

CITY OF OAKLAND
AGENDA REPORT

FILED
OFFICE OF THE CITY CLERK
OAKLAND
2008 JUN 26 PM 8:23

TO: Office of the City Administrator
ATTN: Deborah A. Edgerly
FROM: Department of Human Services
DATE: July 8, 2008

RE: **Resolution Authorizing The City Administrator, Or Her Designee, To Negotiate And Enter Into A Grant Agreement With St. Mary's Center In An Amount Not To Exceed \$350,000 For The Period Of July 1, 2008 To June 30, 2009 For The Acquisition By St. Mary's Center Of Properties For St. Mary's Center Village At 925 Brockhurst Street**

SUMMARY

This item is a request for City Council approval of a resolution authorizing the City Administrator to enter into a grant agreement with St. Mary's Center in an amount not to exceed \$350,000 for the period of July 1, 2008 to June 30, 2009 for gap funding for the acquisition of properties for St. Mary's Center Village at 925 Brockhurst Street in Oakland.

FISCAL IMPACT

Staff proposes the Community and Economic Development Agency allocate \$350,000 of CDBG reprogrammed funds. The Community Development District Boards reprogrammed \$263,000 of CDBG funds which includes capital funds declined by Lao Family Community Development, Inc. for acquisition costs of a new building. These funds are available in CDBG Fund (2108), CDBG Administration Organization (88949), Capital Projects Account (54912), and CD Unallocated Funds Project (G06250). The remaining \$87,000 will come from the funds allocated for Homeless Capital Improvement Projects Fund (2108), Housing Development Organization (88929), Capital Projects Account (54912), and Fair Housing Projects (G06520). The expenditure of these funds will have no negative impact on the General Fund.

BACKGROUND

Established in 1973, St. Mary's Center provides essential services to homeless seniors, low-income preschoolers and families. The Center's mission is to improve the quality of life of low income and homeless people in Alameda County by helping them fulfill their basic needs of housing, food, health care and education. St. Mary's is the only emergency housing program in the county and the City of Oakland dedicated solely to serving the distinct needs of seniors in a nurturing and compassionate environment.

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St. Mary's Center's headquarters is located at 925 Brockhurst Street in West Oakland. The organization moved to this site in 2006 due to an expiring lease on a previous arrangement. The site was formerly occupied by a parish complex, St. Andrews/St. Joseph's Church, owned by the Oakland Catholic Diocese. After the move, the site was renamed St. Mary's Center Village, reflecting the commitment to provide services to children, families and seniors in a village-like campus setting.

During the winter of 2006, St. Mary's Center completed a significant remodeling (cost \$1.7 million) to the existing three structures that comprise St. Mary's Center Village, bringing the buildings up to code through functional and structural rehabilitation work. The buildings have been fully rehabilitated and are now functional, accessible, code compliant and equipped to serve the needs of homeless seniors, families and preschoolers. The buildings that comprise St. Mary's Center Village and their use are compatible with the existing neighborhood. The neighborhood is a blend of medium density apartment and condominium residential units on the main avenues and single-family residences on the side streets. There are also light industrial and retail uses on the main avenues with an inter-mixing of schools, churches and fraternal organizations. St. Mary's Center is located on San Pablo Avenue, a major intercity arterial avenue that runs through the cities of Oakland and Emeryville, Berkeley, Albany, El Cerrito, Richmond and San Pablo. The avenue has significant surface mass transit service with a stop immediately adjacent to the site. Easy access to transportation facilitates clients getting to medical and job related appointments.

St. Mary's Center holds a lease/option-to-purchase agreement for the property with the Oakland Catholic Diocese. Terms of the lease/option-to-buy agreement are a lease cost of \$1 per month for up to five years, and an option-to-buy acquisition cost of \$3,200,000. The proposed grant agreement will provide gap funding to cover acquisition costs.

KEY ISSUES AND IMPACTS

The acquisition of the properties for St. Mary's Center Village will be accomplished through a combination of financing from public, religious, and foundation sources. St. Mary's requests \$350,000 from the City of Oakland's Community Development Block Grant toward the proposed acquisition project. Commitments total \$2,735,000 million toward the acquisition price of \$3.2 million; eighty-five percent (85%) of the funds required for the proposed purchase are committed.

The current owner of the properties proposed for acquisition – the Oakland Catholic Diocese – has committed an in-kind match of \$1.5 million toward the project. The State of California Emergency Housing Assistance Program (EHAP) has awarded a \$1 million dollar grant; \$100,000 has been awarded by the Y&H Soda Foundation; and Alameda County's Measure A has contributed \$135,000, which St. Mary's is using to leverage the remaining gap.

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To close the remaining gap of \$115,000 St. Mary's has submitted an additional request of \$115,000 to Alameda County. Alameda County also funded St. Mary's remodeling project with a \$100,000 grant.

