



# MEMORANDUM

**TO:** CITY COUNCIL

**FROM:** Mayor Libby Schaaf

**SUBJECT:** COVID-19 Homeless and Housing  
Emergency Budget

**DATE:** May 18, 2020

## INFORMATION

On March 18, one day after the passage of SB 89, Governor Gavin Newsom issued Executive Order N-32-20, making \$150M in emergency funding available to respond to homelessness, and announced that 1,309 travel trailers would be mobilized to provide isolation and quarantine for unsheltered Californians. Nine days later, on March 27, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into Federal law.

These actions translated into 67 travel trailers and roughly \$10.1M in one-time funding for Oakland. Preliminary spending plans are below and are subject to change as other needs and other funding are identified.

<b>Support for new interventions</b>		<i>State Funds</i>	<i>ESG Funds</i>	<i>Taube Funds</i>	<i>CDBG Funds</i>
<b>Operation HomeBase</b>					
Staffing and operations (134 people)	\$1,800,000				
Trailer site prep expenses	\$1,500,000				
<b>Operation HomeBase - Year 1 total</b>	<b>\$3,300,000</b>	\$2,800,000		\$500,000	
Exit resources for trailers/hotels	\$1,000,000		\$1,000,000		
Overflow shelter (if needed)	\$300,000	\$150,000	\$150,000		
Storage program pilot	\$100,000	\$100,000			
Additional outreach staff/supplies	\$400,000	\$100,000	\$300,000		
Housing stabilization	\$1,000,000				\$1,000,000
Affordable housing preservation	\$3,000,000				\$3,000,000
<b>Total for new interventions</b>	<b>\$9,100,000</b>				

<b>Support for existing interventions</b>					
Rapid Re-Housing subsidies/stabilization	\$150,000		\$150,000		
Hotel voucher for families	\$50,000	\$50,000			
Cabin/RV parking/shelter support	\$400,000		\$400,000		
Affordable housing operator support	\$500,000				\$500,000
<b>Total for existing interventions</b>	<b>\$1,100,000</b>				
<b>TOTALS</b>	<b>\$10,200,000</b>	<b>\$3,200,000</b>	<b>\$2,000,000</b>	<b>\$500,000</b>	<b>\$4,500,000</b>

*Overview of Funding Sources*

While flexible, these funds are not entirely unrestricted and do come with some eligibility criteria as follows:

- The approximately \$3.2M in State emergency funding is to “invest in COVID-19 prevention and containment efforts for temporary shelters, including, but not limited to, medically indicated services and supplies, such as testing and handwashing stations, and enhancements to existing shelter facilities.”
- The approximately \$2.3 in ESG funds are to be used to “prevent, prepare for, and respond to the coronavirus pandemic (COVID-19) among individuals and families who are homeless or receiving homeless assistance; and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts of COVID-19.”
- The approximately \$4.5M in CDBG funds will be used to support housing stabilization activities related to the pandemic, permanent affordable housing operators addressing impacted residents and preservation activities.
- Oakland is also receiving roughly \$445k in Housing Opportunities for Persons with AIDS (HOPWA) funds. Importantly, Oakland is the pass-through jurisdiction for these funds, which go to Alameda and Contra Costa Counties, so we do not control their use. These funds will support rental assistance and homeless shelter beds for Oaklanders living with HIV/AIDS, but the spending plan has not been determined by the grantees and therefore is not included in the table/funding totals above.

In addition, the City of Oakland had previously secured a \$1.5M donation from Taube Philanthropies to support a homeless family workforce program in 9 travel trailers initially secured back in January. Due to the downturn in the economy and the serious strain on staffing that the pandemic has caused for our homeless services nonprofits, this workforce program has been delayed, and \$500k of the original grant will be used to support our trailer isolation program, Operation HomeBase (see below).

