COMMUNITY DEVELOPMENT COMMISSION
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REVISED

May 9, 2006

Honorable Board of Commissioners
Community Development Commission of the
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Commissioners:

APPROVAL OF FUNDS FOR EXPANSION AND REHABILITATION OF EMERGENCY SHELTERS (ALL DISTRICTS)
(3 Vote)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that services and renovations to the Salvation Army Bell Shelter, located at 5600 Rickenbacker Road, in the City of Bell, are exempt from the provisions of the California Environmental Quality Act (CEQA), as described herein, because the activities will not have the potential for causing a significant effect on the environment.

2. Authorize the Executive Director of the Community Development Commission, upon the transfer of funds from the Chief Administrative Officer (CAO), to incorporate up to $20,000,000 in County general funds (CGF) approved by the Board Motion of November 22, 2005, into the Commission's Fiscal Year 2005-2006 approved budget for the construction and/or renovation of year-round emergency shelters and enhancements to the homeless support system.

3. Authorize the Executive Director to negotiate and enter into an Interagency Agreement, and related documents, with the Los Angeles Homeless Services Authority (LAHSA) in an amount of up to $2,450,000, to be effective after approval as to form by County Counsel, and execution by all parties. LAHSA will provide this funding to the Salvation Army for operating costs and supportive

services for 140 beds of year-round emergency shelter for three years at the Salvation Army's Bell Shelter.

4. Authorize the Executive Director to oversee and monitor LAHSA's implementation and administration of emergency shelter and supportive services programs under the Interagency Agreement and management of all related contracts, and to establish LAHSA's administrative fees as determined on a project-by-project basis.

5. Authorize the Executive Director to draft and execute a grant agreement with the Salvation Army, in a total amount up to $50,000 to fund rehabilitation activities at its Bell Shelter in order to accommodate 70 additional year-round emergency shelter beds, to be effective following receipt of CGF from the CAO, approval of the grant agreement as to form by County Counsel, and execution by all parties.

6. Authorize the Executive Director to amend the Interagency Agreement with LAHSA to incorporate additional year-round emergency shelter projects and enhancements to the homeless support system proposed by each Supervisorial District.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of the recommended action is to authorize the Commission to accept CGF from the CAO for the construction and/or renovation of year-round emergency shelters and enhancements to the homeless support system. The recommended action also authorizes the Commission to enter into an Interagency Agreement with LAHSA, under which the Commission will provide CGF to LAHSA for supportive services at the Salvation Army's Bell Shelter. In addition, the recommended action authorizes the Commission to enter into a grant agreement with the Salvation Army for renovations to the Bell Shelter.

FISCAL IMPACT/FINANCING:

The actions described herein include $20,000,000 in CGF, which was approved by the Board of Supervisors on June 20, 2005 to fund the construction and/or renovation of year-round emergency shelters and enhancements to the homeless support system. Upon transfer of the funds from the CAO, the Commission will incorporate up to $20,000,000 in CGF into the approved 2005-2006 Fiscal Year budget for the purpose of providing the spending authority for emergency shelter programs.

On November 22, 2005, the Board of Supervisors approved allocating $3,600,000 in CGF to each Supervisorial District with a ten percent administrative fee, in the total amount of $2,000,000, reserved for the Commission. LAHSA will receive administrative fees for supportive services grant funds transferred to and administrated by LAHSA, the amount of which will be determined by the Commission on a project-by-project basis.

The proposed Interagency Agreement and grant agreement include a total of $2,500,000 in CGF allocated to the First Supervisorial District. The proposed Interagency Agreement between the Commission and LAHSA will transfer $2,450,000 in CGF to LAHSA. LAHSA will then provide funding to the Salvation Army Bell Shelter for operating costs and supportive services for 140 beds of year-round emergency shelter for three years, at a cost of approximately $816,666 per year.

The grant agreement between the Commission and the Salvation Army will provide $50,000 in CGF for the costs associated with rehabilitating the Bell Shelter to accommodate additional beds.

