



City of Emeryville

CALIFORNIA

MEMORANDUM

DATE: September 16, 2024
TO: LaTanya Bellow, City Manager
FROM: Chadrick Smalley, Community Development Director
SUBJECT: **Resolution Of The City Council Of The City Of Emeryville Authorizing The City Manager To Execute A License Agreement With Dorothy Day House For Use Of Real Property Located At 4300 San Pablo Avenue For Temporary Transitional Housing**

RECOMMENDATION

Staff recommends that the City Council adopt the attached resolution authorizing the City Manager to execute a License Agreement with Dorothy Day House for use of real property located at 4300 San Pablo Avenue as a Temporary Transitional Housing Shelter for an initial term commencing on November 11, 2025 and ending May 16, 2026 with a one year extension subject to the mutual agreement of the City and Dorothy Day House.

BACKGROUND

The crisis of homelessness affects every area of Alameda County including Emeryville. The City Council has recognized this for a number of years by funding various services and programs including the Family Front Door, the shelter at St. Vincent DePaul, and outreach and case management services for unhoused residents of Emeryville through a contract with Operation Dignity. Additionally, on October 30, 2018, the City Council adopted Resolution No. 18-156 declaring a shelter crisis in Emeryville and authorizing the City to participate in the state funded Homeless Emergency Aid Program.

EOCP/Building Futures License Agreement

On September 17, 2019, the City Council approved Resolution No. 19-136, authorizing the execution of a License Agreement with East Oakland Community Project ("EOCP") to use the City-owned property at 4300 San Pablo Avenue (the "Property") as a temporary emergency family shelter for up to 24 months. The license agreement with EOCP also included use of up to four spaces in the City Hall Parking Lot for staff parking, since the Property does not include any off-street parking. The Property was previously utilized by the City as a temporary recreation center and is improved with modular buildings.

EOCP operated the temporary emergency family shelter at the Property until December 28, 2020. On April 30, 2021, the City approved the assignment of the license agreement from EOCP to Building Futures for Women and Children ("Building Futures"), to allow for continued operation of the Family Front Door Coordinated Entry System (i.e. office functions) from the Property. On September 22, 2021, the City Manager executed the

First Amendment to the License Agreement extending the term to September 22, 2022. Building Futures continued to operate from the Property until August 5, 2022.

Intergenerational Affordable Housing Project

On September 17, 2019 (the same date the City Council approved the License Agreement with EOCP), the City Council adopted Resolution No. 19-137 authorizing staff to release a Request for Qualifications/Proposals (RFQ/P) for the design and development of an affordable senior or intergenerational rental housing development on the Property.

On July 21, 2020, the City Council adopted Resolution No. 20-85 selecting EAH Housing (“EAH”) as the first-choice developer for the design and development of the Property and authorized the City Manager to execute an Exclusive Right to Negotiate Agreement (“ERN”) with EAH for the purpose of negotiating a Lease Disposition and Development Agreement (“LDDA”) for development of the Property. On September 6, 2022, the City Council adopted the second reading of Ordinance No. 22-007 authorizing execution of the LDDA.

The LDDA provides for the development of 68 units and 7,000 square feet of amenity space within a 5-story building with a courtyard at the second level. The development will serve both Transition Aged Youth (“TAY”) and Senior populations, with a maximum of 13 units set aside for TAY, one unit for an on-site manager, and the remaining 54 units for seniors. The affordable units will serve households earning between 20% and 60% of Area Median Income (“AMI”), with no less than 35 units for households earning no more than 30% of AMI. The Community Development Director approved the planning entitlements for the EAH project on December 5, 2022.

Included among the conditions precedent to conveyance of the leasehold interest in the Property to EAH is the requirement to obtain all financing necessary for the development of the project and submittal of commitment letters from funders. On November 18, 2024, the City and EAH agreed to amend the LDDA to extend the Agreement Term as well as the date for execution of the ground lease and recordation of the Memorandum of Ground Lease to four years after the effective date to enable EAH to continue seeking project financing and meet the conditions precedent to close. The term of the LDDA runs to October 27, 2026.

On April 2, 2025, the City Council adopted Resolution No. 25-028 authorizing a commitment of \$12,757,855 in permanent financing to support an application for Multifamily Housing Program (“MHP”) funds and approving the second amendment to the LDDA. This second amendment to the LDDA provides that the project will serve households between 30% and 60% of AMI, with no less than 14 of the units serving households that earn no more than 30% of AMI. With this commitment and change to the affordability levels, the developer submitted its application to the State Department of Housing and Community Development (“HCD”) for MHP funding and is currently awaiting HCD’s decision on the application.

Insight Housing License Agreement

In November 2022, the Women's Shelter operated by Insight Housing (then known as Berkeley Food and Housing Project) at 2140 Dwight Way in Berkeley experienced a fire. This facility held both Insight Housing's Veterans Program and Women's Shelter, and the fire rendered the building unoccupiable. The participants in the Veteran's Program were relocated to the newly-constructed Hope Center at 2020 Berkeley Way, Berkeley, as originally planned for that project, while the Women's Shelter participants were initially relocated to the STAIR Center in Berkeley. Because the STAIR Center is not restricted to women, Insight Housing sought a temporary location for the Women's Shelter in order to provide these specialized shelter services for up to 32 clients during reconstruction of the Dwight Way facility. Insight Housing toured the facilities at 4300 San Pablo Avenue and found the site suitable as a temporary Women's Shelter.

