



Office of the City Manager

CONSENT CALENDAR  
November 19, 2024

To: Honorable Mayor and Members of the City Council  
From: Paul Buddenhagen, City Manager  
Submitted by: Peter Radu, Assistant to the City Manager  
Subject: Contract: Dorothy Day House to operate interim housing at the Howard Johnson motel

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute a contract and all necessary amendments with Dorothy Day House to operate an interim housing program at the Howard Johnson Motel (1619 University Ave.) in an amount not to exceed \$5,313,826.28 for the period of November 12, 2024 to December 31, 2028.

FISCAL IMPACTS OF RECOMMENDATION

If approved, this resolution will result in an expenditure contract with Dorothy Day House for an amount not to exceed \$5,313,826.28 for 48 months of program operations through December 31, 2028. This contract will be funded by the Encampment Resolution Fund Round 3 grant (the acceptance of which award is also before Council on the November 19, 2024 agenda) for the first two years. Extending beyond the first two years will require additional funding; consistent with the guidance from the Budget and Finance committee on January 31, 2024, years 3-4 would need to be covered by Measure P. The City will allocate \$1,499,997.32 in the first year of operations and \$1,271,276.32 for each year after, for a total of \$2,771,273.64 of the \$5.4M Encampment Resolution Fund Round 3 (ERF-3) grant and an additional \$2,542,552.64 in Measure P to maintain shelter operations through December 31, 2028.

The ERF funds will first be appropriated as part of the First Amendment to the FY 2025 Annual Appropriations Ordinance.

CURRENT SITUATION AND ITS EFFECTS

The encampments along 2<sup>nd</sup> St in Northwest Berkeley are among the highest priority encampments in the City: they are our largest remaining encampments and pose numerous risks to community health, including heavy drug use, rodent harborage, and fire concerns. The accumulation of debris and rodent harborage conditions in the area negatively affects both the residents and the surrounding businesses. Accordingly, on September 10, 2024, the City Council voted to direct staff to prioritize these encampments, along with those on Harrison St, for closure.

Prioritizing the well-being of the people who call the area home necessitates that they be assisted indoors or into places of greater safety. By developing a resource specifically tailored to the needs of the encampment, the City can assist everyone that wants a shelter bed to get indoors and work with remaining residents to identify a safer alternative. To date, we have not yet had a dedicated funding source to appropriately serve the 2<sup>nd</sup> St encampments in their entirety (which together have an estimated 65 residents).

Given the success of the City's use of the first two rounds of state Emergency Resolution Funding, which targeted the encampments in People's Park and Harrison/8<sup>th</sup> by providing noncongregate, interim housing at the Rodeway Inn and Howard Johnson, respectively, staff is optimistic that this intervention will be equally successful. Since the beginning of ERF operations in May 1, 2022, over 160 individuals have been served by City ERF programs, with 64 individuals moving to permanent housing. Staff have secured a lease agreement with the owners of the Howard Johnson motel for use as interim housing for the ERF-3 grant; a lease ordinance for this project is also before the Council on the November 19, 2024 agenda.

Staff propose to provide services from Dorothy Day House for the cohort currently living in the 2<sup>nd</sup> St encampments and is recommending that the Council authorize the City Manager to contract with Dorothy Day House for this purpose. The proposed contract with Dorothy Day House would be for \$5.3M over 48 months and would cover an array of services including supportive housing navigation, housing search assistance and flexible funding to support moving and move-in expenses; three meals a day; transportation assistance; and intensive clinical case management that would help link individuals to a variety of other needed services. The City's Homeless Response Team will partner with other nonprofits to perform extensive outreach to the people living in the encampments and will coordinate and facilitate referrals with Dorothy Day House to support Howard Johnson enrollments. The City and Alameda County will partner to provide as many housing and supportive services resources as possible (given various Federal and State regulations) to the cohort at the Howard Johnson, with the goal of ensuring that everyone at the encampment is ultimately transitioned to a permanent home.

If approved, the contract with Dorothy Day House would begin on November 12, 2024 and extend through Dec 31, 2028. Funding for the contract would come from the state's Encampment Resolution Fund Round 3 grant and/or the City's Measure P funds.

