



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jon Cicirelli

SUBJECT: SEE BELOW

DATE: November 16, 2021

Approved

Date

11/23/21

SUBJECT: ACTIONS RELATED TO FOOD DISTRIBUTION AGREEMENTS

RECOMMENDATION

- (a) Adopt a resolution authorizing the City Manager to negotiate and execute:
1. Amendment to an agreement with Bateman Community Living, LLC for supplemental Senior Nutrition Program services at San José community centers to increase maximum compensation by \$390,000 from January 1, 2022, through March 31, 2022, for an aggregate compensation of \$1,170,000;
 2. Amendment to an agreement for food and necessities services with Catholic Charities of Santa Clara County, to increase maximum compensation by \$360,000 from January 1, 2022, through March 31, 2022, for an aggregate compensation of \$2,370,169;
 3. Amendment to an agreement for food and necessities services with Loaves and Fishes to increase maximum compensation by \$653,645 from January 1, 2022, through March 31, 2022, for an aggregate compensation of \$3,168,424;
 4. Amendment to agreements for meal and grocery delivery services to individual homes with Off the Grid, LLC to increase maximum compensation by \$2,328,000 from January 1, 2022, through March 31, 2022, for an aggregate compensation of \$23,889,056;
 5. Amendment to an agreement for food and necessities services with San José Conservation Corps to increase maximum compensation by \$2,700,000 from January 1, 2022, through March 31, 2022, for an aggregate compensation of \$9,100,000;
 6. Amendment to an agreement with the Silicon Valley Center for Nonprofits for volunteer services to extend the term from January 1, 2022, through March 31, 2022;
 7. Amendment to an agreement for meal preparation and delivery services to temporary shelters with Team San José for a maximum compensation of \$900,000 from January 1, 2022, through March 31, 2022, for an aggregate compensation of \$4,622,000;

8. Amendment to an agreement for meal and grocery delivery services to individual homes with The Health Trust for a maximum compensation of \$396,000 from January 1, 2022, through March 31, 2022, for an aggregate compensation of \$2,244,000.

OUTCOME

Provide the City Manager authorization to negotiate and execute amendments and extensions related to food and necessities distribution—ensuring meal service delivery continuation for vulnerable and at-risk residents as the COVID-19 pandemic continues impacting the food insecurity of our communities.

BACKGROUND

In the summer of 2021, the Food and Necessities Distribution branch of the City of San José Emergency Operations Center shifted its focus from emergency response to community and economic recovery, yet with the emergence of the Delta variant and continued economic impacts to our residents persist and there is a continued need for these services. In July 2021, the Food and Necessities Distribution team relocated to the City's Parks, Recreation and Neighborhood Services Department ("Department") with continued focus on the following objectives to guide its work:

- Feed our Most Vulnerable;
- Maximize Existing Food Networks; and
- Build Capacity for Long Term Food Recovery

Even with the emergence of the Delta variant, the Food and Necessities Distribution team has scaled back on the number of programs it directly oversees. In July 2021, several programs ended, including the Great Plates Delivered program as well as the following Collective Impact Grant Partners: Hunger at Home, Healing Grove Health Center, Sourcewise, Downtown Streets Team, Mama D's Kitchen, Bay Area Community Health, YMCA of Silicon Valley, and School of Arts. The programs that have sunset were responsible for the distribution of 1,269,448 meals over the course of the pandemic, as shown in Table 1, below.

