

# **AGENDA REPORT**

TO: Jestin D. Johnson FROM: Emily Weinstein

City Administrator Director Housing and Community Development

Community Developmen

Department

**SUBJECT:** Letter of Support for Applicants to **DATE:** July 1, 2025

County Measure W Solicitation

City Administrator Approval

lestin, Johnson (Jul 2, 2025 09:54 PDT)

Date:

Jul 2, 2025

#### **RECOMMENDATION**

RESOLUTION SUPPORTING THE ALLOCATION OF ALAMEDA COUNTY MEASURE W FUNDING FOR INTERIM HOUSING WITHIN THE CITY OF OAKLAND TO ONE OR MORE APPLICANTS TO THE ALAMEDA COUNTY HOUSING SOLUTIONS FOR HEALTH VENDOR POOL SOLICITATION OF INFORMATION (SOI), AND AUTHORIZING AND DIRECTING THE CITY ADMINISTRATOR TO PROVIDE A LETTER OF SUPPORT TO THE PROJECT SPONSOR(S) DETERMINED BY THE CITY COUNCIL

#### **EXECUTIVE SUMMARY**

Adoption of this resolution would provide a public statement of support for the use of the countywide tax to fund interim housing for homeless residents and to serve encampment closures in the City of Oakland (City). The resolution would also authorize the City Administrator to provide letters of support to interim housing service providers (Sponsors) in response to the Alameda County's Housing Solutions for Health Vendor Pool Solicitation for Information (SOI) due to Alameda County on July 16, 2025,

County Tax Measure W is a ten-year one-half percent sales tax approved by voters in November 2020. The funds are intended to address homelessness in Alameda County. The sales tax has been contested through litigation, and Alameda County has recently prevailed. The first portion of Measure W funds, approximately \$30 million, are being released under a SOI by Alameda County Health to provide funding for interim housing to serve as shelter for encampment resolutions countywide. Sponsor responses to the SOI require a letter of support from the city within which the interim housing will operate. The City has received four sponsor requests for support letters across five interim housing site locations. One sponsor submitted two proposed site locations.

Staff from the Housing and Community Development Department (HCD) and Community Homelessness Service (CHS) within the Human Services Department have reviewed the applications and recommend the City provide support letters for the four proposed sponsor applications, with conditions if applicable. No City funding is required or contemplated for these

applicants or the interim shelter operations associated with these applications. Ultimate selection of the Sponsor applications for County Measure W funds will be made by the County.

# **BACKGROUND / LEGISLATIVE HISTORY**

On July 28, 2020, the Alameda County Board of Supervisors adopted an ordinance to establish a ten-year, one-half percent countywide general transactions and use tax, which passed with 50.09% of the vote in November 2020 (Measure W). On December 31, 2020, the Alameda County Taxpayers Association, Inc. and other individuals filed suit challenging the validity of Measure W (Alameda County Taxpayers Association, Inc., et al. v. County of Alameda, et al., Alameda County Superior Court Case No. RG20085082). On March 16, 2021, the Alameda County Board of Supervisors adopted a Resolution declaring that Measure W, the "County of Alameda Sales and Use Tax" (November 2020) was approved and passed by the voters, and directing the County Administrator or her designee to contract with the California Department of Tax and Fee Administration (CDTFA) for collection of Transactions and Use Taxes from Measure W and take all necessary action for collection of the tax and direct the Auditor-Controller to deposit all revenue collected by CDTFA for Measure W into an interest-bearing escrow account. Between July 1, 2021 and June 30, 2024, approximately \$558.5M in Measure W has been collected in the escrow account, and an estimated \$196M will be collected annually in FY 2024-25 through FY 2030-31.

On December 17, 2024, the Alameda County Board of Supervisors designated \$390M to quickly respond to unsheltered homelessness and support the expansion of interim housing including funding to expedite encampment resolution with an initial 250 units of interim housing and initial investment in a flexible housing subsidy pool.

On May 28, 2025, Alameda County Health released a targeted SOI to vendors that had been previously qualified and approved by the County through the Housing Solutions for Health Vendor Pool process. The SOI provides funding through Measure W to selected vendors (project Sponsors) to add a minimum of 250 beds of geographically disbursed interim housing throughout the county. The intent of these beds is to expedite encampment resolution. The first portion of Measure W funding being released through the SOI is approximately \$30 million.

