

From: [Eric Levitt](#)
To: [CityCouncil-List](#)
Cc: [Yibin Shen](#); [Gerry Beaudin](#); [Eric Levitt](#); [Jennifer Tell](#); [Lisa Maxwell](#); [Lois Butler](#); [Annie To](#); [Lara Weisiger](#)
Subject: ARPA funding chart.
Date: Tuesday, November 16, 2021 4:28:17 PM
Attachments: [ARPA Spending Plan as of 11-16-21.pdf](#)

Mayor Ezzy Ashcraft:

I received a request regarding ARPA funding status with City Council prioritization. I have attached the current updated chart. We will also be providing a further update in December.

Thanks

Eric

ARPA Spending Plan

			by calendar year			By December				
	Status	Recommended Project Description	2021	2022	2023	2024	2025	2026	Total	One-time / Ongoing
1	On 11/16 Council agenda	Transitional Housing Operation Local Match (approved 11/16/21)	\$ -	\$ 741,000	\$ 753,000	\$ 791,000	\$ 1,556,000	\$ 799,000	\$ 4,640,000	Ongoing
2	On 11/16 Council agenda	Emergency Housing at Alameda Point (approved 11/16/21)	\$ 200,000	\$ 1,637,000	\$ 1,000,000				\$ 2,837,000	Ongoing
3	On 12/7 Council agenda	Transitional Housing - Bottle Parcel Build	\$ 200,000	\$ 2,500,000					\$ 2,700,000	One-time
2	On 12/7 Council agenda	Midway Shelter	\$ -	\$ 1,800,000					\$ 1,800,000	One-time
3	On 12/7 Council agenda	Wireless Hotspot Lending (approx. 30 devices)	\$ 50,000						\$ 50,000	One-time
4	On 12/7 Council agenda	Service for Wireless Lending Hotspot (approx. 30 devices)	\$ -	\$ 3,600	\$ 3,700	\$ 3,800	\$ 3,900	\$ 4,000	\$ 19,000	Ongoing
Subtotal for Recommended Projects			\$ 450,000	\$ 6,681,600	\$ 1,756,700	\$ 794,800	\$ 1,559,900	\$ 803,000	\$ 12,046,000	
7	Previously approved	Feed Alameda Program (approved 9/7/21)	\$ 26,250						\$ 26,250	One-time
8	Previously approved	Commercial Streets (approved 11/2/21)	\$ -	\$ 630,000					\$ 630,000	One-time
Subtotal for Previously Approved Projects			\$ 26,250	\$ 630,000	\$ -	\$ -	\$ -	\$ -	\$ 656,250	
TOTAL RECOMMENDED & PREVIOUSLY APPROVED PROJECTS			\$ 476,250	\$ 7,311,600	\$ 1,756,700	\$ 794,800	\$ 1,559,900	\$ 803,000	\$ 12,702,250	
Additional Projects for Future Consideration			2021	2022	2023	2024	2025	2026	Total	One-time / Ongoing
a		Hotel Acquisition (Will need a match)	\$ -	\$ 4,000,000					\$ 4,000,000	One-time
b		Hotel Operation	\$ -		\$ 1,500,000	\$ 1,530,000	\$ 1,560,600	\$ 1,591,812	\$ 6,182,412	Ongoing
c		Smart Cities Broadband	\$ -	\$ 3,000,000	\$ 3,000,000				\$ 6,000,000	One-time
d		Alameda Point Water, Wastewater, Stormwater Infrastructure		\$ 4,000,000	\$ 4,000,000				\$ 8,000,000	One-time
Subtotal for Projects Under Evaluation			\$ -	\$ 11,000,000	\$ 8,500,000	\$ 1,530,000	\$ 1,560,600	\$ 1,591,812	\$ 24,182,412	
TOTAL RECOMMENDED, PREVIOUSLY APPROVED & PROJECTS UNDER EVALUATION			\$ 476,250	\$ 18,311,600	\$ 10,256,700	\$ 2,324,800	\$ 3,120,500	\$ 2,394,812	\$ 36,884,662	
REVENUE LOSS			\$ 8,478,916						\$ 8,478,916	One-time
GRAND TOTAL			\$ 8,955,166	\$ 18,311,600	\$ 10,256,700	\$ 2,324,800	\$ 3,120,500	\$ 2,394,812	\$ 45,363,578	

