



Administrative Report

H.15., File # 24-1621

Meeting Date: 10/1/2024

To: MAYOR AND CITY COUNCIL

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

TITLE

APPROVE FIFTH AMENDMENT TO THE LETTER OF AGREEMENT FOR FUNDING AND OPERATION OF THE REDONDO BEACH EMERGENCY HOMELESS SHELTER (PALLET SHELTER).

EXECUTIVE SUMMARY

The Letter of Agreement (LOA) with the Los Angeles County for the Redondo Beach Pallet Shelter operational costs is set to expire on September 30, 2024. The attached Fifth Amendment to the LOA is being presented to the Mayor and Council for approval to extend the term to September 30, 2025, and lowering Redondo's monthly contribution by \$2,285.92 a month. Redondo's Permanent Local Housing Allocation (PLHA) and possibly other grant sources will continue to fund the City's monthly contribution to the County for the operational costs.

Supervisor Holly Mitchell and Health Net granted the City funding for capital costs to expand the pallet shelter. A new agreement 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.

Currently, the City contributes \$26,607.21 a month to the County for the operational costs of the Pallet Shelter. The Fifth Amendment to the LOA will lower the City's monthly contribution to \$24,321.29.

Ashley Oh, Principal Analyst for the Homeless Initiative of the Los Angeles Chief Executive Office, introduced the City Attorney's office to the PLHA state funding. Although earmarked by the State for Redondo Beach, the City's Housing Authority had not previously applied for it. The City Attorney's office and City Manager's office worked to submit the application before the deadline and was awarded \$557,962 in February 2023 for the City's allocations in calendar years 2019, 2020 and 2021. This allocation has paid for the City's share to date. There is a current balance of \$82,187.85.

The estimated allocation for calendar year 2022 is \$112,160. The allocation for calendar year 2023 will hopefully be released by the end of this calendar year. The City Attorney's Office will apply for both allocations. Depending on how much the 2023 allocation is, the City might need to use other grant sources. Eligible grants are the Homeless Court grant from Assemblymember Al Muratsuchi and the Successor Agency Grant.

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 amendment to continue the Pallet Shelter while the City Attorney's Office works with the County on the operational budget for the proposed expansion.

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 and possibly the grant from either Assemblymember Al Muratsuchi or the Successor Agency Trust or both.

ATTACHMENTS

- Fifth Amendment to the LOA with Los Angeles County