Table 1. Meals Served by Sunset Programs through July 31, 2021

Partner	Program	Number of Meals
Bay Area Community Health	Collective Impact Grant	26,464
Downtown Streets Team*	Collective Impact Grant	412
Healing Grove Health Center	Collective Impact Grant	134,868
Hunger at Home	Collective Impact Grant	92,843
Mama D’s Kitchen	Collective Impact Grant	8,416
Veggielution	Collective Impact Grant	7,317
School of Arts and Culture at Mexican Heritage Plaza	Collective Impact Grant	23,039
Sourcewise	Collective Impact Grant	141,042
World Central Kitchens	Great Plates Delivered	719,922
Grand Total		1,154,323

Partner	Program	Hours of Service
Healing Grove Health Center	Collective Impact Grant	34,356
YMCA of Silicon Valley	Collective Impact Grant	149,333
Grand Total		183,689

*Downtown Streets Team distributed hygiene kits

The Food and Necessities Distribution team continues coordinating multiple partnerships and City-staffed operations to distribute meals and basic necessities to our most vulnerable populations through the programs shown in Table 2, below. This current level of service is committed through December 31, 2021. The food and necessities distribution services and food insecurity mitigation strategies continue to be the final backstop for our vulnerable and at-risk populations. As such, the Department is seeking to ensure that food distribution services continue, particularly as the need for food distribution typically spikes during the winter months. The Department continues to participate in the regional food network planning that is being coordinated by the County of Santa Clara. It is anticipated that this County-wide network will have completed a food insecurity needs assessment by the end of the calendar year.

Table 2. Food and Necessities Distribution Programs Continuing

Partner	Program	Number of meals served March 2020 – September 2021	Expenditures March 2020 – September 2021	Funding from October 2021 – December 2021
Bateman Community Living	Senior Nutrition Program	129,782	\$1,424,477	\$390,000

Catholic Charities of Santa Clara County	Home Meal and Grocery Delivery Program	219,167	\$1,850,099	\$390,000
Loaves and Fishes	Meals Program	3,448,460	\$3,022,613	\$628,645
Off the Grid	Home Meal and Grocery Delivery Program	2,209,681	\$14,971,647	\$2,910,000
Revolution Foods	Shelf Stable Meals	1,044,408	\$3,883,934	\$0
San José Conservation Corps	Food Boxing Workforce Support	198,580 Hours provided	\$9,248,402	\$3,179,992
Silicon Valley Council of Non-Profits	Volunteer Recruitment and Support	5,362 Volunteers provided	\$100,000	\$0
Team San José	Meals to Temporary Shelters Program	992,194	\$4,661,975	\$823,00
The Health Trust	Home Meal and Grocery Delivery Program	129,893	\$1,428,823	\$396,000

Home Meal and Grocery Delivery Programs

Catholic Charities of Santa Clara County (“Catholic Charities”) has been providing critical food preparation and distribution services since March 2020. Catholic Charities has a mission to serve and advocate for individuals and families in need, especially those living in poverty, and have been delivering groceries to those in need since March 17, 2020, in coordination with Second Harvest of Silicon Valley. The City entered into a direct contract with Catholic Charities at the onset of the pandemic to provide immediate relief, as allowed for under the City’s Municipal Code Section 4.12.220. On June 30, 2020, the City Council authorized an agreement with Catholic Charities to provide groceries to temporary sheltered, unsheltered, isolated, medically vulnerable, and low-income individuals experiencing food insecurity due to the impacts of COVID-19 and on December 15, 2020 City Council authorized an agreement with Catholic Charities to continue serving San José residents through December 31, 2021. Catholic Charities has distributed more than 200,000 grocery boxes to San José residents facing food scarcity due to the impact of the pandemic through this program since March 2020. While Catholic Charities was selected as a provider at the onset of the pandemic without a competitive

process, staff will be working with the Finance Department to issue a Request for Bids for this service.

On December 15, 2020, the City, based on the Meal Delivery for Temporary Shelters Request for Bid “RFB” (RFB), awarded agreements for meal and grocery delivery to The Health Trust and Off the Grid, LLC through December 31, 2021. Since January 2021, these organizations have delivered over 278,350 meals total to San José residents. Funding for The Health Trust has been utilized to provide frozen meals to older adults at greater risk for serious illness if they contract COVID-19; therefore, having meals delivered to their homes is essential to encourage compliance with the County’s Shelter-In-Place and Stay-at-Home orders and protect their health. The Health Trust provides an average of 2,710 meals per week to participants within San José. Off the Grid has established partnerships with Veggielution and local restaurants to create a meal and grocery delivery system. In CY 2021 Off the Grid has delivered over 160,000 boxes of groceries and over 200,000 meals to the most vulnerable residents of San José. These include people that are over 65, have health conditions that make them at higher risk for severe illness if they contract COVID-19, and those that have been impacted economically by the pandemic.