The interim housing program is expected to be a minimum of three years. The County intends to award up to six contracts countywide for approximately a one-year term (October 1, 2025-September 30, 2026). Future contracts will be dependent on funding availability. Selected vendor(s) will be expected to ensure that clients have a permanent exit. There may be opportunities via future capital solicitations to transition the site(s) into permanent interim housing or permanent supportive housing; however, the County is not making any commitment to do so.

#### **Key Measure W Program Requirements for County SOI Selection:**

- Must operate standard shelter services 24/7 and provide one meal a day
- Must ensure all clients receive extensive support with permanent housing placements
- Must promote a respectful and comfortable environment and ability to accommodate pets and people with disabilities.
- Ability to bill through Alameda Alliance for Health for provision of Enhanced Care Management as well as leverage California Advancing and Innovating Medi-Cal (CalAIM) funding.
- People from specific tent encampment resolution sites must have been agreed upon by the County and the City of encampment and coordinated PRIOR to encampment resolution.
- Sites can be hotels/motels or other existing buildings that can be easily converted and ready for operations within 120 days of award.

Project sponsors must apply for this funding opportunity by submitting an application, an excel budget workbook, and letter of support from the city within which it will be operating the interim housing. The application, budget and letter of support were originally due on June 18, 2025. The application date has been extended to July 16, 2025.

### **ANALYSIS AND POLICY ALTERNATIVES**

Every two years, communities conduct counts of people experiencing both sheltered and unsheltered homelessness. The 2024 Alameda County Point-in-Time (PIT) Count was a community-wide effort conducted on January 25, 2024. Though Oakland's unhoused population continues to grow, the most recent count shows a slowing rate of growth. Oakland has 5,485 homeless residents, of that 3,659 are unsheltered. Oakland contains 58% of Alameda County's homeless population and 74% of Alameda County's Black homeless population. Further, underscoring housing disparities and outcomes, Oakland's Black homelessness occurs at a rate of 52.5% of all homeless residents, whereas the total of Oakland's Black population is only 21.8% of the total City population. Therefore, addressing homelessness is a racial equity issue, as demonstrated by the overrepresentation of Black residents experiencing homelessness.

Further noted in the PIT data, Oakland's unsheltered homeless makes up 67% of the City's homeless population and includes those living in vehicles, tents or other makeshift shelters, and on streets or sidewalks. This underscores the need to invest in interim housing for shelter as a step towards permanent housing solutions.

City funding resources for shelter operations, leasing, and service provision are extremely limited, are budget constrained, and in high demand. The ability for Measure W to fund shelter operations will directly benefit unsheltered homeless residents of Oakland. This funding will allow service provider sponsors to provide county-funded interim housing that will serve Oaklanders without additional City financial resources. According to PIT data, Alameda County has 9,450 homeless residents, the majority of which (58%) are experiencing homelessness in Oakland, whereas Oakland's general population makes up approximately 25% of the overall County population. The City supports the proportional allocation of Measure W funding to programs within the City to address Oakland's overrepresentation of homelessness within the County. The City and County will collaborate to close City selected encampments according to best practice approaches and will have the ability to refer encampment residents to the Measure

W funded interim housing should a sponsor within Oakland be awarded funding under this County SOI.

City staff from HCD and from the CHS unit within the Human Services Department have received four requests for support letters from interim housing sponsors on or prior to the original SOI response due date of June 18, 2025. Staff have reviewed applications and additional information of all four interim housing providers in order to determine whether a letter of support should be recommended for each. The review criteria include the following:

- 1. Sponsor must have reached out to City requesting a support letter for the County's Housing Solutions for Health Vendor Pool for Interim Housing prior to June 18th, 2025.
- 2. Sponsor meets the following threshold criteria:
  - a. There is a proposed path to site control as required by the SOI.
  - b. There is a budget and funding plan that meet the SOI requirements and clearly indicate funding amounts requested for operations and high-quality supportive services for the proposed target population. Additionally, vendors must clearly indicate any request for the one-time funding for site improvement/rehabilitation as allowed in the SOI.
  - c. Sponsor and/or partner organization meets the following criteria:
    - i. Demonstrated ability to purchase or lease a site for program operations
    - ii. Plan for provision of high quality property management that includes 24/7 security
    - iii. Plan for provision of high quality, resident centered supportive services resulting in long term, sustainable positive outcomes
    - iv. Plan for ongoing community engagement with surrounding neighbors
- 3. Sponsor must provide a comprehensive community engagement plan for their proposed site including outlining the stakeholder engagement conducted to date. Sponsors are strongly encouraged to conduct community engagement in the neighborhood surrounding the proposed site and build support for their proposal. Community engagement efforts must include discussion of neighborhood benefits the program will provide such as regular trash, dumping, and graffiti abatement at the property perimeter and in the neighborhood as needed.
- 4. Sponsor's Proposal meets the County's SOI criteria

The applicant review was conducted by city staff and the results of the reviews are summarized below. Staff recommendations for letters of support for the Measure W SOI response is included at the conclusion of each application summary.

