



Administrative Report

H.15., File # 25-1371

Meeting Date: 11/4/2025

To: MAYOR AND CITY COUNCIL

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

TITLE

APPROVE A LETTER OF AGREEMENT FOR FUNDING AND OPERATION OF THE REDONDO BEACH EMERGENCY HOMELESS SHELTER (PALLET SHELTER) FOR AN AMOUNT NOT TO EXCEED \$145,927.74 TO BE FUNDED BY STATE PERMANENT LOCAL HOUSING ALLOCATION FUNDS FOR THE TERM OCTOBER 1, 2025 TO MARCH 31, 2026

EXECUTIVE SUMMARY

The Redondo Beach Pallet Shelter has been in operation since 2020. The attached Letter of Agreement is being presented to the Mayor and Council for approval to continue the Pallet Shelter for another six months. Redondo's Permanent Local Housing Allocation (PLHA) and possibly other grant sources will continue to supplement the City's monthly contribution to the County for the operational costs of the pallet shelters.

Supervisor Holly Mitchell and Health Net granted the City funding for capital costs to expand the pallet shelter. A new amendment for the operations of the expansion will be presented to Council for approval prior to the completion of the expansion.

BACKGROUND

On December 31, 2020, the City Council approved an LOA with Los Angeles County for the shared operational and human services costs of the Redondo Beach Pallet Shelter to provide emergency transitional housing for people experiencing homelessness in Redondo Beach. On June 8, 2021, the City Council approved a first amendment to the LOA to extend the term of the Pallet Shelter for thirteen (13) months. On June 7, 2022, City Council approved a second amendment to the LOA to extend the term to September 30, 2022 to give staff time to explore grant funding to continue the operations of the Pallet Shelter. On August 9, 2022, the City Council extended the agreement to September 30, 2023. On September 19, 2023, the City Council extended the agreement another twelve months. The Fifth Amendment was approved by City Council on October 1, 2024 and extended the term an additional twelve months and lowered the City's monthly contribution to \$24,321.29. This new LOA extends the term of the agreement for an additional six months on the same terms and conditions.

Upon approval of this LOA and the work order extension by Los Angeles County to continue pallet shelter operations, the City will seek a fifth Request for Funds through PLHA amounting to

\$82,187.85, as well as submit PLHA application(s) seeking additional funds for CY22 and CY23. The estimated allocation for calendar year 2022 is \$112,160. The estimated allocation for calendar year 2023 is \$85,966. The allocations for CY22 and CY23 will cover operations at the pallet shelter for at least the next six (6) months. Allocations for CY24 and CY 25 have not yet been released by the state.

During the Fiscal Year 2023-2024 Budget Adoption Process, the City Council approved the expansion of the Pallet Shelter estimated to cost \$1,568,750 on the condition of identifying grant funding. Los Angeles County Supervisor Holly J. Mitchell granted the City \$800,000 of District Two Homelessness funding and Health Net granted the City the remaining \$768,750 for the expansion of the Redondo Beach Pallet Shelter.

The City Attorney's Office is currently discussing the new operational budget for the expansion of the pallet shelter with the Los Angeles County Department of Health Services and Los Angeles Chief Executive Office, Homelessness Initiative. A new amendment to the LOA will be presented to Council for approval prior to the completion of the pallet shelter expansion.

Staff recommends that the Mayor and Council approve the new LOA to continue the current pallet shelter operations while the City Attorney's Office works with the County on the operational budget for the proposed expansion and to secure additional funding sources.

COORDINATION

The City Attorney's Office coordinated with the Los Angeles County Department of Health Services and Los Angeles Chief Executive Office, Homelessness Initiative.

FISCAL IMPACT

Operational costs will be funded by the PLHA grant.

Submitted by:

Joy A. Ford, City Attorney

ATTACHMENTS

- LOA with Los Angeles County