Recommended for appropriation in FY 2021-22

Previously appropriated by City Council

Subject to future appropriations

From: [Eric Levitt](#)
To: [CityCouncil-List](#)
Cc: [Yibin Shen](#); [Gerry Beaudin](#); [Lisa Maxwell](#); [Michelle Koka](#); [Eric Levitt](#); [Lara Weisiger](#)
Subject: RE: SACIC Item 3A
Date: Tuesday, November 16, 2021 4:03:40 PM

I understand there is a clarification on funding.

Homekey can pay for operational costs for up to 3 years. Through the first 3 years a proportion of the operations is paid for by ARPA. The fourth year is primarily ARPA. Year 5 is ARPA for the first 3 months and General Fund for the final 9 months.

Thanks

Eric Levitt
City Manager

From: Eric Levitt
Sent: Tuesday, November 16, 2021 11:56 AM
To: CityCouncil-List <CITYCOUNCIL-List@alamedaca.gov>
Cc: Yibin Shen <yshen@alamedacityattorney.org>; Gerry Beaudin <gbeaudin@alamedaca.gov>; Lisa Maxwell <LMaxwell@alamedaca.gov>; Eric Levitt <elevitt@alamedaca.gov>; Michelle Koka <MKOKA@alamedaca.gov>
Subject: SACIC Item 3A

I have received a variety of questions to 3A. I am attaching answers to many of the questions.

Thanks

Eric

From: [Eric Levitt](#)
To: [Lara Weisiger](#)
Subject: FW: SACIC Item 3A
Date: Tuesday, November 16, 2021 4:10:47 PM
Attachments: [Answers to Council questions 3A.docx](#)

From: Eric Levitt
Sent: Tuesday, November 16, 2021 11:56 AM
To: CityCouncil-List <CITYCOUNCIL-List@alamedaca.gov>
Cc: Yibin Shen <yshen@alamedacityattorney.org>; Gerry Beaudin <gbeaudin@alamedaca.gov>; Lisa Maxwell <LMaxwell@alamedaca.gov>; Eric Levitt <elevitt@alamedaca.gov>; Michelle Koka <MKOKA@alamedaca.gov>
Subject: SACIC Item 3A

I have received a variety of questions to 3A. I am attaching answers to many of the questions.

Thanks

Eric

Questions & Answers received regarding CC/SACIC Agenda Item 3A

Request for Clarification on Housing Terms (via Glossary)

pg. 1 – Glossary:

Interim Homeless Housing:

Subsidized housing for up to two years, combined with the supportive services the household needs to keep their housing and have long-term stability. Services can include case management, connections to employment and public benefits, and medical, mental health, and substance use treatment. Services are tailored to the unique needs of each household. The service providers support the city's unhoused residents to permanently exit homelessness and regain self-sufficiency. As used in the staff report, interim homeless housing is the same as interim supportive homeless housing.

Interim Supportive Homeless Housing:

Please see the definition of interim homeless housing above.

Permanent Supportive Housing:

Permanent subsidized housing combined with the supportive services the household needs to keep their housing and have long-term stability. Services can include case management, connections to employment and public benefits, and medical, mental health, and substance use treatment. Each program tailors services to the unique needs of each household, and supports the city's unhoused residents each year to permanently exit homelessness and regain self-sufficiency.

