


CITY ATTORNEY'S OFFICE

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

**RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR OR
DESIGNEE TO:**

(1) NEGOTIATE AND EXECUTE AN AGREEMENT FOR THE CITY TO OCCUPY UP TO 92 ROOMS IN THE FORMER DORMITORY LOCATED AT 2332 HARRISON STREET IN OAKLAND OWNED BY VIMA HARRISON 1 LLC (HULT LODGE), FOR AN INITIAL TERM ENDING SEPTEMBER 30, 2021, AT A MAXIMUM DAILY RATE OF \$132 PER ROOM FOR ONE OCCUPANT AND \$50 FOR EACH ADDITIONAL OCCUPANT, FOR THE PURPOSE OF PROVIDING EMERGENCY NON-CONGREGATE SHELTER TO UNHOUSED INDIVIDUALS AT HIGH-RISK FROM COVID-19;

(2) EXTEND THE TERM OF THE HULT LODGE AGREEMENT AT THE SAME RATE FOR A CUMULATIVE TERM UP TO TWELVE (12) MONTHS, IF THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) EXTENDS THE PERIOD FOR OBTAINING REIMBURSEMENT FOR PROVIDING SAID EMERGENCY NON-CONGREGATE SHELTER;

**(3) SELECT AN ENTITY TO PROVIDE BUILDING OPERATIONS SERVICES AT HULT LODGE, AND AWARD A PROFESSIONAL SERVICES AGREEMENT TO SAID ENTITY, FOR A TERM OF UP TO ONE YEAR IN A TOTAL AMOUNT NOT TO EXCEED \$3.5 MILLION;
AND**

(4) WAIVE THE CITY'S ADVERTISING AND COMPETITIVE BIDDING PROCESS FOR PROCUREMENT OF SERVICES FOR OPERATIONS OF THE HULT LODGE.

WHEREAS, Approximately 53% of people experiencing homelessness in Oakland are in the CDC defined groups identified as being at high-risk for severe medical complications from a COVID-19 infection; and

WHEREAS, individuals living in encampments are unable to effectively socially distance to avoid contracting COVID-19, and thus require emergency non-congregate shelter to protect themselves and members of the public; and

WHEREAS, there is currently an unmet need in the County of Alameda, and a disproportionate need within the City of Oakland, to provide non-congregate shelter to unhoused individuals, many of which are over the age of 65 or have chronic health conditions; and

WHEREAS, Resolution 88075 CMS, adopted on March 12, 2020, ratified the City Administrator's proclamation declaring a state of emergency and provides authority for such actions to assure the safety and welfare of City residents; and

WHEREAS, FEMA has approved reimbursement for certain emergency protective measures taken by the State of California and local government agencies to respond to COVID-19, including certain expenditures for emergency non-congregate shelter if necessary for public health and safety, until September 30, 2021; and

WHEREAS, FEMA may extend the period for reimbursement for the duration of the COVID-19 disaster, and the City expects the unmet need for emergency non-congregate shelter for high-risk individuals to continue past September 30, 2021; and

WHEREAS, Hult Lodge, owned by Vima Harrison 1 LLC (Owner), is a vacant, six-story former dormitory building located at 2332 Harrison Street in Oakland with 92 dormitory units, commercial kitchen and common areas; and

WHEREAS, City staff have negotiated with Owner to occupy up to 92 rooms for the purpose of providing emergency non-congregate shelter to individuals who are at high risk of developing complications from COVID-19, including those over the age of 65 or who have certain underlying health conditions; and

WHEREAS, Owner is willing to offer rooms to the City at a daily rate of \$92 for each single occupant (or for unoccupied rooms) and \$10 for each additional occupant without meal service, and \$132 for each single occupant and \$50 for each additional occupant with meal service; these rates will be charged for all rooms on each occupied floor (i.e., the City cannot pay for partial use of a floor); and

WHEREAS, only individuals within the same household will share rooms; and

WHEREAS, said rates are inclusive of three daily meals per guest (except as provided above), housekeeping services provided at least twice weekly, laundry equipment for guest use, and parking for up to 23 vehicles both on-site and within three blocks of the premises; and