Collective Impact and Non-Profit Unmet Needs Grants

On September 1, 2020, the EOC Food and Necessities Branch leadership presented the San José Food Distribution Update to the City Council and stated that approximately \$3.5 million would be devoted to creating the Collective Impact and Unmet Needs Grant program. On November 10 and November 17, 2020, the City Council authorized the City Manager to negotiate and enter into grant agreements with ten (10) Community Based Organizations. These 10 grantees served meals and provided necessities such as COVID testing to thousands of San José residents until the sunset of their programs on July 31, 2021. Loaves and Fishes is the one remaining Collective Impact Grantee that continues to serve over 77,400 of meals monthly to those most affected by COVID-19 and is one of the remaining backstops to our most vulnerable residents.

Emergency Shelf-Stable Stockpile Reserve

In December 2020, the City purchased over 100,000 shelf-stable meals from Revolution Foods for emergency use and to cover unanticipated gaps in programming. The current stockpile reserve of approximately 45,000 shelf-stable meals is used to provide gap meal support to the City’s Senior Nutrition Program.))

Second Harvest of Silicon Valley Grocery Boxing Program

Second Harvest of Silicon Valley (“Second Harvest”) is the region’s largest food bank and provides free nutritious boxed groceries and fresh produce to the most vulnerable individuals to address food insecurity in San José and throughout Santa Clara County. Since the onset of the pandemic, demand at food banks has significantly increased resulting in need for additional manpower.

On June 22, 2020, City Council authorized an agreement with the San José Conservation Corps to provide food distribution support to Second Harvest. On December 15, 2020, City Council authorized an extension to continue services through December 31, 2021. On June 15, 2021 the City Council approved Mayor's Sam Liccardo June budget message that included the proposed formation of the Resilience Corps and the food distribution agreement with San José Conservation Corps was officially integrated into the Resilience Corps with the execution of a new agreement on July 1, 2021. Since its inception, this program has provided almost 200,000 hours of manpower to assist with food distribution.

Emergency Volunteers Program

The City has collaborated with Silicon Valley Council of Non-Profits ("SVCN") to manage the deployment of volunteers that come in through the Silicon Valley Strong effort. To date, over 7,000 volunteers have been contacted and deployed.

The SVCN is a non-profit community alliance that seeks to convene non-profit, community, business, and government groups to work collectively on community challenges. Since the start of the pandemic, their network has provided critical support to multiple food distribution efforts throughout the pandemic. As the area has seen labor shortages in various sectors, it is anticipated that there will be a greater strain on non-profit partners many of whom rely on volunteers to support their workforce. SVCN will need to continue to provide their support and partnership with Silicon Valley Strong to meet non-profit's volunteer needs and may require additional funds from the City to support the costs associated with volunteer coordination including matching, batching, and dispatching volunteers across many channels.

Senior Nutrition Program

The City's Senior Nutrition Program provides healthy congregate meal services at 14 sites for adults aged 60 or older. Since March 2020, the City adapted its program to a "grab-n-go" model, continuing to provide healthy meals to seniors in a COVID-19 safe manner. With the onset of the pandemic, the City experienced an increase in the need of an average of 486 meals per day. The City executed a Purchase Order in the amount of \$836,000 with Bateman Community Living, LLC ("Bateman") during Fiscal Year 2020-2021. In July 2021, the City shifted into a Meal Overage Agreement with Bateman, based on the Department's 2017 Request for Qualifications that identified Bateman as the most qualified meal provider. Furthermore, due to the fact that Bateman already provides meals for the Senior Nutrition Program, it would not be logistically feasible to share kitchen space at the City's Community Centers with a different meal provider for the extra meals.