### BACKGROUND

On January 25, 2024, the Budget and Finance Committee approved staff to apply for a third round of Encampment Resolution Funding from the California Interagency Council on Homelessness and authorized staff to include in the application a match commitment funded with Measure P dollars to continue the program through 2028 if awarded.

On January 31, 2024, staff submitted this application and on September 27, 2024, the City was awarded the full amount of its ERF Round 3 grant application.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

Helping unhoused people currently living in West Berkeley transition into interim and permanent housing placement will minimize the detrimental environmental impacts associated with encampment homelessness over the long run, including vector and fire hazards, accumulation of trash and waste, and impacts on sensitive waterways. It will also reduce negative impacts of environmental elements on the health and safety of those living in these encampments.

RATIONALE FOR RECOMMENDATION

Dorothy Day House will be the main social service provider for the proposal and is a Berkeley-born nonprofit with extensive experience, including: emergency food and shelter, interim noncongregate housing, safe RV parking, and support services to a large number of people experiencing homelessness. Dorothy Day House also has experience operating non-congregate shelter in Berkeley, as they currently operate the Beyond the Horizon shelter at the Berkeley Inn and ran another temporary shelter program at the Quality Inn in partnership UC Berkeley.

ALTERNATIVE ACTIONS CONSIDERED

None. The City of Berkeley's current shelter crisis resolution (Resolution No. 71,155-N.S.) authorizes the City Manager to waive usual purchasing and bid requirements for the provision of emergency shelter; pursuant to this authority, and for the purpose of implementing the new ERF-3 funding as quickly as possible, staff recommend sole-sourcing this contract to Dorothy Day House.

CONTACT PERSON

Josh Jacobs, Homeless Services Coordinator, 510-225-8035.

Attachments:

- 1: Resolution

RESOLUTION NO. XX,XXX N.S.

AUTHORIZING A CONTRACT WITH DOROTHY DAY HOUSE TO OPERATE INTERM HOUSING AT THE HOWARD JOHNSON MOTEL FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$5,313,826.28 FOR THE PERIOD NOVEMBER 12, 2024 TO DECEMBER 31, 2028.

WHEREAS, the 2<sup>nd</sup> St corridor in Northwest Berkeley is currently home to several large encampments of unsheltered individuals who will need to be assisted indoors into realistic, safe, and dignified interim and permanent housing options in order to address the street conditions in the area; and

WHEREAS, the City applied for \$5.4M in State of California Encampment Resolution Fund (ERF) grant funds to operate the Howard Johnson as an intensive interim housing destination for the cohort currently living in the 2<sup>nd</sup> St Northwest Berkeley encampments; and

WHEREAS, as part of this ERF application, the City secured commitments from Dorothy Day House to establish a program model at the Howard Johnson to serve and rehouse the cohort in Northwest Berkeley; and

WHEREAS, the City was awarded the full amount of their ERF application on September 27, 2024; and

WHEREAS, Dorothy Day House is an experienced provider of shelter and services to people experiencing homelessness, and is uniquely qualified to operate the Howard Johnson, currently providing noncongregate interim housing for encampment residents at the Beyond the Horizon Program at the Berkeley Inn; and

WHEREAS, The City of Berkeley's current shelter crisis resolution (Resolution No. 71,155-N.S.) authorizes the City Manager to waive usual purchasing and bid requirements for the provision of emergency shelter; pursuant to this authority, and for the purpose of implementing the new project as quickly as possible, staff recommend sole-sourcing this contract to Dorothy Day House.

NOW THEREFORE, BE IT RESOLVED that the Council of the City of Berkeley authorizes the City Manager to enter into a contract and all necessary amendments for the period November 12, 2024 - December 31, 2028, with Dorothy Day House for operating a noncongregate interim housing program at the Howard Johnson motel.

BE IT FURTHER RESOLVED that the contract amount will not exceed \$5,313,826.28. Contract payments will be paid from the Encampment Resolution Fund grant monies and/or Measure P general fund dollars.

November 19, 2024

BE IF FURTHER RESOLVED that an advance payment of \$749,998.66 (50% of the FY25 annual allocation) will be advanced prior to contract execution to cover staffing and operating costs. A recorded signature copy of said contract and any amendments will be on file in the City Clerk Department.

