** In Oakland, 70 percent of people who are homeless are African American compared to 24 percent of the general population. The programs outlined in this report will primarily serve an African American population. In addition, the expenditure of these funds is targeted to the most vulnerable and at-risk populations in this City and will provide essential and basic human services, housing and support.

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**ACTION REQUESTED OF THE CITY COUNCIL**

Staff Recommends That The City Council Adopt a Resolution:

1. Accepting And Appropriating An Award Of Homeless Housing, Assistance, And Prevention Program Grant Funds In The Amount Of \$19,697,548 And Any Additional HHAP Grant Funds That Become Available For The Provision Emergency Homeless Interventions;
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6. Creating A 1.0 Full Time Equivalent Administrative Analyst I Position And Extending An Existing Administrative Analyst II Position Through June 30, 2023 In The Human Services Department To Provide Contract Management And Administrative Support For Homeless Housing, Assistance, And Prevention Funded Programs;

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For questions regarding this report, please contact Lara Tannenbaum, Community Housing Services Manager, at 238-6187.

Respectfully submitted,

  
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SARA BEDFORD, Director  
Human Services Department

Reviewed by: Lara Tannenbaum, Manager,  
Community Housing

Prepared by: Lara Tannenbaum, Manager,  
Community Housing

Attachments:

- A- Follow Up Items from Dec 4, 2019 LEC Committee
- B- State HHAP Application Narrative
- C- PATH Framework – Prevention Section
- D- C- PATH Framework- Increasing Income Section
- E- FY20-21 HEAP/HHAP Program Funding