Meals to Temporary Shelters

In October 2020, the City administered a Meal Delivery for Temporary Shelters Request for Bid ("RFB") process seeking vendors that have experience in delivering prepared meals and/or have the capacity to partner with other organizations to run a comprehensive prepared meal delivery program ("Program"). Team San José, Bateman, and Nob Hill Inc were selected as three

vendors in December 2020. These three vendors served over 397,000 meals at over 17 total sites. Due to sites closing as the pandemic decreased and operational challenges, the EOC Food and Necessities Team decided to consolidate to one meal provider; Team San José, to serve the remaining 11 sites including three encampments. The City Administration intends to seek reimbursement from the Federal Emergency Management Administration (“FEMA”) for the costs associated with providing these emergency services to most of the locations.

ANALYSIS

This memo outlines the Department’s request for authorization to negotiate amendments and options to extend the agreements through March 31, 2022, subject to the appropriation of funds, in the event that conditions of the pandemic change or the need for services continues along with availability of funding. These programs and funding needs are listed in Table 3, below.

Table 3. Contract Authority

Partner	Program	Recommendation
Bateman Community Living, LLC	Senior Nutrition Program (Overage)	Increase the maximum compensation of the agreement from \$780,000 to \$1,170,000 through March 31, 2022. This will provide an additional 57,400 meals served.
Catholic Charities of Santa Clara County	Grocery Box Distribution Program	Increase the maximum compensation of the agreement from \$2,010,169 to \$2,370,169 through March 31, 2022. This will provide an additional 75,000 grocery boxes delivered.
Loaves and Fishes	Prepared Meals Program	Increase the maximum compensation of the agreement from \$2,514,779 to \$3,168,424 through March 31, 2022. This will provide an additional 441,000 meals served.
Off the Grid	Meals and Groceries Delivery Program	Increase the maximum compensation of the agreements from \$21,561,056 to \$23,889,056 through March 31, 2022. This will provide an additional 75,000 grocery boxes and 100,000 meals delivered.
San José Conservation Corps	Resilience Corps: Food Boxing Program	Increase the total amount of the agreement from \$6,400,000 to \$9,100,000 for services to continue through March 31, 2022. This will provide up to 110 Corps members per day to Second Harvest of Silicon Valley.

Silicon Valley Center for Nonprofits	Volunteer Assistance Program	Extend the term of the agreement through March 31, 2022, to ensure continuity of the volunteer services.
Team San José	Isolation/Quarantine at Temporary Shelters Program	Increase the maximum compensation of the agreement from \$2,222,000 to \$4,622,000 through March 31, 2022. This will provide an additional 108,450 meals served.
The Health Trust	Meals Delivery Program	Increase the maximum compensation of the agreement from \$1,848,000 to \$2,244,000 through March 31, 2022. This will provide an additional 75,000 meals delivered.

CONCLUSION

The recommended actions in this memo will enable the City to continue food distribution and for our most vulnerable and at-risk communities, thereby ensuring continuity of services and continued ongoing mitigation of food insecurity within the City.

All recommended actions provide service delivery to one or more categories of vulnerable persons defined as seniors, medically at-risk, low income, or homeless. The Meals to Temporary Shelters addresses a gap in meal service delivery for individuals in temporary shelters due to homelessness and/or the need to safely isolate or quarantine due to the COVID-19 pandemic. The extension of agreements with food and necessities services with community-based organizations and private sector organizations enables the City to maximize existing food networks to help minimize food insecurity for residents of the City. Providing authorization to negotiate all grants, agreements, amendments, and extensions related to food and necessities distribution will ensure the City maximizes funds to ensure meal service delivery continuation for vulnerable and at-risk residents as the COVID-19 pandemic continues to affect the food insecurity of our communities.

EVALUATION AND FOLLOW-UP

During the COVID-19 crisis, the Administration will provide periodic verbal updates to the City Council on the progress of providing meals to vulnerable populations.

