



# Administrative Report

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N.3., File # 24-0547

Meeting Date: 4/9/2024

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**To:** MAYOR AND CITY COUNCIL

**From:** MICHAEL W. WEBB, CITY ATTORNEY JOY ABAQUIN FORD, QUALITY OF LIFE PROSECUTOR

## **TITLE**

APPROVE A GRANT AGREEMENT WITH HEALTH NET FOR THE IMPLEMENTATION OF THE ALTERNATIVE CRISIS RESPONSE PILOT PROGRAM AND THE EXPANSION OF THE REDONDO BEACH PALLET SHELTER FOR AN AMOUNT NOT TO EXCEED \$1,338,753 AND THE TERM DECEMBER 18, 2023 TO MARCH 31, 2025.

## **EXECUTIVE SUMMARY**

Health Net is awarding the City of Redondo Beach \$1,338,753 for an Alternative Crisis Response Pilot Program as well as for the expansion of the Redondo Beach Pallet Shelter. Staff recommends that the City Council approve the agreement to accept the grant funding.

## **BACKGROUND**

### **Alternative Crisis Response**

An Alternative Crisis Response (ACR) is designed to approach non-violent, mental and behavioral health service calls by offering trauma-informed care, crisis de-escalation, in person intervention and transport to immediate behavioral health services. Physical health, behavioral health, and substance use professionals can provide intensive whole-person healthcare services in episodes of crisis, with goals of reducing the amount of hospital and emergency room visits as well as fire and police department involvement.

On July 20, 2023 Councilmember Paige Kaluderovic attended the Alternative Crisis Response (ACR) Summit hosted by the Los Angeles Department of Mental Health with several staff members of various City Departments, Beach Cities Health District and Redondo Beach Unified School District. Councilmember Kaluderovic started a working group with those same staff members to develop an ACR Pilot Program in Redondo Beach.

Ronson Chu, Senior Project Manager for Homeless Services at the South Bay Cities Council of Governments (SBCCOG), connected Councilmember Kaluderovic and the City Attorney's Office with Health Net. The City Attorney's Office worked with the SBCCOG on a proposal and budget for an ACR Pilot Program. Based on that proposal and budget, Health Net is awarding the City \$570,003 to implement a Redondo Beach ACR Pilot Program for one year with the hope of finding additional

funding for the future to continue the program.

#### Pallet Shelter Expansion

On December 13, 2023, Health Net attended the Redondo Beach Homeless Court and toured the Pallet Shelters. That same day, Health Net requested a proposal from the City Attorney's Office that describes the budget to expand the Pallet Shelter.

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. On December 19, 2023, City Council approved the purchase of twenty-five (25) additional pallet shelter units because the City received a letter of support from Los Angeles County Supervisor Holly J. Mitchell for \$800,000 of District Two Homelessness funding as well as a letter of support from Health Net awarding the City the remaining \$768,750 for the expansion of the Redondo Beach Pallet Shelter.

This was necessary for the City to be able to purchase the pallet shelter units before they doubled in price. The Health Net award will reimburse the City for this expenditure. The additional twenty-five (25) units have been delivered by Pallet and are being stored on the empty lot North of the current Pallet Shelter where they will be assembled and placed after the completion of capital improvements of the lot.

Staff recommends the City Council approve the Agreement with Health Net to receive the grant funding.

#### **COORDINATION**

The City Attorney's Office coordinated with Health Net, Councilmember Paige Kaluderovic, and the South Bay Cities Council of Governments in connection with the preparation of this report.

#### **FISCAL IMPACT**

An ACR Pilot Program budget is estimated to cost \$570,003. If the Agreement with Health Net is approved, staff will return with an Agreement with a third-party contractor to provide mobile mental health and crisis response services.

The estimated cost to expand the pallet shelter facility into the adjacent lot to the North is an estimated \$1,568,750, which includes the design, the equipment, and the necessary infrastructure improvements. The City Attorney's Office is working with the County for the agreement on the \$800,000 award. This Agreement with Health Net is for the remaining \$768,750.

#### **ATTACHMENTS**

- Agreement with Health Net