



ALAMEDA COUNTY COMMUNITY DEVELOPMENT AGENCY

Agenda Item _____ March 26, 2019

Chris Bazar
Agency Director

March 12, 2019

224 West Winton Ave
Room 110

Hayward, California
94544-1215

phone
510.670.5333
fax
510.670.6374

www.acgov.org/cda

The Honorable Board of Supervisors
Alameda County Administration Building
Oakland, California 94612

Dear Board Members:

**SUBJECT: AUTHORIZE EXECUTION OF CONTRACTS UNDER THE
STATE HOMELESS EMERGENCY AID PROGRAM (HEAP)
GRANT**

RECOMMENDATIONS:

- A. Accept grant award and agreement #18-HEAP-00043 of State Homeless Emergency Aid Program (HEAP) one-time funds with a term of 2/11/2019 – 10/31/2021 in the amount of \$16,192,049.33.
- B. Approve 10 agreements and associated funding allocations with the following jurisdictions for the HEAP grant, all with a retroactive term of 2/22/19 through 6/30/21, for a combined total of \$13,831,004.01:
 - i. Agreement with City of Alameda (Procurement No. 18062) to provide mobile hygiene services and a sanctioned RV/car parking lot, in the amount of \$756,524;
 - ii. Agreement with City of Albany (Procurement No. 18060) to provide rental assistance/subsidies and services, in the amount of \$338,234;
 - iii. Agreement with City of Berkeley (Procurement No. 18064) to provide homeless support services, in the amount of \$4,032,711.28;
 - iv. Agreement with City of Fremont (Procurement No.18057) in coordination with the City of Newark to provide operational support for a daytime drop-in center and temporary year-round housing navigation shelter, safe-parking solutions, housing subsidies and support services, in the amount of \$2,078,880;
 - v. Agreement with City of Hayward (Procurement No. 18058) to provide street outreach, Homeless Outreach Partnership events (Homeless Connect), safe parking, housing assistance and subsidies, in the amount of \$1,776,340;

- vi. Agreement with City of Livermore (Procurement No. 18067) to provide homeless crisis intervention services, in coordination with the cities of Dublin and Pleasanton, in the amount of \$523,162;
 - vii. Agreement with City of Livermore (Procurement No. 18059) to provide safe parking and additional restroom access and support, in the amount of \$608,505;
 - viii. Agreement with City of Oakland (Procurement No. 18065) to provide street outreach, short-term emergency housing interventions, employment services, operating support for Housing Resource Centers, hygiene services, housing subsidies and support services, in the amount of \$3,119,038.73;
 - ix. Agreement with City of San Leandro (Procurement No. 18063) to expand the seasonal warming shelter, support the mobile hygiene unit, safe RV/car parking, hotel/housing vouchers and subsidies, in the amount of \$392,619; and
 - x. Agreement with Union City (Procurement No. 18066) to provide safe parking (CAREavan Program), in the amount of \$204,990.
- C. Authorize the Director of the Community Development Agency, or his designee, upon review and approval of County Counsel, to execute these contracts; and
- D. Authorize the Director of the Community Development Agency, or his designee, to request reallocation of funding between contracts to the State, upon review and approval by the County Homelessness Council and County Counsel, to maximize the use of State funds and benefits to those experiencing homelessness in Alameda County; and
- E. Authorize the Auditor-Controller to make the related budget adjustments.

SUMMARY/DISCUSSION:

On August 7, 2018 the California Homeless Coordinating and Financing Council (HCFC) announced the availability of almost \$16.2 million for Alameda County from the Homeless Emergency Aid Program (HEAP). HEAP is a \$500 million block grant program designed to provide direct assistance to cities and counties to address the homelessness crisis throughout California. As part of the 2018-19 State Budget, \$350 million was allocated to Continuums of Care and \$150 million to large cities. The City of Oakland's initial large city HEAP allocation was approximately \$8.7 million, for a total amount available in Alameda County of almost \$24.9 million.

