



Office of the City Manager

CONSENT CALENDAR
May 7, 2024

To: Honorable Mayor and Members of the City Council
From: Dee Williams-Ridley, City Manager
Submitted by: Peter Radu, Assistant to the City Manager
Subject: Returning Funding from University of California, Berkeley for Rodeway Inn for Winter Shelter

RECOMMENDATION

Adopt a Resolution returning the unspent portion (totaling \$400,140.17) of a \$2,200,000 donation from the University of California, Berkeley, previously accepted by the Council on April 26, 2022 for the Rodeway Inn shelter.

FISCAL IMPACTS OF RECOMMENDATION

Approving this recommendation will result an expenditure of \$400,140.17 in funding from the One-Time Grant: No Capital Expenditures Fund (Fund 336).

CURRENT SITUATION AND ITS EFFECTS

On April 26, 2022, the Council adopted an urgency ordinance to enter into a lease for the Rodeway Inn to operate noncongregate interim housing at the Rodeway Inn. Because that program has chiefly served the cohort of unsheltered individuals who had been residing in People's Park, the University of California, Berkeley supported the financing of the shelter (which was primarily funded by a State Encampment Resolution Fund grant) with a \$2,200,000 donation to the City, accepted by Council on April 26, 2022. That program, since its inception, has successfully served 110 people; of the 76 people who have exited the program, 38 (50%) have moved directly into permanent housing – a success rate of half of all exits.

On December 4, 2023, the State of California officially announced that it would be awarding Berkeley HomeKey funding to purchase the Rodeway Inn and convert and operate it as permanent supportive housing for people experiencing homelessness. As the shelter portion of that program is concluding, staff have identified \$400,140.17 in unspent funding from the original UC Berkeley donation.

Because the intent of these donated funds was to support a specific program that is at its conclusion, staff recommend returning the unspent portion to the University.

BACKGROUND

On December 29, 2021, City staff partnered with the University of California, Berkeley to submit an application to the State of California's Encampment Resolution Funding grant for \$4.7M to cover 1 year of operations at the Rodeway to serve the people currently living without shelter in People's Park. On March 8, 2022, the Council authorized the acceptance of the Encampment Resolution Funding grant funds and approved a lease with the Rodeway Inn and a contract with Abode Services to operate the shelter on April 26, 2022. On May 10, 2023, Health, Housing and Community Services Department, Housing and Community Services Division staff, in partnership with MPI Homes and HCEB, submitted a proposal to the State of California's Homekey Program to purchase the Rodeway Inn and convert and operate it as permanent supportive housing for people experiencing homelessness. On December 4, 2023, the State of California announced that it was awarding Berkeley funding via HomeKey to purchase the Rodeway for permanent supportive housing. On September 19, 2023, Council extended the lease with the Rodeway Inn for an additional 5 months (through March 2024) to allow for the purchasing of the property and its conversion to housing to be completed without displacing those currently living there.

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

These funds were donated by the University for a very specific purpose, which has been completed. Returning the unspent portion of the funding is the appropriate gesture.

ALTERNATIVE ACTIONS CONSIDERED

None.

CONTACT PERSON

Peter Radu, Assistant to the City Manager, 510 981-7045

Attachments:

1: Resolution

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

**RETURNING RODEWAY INN FUNDING TO THE UNIVERSITY OF CALIFORNIA,
BERKELEY FOR OPERATING WINTER SHELTER**

WHEREAS, on April 26, 2022, the City Council approved an emergency lease ordinance with the Rodeway Inn and a contract with Abode Services to operate the Rodeway Inn as interim noncongregate shelter for people experiencing unsheltered homelessness in People's Park; and

WHEREAS, on April 26, 2022, the City Council accepted a donation from the University of California, Berkeley, in the amount of \$2,200,000, which partially funded the operations of the shelter program at the Rodeway Inn; and

WHEREAS, on May 10, 2023, the City, in partnership with MPI Homes and Housing Consortium of the East Bay, submitted a proposal to the State of California's Homekey Program to purchase the Rodeway Inn and convert and operate it as permanent supportive housing for people experiencing homelessness; and

WHEREAS, on September 19, 2023, the City Council extended the lease and interim shelter program for an additional 5 months through March 2024, in anticipation of being awarded HomeKey; and

WHEREAS, the State of California announced on December 4, 2023 that the City had been awarded HomeKey funding for the Rodeway; and

WHEREAS, the Rodeway Inn noncongregate shelter program is concluding now that the motel is being converted to permanent supportive housing, after successfully serving 110 people, with 76 people who have exited the program and 38 (50%) of those moving directly into permanent housing; and

WHEREAS, City staff have identified \$400,140.17 in unspent funding from the original \$2,200,000 donation, and recommend returning those funds to the University of California, Berkeley.

NOW THEREFORE, BE IT RESOLVED that the Council of the City of Berkeley authorizes the City Manager to return \$400,140.17 to the University of California, Berkeley, originally accepted as part of a \$2,200,000 a donation from UC Berkeley with the adoption of Resolution No. 70,308–N.S. on April 26, 2022.

