



# Administrative Report

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H.5., File # 25-1127

Meeting Date: 8/12/2025

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**To:** MAYOR AND CITY COUNCIL

**From:** JOY A. FORD, CITY ATTORNEY  
STEPHANIE JOHNSON, QUALITY OF LIFE PROSECUTOR

## **TITLE**

APPROVE THE SECOND AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING WITH THE SOUTH BAY CITIES COUNCIL OF GOVERNMENTS FOR USE OF ALLOCATED COUNTY LOCAL SOLUTIONS GRANT FUNDS TO LEASE MOTEL AND SINGLE-ROOM OCCUPANCY (SRO) BEDS AND TO EXTEND THE TERM TO JUNE 30, 2027

## **EXECUTIVE SUMMARY**

Given the continued success of the Single Room Occupancy (SRO) units that the City has been renting as bridge housing, the property owner, the City and South Bay Cities Council of Governments (SBCCOG) would like to extend the term of the Memorandum of Understanding (MOU) to June 30, 2027. The recommended action will authorize the Mayor to sign the Second Amendment and extend the MOU accordingly.

## **BACKGROUND**

Starting in January, 2021, the City of Redondo Beach leased five SROs within Service Planning Area (SPA) 8 from Swami International. The City uses the SROs as bridge housing for people from the City of Redondo Beach who are experiencing homelessness as a place to stay while seeking permanent housing. This was originally funded by COVID CARES Act funding. On January 11, 2022, the City received funding from the SBCCOG totaling \$306,299 for the City's Homeless Court Expansion and Interim Bed Projects. Funds from this grant were used to support the original five (5) SROs (\$31,583).

On September 29, 2023, the City Council approved a separate MOU with the SBCCOG and accepted an additional grant award of \$235,150 for thirteen (13) additional SRO units and motel stays. The City Council approved the First Amendment to the MOU on May 24, 2024, which extended the term to June 30, 2025 and the SBCCOG added \$245,000 in funding.

Currently, all rooms are occupied and the City has a 48% exit rate to permanent housing. For comparison, the exit rate from interim shelter to permanent housing in all of SPA 8 and the County is 17%.

Total funding for the Motel Lease/SRO project amounts to \$511,733. To date expenditures total \$164,803.54, leaving a balance of \$346,929.46 to support these programs through June 30, 2027.

The SBCCOG is now seeking to extend the term to June 30, 2027, to maintain support for this

program as Los Angeles County and the SBCCOG transition from Measure H funding to Measure A Local Solutions Funds (LSF). Measure H funding is set to expire in 2027 and no additional funds are being allocated to the City through this extension. Measure A replaces Measure H with a half-cent sales tax and it is expected to generate approximately \$1 billion annually. The LSF will provide approximately \$94.6 million to cities and unincorporated areas for local homeless solutions. LSF will support programs aligned with Measure A goals, including prevention, services, and affordable housing. The SBCCOG has already budgeted funds for the Redondo Beach SROs in their Measure A budget.

The SBCCOG is seeking to extend the term to June 30, 2027 and maintain its support for the program as Measure A Local Solutions Funds become available. Staff recommends that the Mayor and Council approve the Second Amendment to the MOU and extend the term to June 30, 2027.

### **COORDINATION**

The City Attorney's Office coordinated with the SBCCOG to execute this Amendment to the MOU.

### **FISCAL IMPACT**

Approval of this MOU will retain the balance of \$346,929.46 of the grant to be used for Motel Lease and SRO's.

Submitted by:

*Joy A. Ford, City Attorney*

### **ATTACHMENTS**

- Second Amendment to the MOU
- Amendment One to the Funding Agreement between County of Los Angeles and SBCCOG
- Funding Agreement between County of Los Angeles and SBCCOG