*Travel Trailers – Operation HomeBase*

The City of Oakland was initially offered 91 travel trailers from the State of California. Because COVID-19 knows no jurisdictional boundaries and trailers were not offered to other Alameda County jurisdictions, Oakland offered half of these trailers to neighboring cities in the county; the Cities of Alameda, Berkeley, and Hayward accepted 24 trailers. Oakland has utilized the remaining 67 trailers for a COVID-19 isolation and respite program for unsheltered East Oaklanders who are over 65 and/or who have underlying health conditions that would leave them especially vulnerable to complications from the virus. The 130-person program, called “Operation HomeBase,” was launched at 633 Hegenberger Road on May 5; program details can be found [here](#). Before opening the program, the City took the time and expense to connect each trailer to sewer and water lines; this provides maximal comfort and dignity for program guests now, and also positions the City to transition the trailers to longer-term homeless use after the pandemic.

*Project Roomkey: Hotels for the Unsheltered*

Even before Council Resolution 88078 C.M.S. form March 27, requesting that the City Administrator acquire buildings to provide shelter for those experiencing homelessness and seek Federal reimbursement for their costs, the City had been compiling a list of hotel/motel properties for sale or lease and had begun conversations with their owners about acquiring them for homeless use. Because the County of Alameda was approaching the same properties at the same time about the same use, staff decided to align efforts with the County to prevent the sellers from playing one side against the other in negotiations.

With a list of properties known to be FEMA-reimbursable compiled by the County, the City aggressively pursued a partnership with the County at the former Lake Merritt Lodge (2332 Harrison St). As a result, the County will be purchasing this building and operating another COVID-19 homeless isolation program, and will partner with Oakland to serve homeless or other vulnerable Oaklanders at it in the future. Whereas Oakland just missed the 500,000 population threshold for the \$150B in CARES Act relief funding, Alameda County did receive such an allocation and has more resources for COVID-19 response now; Oakland will be supporting the County’s lead by prioritizing a large portion of our COVID-19 funding as exit resources to ensure that as few Oaklanders brought indoors during this pandemic return to the streets as possible.

The City’s real estate team continues to search for additional properties, including hotels and motels, that can be acquired for homeless interventions or permanent housing in the future. Importantly, the 75% FEMA reimbursement guarantee for California’s Project Roomkey initiative expires at the end of May and has not been extended, meaning that future acquisitions and hotel operations will need to be fully funded at the local level.

*Additional Funding*

The CARES Act authorized up to \$5B in CDBG, \$4B in ESG, and \$65M in HOPWA funds. So far, the Federal government has distributed \$2B in CDBG, \$1B in ESG, and roughly \$64M in

HOPWA funds. Therefore, Oakland can likely expect additional future allocations of these funds, though we have not yet received any notifications. Once those funds have been distributed and their use has been determined, I will provide the Council with additional updates.

*Support for Existing Programs*

At their May 12 meeting, the City Council asked that this memo include information on the programmatic changes and support provided at our existing homeless programs as they adapt to the COVID-19 pandemic. I would refer the Council to my April 16 Informational Memo, "Updates on Oakland's COVID-19 Homeless Response Efforts," for a more detailed explanation. Since that time, the City has taken the following additional steps:

- At our providers' request, we have taken steps to greatly reduce their administrative and reporting burdens so they can focus on service delivery and not contract compliance. We have also moved to advance contracted funds to relieve agencies' cash flow problems.
- We have increased our meal delivery significantly. As of April 16, roughly 5800 meals were being delivered to community cabins, safe parking programs, transitional and permanent supportive housing programs, and encampments; with the ongoing assistance of World Central Kitchen, that figure is now almost 9700 meals weekly.
- We have greatly increased access to testing. Anyone who is homeless in Oakland, and any Oakland homeless services employee who works outside the home, can now get a COVID-19 test, whether or not they are symptomatic, at the Henry J Kaiser Convention Center site (in the parking lot) or the Roots Community Clinic test site (9925 International Boulevard). As a courtesy to the staff at Roots, appointments are encouraged, but walk-ups are also accepted for those who cannot make an appointment. **Today, Oakland will announce its third, free testing site at Allen Temple Baptist Church, 8501 International Boulevard).** A press release is forthcoming.

For more information and to register for a test, visit: <https://www.oaklandca.gov/testing>.

Respectfully submitted,



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MAYOR LIBBY SCHAAF

For questions, please contact Peter Radu, Homeless Policy Director (510-238-7581 or [pradu@oaklandca.gov](mailto:pradu@oaklandca.gov)).