CLIMATE SMART SAN JOSÉ

The recommendation in this memorandum has no effect on Climate Smart San José energy, water, or mobility goals.

PUBLIC OUTREACH

This memorandum will be posted on the City Council Agenda website for the City of San José Council meeting to be held on December 7, 2021.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office and the City Manager's Budget Office.

COMMISSION RECOMMENDATION/INPUT

No commission recommendation or input is associated with this action.

FISCAL/POLICY ALIGNMENT

This Council item is consistent with the 2021-2022 Adopted Budget and City Services Area of Neighborhood Services to provide healthy neighborhoods and capable communities. The various food distribution programs are part of the Emergency Operations Center response to the public health emergency by facilitating the sheltering-in-place of vulnerable residents and addressing food insecurity.

COST SUMMARY/IMPLICATIONS

The City's support of the initiatives detailed in this memorandum is spread across multiple funds to maximize the use of the American Rescue Plan funding, potential FEMA reimbursement, and for the continuation of services through March 31, 2022. The agreements recommended in this memorandum will leverage existing appropriations, inclusive of a series of preceding adjustments approved by City Council on November 30, 2021, which will provide additional funding in the American Rescue Plan Fund (\$11.5 million total) for estimated food and necessities expenditures through June 30, 2022.

The following tables outline the agreements to be funded by the respective funds (American Rescue Plan and Emergency Reserve Fund). While these are the intended funding sources, the Administration will return to the City Council with any necessary adjustments to American Rescue Plan Fund allocations to align with final expenditures, and to account for any additional revisions within the Emergency Reserve Fund for FEMA eligible activities and corresponding reimbursement.

Table 4. American Recovery Plan Fund (ARPA)

**Amendments to Agreements for Meal Preparation and Delivery Services
 through March 31, 2022**

Bateman Community Living. LLC dba TRIO Community Meals	\$390,000
Catholic Charities of Santa Clara County	\$360,000
Loaves and Fishes	\$653,645
Off the Grid, LLC for Meal Distribution	\$784,000
Off the Grid, LLC for Grocery Distribution	\$1,544,000
The Health Trust	\$396,000
San José Conservation Corps	\$2,700,000
Subtotal	\$6,827,645

Table 5. Emergency Reserve Fund

Amendments for Services for Temporary Shelters through March 31, 2022

Team San José	\$900,000
Subtotal	\$900,000

5. SOURCE OF FUNDING: The agreements recommended in this memorandum will be funded by existing appropriations, as amended by City Council on November 30, 2021, in the American Rescue Plan and Emergency Reserve Fund.

6. FISCAL IMPACT: The agreements detailed in this memorandum provide for the continuation of food and necessities services for varying terms, generally through March 31, 2022 with option(s) for extension through December 2022, subject to the appropriation of funds.

BUDGET REFERENCE

The table below identifies the funds and appropriations to fund the agreements recommended as part of this memorandum.

HONORABLE MAYOR AND CITY COUNCIL

November 16, 2021

Subject: Actions Related to Food Distribution Agreements

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Fund #	Appn. #	Appn. Name	Total Appn.	Amt. for Agreements	2021-2022 Adopted Operating Budget	Last Budget Action (Date, Ord. No.)
401	217W	Resident Relief – Food and Necessities Distribution	\$3,618,517	\$3,618,517	Page 957	10/19/2021 30682
402	217W	Resident Relief – Food and Necessities Distribution	\$12,037,771	\$4,127,645	Page 931	10/19/2021 30682
406	217W	Resident Relief – Food and Necessities Distribution	\$7,051,000	\$900,000	Page 961	6/22/2021 30621
402	217F	Resident Relief – Re-Employment and Workforce Development	\$14,050,000	\$2,700,000	Page 931	6/22/2021 30621

CEQA

Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.

/s/
JON CICIRELLI
Director of Parks,
Recreation and Neighborhood Services

For questions, please contact CJ Ryan, Interim Administrative Officer, at cj.ryan@sanjoseca.gov or 408-838-1419