Low-barrier Temporary Housing:

Emergency shelters where most barriers/obstacles for entry into the program removed, so that households are more likely go indoors to connect to services rather than stay on the street. For example, unhoused residents are allowed to bring their pets and possessions, to live with their partners, and do not have to exit the shelter each morning. They are not expected to abstain from using alcohol or other drugs, so long as they do not engage in these activities in the shelter and are respectful of other residents and staff.

Transitional Housing:

Please see the definition of interim homeless housing above.

Emergency Housing Project:

A facility with overnight sleeping accommodations, the primary purpose of which is to provide temporary shelter for the homeless in general or for a specific population of homeless. Shelter options may include year-round emergency shelters, winter and warming shelters, navigation centers and transitional housing. These types of shelter have varying hours, lengths of stay, food service, and support services.

“Housing First” principles:

This is a well-accepted, national, evidenced-based best practice that eliminates barriers to housing, ensuring individuals and families can exit homelessness as quickly as possible. Housing First is an approach to quickly and successfully connect households experiencing homelessness to permanent housing without preconditions and barriers to entry, such as sobriety, treatment or service participation requirements. Supportive services are offered on a voluntary basis to maximize housing stability and prevent returns to homelessness as opposed to addressing predetermined treatment goals prior to permanent housing entry.

Continuum of Care:

The Continuum of Care (CoC) program, which is a HUD program, promotes community-wide commitment to the goal of ending homelessness. The program promotes access to and effects utilization of mainstream programs by homeless individuals and families. The program optimizes self-sufficiency among individuals and families experiencing homelessness. A CoC is a group organized to carry out the responsibilities prescribed in the Continuum of Care Program Interim Rule applicable to a defined geographic area. The group is composed of representatives of organizations including: nonprofit homeless providers, victim service providers, faith-based organizations, governments, businesses, advocates, public housing agencies, school districts, social service providers, mental health agencies, hospitals, universities, affordable housing developers, law enforcement, organizations that serve homeless and formerly homeless veterans, and homeless and formerly homeless persons. Responsibilities of a CoC include operating the CoC, designating and operating a Homeless Management Information System (HMIS), and planning for CoC efforts.

Gap Funding:

This is the amount of money needed to fund the ongoing operations of the interim supportive homeless housing after the Homekey operations grant is exhausted.

pg. 4 - What is the security plan for this site?

The site will include 24-hour a day staffing, a staff member at the property entrance, a camera system, a sign-in and sign-out procedure and all staff will be trained in de-escalation techniques. Five Keys will also cultivate a relationship with APD and in particular, Officer Larsen.

Exhibit 2, pg. 3 merely says Five Keys will, “Provide property management services, including routine maintenance of the units, security, janitorial services, and other responsibilities to be outlined in detail in the Services Agreement.”

When and how will security be addressed?

Five Keys trains and uses their staff to provide security.

pg. 4 - Please explain: “City will . . . pay for ongoing services and operations through the duration of the Project’s occupancy;” Aren’t we planning to use grant funding for this?

The grant funding through Homekey is only available for services and operations for 4 years and only pays for part of the operational costs. Following this four year period, the City will need to pay for ongoing services and operations through additional grants, private donations or general fund money. Because the Homekey application timeline is so compressed, efforts to source these additional funds will be a significant future CDD project.

pg. 5 - Explain, “City . . . will serve as the “back stop” to cover any funding gaps that may occur during the 15 (or 20) years of . . . the Project”

Please see above.

How much do we expect this “funding gap” to be? Will the amount change each year? How do we budget for this?

The gap amount by year is as follows:

Year 1	Year 2	Year 3	Year 4	Year 5	Year 5 Con't
\$741,000	\$753,000	\$791,000	\$1,556,000	\$799,000	\$1,200,000

If \$4,640,000 covers the first four years (\$1,160,000 per year), why do the last nine months of the five-year program cost \$1,200,000?