WHEREAS, Owner would staff the premises on a 24 hour daily basis and provide housekeeping, reception, maintenance, and management service functions; and

WHEREAS, the nightly rates for the Hult Lodge are reasonable compared to other hotel rates in the City of Oakland, however the City does not have budgeted funds available to pay for the necessary costs of providing emergency non-congregate shelter due to the projected revenue losses and significant other programming needs related to COVID-19; and

WHEREAS, the City is applying to FEMA for pre-approval of reimbursement for costs of providing non-congregate shelter to such individuals, including costs for room, food, and building operations services at the Hult Lodge; and

WHEREAS, the City is in the process of selecting an entity to provide services to ensure the safe and secure operation of the Hult Lodge, and such services are expected to be reimbursed by FEMA; and

WHEREAS, the cost of such services are expected not to exceed \$3,500,000 over a maximum term of one year, provided FEMA extends reimbursement past September 30, 2021; and

WHEREAS, OMC section 2.04.040(B) requires advertising and bidding for contracts for professional services, unless the City Council waives advertising and bidding requirements pursuant to OMC section 2.04.051(B), upon a finding that doing so is in the best interest of the City; and

WHEREAS, compliance with the competitive processes required by OMC section 2.04.040 will delay the City's ability to address the need for emergency non-congregate shelter; and

WHEREAS, staff recommends that the City Council, based upon the significant need to quickly address the public health and safety impacts of COVID-19, waive the competitive processes for service contracts awarded to provide operations for emergency non-congregate shelter at Hult Lodge; now, therefore, be it

RESOLVED: That the City Council finds and determines that the foregoing recitals are true and correct and an integral part of this Resolution; and be it

FURTHER RESOLVED: That the City Council finds and determines that the actions authorized by this Resolution are exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15301 (existing facilities) and Government Code section 8698.4(a)(4); and be it

FURTHER RESOLVED: That the City Administrator, or designee, is authorized to negotiate and enter into an occupancy agreement with Vima Harrison 1, LLC, as owner of the Hult Lodge, to occupy up to 92 rooms at a maximum daily rate of \$132 per room for a single occupant including food, plus \$50 for each additional occupant in the same household, for an initial term ending September 30, 2021, for the purpose of providing emergency non-congregate shelter for unhoused, high-risk individuals; and be it

FURTHER RESOLVED: That the City Administrator, or designee, is authorized to extend the term of the occupancy agreement for the Hult Lodge on the same terms if FEMA extends the period for obtaining reimbursement, to terminate when FEMA reimbursement ends or twelve (12) months from commencement, whichever is earlier; and be it

FURTHER RESOLVED: That the City Council authorizes the City Administrator to select a service provider for building operations of Hult Lodge, and to award a professional services agreement to said provider, in an amount not to exceed \$3,500,000 for a term up to twelve (12) months, terminating concurrently with the occupancy agreement; and be it

FURTHER RESOLVED: That, given the urgent need to address the impacts of COVID-19 on high risk Oakland residents by providing non-congregate shelter during the period of FEMA reimbursement, the City Council finds that it is in the best interest of the City to waive the competitive processes for professional services agreement awarded to the entity to be selected by the City Administrator for building operations services at Hult Lodge, and hereby waives said competitive processes for the such agreement pursuant to OMC section 2.04.051(B); and be it

FURTHER RESOLVED: That the City Administrator, or designee, is authorized to conduct all negotiations; execute and submit all documents, including but not limited to applications, agreements, amendments, modifications, and payment requests; and to take any other related actions consistent with this Resolution and its basic purpose; and be it

FURTHER RESOLVED: That prior to execution, all agreements, grants and amendments shall be reviewed and approved as to form and legality by the City Attorney and executed copies of same shall be filed with the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - FIFE, GALLO, KALB, KAPLAN, REID, TAYLOR, THAO AND
PRESIDENT FORTUNATO BAS

NOES –

ABSENT –

ABSTENTION –

ATTEST: _____

ASHA REED
City Clerk and Clerk of the Council of the
City of Oakland, California