ST. MARY'S VILLAGE CENTER ITEMIZATION OF COMMITTED FUNDING

| | | |
|------------------------------------|--------------------------|--------------------|
| Total Cost of Acquisition | \$3,200,000 | |
| <i>FUNDING SOURCE</i> | <i>COMMITTED SOURCES</i> | <i>UNCOMMITTED</i> |
| State of California - EHAP | \$1,000,000 | |
| Oakland Catholic Dioceses (match) | 1,500,000 | |
| Alameda County (Measure A) | 135,000 | \$115,000 |
| Y & H Soda Foundation (in process) | 100,000 | |
| City of Oakland | | 350,000 |
| | | |
| Total | \$2,735,000 | \$465,000 |

PROGRAM DESCRIPTION

St. Mary's Center empowers homeless seniors and families with the necessary tools to become self-sufficient while delivering holistic and dignified services. For 34 years, St. Mary's has based its effectiveness upon work with the whole person, to encourage self-reliance and build a sense of community among homeless seniors and low-income families who are often ignored and under served. The programs at St. Mary's Center are culturally sensitive, accessible and effective. Peer group support is a primary avenue for sustaining change. Current programs delivered by St. Mary's to the community include:

Senior Homeless Program: The Senior Homeless Program addresses the needs of homeless seniors for health, housing, and self-reliance in a holistic manner by providing a drop-in center, a winter shelter and access to comprehensive supportive services through intensive case management.

The winter shelter extends 25-beds during the coldest five months of the year. Residents of the shelter receive comprehensive case management designed to assist the seniors in accomplishing their goals for self-sufficiency. Seniors also have access to wellness workshops, money management, mental health, and recovery services. Additionally, homeless seniors obtain leadership development training that empowers them to conduct advocacy in the community. Currently, 358 seniors are involved with the program.

Recovery services are available for persons age 55 and over, with substance abuse and mental health problems. Staff addressed concerns of the mind, body and spirit, using a dual diagnosis approach. Services made available to clients include crisis intervention, comprehensive

assessments, individual substance abuse and mental health counseling, recovery groups, psychiatric evaluation and follow-up care.

Through a collaboration with the University of San Francisco, faculty and student nurses provide health assessments, screen for blood pressure and chronic illnesses, and make referrals to needed health services two times per week during the school year to all St. Mary's clients, including homeless seniors.

Outreach and Advocacy: Supports very low income, homebound seniors so they can live at home rather than face institutionalization. Last year, 491 isolated elderly women and men received services through companionship, provision of transportation to needed services, translation, fall prevention program, etc.

Preschool Program: Licensed by the state of California, this program provides 36 low-income children, ages 3-5 years old, with a structured environment and an age appropriate curriculum that focuses on language development, math skills, motor development, literature and science. The program also reaches out to the children's families by helping them to locate resources in the community to improve their education and increase their involvement in their children's learning.

Food for All Ages: Serves daily meals, coffee and snacks to homeless seniors and provides supplementary grocery bags to very low-income elders and families. During the last year, St. Mary's Center provided over 20,000 meals, 4,300 grocery bags and 350 Christmas baskets to families.

SUSTAINABLE OPPORTUNITIES

Economic: St. Mary's Center Village empowers homeless seniors and families with the necessary tools to become self-sufficient while delivering holistic dignified services.

Environmental: For the remodeling of the site, green building measures were used; all doors were replaced with double glazed materials; toilets and showers have flow controls to conserve water; energy saving electrical appliances was utilized; hot water heaters are also energy efficient and no toxic building materials were used, including all latex-based paints and adhesives.

Social Equity: St. Mary's provides services to address the needs of the whole person, to encourage self-reliance and build a sense of community among homeless seniors and low-income families.

DISABILITY AND SENIOR CITIZEN ACCESS

St. Mary's Center serves many persons with disabilities. The new facility complies with all Americans with Disabilities Act (ADA) requirements. St. Mary's is the only emergency housing program in the county and in the City of Oakland dedicated solely to serving the distinct needs of seniors in a nurturing and compassionate environment.

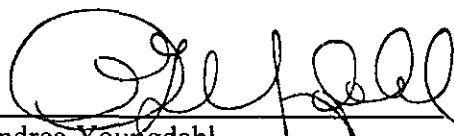
RECOMMENDATION(S) AND RATIONALE

Staff recommends that the City Council authorize the City Administrator to negotiate and enter into a grant agreement with St. Mary's Center in an amount not to exceed \$350,000 for the period of July 1, 2008 to June 30, 2009 for the acquisition by St. Mary's Center of properties for St. Mary's Village Center at 925 Brockhurst Street.

ACTION REQUESTED OF THE CITY COUNCIL

The Department of Human Services requests that the City Council accept this report and approve a resolution authorizing the City Administrator, or her designee, to negotiate and enter into a grant agreement with St. Mary's Center in an amount not to exceed \$350,000 for the period of July 1, 2008 to June 30, 2009 for the acquisition by St. Mary's Center of properties for St. Mary's Center Village at 925 Brockhurst Street.