Requirements for applying for the HEAP funds included the local Continuum of Care's designation of a qualified Administrative Entity to manage the funds, adoption of Declarations of Shelter Emergency by all localities to receive funds, and submittal of the application for eligible uses. A minimum of 5% of the grant must be used to address youth homelessness. As required by the State, fifty percent of HEAP Funds must be expended by January 2020 and all funds must be expended by June 30, 2021 or funds revert back to the State. Local agreements for HEAP funds will include commitment and expenditure deadlines prior to the State deadlines in order to ensure that deadlines are met.

Alameda County was designated as the Administrative Entity (AE) to administer HEAP by the local Continuum of Care on September 5, 2018 and your Board accepted that designation on October 2, 2018 (Item No. 16). As the AE, Alameda County will be responsible for reporting to the State on contract expenditures, the number of homeless individuals served by program funds, and the progress toward State and local homelessness goals. On November 20, 2018 (Item No. 40.3) your Board authorized the Community Development Agency (CDA) to act as the lead agency coordinating the HEAP grant application in collaboration with the County Homelessness Council and authorized the CDA Director, upon review and approval of County Counsel, to execute all necessary documents to apply for the HEAP program grant and accept the grant, if awarded.

Applicants for HEAP were required to conduct a local collaborative process regarding possible priorities for the use of HEAP funds. Prior to submittal of the application to the State, the County engaged in a series of meetings with local cities, the Continuum of Care, and other stakeholders. An allocation formula using the 2017 Homeless Point in Time count was developed in collaboration with the Alameda County City Managers' Association (ACCMA) as the basis for distributing funds to cities for eligible uses. The allocation formula and application also included the required 5% set-aside for emergency assistance for homeless youth (\$809,602). HEAP allows up to 5% for administrative costs and Alameda County will retain approximately 2.5% (\$384,561) and allow cities to spend approximately 2.5% for a total not-to-exceed amount of \$759,508.

Applications from the cities that identified HEAP program eligible uses of funds were due to the County by November 8, 2018. Some jurisdictions opted to pool HEAP funding and resources. The cities of Livermore, Dublin, and Pleasanton's proposal included the provision of crisis intervention services for the unsheltered homeless in the Tri-Valley area. Livermore will act as lead for this regional pool. The city of Fremont's proposal included Newark's allocation for operational support of a daytime drop-in center and temporary year-round housing. The cities of Alameda, Fremont, Hayward, San Leandro, and Union City submitted a proposal exploring a partnership of shared mobile hygiene services.

Following approval by your Board of the HEAP application (November 20, 2018; Item No. 40.3), in late December 2018, the cities of Albany and Emeryville requested revisions to their city applications. The City of Albany chose to retain its entire allocation, instead of sharing 50% of its allocation with Berkeley as proposed in its initial application. The City of Emeryville

reallocated its entire allocation to Oakland, instead of splitting it between Oakland and Berkeley. These amendments were integrated into the application submission to the State.

Some cities have indicated that they are still finalizing the use of their HEAP allocations. With your Board's approval and in accordance with HEAP eligible activities, changes will be requested of the State and incorporated into amendments to the contracts, following County Homelessness Council and County Counsel review and approval. Your Board approved the recommendation that all participating cities be required to provide 30% local match in FY2019-2020 (November 20, 2018, Item No. 40.3), which will be included in the agreements with cities. City agreements will also include the requirement of tracking and reporting on performance measures utilizing the Homeless Management Information System (HMIS).

The uses for HEAP funds allocated to the Unincorporated County are outlined in the *Unincorporated County Homelessness Action Plan 2018-2021*, which your Board adopted on December 4, 2018 (Item No. 16). Implementing contracts will be brought to your Board at a later date. The County Homelessness Council is reviewing proposed youth set-aside uses, which will be brought to your Board at a later date.