On March 23, 2023, the Planning Commission adopted Resolution No. UPDR23-002, which approved Insight Housing's application for a conditional use permit for the temporary emergency women's shelter at the Property, subject to certain conditions, until March 23, 2024. Shortly after, on April 4, 2023, the City Council adopted Resolution No. 23-36 authorizing the execution of a License Agreement with Insight Housing for use of the Property, with an initial term commencing on April 7, 2023 and ending December 31, 2023, with a one-year extension subject to the mutual agreement of the City and Insight Housing.

On April 17, 2023, Insight Housing informed the City that delays of the rehabilitation of Insight Housing's Dwight Way facility necessitated an extension of the License Agreement from March 23, 2024 to June 30, 2024. On December 20, 2023, the Community Development Director approved an extension of the Conditional Use Permit to June 30, 2024 as a Minor Amendment pursuant to Emeryville Municipal Code Section 9-7.214, and the City Manager approved a concurrent extension of the License Agreement. On June 5, 2024, Insight Housing informed the City that additional delays of the rehabilitation of the Dwight Way facility necessitated a further extension of the License Agreement, from June 30, 2024 to December 31, 2024. On June 27, 2024, the Planning Commission approved Resolution No. UP23-002/EXTENSION, extending the term of the Conditional Use Permit to December 31, 2024, and the City Manager approved a concurrent extension of the License Agreement. In October 2024, Insight Housing informed the City that yet more delays of the rehabilitation work were encountered. On December 10, 2024, the City Council adopted Resolution No. 24-149, extending the term of the License Agreement to June 1, 2025 and, on December 26, 2024, the Community Development Director approved an extension of the Conditional Use Permit to June 1, 2025.

Insight Housing moved out of the Property and relocated back to the restored Dwight Way facility on May 20, 2025, at which time Bay Area Community Services ("BACS") moved into the Property, as described further below.

Bay Area Community Services, Inc. License Agreement

Meanwhile, in spring of 2024, the City of Berkeley contacted staff regarding an upcoming site improvement project that rendered the STAIR Center, a low-barrier transitional housing program operated by BACS at 1201 2nd Street in Berkeley, temporarily inoperable. As a result, BACS sought a temporary location for the STAIR Center's Transitional Housing Program in order to continue providing shelter and navigation services to its clients during the site improvements at the 2nd Street facility.

For BACS to use the Property for Temporary Transitional Housing, a Conditional Use Permit was required. BACS submitted an application for a Conditional Use Permit, which was approved by the Planning Commission on August 22, 2024 with an expiration date of August 23, 2025 (UP24-003).

Staff and BACS negotiated a License Agreement modeled after the License Agreements with EOCP and Insight Housing for the use of the Property as Temporary Transitional Housing from January 1, 2025 through April 30, 2025, at which point the site improvements at the 2nd Street facility were expected to have been completed. In the event the restoration of the 2nd Street facility was delayed, the License Agreement provides that the term may be extended for up to one year with the mutual agreement of BACS and the City. On September 3, 2024, the City Council adopted Resolution No. 24-108, authorizing the execution of the License Agreement with BACS.

Because of the delays in completing the restoration of Insight Housing's Dwight Way facility described above, on April 21, 2025, the Community Development Director approved an extension of the Conditional Use Permit to November 30, 2025. Also on April 21, 2025, the License Agreement was administratively extended to November 30, 2025, as provided for in the License Agreement.

BACS is currently operating at the Property and expecting to return to their facility in Berkeley by the end of October 2025.

DISCUSSION

As noted above, EAH has been working to assemble financing for the intergenerational affordable housing project pursuant to the LDDA and the term of the LDDA was extended to enable EAH to continue seeking project financing. Currently, the intergenerational affordable housing project is not anticipated to commence construction before the end of 2026.

In summer of 2025, staff was contacted by the City of Berkeley regarding the potential use of 4300 San Pablo by the Berkeley Emergency Storm Shelter (BESS), a seasonal shelter operated annually by Dorothy Day House between the months of December and April. The shelter's current site at 2134 Martin Luther King Jr. Way, Berkeley, requires repair of health and safety deficiencies before the BESS program can be operated there. As a result, Dorothy Day House is seeking a temporary site to operate the BESS during the 2025-26 winter season.

Staff and Dorothy Day House have negotiated a License Agreement modeled after similar agreements, including those with EOCP, Insight Housing and BACS, for use of the Property as Temporary Transitional Housing Between November 11, 2025 and May 16, 2026. The BESS is expected to provide transitional housing services 24 hours a day between December 2, 2025 and April 15, 2026. The License Agreement provides for a term extension for up to one year with the mutual agreement of Dorothy Day House and the City.

Similar to the previous uses of the Property, the BESS requires a Conditional Use Permit from the Planning Commission. The City anticipates receiving an application for a Conditional Use Permit for the October 23, 2025 Planning Commission meeting.

FISCAL IMPACT

If approved by the City Council, the City of Emeryville would provide use of its Property for the Temporary Transitional Housing operated by Dorothy Day House through the License Agreement, at a cost to Dorothy Day House of \$1 per year. Pursuant to the License Agreement, Dorothy Day House is responsible for the utilities and maintenance of the Property, relieving the City of these costs.

STAFF COMMUNICATION WITH THE PUBLIC

None

CONCLUSION

Staff recommends that the City Council adopt the attached resolution authorizing the City Manager to execute a License Agreement with Dorothy Day House for use of the Property as a Temporary Transitional Housing facility.

PREPARED BY: Valerie Bernardo, Economic Development & Housing Manager

**APPROVED AND FORWARDED TO THE
CITY COUNCIL OF THE CITY OF EMERYVILLE:**



LaTanya Bellow, City Manager

ATTACHMENTS

- Draft Resolution, including Exhibit A, License Agreement with Dorothy Day House