



**Contra
Costa
County**

To: Board of Supervisors
From: David Twa, County Administrator
Date: June 16, 2020

Subject: Amendment to Emergency Occupancy Agreement for Motel 6 in Pittsburg

RECOMMENDATION(S):

APPROVE an amendment, subject to approval by the County Administrator and approval as to form by County Counsel, of the Emergency Occupancy Agreement dated May 1, 2020, between the County and OKC of Pittsburg LLC, dba Motel 6 Pittsburg CA, to increase the number of rooms being rented to provide emergency shelter during the COVID-19 pandemic, and to add a purchase option that would give the County the right to purchase the motel.

AUTHORIZE the County Administrator, or designee, to execute the amendment.

FISCAL IMPACT:

The amendment will increase the number of rooms rented by 35. The daily room rate is \$64.00, resulting in the daily rent being increased by \$2,240, plus applicable taxes. If the additional rooms are rented for a period of 60 days, the increased cost to the County would be \$134,400, plus applicable taxes. (100% General Fund)

The County anticipates reimbursement for room rentals at the end of the pandemic from Federal CARES Act funding, the Federal Emergency Management Agency (FEMA), and/or

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD
COMMITTEE

Action of Board On: **06/16/2020** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Diane Burgis, District III Supervisor
Karen Mitchoff, District IV Supervisor
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: June 16, 2020

David Twa, County Administrator and Clerk of the Board of Supervisors

By: Stephanie Mello, Deputy

Contact: Timothy Ewell,
(925)335-1036

cc:

the State

FISCAL IMPACT: (CONT'D)

of California, through the State's Project Roomkey. FEMA reimbursement generally results in a 75% Federal cost share of eligible local costs. The FEMA reimbursement process will cross into at least fiscal year 2020/21, resulting in immediate and potentially long-term impacts to the County general fund.

BACKGROUND:

The County has been participating in Project Roomkey since early April 2020, when the County Health Officer determined that congregate shelters needed to be emptied to reduce the risk of the spread of COVID-19. The County currently has 567 rooms available at various locations for homeless individuals who are at high risk for COVID-19 or are positive for the virus.

Increase in No. of Rooms

Under the existing agreement, the County is renting 139 of the 174 rooms available to the public at the Motel 6 in Pittsburg at a cost of \$64 per day per room. The proposed amendment will increase the number of rooms rented by the County to include all 174 rooms, in anticipation of increased demand for emergency shelter.

Potential Purchase of Motel

It is anticipated that the State may soon be providing additional funds for counties who are participating in Project Roomkey to purchase hotels for long-term housing, in recognition of the fact that it may not be safe for individuals to go back to congregate living in the foreseeable future. The California State Association of Counties (CSAC) reports that counties that have purchase options in existing agreements will be given priority to receive money from the State to purchase hotels if the county and the hotel owners have interest.

The proposed amendment would give the County an option to purchase the property, exercisable with written notice to the owner. This board order does not seek authority to exercise the purchase option. If staff determines it would be beneficial to purchase the property after an appraisal, staff will seek authority to exercise the option through a subsequent board order. At that time, staff will provide the Board with information about the benefits of acquiring the property and the County's plan for providing services to homeless individuals at the facility.

CONSEQUENCE OF NEGATIVE ACTION:

If the amendment is not approved, the County will not have additional rooms available if they are needed during the pandemic to house the homeless and may not be eligible for funds to purchase the facility through Project Roomkey.