From: <u>Tom Bates</u>

To: hspe@cityofberkeley.org; Jacobs, Joshua

Cc: <u>Jacquelyn McCormick</u>
Subject: HSPE meeting

Date: Friday, April 21, 2023 4:40:09 PM

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Dear Secretary Jacobs,

Please forward my letter to the Commissioners. Thank you.

Dear Homeless Services Panel of Experts,

I'm writing you because on April 26th I will be in Philadelphia.

I appreciated the motion you passed at your last meeting and hope you will send it on to the City Council. I don't understand why it is on the agenda for reconsideration since it passed unanimously.

As I mentioned, Berkeley Food and Housing has an option to purchase the Russell Street property that expires June 30th. The property owner has informed BF&H that they don't intend to extend their lease which expires December 31, 2023.

The property, also is in need of repairs that total another \$4.3 million. The motion that you passed said the City help BF&H purchase the property and help find the necessary rehab funds either from City funds or external funds, this seem appropriate under the circumstances.

Thank you for service.
Tom Bates

From: <u>carole marasovic</u>
To: <u>Alice Feller</u>

Cc: tomhbates85@gmail.com; Cegan@bfhp.org; McCormick, Jacquelyn; Warhuus, Lisa; Jacobs, Joshua

Subject: Re: Russell House

Date: Saturday, April 22, 2023 3:59:12 PM

WARNING: This is not a City of Berkeley email. Do not click links or attachments unless you trust the sender and know the content is safe.

Dear Mayor Bates:

Thank you for your thorough response to Commissioner Feller's concerns. I assure you that Josh will distribute the full e-mail exchange on this issue to all the HSPE commissioners prior to the beginning of this week's HSPE meeting.

I have added Lisa Warhuus on to this thread as HHCS director as another HSPE commissioner contacted me, advising me that they believe staff should have provided additional information to HSPE regarding the acquisition and needed renovations for Russell House including but not limited to fair market value.

I have advised Commissioner Feller to direct any further external communications through Josh Jacobs, our staff secretary.

Any commissioner has a right to request an item be placed on the commission agenda. Neither the Chair nor staff can remove it.

Commissioner Feller requested that this item be reconsidered not as a whole but as to the amount of the recommended allocation so that fuller discussion could be had. Another commissioner also contacted me stating that they did not believe staff brought sufficient information to HSPE for them to arrive at the recommendation on which they voted.

Both commissioners expressed concern over what they believe to be a rushed process and indicated that they wanted staff recommendations brought with comprehensive information prior to the commission engaging in full discussion and recommending allocations on all matters.

Thank you for taking the time to address these issues and your interest in providing services for the homeless population and persons with mental health issues. As earlier stated, all commissioners will be provided with this e-mail exchange which the commissioners will consider along with additional info provided by BFHP and City staff as they discuss this item further.

Carole

Sent from my iPhone

On Apr 22, 2023, at 3:07 PM, Alice Feller <alicefeller967@gmail.com> wrote:

Dear Mayor Bates,

Thank you for writing back and clarifying the situation. It is not up to me to send anything to the rest of the HSPE group, but Carole will do whatever is appropriate.

I do think the panel would have benefitted from more complete information at the time of the meeting you attended. It would have helped us to know the address of what's called "Russell Street House," since there is another group living situation also called Russell House at 2730 Russell. And without the correct address and without being informed we have no way of knowing that the one you were talking about is several buildings on one lot, in an entirely different location.

\$172,000 may be a reasonable amount to house one person, but it still seems high, and is certainly more than some other Bay Area counties are spending. You mentioned that Berkeley Food and Housing Project has provided a proforma to City staff with the details of the rehab. It would be good for us on the panel to have access to that information as well. Even for three houses, \$4.3 million seems high.

Thank you again for writing and providing more complete information on this proposal.

Sincerely, Alice Feller

----- Forwarded message ------

From: **Tom Bates** < <u>tomhbates85@gmail.com</u>>

Date: Sat, Apr 22, 2023 at 12:20 PM

Subject: Fwd: Russell House

To: Alice Feller , jiacobs@berkeleyca.gov

Cc: Calleene Egan < cegan@bfhp.org >, Jacquelyn McCormick

<robleroad@gmail.com>

Dear Mr. Jacobs, Please make available to the Members of the HSPE. Thank you.

Dear Ms. Feller,

Thanks for writing to me. I have forwarded a copy of your letter to Calleene Egan, the CEO of Berkeley Food and Housing Project to make sure I don't misstate the facts. I appreciate your concerns will attempt to answer them.

When I contacted the owner of Russell Street a year ago they were asking \$6 million for the property. I'm not a real estate expert but I believe \$4 million is a really good price for the property. City Staff is asking the Panel for approval of \$4.5 to cover the taxes and fees.

The property is on a large compound lot, containing 1 apartment building and two single family houses. (FYI- the address is 1741 Russell St. not 2730). It is in an ideal location, adjacent to a City park, close to Ashby BART, and in the future could be a site for a multi-story building with supportive housing. Most importantly the neighbors are welcoming to the residence. The property's 3 buildings accommodate 17 licensed board and care beds, 4 people with shelter plus care vouchers, two veterans, and two men who were experiencing homelessness, totaling 25 people.

The estimate for the rehab work is \$4.3 million. Berkeley Food and Housing Projects has provided a proforma to City staff with the details of the rehab. \$4.3 million X 25 = \$172,000 per person. Not an unreasonable amount.

Berkeley Food and Housing Project currently is in the process of repairing their Dwight Way property which was damaged by a fire in early November 2022. If necessary it could be available to temporarily house Russell Street Residents during any repairs. This means that in the future Berkeley Food and Housing Project will be able to add an additional 15 Board and Care residents totaling 32 much needed supportive housing beds for Berkeley.

Again, thank you for raising your concerns. I'm sorry I will not be able to attend the meeting in person.

Sincerely,

Tom Bates

On Apr 21, 2023, at 10:48 PM, Alice Feller alicefeller967@gmail.com wrote:

Dear Mayor Bates,

I'm responding to your query about the reconsideration of our vote regarding the purchase of Russell House and the additional money for repairs. Some of us left that meeting feeling we needed to know more about the project and the very large amount being requested. We don't know the fair market value of 2730 Russell Street, which would be important for us to know. The comparables on Zillow are less than half the \$4.5 million being requested. And another \$4 million for repairs seems excessive. Where are these figures coming from?

It seems that the \$4 million worth of rehab work required immediately would drastically decrease the value of the house, but instead, we're being told that the house is worth more than twice the comparable houses in good repair. This doesn't make sense.

Licensed board and care homes are limited to six residents. At this rate, the city of Berkeley will be spending \$1.4 million per person to house six people.

Also, we're concerned that such a huge overhaul will require the current board and care residents to move out for the duration of the construction project, meaning other permanent supportive housing situations will need to be provided for them. This will be extremely disruptive to the residents as well as another large expense for the city.

Thank you for your interest in our homeless citizens and their welfare. And thank you for writing to us. I hope we will find a satisfactory solution to this problem.

Best regards, Alice Feller