



Office of the City Manager

CONSENT CALENDAR

October 13, 2026

To: Honorable Mayor and Members of the City Council

From: Paul Buddenhagen, City Manager

Submitted by: Scott Gilman, Director, Health, Housing & Community Services

Subject: Contract No. 31900009 Amendment: Building Opportunities for Self-Sufficiency for McKinley House – 2111 McKinley Avenue, Berkeley, CA 94703

RECOMMENDATION

Adopt a Resolution authorizing the City Manager or designee to execute an amendment to Contract No. 31900009 with Building Opportunities for Self-Sufficiency (BOSS) for property management services at 2111 McKinley Avenue in Berkeley, updating the funding source designation from the Mental Health Services Act (MHSA) to the Behavioral Health Services Act (BHSA) and increasing the contract allocation by \$104,473.63 to a total amount not to exceed \$1,015,606.52.

FISCAL IMPACTS OF RECOMMENDATION

Additional funds for the scope of work in the amount of \$104,473.63 are currently available in the Fiscal Year 2027 budget in Fund 315. This amendment maintains continuity of service through Fiscal Year 2027 by increasing the amount and transitioning the contract from Mental Health Service Act (MHSA) to Behavioral Health Service Act (BHSA) revenue sources as required by California Proposition 1. No additional general fund impact will occur, as all expenditures are fully offset by state BHSA grant distributions.

CURRENT SITUATION AND ITS EFFECTS

BOSS has served as the property manager for 2111 McKinley Avenue for many years, providing vital, reliable service. The property houses six clients of Berkeley's Mental Health Division's Full Service Partnership (FSP) program. This is the most intensive level of community-based treatment enabling some of the most vulnerable individuals to live successfully in the community.

BOSS has indicated that, after this fiscal year, they can no longer provide the services covered by this contract due to the cost of operations exceeding the funding provided and has requested that the City find a new provider within that timeframe. A new Request for Proposals for McKinley House will be issued during the third quarter of Fiscal Year 2027.

Effective January 1, 2026, local agencies are required to satisfy noticing requirements for certain contracts for services that meet the criteria outlined in Government Code Section 3504.1 as amended by AB 339. This project does not meet the criteria in Government Code Section 3504.1 and is exempt from the noticing requirement.

BACKGROUND

BOSS's McKinley House program advances the City's Strategic Plan goal to create affordable housing and housing support service for our most vulnerable community members. The City owns the parcel located at 2111 McKinley Avenue (Alameda County Assessor's Parcel No. 52-2017-16-1), known as McKinley House. The land is improved with a seven-unit apartment building. Six of those units are utilized as supportive housing units for FSP program clients, and one unit is used for an onsite property manager.

The Mental Health Division and BOSS have successfully collaborated through the years in providing housing and supportive services at McKinley House starting in 2016. The framework for the partnership consists of the City leasing McKinley House to BOSS and providing funding for support services. The Mental Health Division refers FSP participants to the property and provides ongoing treatment services to participants. BOSS subleases individual housing units to these eligible participants and provides property management services.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no identifiable environmental effects, climate impacts, or sustainability opportunities associated with the subject of this report.

RATIONALE FOR RECOMMENDATION

BOSS has been providing property management services at 2111 McKinley Avenue for many years and has done so in a satisfactory capacity.

ALTERNATIVE ACTIONS CONSIDERED

Staff did not identify an alternative action that would be consistent with the adopted BHSA Three-Year Integrated Plan.

CONTACT PERSON

Jeffrey Buell, Manager of Behavioral Health Services, (510) 981-7682
Conor Murphy, Associate Management Analyst, HHCS, (510) 981-7611

Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

CONTRACT NO. 31900009 AMENDMENT: BUILDING OPPORTUNITIES FOR SELF-SUFFICIENCY FOR MCKINLEY HOUSE

WHEREAS, Building Opportunities for Self Sufficiency (BOSS) has operated McKinley House as supportive housing for homeless families for many years; and

WHEREAS, a contract authorizing BOSS to provide property management services at McKinley House was approved by the Council of the City of Berkeley by Resolution No. 67,748-N.S. on November 29, 2016; and

WHEREAS, the Master Lease and Property Management Agreement for McKinley House was approved by the Council of the City of Berkeley by Ordinance No. 7,619-N.S. on July 24, 2018; and

WHEREAS, on December 15, 2020, by Resolution No. 69,651-N.S., City Council approved an amendment to Contract No. 31900009; and

WHEREAS, on October 26, 2021, by Resolution No. 70,077-N.S., City Council approved an amendment to Contract No. 31900009; and

WHEREAS, on September 12, 2023, by Resolution No. 71,029-N.S., City Council approved an amendment to Contract No. 31900009; and

WHEREAS, on October 14, 2025, by Resolution No. 71,980-N.S., City Council approved an amendment to Contract No. 31900009; and

WHEREAS, this contract is exempt from the noticing requirements set forth in Government Code Section 3504.1; and

WHEREAS, funding in the amount of \$104,473.63 from Fund 315 is available in the Fiscal Year 2027 budget; and

WHEREAS, this amendment maintains continuity of service through Fiscal Year 2027 by transitioning the contract to Behavioral Health Services Act (BHSA) revenue sources, and no additional general fund impact will occur, as all expenditures are fully offset by state BHSA grant distributions.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager or designee is authorized to execute a contract amendment with Building Opportunities for Self-Sufficiency (BOSS) to provide property management services for McKinley House through June 30, 2027, in an amount not to exceed \$1,015,606.52 and funded through the Behavioral Health Services Act Fund 315. A record signature copy of said contract and any amendments to be on file in the City Clerk Department.

