



# AGENDA REPORT

Community Development

<b>DATE:</b>	March 5, 2024
<b>TO:</b>	Mayor Martinez and Members of the City Council
<b>FROM:</b>	Lina Velasco, Director of Community Development Jesus M. Morales, Housing Manager
<b>Subject:</b>	Way2Love, Inc. Contract Amendment No. 3
<b>FINANCIAL IMPACT:</b>	This contract amendment will be paid for using the Encampment Resolution Funding Round 2 award received from the California Interagency Council on Homelessness (Account String 15061219- 400201-26G25). Therefore, this contract will not have an impact on the City's General Fund.
<b>PREVIOUS COUNCIL ACTION:</b>	November 15, 2022, December 19, 2023
<b>STATEMENT OF THE ISSUE:</b>	The City of Richmond was awarded an Encampment Resolution Funding Round 2 (ERF-R-2) award of approximately \$8.6 million to connect at least 115 unhoused city residents with urgently needed services and pathways to housing to resolve encampments along Interstates 80 and 580, and other citywide encampments. Way2Love, Inc.'s contract was amended on December 19, 2023, to provide project management, housing navigation, case management, and other support services for the ERF-R-2 award. Due to the lack of shelter beds available to offer clients to be served, City staff is seeking to amend Way2Love, Inc.'s contract to include budget and support resources to reserve local motel rooms to be used for shelter while permanent housing is being secured by support staff.

<b>RECOMMENDED ACTION:</b>	APPROVE a contract amendment No. 3 with Way2Love, Inc., to increase the contract amount by \$709,422, for a total contract amount not to exceed \$3,728,965.26, to add sheltering resources, for the City’s Encampment Resolution Funding Round 2 (ERF-R-2) project, for a term through June 30, 2025, to be funded by the City’s ERF-R-2 award – Community Development Department (Lina Velasco/Jesus Morales 510-620-6649).
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**DISCUSSION:**

In February 2023, the Community Development Department submitted an Encampment Resolution Funding (ERF) Round 2 application seeking resources from the State of California to fund a second local demonstration project to connect at least 115 unhoused city residents living in encampments, along Interstates 80 and 580 and throughout the City, including the Richmond Greenway, with urgently needed services and pathways to housing.

Richmond is one of six cities that received a second ERF award (ERF-R-2). The use of the City’s first ERF award was focused at resolving the Castro Vehicle Encampment and restoring the site to its original use as a Bay Trail segment.

On December 19, 2023, the City Council approved a second amendment to the Way2Love, Inc. contract to provide project management services, as well as case management, housing navigation, and counseling services for the City’s ERF-R-2 project. Staff is seeking approval of a third amendment to allow Way 2Love’s subcontractor, The Uncuffed Project, to finalize a group rate agreement to secure approximately 25-30 rooms at the Extended-Stay American Hotel located in the Hilltop area, for approximately six months to place unhoused residents while permanent housing is being secured. Unhoused residents will be offered services and temporarily placed at the hotel while a permanent housing placement is made by the housing navigation staff. As rooms are vacated, new clients will be brought into the room. The third amendment will increase the contract amount by \$709,422, for a new total amount not to exceed \$3,728,965.26, to rent rooms at the Extended-Stay Motel. Securing these rooms will allow the City to have a central location to facilitate the provision of services. Way2Love, Inc. will provide a team of experienced professionals, including housing locators, housing navigators, employment specialists, on-call clinicians, case managers, and program directors. The contract budget and scope of work includes additional staff to provide supervision overnight and on weekends and will also provide one additional meal per day. The motel will provide residents with breakfast.

This amendment includes funding to prepay for these motel rooms for six months. Staff and Way2Love will re-examine the need to provide these motel rooms beyond

the initial six-month period.

### **Summary of Richmond's ERF Round 2 Project**

Richmond's plan is designed to help an especially vulnerable and transient population—people living in tents, lean-tos, and on the ground along the city's major transit corridors, including Interstates 80 and 580. Staff from Richmond's Housing Division worked with Caltrans to identify eight critical locations beneath overpasses and in the land patches formed by curving freeway entrances and exits where people continuously return. The City will focus its efforts to support people now living in these dangerous locations to stabilize their lives and move into safe housing. The target encampments are along Central Avenue, Marina Bay Pkwy., Cutting Blvd., Macdonald Ave., San Pablo Dam Rd., and Castro Street, where people living in vehicles are already receiving support services through a previous grant.

The project is designed to achieve real change for individuals experiencing homelessness in Richmond, not to just "clear sites." It was selected for funding by the California Interagency Council on Homelessness (Cal ICH) because of its commitment to provide people in encampments with holistic, compassionate case management to address long-term health and housing needs. The Rapid Rehousing Team with expertise in street outreach, clinical care, housing navigation, social services, and employment will go to the sites, meet the people living in them, learn about their needs, and work to connect the residents to life-changing resources. Unhoused clients from targeted encampments will be referred to the navigation center where they will have safe and healthy temporary housing while receiving a variety of services to help them with housing, income and employment development, and mental and physical health needs. Encampment residents will develop plans to move from the streets onto paths to stable housing with support.

### **RECOMMENDED ACTION:**

Given the success of the Castro project and lessons learned, the need of a centralized hotel to facilitate temporary housing and the provision of services to unhoused clients under the ERF-2-R grant is critical. City staff recommends approving contract amendment no. 3 in the amount of \$709,422, for a term through June 30, 2025, for a total contract amount not to exceed \$3,728,965.26, to be funded using the ERF-2-R grant. This will allow Way2Love, Inc. to extend their work to include temporary housing to effectively manage and provide the needed services comprising housing navigation, health services, case management, and employment support services for clients. This will also alleviate City staff from having to directly solicit and manage multiple contracts for temporary housing.

### **DOCUMENTS ATTACHED:**

Attachment 1 – Amendment No. 3 to Contract

Attachment 2 – Original Contract with Amendments No. 1 and No. 2