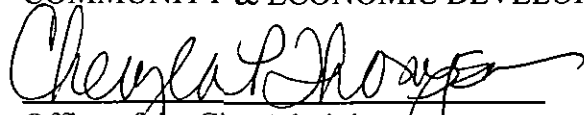
Respectfully submitted,



Andrea Youngdahl
Director, Department of Human Services

Prepared by:
Susan Shelton, Manager
Community Housing Services Division

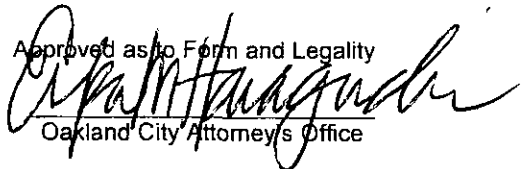
APPROVED AND FORWARDED TO THE
COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE:



Office of the City Administrator

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FILED
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OAKLAND
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Approved as to Form and Legality

Oakland City Attorney's Office

OAKLAND CITY COUNCIL

Resolution No. _____ C.M.S.

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR, OR HER DESIGNEE, TO NEGOTIATE AND ENTER INTO A GRANT AGREEMENT WITH ST. MARY'S CENTER IN AN AMOUNT NOT TO EXCEED \$350,000 FOR THE PERIOD OF JULY 1, 2008 TO JUNE 30, 2009 FOR THE ACQUISITION BY ST. MARY'S CENTER OF PROPERTIES FOR ST. MARY'S CENTER VILLAGE AT 925 BROCKHURST STREET

WHEREAS, on May 3, 2007, City Council adopted Resolution No. 88051 C.M.S. regarding submission of the Consolidated Plan Annual Action Plan for FY 2007-08; and

WHEREAS, as a part of the resolution, City Council approved recommendations for Community Development Block Grant (CDBG) funding for third party contracts for programs and projects identified in the Consolidated Action Plan for FY 2007-08; and

WHEREAS, Lao Family Community Development, Inc., was included in the approved recommendations for funding for the acquisition costs of a new site to house the Lao Family Center for Working Families; and

WHEREAS, Lao Family Community Development declined to accept of their allocation for the acquisition costs of a new site to house the Lao Family Center for Working Families; and

WHEREAS, St. Mary's Center has proposed acquisition of a new site for the provision of essential services to homeless seniors and low-income families at 925 Brockhurst Street, Oakland, CA; and

WHEREAS, the new proposed facility has a total acquisition price of \$3.2 million; and

WHEREAS, the total amount of funds committed to this project is \$2,735,000 which leaves a funding gap of \$465,000; and

WHEREAS, St. Mary's Center has requested \$350,000 of CDBG funds to help close the gap for the acquisition of the new proposed site; and

WHEREAS, The Community Development District Boards recommended reprogramming \$263,000 of CDBG funds, which includes funds declined by Lao Family Community Development, Inc., to St. Mary's Center to help close the gap for the acquisition of the new site; and

WHEREAS, \$87,000 of CDBG funds allocated for Homeless Capital Improvement Projects has been recommended for St. Mary's Center to help close the gap for the acquisition of the new proposed site; now, therefore, be it

RESOLVED: That the City Council hereby allocates \$350,000 of CDBG funds to St. Mary's Center for acquisition of a new site for the provision of essential services to homeless seniors and low-income families at 925 Brockhurst; and be it further

RESOLVED: That the City Administrator, or her designee, is hereby authorized to negotiate and enter into a grant agreement with St. Mary's Center in an amount not to exceed \$350,000 for the period July 1, 2008 to June 30, 2009 for the acquisition of properties for St. Mary's Village Center at 925 Brockhurst Street; and be it

FURTHER RESOLVED: That funds in the amount of \$263,000 will be provided from CDBG Fund (2108), CDBG Administration Organization (88949), Capital Projects Account (54912), CD Unallocated Funds Project (G06250); and be it

FURTHER RESOLVED, That funds in the amount of \$87,000 will be provided from Homeless Capital Improvement Projects Fund (2108), Housing Development Organization (88929), Capital Projects Account (54912), Fair Housing Projects (G06520); and be it

FURTHER RESOLVED: That the City Administrator, or her designee, is hereby authorized to approve any subsequent amendments, or modifications or extensions of said agreement, excepting those related to increasing the amount of the contract above the amounts authorized under this Resolution, provided that such amendments or extensions shall be approved as to form and legality by the Office of the City Attorney and filed with the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, AND
PRESIDENT DE LA FUENTE

NOES -

ABSENT -

ABSTENTION -

ATTEST:

LATONDA SIMMONS
City Clerk and Clerk of the Council of
the City of Oakland, California