# Sponsor: Ruby's Place/Restorative Pathways

Location: Lake Merritt Lodge, 2332 Harrison St.

Number of Units or Beds: 92 (97 beds)

Sponsor Requested support letter prior to June 18, 2025: Yes

Site Control: Purchase and Sale Agreement with closing date 9/22/25

**Budget Provided: Yes** 

SOI Response to County Provided: Yes

Sponsor Criteria:

<u>Demonstrated ability for purchase or lease of interim housing site</u>: Expands and consolidates current Oakland shelter operations.

<u>Property Management and 24/7 security</u>: Property management includes 24/7 Security. <u>High-Quality Service Provision</u>: Each resident assigned case manager in 1:19 ratio with additional support from housing navigators. Full floor dedicated to Wellness Center with services like licensed therapist, psychologist, psychiatrist, substance use disorder counselor, nurse practitioner and victim services specialist.

Ongoing Community Engagement Plan: Sponsor states that the opportunity to purchase Lake Merritt Lodge has arisen recently and has not outlined an engagement for the building operating under the new programming. This is a **deficiency** that should be mitigated and addressed through the community engagement planned to occur. Staffing Plan includes Outreach Specialist position for Community Engagement.

Sponsor Comprehensive Community Engagement Plan: Initial outreach has been conducted. Additional engagement planned with outreach to City Council Members, business neighbors in the immediate vicinity, Uptown/Downtown/Lake Merritt Business Improvement Districts, community nonprofit partners.

Sponsor's Proposal Meets County SOI Criteria: Yes

# Sponsor: Memar Properties, Inc. (MPI Homes) and Housing Consortium of the East Bay (HCEB)

Location: Jack London Inn, 444 Embarcadero West

Number of Units or Beds: 108

Sponsor Requested support letter prior to June 18, 2025: Yes

<u>Site Control</u>: No, LOI submitted but not signed. This is a **deficiency** that should be addressed by the Sponsor.

<u>Budget Provided</u>: Yes, however the acquisition budget includes \$6 million of City funds. No funding is provided from the City for the SOI so is a **deficiency** that should be addressed by the Sponsor.

SOI Response to County Provided: Yes

#### **Sponsor Criteria:**

<u>Demonstrated ability for purchase or lease of interim housing site</u>: Sponsor has listed experience purchasing or leasing 3 properties within Oakland.

<u>Property Management and 24/7 security</u>: Confirmed property management includes 24/7 Security.

<u>High-Quality Service Provision</u>: HCEB will be the lead Service Provider for the provision of Case Management, Peer support activities, mental health care, referrals to Behavioral Health services, referrals to physical health services, assistance obtaining benefits and essential documentation as well as education and employment services.

Ongoing Community Engagement Plan: Plan for JLI Community Council submitted. Representation will include unhoused community, faith organizations, housed neighbors, business owners or their staff, CBO's advocacy groups or nonprofit organizations, individuals with financial or fundraising expertise, individuals serving on an at-large basis.

Sponsor Comprehensive Community Engagement Plan: No initial outreach has been conducted. Community Outreach plan submitted that includes intent to reach out to local elected officials, Chinatown Chamber, churches and advocacy groups. Lack of initial outreach is a **deficiency** that should be corrected by Sponsor.

Sponsor's Proposal Meets County SOI Criteria: Yes

**Sponsor: Lao Family Community Development, Inc. (LFCD)** 

Location: CARE Campus, 8480 Edes Ave.

Number of Units or Beds: 40

Sponsor Requested support letter prior to June 18, 2025: Yes

Site Control: Yes, the Sponsor holds title to the building.

Budget Provided: Yes

SOI Response to County Provided: Yes

#### **Sponsor Criteria:**

<u>Demonstrated ability for purchase or lease of interim housing site</u>: Sponsor has operated services at this location beginning in 2021.

<u>Property Management and 24/7 security</u>: Confirmed property management already includes 24/7 Security, plan is to continue.