Because the construction start date and the occupancy date are unknown until the grant is awarded, the fifth year of funding includes an extra three months of general fund money as a buffer to this timing flux. The city must guarantee funding for five years and the ARPA funding may only be used through the end of 2026. However, practically, only five years of funding will be used, and once the project is operational a budget adjustment can be made. These additional funds allow for flexibility since a number of project variables are unknown currently.

pg. 6 - Alternative Two: “Authorize and adopt items 1 through 4 above.”

There are no numbered items. Is this a reference to the preceding four bullet points?

Yes, reference is to the bullet points. We will number them in the future to be more precise and reduce confusion.

“Adopt a resolution to increase expenditure appropriations for a lower amount.” What lower amount? How is that determined?

The number of units would need to be reduced and/or the services offered would need to be reduced.

FINANCIAL IMPACT:

“The \$4,640,000 equals 32.4% of the City’s \$14,339,954 allocation of American Rescue Plan funding, which the City has received to date from the U.S. Treasury . . .”

Should clarify that the \$14,339,954 is 50% of the City’s total allocation; the first tranche.

Yes, that is accurate. The required funds from the ARPA are approximately 1/2 of the first tranche of funds.

“There are three months of additional funding requested . . .” What does this mean?

Please see the explanation above regarding the 5th year cost of \$1.2M.

pg. 7 - Request for full time Development Manager (Community Services Manager) position.

Why wouldn't we instead contract with an organization like BACS or others that specialize in providing these services?

Assuming that the City is satisfied with the services of Five Keys, we will continue to contract with them as our service provider expert.

However, increasing programs that CDD manages and administers, requires staff members to handle such management. While we are optimistic that Five Keys will be a solid partner, staff must still ensure that the program is operating as the city expects and desires and in compliance with city policy goals. Also, as CDD increases programs available to the city's unhoused population, staff will need to devote time to researching and applying for grants, seeking other funding sources and managing the funds that allow these programs to run. Also, funds granted by other agencies come with significant reporting and documentation requirements that must be undertaken by staff.

I would also like to understand the grant amount specified in the Authorizing Resolution for the City:

“Co-Applicants are hereby authorized and directed to submit a joint Application to the Department in response to the NOFA, and to jointly apply for Homekey grant funds in a total amount not to exceed \$25,000,000.

What is the breakdown of the uses of these funds?

The \$25,000,000 amount stated in the resolution is approximately double the amount that the City currently projects it needs through a Homekey grant. Our current construction cost estimate is \$9,210,000 and our current operations cost estimate for three years is \$2,174,400, which totals \$11,384,400. Homekey operational funds are only available for three years. (However, the city must guaranty that operational costs are available for five years.) Because the state may add additional budget line items and corresponding amounts if HCD staff believes the City has missed something in its cost estimates, we rounded up when finalizing our resolution grant request amount. The State specifically requested in the Homekey instructions that the requested grant amount in the resolution should be doubled to avoid the need for an agency that is applying for a grant needing to seek multiple authorizations from its decision making body.

Funding Sources for Big Whites and Flexibility based on sources?

This is ARPA funding. There would be a small amount of HEAP interest funding once the contract with the County is negotiated. The Big White sites are for the Alameda unhoused.

Due to it being local funds, if I am correct, will Alameda residents receive preference?

Yes, we will have an Alameda resident preference.

What have we done thus far to reach out to neighborhood?

We have not yet reached out to neighbors, since we do not yet have approval of the emergency housing program from City Council. Once we do have this approval, we will promptly host community engagement events to respond to questions and share information about the program. Once the program is up and running, all the neighbors will be able to directly contact BACS' staff to discuss concerns as they arise in real time.

It would be (low barrier). What are criteria, such as in regard to (Sex Offender list, drug addiction, other).

Sex offenders will not be permitted to live in this emergency housing program and potential residents will be screened for this issue. Resident will not be permitted to use drugs or alcohol inside the emergency housing, but being clean is not a barrier to being part of this emergency housing program. Low barrier means that residents will be welcomed with pets and partners as well.

Are we staying consistent with the historical requirements on renovations?

Yes, the renovations will be minimal.