Leaders from several major Twin Cities companies on Friday will launch a $40 million private fund-raising campaign to help fund Catholic Charities’ ambitious plans for a new Dorothy Day Center in St. Paul.

The money will help pay for a new two-building campus to prevent homelessness, next to the existing Dorothy Day Center, a facility that is overcrowded and was not initially meant to be a homeless shelter.

Doug Baker, chief executive of Ecolab, Mary Brainerd, chief executive of HealthPartners, and Andy Cecere, chief operating officer of U.S. Bancorp, will co-chair the campaign, which needs to raise another $30 million to reach its goal.

“Most days I drive right past the Dorothy Day Center, and so it doesn’t take much observation to realize that over the years, the need continues to grow,” Baker said. “You just see more and more folks looking for services there.”

The campaign comes at a time when agencies across the Twin Cities are scrambling to handle a growing older homeless population. Staff at shelters in Hennepin and Ramsey counties say the age wave has hit and they are not equipped to handle it.

“A community that cares doesn’t leave people to the streets,” Cecere said.

Catholic Charities plans to break ground in June on the first of two new buildings, which will offer emergency shelter and a range of permanent housing options. It will be called Higher Ground St. Paul and located at 411 Main St., across from the current Dorothy Day Center. Catholic Charities expects to open Higher Ground St. Paul in 2016.

Already during the leadership phase of the campaign, Catholic Charities has raised about $10 million from private sources. That includes commitments of $1 million each from the Frey Foundation and the Pohlad Foundation and a $5 million lead grant by the Richard M. Schulze Family Foundation — the most significant private investment to support Catholic Charities in recent history.
“This project has transformational potential,” said Schulze, the founder of Best Buy. “It represents the very best thinking, innovation and commitment not only to address the urgent crisis of homelessness today, but also, perhaps most importantly, to prevent its causes and open doors to greater self sufficiency and opportunity for all.”

The second phase of the project is a Connection Center, where people can get services offered by Catholic Charities, Ramsey County, the Department of Veterans Affairs and health care providers. Four floors of permanent housing are planned above the Connection Center, which Catholic Charities plans to complete by 2018.

The re-envisioned Dorothy Day Center will cost about $100 million. To date, the State of Minnesota, Ramsey County, City of St. Paul and other public sources have committed approximately $28 million. Catholic Charities hopes to raise further money for the second phase of the project with some combination of bonding and tax credits.

The plans are based on a successful model run by Catholic Charities in Minneapolis.

Catholic Charities opened the Dorothy Day Center in 1981 as a drop-in center for meals, serving about 30 to 50 people per day. Over time, due to increasing homelessness, it was forced to become a full-time overnight shelter, something it was never designed to be.

It is overcrowded, overwhelmed, and deteriorating. More than 6,000 people rely on the Dorothy Day Center each year, including hundreds of people who sleep on thin mats on the floor every night.

In 2011, for the first time in its history, Catholic Charities was forced to turn people away from the Dorothy Day Center, leading people to camp in the surrounding area, a breaking point that launched a community response.

“The Dorothy Day Center is a community emergency center that is falling apart, unable to meet the needs of the people who use its services and support,” said Brainerd of HealthPartners. “As in health care, we need better emergency centers and sustainable community solutions that truly meet the needs of people in our community.”

In 2012, St. Paul Mayor Chris Coleman convened a group of community leaders to assess the situation at the center. In 2013, the group issued its recommendation for a new vision to prevent and end homelessness.

The project ran into obstacles when it was slated for the Payne-Phalen neighborhood and the neighborhood pushed back. It ended up back in downtown St. Paul. The next hurdle is fund-raising.

“What they need me to do, I can do: Go help raise money,” Baker said. “I'm not going to be the guy who's going to design the program, I'm not the guy who puts together the building, I'm not the guy who can do many of these things. But I can do that.”