<u>High-Quality Service Provision</u>: Case management and Housing Navigation will be provided. Integrated Health Access and Enhanced care management will be coordinated through Enhanced Care Management providers. LFCD's services are built around a trauma-informed philosophy and a Housing-First framework. Stability rates range from 68% and 94% sustained over 12 months. 198 formerly unhoused, justice involved residents permanently housed through the CARE Campus to date since inception from 2021.

Ongoing Community Engagement Plan: Commitment to ongoing community engagement. Prior to launch of program interfaced with neighbors and small businesses, City, City Council members, County, Community Based Organizations, Local employers, neighborhood religious organizations, local high schools.

Sponsor Comprehensive Community Engagement Plan: No specific outreach has been done in the neighborhood around the additional 40 beds for the CARE Campus. However, continuing engagement commitment includes formation of Neighborhood Advisory Council that includes nearby residents and business owners, representatives from City, local PD, Council District Office, program alumni and CARE Campus residents. LFCD will continue to host annual open houses and listening sessions for surrounding neighbors.

Sponsor's Proposal Meets County SOI Criteria: Yes

Sponsor: Cardea Health/Insight Housing Location: La Quinta, 8465 Enterprise Way

Number of Units or Beds: 150

Sponsor Requested support letter prior to June 18, 2025: Yes

Site Control: Yes, the Sponsor holds a Purchase and Sale Agreement.

Budget Provided: Yes

SOI Response to County Provided: Yes

#### **Sponsor Criteria:**

<u>Demonstrated ability for purchase or lease of interim housing site</u>: Sponsor has operated services in Alameda County beginning in 2021. Sponsor holds an executed lender term sheet from Nonprofit Finance Fund for building acquisition loan.

<u>Property Management and 24/7 security</u>: Confirmed property management includes 24/7 Security.

<u>High-Quality Service Provision</u>: Supports for residents include Substance Use Disorder intervention, Housing Navigation, Clinical Services, Behavioral Health referrals, full-time psychiatric Nurse Practitioner that can provide interim care while residents wait for service connection, dedicated Benefits Enrollment team.

Ongoing Community Engagement Plan: Program will include regularly scheduled trash pickup around site perimeter, beautification efforts, graffiti removal. Street outreach teams to ensure a visible, calming presence and respond to neighborhood concerns. Participation in neighborhood watch-style initiative, host block parties and National Night Out celebrations, donating up to \$5,000 annually for local community events, partnering with OPD Community Outreach Office, direct outreach to unsheltered individuals in the immediate area to reduce visible street homelessness. Staffing Plan includes hiring full-time Community Engagement Specialist.

Sponsor Comprehensive Community Engagement Plan: Community engagement to date has consisted of relationship with County Supervisor Nate Miley. Plan to engage local residents, small businesses, and neighbor organizations. Designate a dedicated community liaison. Plan to host community meetings, distribute multilingual newsletters. Sponsor's Proposal Meets County SOI Criteria: Yes

# Sponsor: Cardea Health/Insight Housing

<u>Location:</u> Courtyard Oakland Downtown Marriott, 988 Broadway

Number of Units or Beds: 150

Sponsor Requested support letter prior to June 18, 2025: Yes

Site Control: Yes, the Sponsor holds a Purchase and Sale Agreement.

Budget Provided: Yes

SOI Response to County Provided: Yes

#### **Sponsor Criteria:**

<u>Demonstrated ability for purchase or lease of interim housing site</u>: Sponsor has operated services in Alameda County beginning in 2021. Sponsor holds an executed lender term sheet from Housing Accelerator Fund for building acquisition loan.

<u>Property Management and 24/7 security</u>: Confirmed property management includes 24/7 Security.

<u>High-Quality Service Provision</u>: Supports for residents include Substance Use Disorder intervention, Housing Navigation, Clinical Services, Behavioral Health referrals, full-time psychiatric Nurse Practitioner that can provide interim care while residents wait for service connection, dedicated Benefits Enrollment team.

Ongoing Community Engagement Plan: Program will include regularly scheduled trash pickup around site perimeter, beautification efforts, graffiti removal. Street outreach teams to ensure a visible, calming presence and respond to neighborhood concerns. Participation in neighborhood watch-style initiative, host block parties and National Night Out celebrations, donating up to \$5,000 annually for local community events, partnering with OPD Community Outreach Office, direct outreach to unsheltered individuals in the immediate area to reduce visible street homelessness.

Staffing plan calls for hiring a full-time Community Engagement Specialist, will partner with Council Member from D2 for selection. Will provide door-to-door outreach, connect directly with businesses and residents. Will provide 24/7 phone number.

Formation of Neighborhood Advisory Group made up of local stakeholders to meet regularly and raise concerns.

