

BLUE FOLDER ITEM

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CITY COUNCIL MEETING DECEMBER 16, 2025

**H.13. APPROVE THE SECOND AMENDMENT TO THE AGREEMENT WITH
HEALTH NET FOR USE OF FUNDS FOR THE PALLET SHELTER
EXPANSION AND ALTERNATIVE CRISIS RESPONSE PILOT
PROGRAM TO EXTEND THE TERM TO DECEMBER 31, 2026**

CONTACT: JOY A. FORD, CITY ATTORNEY

- HHIP SECOND AMENDMENT**

**AMENDMENT NUMBER 2 TO THE
CALAIM HOUSING AND HOMELESSNESS INCENTIVE PROGRAM
GRANT AGREEMENT**

This Amendment Number 2 to the *CalAIM Housing and Homelessness Incentive Program* Grant Agreement (“Amendment No. 2”) is made December 16, 2025 (“Amendment Effective Date”) by and between City of Redondo Beach, a chartered municipal corporation (“Grantee”) and Health Net, LLC (“Health Net”) with reference to the following facts:

A. Grantee and Health Net entered into the *CalAIM Housing and Homelessness Incentive Program* Grant Agreement dated December 18, 2023 (“Agreement”); and

B. Grantee and Health Net entered into Amendment Number 1 to the Agreement, effective March 28, 2025 (“Amendment No. 1”), which extended the term of the Agreement and adjusted the reporting schedule to allow additional time for completion and measurement of activities funded under the Agreement; and

C. Grantee and Health Net mutually agree that Grantee is seeking to extend the term and milestones of the Agreement; and

D. Grantee and Health Net have mutually agreed that by extending the measurement period, the Grantee will meet milestones set forth in the amended agreement.

NOW, THEREFORE, in consideration of the mutual promises, covenants, agreements and other undertakings set forth herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. The parties agree that Grantee *was* unable to meet *the* Milestones set forth in the Priority Areas as noted in Exhibit A of the agreement.
2. The parties agree to meet at least biannually to review progress of activities and outcome of HHIP Investments. Two additional reports will be due to Health Net by August 1, 2026 and February 1, 2027.
3. The parties agree that this Grant Agreement will terminate on December 31, 2026.
4. Except as amended and modified by this Amendment No. 2, all of the terms and conditions of the Agreement shall remain in full force and effect. This Amendment No. 2 may not be modified except in writing signed by both parties hereto. This Amendment No. 2, Amendment No. 1, and the Agreement and exhibits and schedules thereto constitute the entire agreement of the parties with respect to the subject matter contained therein and supersede any and all prior or contemporaneous agreements between the parties, whether oral or written, concerning the subject matter contained herein.

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties hereto by their duly authorized representatives executed this Amendment No. 2 to be effective as of the Amendment Effective Date.

HEALTH NET, LLC

CITY OF REDONDO BEACH

Name: Dorothy M. Seleski
Title: Medi-Cal President
Date:

Name: _____
Title: _____
Date: _____