The HEAP application to the State was submitted on December 19, 2018. All of the cities included in the application adopted the required declaration of shelter emergency, as did your Board for the Unincorporated County (July 10, 2018, Item No. 29). On January 10, 2019, the State notified CDA of the grant award for the full amount requested (\$16,192,049.33). The contracts with the cities before your Board for approval today reflect the amounts allocated to each city by the formula adopted by your Board and ACCMA and the uses proposed by each city. Per the State's Standard Agreement, HEAP funds "may not be obligated and expended prior to the effective date of the agreement or prior to the Contractor's receipt of HEAP funds, whichever date is later." The Standard Agreement was submitted to the State on February 6, 2019. The County received HEAP funds on February 22, 2019; the city contracts before your Board today would start on February 22, 2019, the earliest start date allowed by State guidelines.

SELECTION CRITERIA

The County engaged in a series of meetings with local cities, the Continuum of Care, and other stakeholders regarding allocation of HEAP funds and possible formulas, as well as priority uses. An allocation formula using the 2017 Homeless Point in Time count was developed in collaboration with the Alameda County City Managers' Association (ACCMA) as the basis for distributing funds to cities for eligible uses. All of the cities included in the application adopted the State-required declaration of shelter emergency. Participating cities submitted applications to the Community Development Agency's Housing and Community Development Department (HCD) specifying their proposed uses of funds allocated to them under the approved formula. The applications were reviewed by HCD to ensure eligibility of proposed uses with HEAP requirements before submittal of the application to the State. All of the city applications met HEAP requirements and focused on providing immediate impacts to serving homelessness in the County.

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Cities are government entities and are therefore exempt from the County's Small, Local and Emerging Business (SLEB) program requirements.

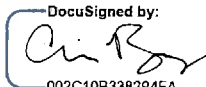
FINANCING:


Funds for these contracts and associated County administration will come from the State Homeless Emergency Aid Program (HEAP) grant. The attached Financial Recommendation requests an adjustment in CDA's FY2018/2019 Budget (\$16,192,049.33) for the revenue and increase in appropriation for HEAP funds. The contracts before your Board today would commit \$13,831,004.01 for contracts for the cities. Additional contracts for the Unincorporated Area and Youth funding will come forward to your Board at a later date. There is no additional Net County Cost as a result of this action.

VISION 2026 GOAL

The HEAP grant city contracts meet the 10X goal pathway to **Eliminate Homelessness** in support of our shared vision of **Thriving and Resilient Populations** and **Safe and Livable Communities**.

Very truly yours,

DocuSigned by:

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Chris Bazar, Director
Community Development Agency


Susan Muranishi, County Administrator
on behalf of the County Homelessness Council

cc: Susan Muranishi, County Administrator
Donna R. Ziegler, County Counsel
Melissa Wilk, Auditor-Controller
Amy Costa, County Administrator's Office
Heather Littlejohn, Office of the County Counsel
Sandra Rivera, Community Development Agency
County Homelessness Council
ACCMA

FINANCIAL RECOMMENDATION

AGENDA DATE: 3/26/2019

Subject of Board Letter: Authorize Execution Of Contracts Under The State Homeless
Emergency Aid Program (HEAP) Grant.

BY: 2019

FUND: 10000

The use of Designations, as follows:

NAME OF DESIGNATION	ORG	AMOUNT

The increase (decrease) in anticipated revenue, as follows:

<i>Informational</i>				
ORG	ACCT	PROG	PROJ/GR	AMOUNT
260305	454900			16,192,049.33
ORG TOTAL				16,192,049.33

<i>Informational</i>				
ORG	ACCT	PROG	PROJ/GR	AMOUNT
ORG TOTAL				-

GRAND TOTAL ANTICIPATED REVENUE 16,192,049.33

The increase (decrease) in appropriations, as follows:

<i>Informational</i>				
ORG	ACCT	PROG	PROJ/GR	AMOUNT
260305	610000			16,192,049.33
ORG TOTAL				16,192,049.33

<i>Informational</i>				
ORG	ACCT	PROG	PROJ/GR	AMOUNT
ORG TOTAL				\$0

GRAND TOTAL APPROPRIATION \$16,192,049.33