Sponsor Comprehensive Community Engagement Plan: Non-Disclosure Agreement with Seller prevented robust outreach to date. Tour conducted with City Councilmembers and City Staff at currently operational facility. Full community outreach planned once non-disclosure agreement is lifted. Community engagement plans include outreach to residents, businesses, faith communities and neighborhood organizations. Outreach will be conducted in multiple languages including Cantonese, Mandarin, Taishanese, Vietnamese, Tagalog. Sponsor's Proposal Meets County SOI Criteria: Yes

Evaluations for cultural competency will take place post SOI selection by the County. CHS staff evaluates service providers for measures of cultural competency prior to entering into City contracts for homeless service provisions. Culturally competent care can lead to better adherence to treatment plans, and reduced health disparities by fostering trust and understanding between providers and program participants.

Supporting the proposed resolution that supports the use of the countywide tax to fund interim housing for homeless residents and to serve encampment closures in the City and authorizing the City Administrator to provide letters of support to interim housing service providers supports the Citywide priority of expanding Affordable Housing initiatives and coordinating care service for the unhoused.

#### **FISCAL IMPACT**

This request is for a letter of support for interim housing sponsors to apply for County Measure W funding and no financial commitment is being contemplated by the City. There is no fiscal impact to the City.

# **PUBLIC OUTREACH / INTEREST**

Public outreach has not been conducted on the letters of support for interim housing sponsors. As part of the City's efforts to review sponsor applications that will be submitted to the County, City Staff have requested from each Sponsor a narrative description of the outreach the Sponsor has conducted within the community nearest their interim housing site. The summary of each applicant's engagement done to date, or plan for public engagement, is included with the summary of the application and support letter recommendation by staff above.

#### COORDINATION

City staff HCD and CHS have reviewed application materials from interim housing provider sponsors. The City Attorney's office has reviewed this agenda report, and the Budgets office has reviewed this agenda report.

#### **SUSTAINABLE OPPORTUNITIES**

#### Economic:

No funding for the interim housing is being provided by the City in response to the County-issued SOI. The interim housing and the associated services provided by sponsors selected through the SOI will directly benefit Oaklanders through targeted encampment resolution and supportive services to be provided within the interim housing funded through the County's Measure W dollars.

#### Environmental:

Providing a letter of support has no environmental impact. The interim housing sites are all within existing buildings so no environmental impact would be created.

## Race & Equity:

In Oakland, the drivers of homelessness fall most squarely on the backs of the Black/African American community, who, due to long-standing structurally racist practices such as redlining and employment discrimination, are most vulnerable to losing their homes. As a consequence, Oakland represents 58% of the Countywide homelessness and 74% of Countywide Black homelessness. (2024 PIT Count).

In Oakland and in Alameda County, Black/African American people are far more likely to become homeless than other racial identities. 52.5% of the Oakland unhoused population are Black/African American as compared to 21.8% of Oakland's population. (2024 Point in Time Count). In Alameda County, Black people represent 10.5% of the total population (American Community Survey), but 54.8% of all new entries into homelessness (All Home/HDIS)

Additionally, Black/African American people are far more likely to die on Oakland streets. In Alameda County in 2023, 42% of all deaths among unhoused people were of Black people. In Alameda County, 59% of all deaths among people experiencing homelessness in Alameda County were from Oakland.

Therefore, addressing homelessness in Oakland and specifically providing interim housing for people living in unsheltered and unsafe encampment conditions is an equity issue. Providing interim housing solutions is a data driven way to reduce racial housing and health disparities.

#### CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

The provision of a support letter for a funding application is not a project under CEQA, therefore no CEQA determination is necessary.

# **ACTION REQUESTED OF THE CITY COUNCIL**

Staff Recommends That The City Council Adopt A Resolution Supporting The Allocation Of Alameda County Measure W Funding For Interim Housing Within The City Of Oakland To One Or More Applicants To The Alameda County Housing Solutions For Health Vendor Pool Solicitation Of Information (SOI), And Authorizing And Directing The City Administrator To Provide A Letter Of Support To The Project Sponsor(s) Determined By The City Council.

For questions regarding this report, please contact Ali Gaylord, Deputy Director of Housing at 510-590-6064.

Respectfully submitted,

**Emily Weinstein** 

Emily Weinstein

Director, Housing and Community Development

Prepared by:

Ali Gaylord, Deputy Director of Housing Housing and Community Development

Signature: Emily Weinstein (Jul 1, 2025 18:25 PDT)

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