



# AGENDA REPORT

## Community Development

<b>DATE:</b>	December 20, 2022
<b>TO:</b>	Mayor Butt and Members of the City Council
<b>FROM:</b>	Lina Velasco, Director of Community Development Jesus Morales, Housing Manager
<b>Subject:</b>	Contract with Housing Consortium of the East Bay (HCEB)
<b>FINANCIAL IMPACT:</b>	The costs associated with the Housing Navigator services and Housing Trust Funds are part of the City's \$4.8 million Encampment Resolution Funding received from the California Interagency Council on Homelessness (Cal ICH). Therefore, this contract will not have an impact on the City's General Fund. The services portion of the contract is in an amount not to exceed \$264,423 through December 31, 2023, with \$1,000,000 of housing trust funds to support housing placement and rent assistance for encampment residents, account string 15061219-400201-16G07.
<b>PREVIOUS COUNCIL ACTION:</b>	N/A
<b>STATEMENT OF THE ISSUE:</b>	On April 5, 2022, the City accepted \$4.8 million of Encampment Resolution Funding from the Cal ICH to help provide services at the Castro encampment to resolve the encampment and restore the site to its original use. The City's project proposal included hiring a housing navigator to support encampment residents in finding and securing housing and outreaching to landlords and housing providers to place encampment residents. After a competitive bidding process, Housing Consortium of the East Bay was selected as the best

	qualified to provide these services for the Castro Encampment Resolution Project.
<b>RECOMMENDED ACTION:</b>	APPROVE a contract with Housing Consortium of the East Bay (HCEB) in the amount of \$1,264,423, to provide Rapid Rehousing and Housing Navigation services for the Castro Encampment including the administration of \$1,000,000 of Housing Trust Funds, for a term through December 31, 2023, to be funded using the City's Encampment Resolution Funds – Community Development (Lina Velasco/Jesus Morales 510-620-6649).

## DISCUSSION:

In December 2021, the City applied for Encampment Resolution Funding (ERF) seeking resources from the State of California to fund a local demonstration project, which would provide services to address the immediate crisis of experiencing unsheltered homelessness in encampments; support people living in encampments onto paths to safe and stable housing; and result in sustainable restoration of public spaces to their intended uses while safeguarding the needs of unhoused people seeking shelter. Applications were required to focus on one encampment site. City staff selected the Castro Encampment for this funding application.

On February 24, 2022, the City was provided a notice of intent to award the ERF. The City Council accept the grant at its April 5, 2022, meeting.

### *Summary of Castro Encampment Resolution Project*

The ERF project includes funding to hire an ERF Project Manager (City Council authorized contract with Way 2Love, Inc.) to lead the Castro Site Care Team (SCT), which will include a Site Manager, Rapid Rehousing and Housing Navigator, a dedicated CORE team comprised of an outreach specialist and social worker (City Council authorized a contract with Contra Costa County), a security team to provide 24 hour security (City Council authorized an emergency contract with Ascend for a two month period), and other providers working directly with encampment residents to triage and ensure services are timely, responsive, coordinated, trauma-informed, and achieving goals and objectives.

The Castro Encampment Resolution Project (CERP) encompasses a two-year plan to deliver an array of services to individuals currently living in the 2.66-acre vehicle encampment near Castro and Hensley Streets. The project aims to move all encampment residents into stable housing by December 2023 or sooner. The Rapid Rehousing and Housing Navigator's role is to facilitate the transitioning of residents from the encampment to stable housing options and coordinate with other service

providers to provide them services that include assessing their behavioral and health needs, providing job-related training and support, and other individualized services.

Grounded in Housing First principles, the CERP is an innovative model whose successes—and challenges—will be continuously evaluated, so that the approach can be refined and replicated throughout the State.

### *Summary of HCEB Rapid Rehousing and Housing Navigation Services*

The proposed contract includes the following personnel from HCEB: Program Manager that would provide supervision of the Housing Navigator, a FTE Housing Navigator and a FTE Program Assistant who will work one-on-one with residents to develop a housing transition plan, ensure residents are document ready, assist with setting and attending appointments, and assist with housing search and support. In addition, HCEB will work with their network of housing providers as well as with leads provided by other program partners to find housing that meets the needs of the individual residents. HCEB will also work with prospective landlords to promote the program and maintain ongoing landlord relationships through the lease up process and occupancy period to address any issues related to the tenancy of the Castro encampment residents.

As part of the proposed contract, HCEB would help in the distribution of the Housing Trust Funds, approximately \$1,000,000, to assist the 60+ Castro encampment residents with rent assistance, housing deposits, housing document readiness, and housing costs. HCEB will also have the obligation to verify and account for expenses outlined in approved Housing Plans.

### *Summary of Competitive Bidding Process*

The City issued a Request for Proposals (RFP) via BidsOnline on July 18, 2022, with responses due August 18, 2022. The RFP was sent to 435 potential vendors and 17 were identified as prospective bidders. Two vendors submitted proposals. City staff debated the merits of seeking more responses but decided to consider the two submittals since one respondent is currently providing rehousing navigation services for another unhoused encampment and felt that would provide some measure of their ability to perform for this contract which resulted in delaying the approval process. The two submittals were reviewed by the City's Housing Manager, City's Castro Encampment Resolution Project Manager, and the Homeless Manager for the City of Fairfield. All three reviewers agreed that HCEB was the most qualified respondent to perform the services for the Rapid Rehousing Navigation Services for the Castro Encampment Resolution Project. Nonetheless, interviews were scheduled with each respondent to provide them further opportunity to present their qualifications. Based on evaluation of the respondents' proposals and the interviews held, the recommendation of the reviewing panel was to award the contract to Housing Consortium of the East Bay.

**CONCLUSION:**

The service provider for the Rapid Rehousing Navigation Services for the Castro Encampment Resolution Project is needed to ensure timely management of housing services for encampment residents and timely expenditure of the grant funds. City staff recommends approving the contract to Housing Consortium of the East Bay for the Rapid Rehousing and Housing Navigation Services.

**DOCUMENTS ATTACHED:**

Attachment 1 – HCEB Contract  
Attachment 2 – Request for Proposals  
Attachment 3 – BidsOnline Report  
Attachment 4 – Evaluation Matrix