Both the Interagency Agreement and grant agreement will be effective following the Commission's receipt of CGF funds from the CAO, approval as to form by County Counsel and execution by all parties.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

In order to address the staggering numbers of homeless individuals and families and the corresponding critical shortage of shelter beds in Los Angeles County, on June 20, 2005, the Board of Supervisors approved allocation of $20,000,000 for emergency shelters. The funding is flexible and may be used for construction and/or renovation of year-round shelters to provide additional shelter beds, enhancement to the homeless supportive services system, or both.

On November 22, 2005, the Board of Supervisors directed the CAO and the Commission to negotiate and execute a Memorandum of Understanding to allocate funding for emergency shelter programs to the Commission for administration and direct oversight of all of the projects.

The Board of Supervisors also instructed the CAO to identify potential recipients of CGF through a discretionary Request for Information (RFI) process approved by each Board Office, to review any proposals, and to submit funding recommendations to the Board after establishing evaluation guidelines in conjunction with each Board Office, the Commission, LAHSA, and other affected County Departments.

Each Board Office reviewed the potential recipients and projects and sent RFI applications to identified agencies. The Commission and LAHSA reviewed and scored

the returned applications using established guidelines and criteria. Projects are selected based on application scores, agency experience and the need for homeless services in the community.

The first project to be funded is the Salvation Army's Bell Shelter, located in the City of Bell. The Commission proposes negotiating and entering into an Interagency Agreement with LAHSA that will allocate $2,450,000 in First District funds for the cost of operation and supporting services at the Bell Shelter. LAHSA will use these funds to enter into a grant agreement with the Salvation Army to operate 140 beds year-round, through expansion of beds currently available only during the winter months.

The terms and conditions of the Interagency Agreement will include Commission oversight and monitoring of LAHSA's administration of CGF, details of the transfer of funds to LAHSA, the amount of administrative fees to be reserved for LAHSA on supportive service grants, and other related items. LAHSA has extensive experience in administering supportive service programs for the homeless, and is well qualified to administer the CGF services system funds.

The grant agreement between the Commission and the Salvation Army will allocate $50,000 for renovation of its Bell Shelter facilities. The Salvation Army proposes to use the funds to modify a portion of the facilities so that 70 additional year-round beds for individuals may be installed. The Bell Shelter plans to use a variety of State and Federal funds to create space for the remaining 70 year-round emergency beds.

The Board of Supervisors also instructed the Commission to seek Board approval of each selected shelter and authorization to enter into agreements with those agencies. Therefore, the Commission will return to your Board for authorization to enter into each agreement funded with CGF.

The Interagency Agreement will be amended, as needed, to include funding for future projects proposed by each Supervisorial District.

A complete description of the Bell Shelter project is provided in Attachment A.

ENVIRONMENTAL DOCUMENTATION:

Pursuant to 24 Code of Federal Regulation, Part 58, Section 58.35 (a)(3)(iii), these actions are excluded from the National Environmental Policy Act (NEPA), because it involves activities that will not alter existing environmental conditions. The actions are exempt from the provisions of CEQA, pursuant to State CEQA Guidelines 15301, because they involve negligible or no expansion of use beyond what currently exists and do not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT PROJECTS:

Approval of these actions will allow for the transfer of CGF to LAHSA for administration of homeless supportive services, increase the emergency shelter beds available for homeless persons in the County year-round and enable the Salvation Army to expand the year-round beds and services at its Bell Shelter.

Respectfully submitted,

CARLOS JACKSON
Executive Director

Attachment: 1

ATTACHMENT A

PROJECT DESCRIPTION
SALVATION ARMY BELL SHELTER

This project consists of renovation and upgrades to a portion of the main building of the Salvation Army's Bell Shelter in order to accommodate additional beds that will be available year round, and funding to support operations related to 140 additional beds. The renovation is the first phase of a general expansion the shelter is undergoing.

The Bell Shelter is operated by the Salvation Army in a converted 40,000 square foot hanger at a former U.S. Army Air Base, located at 5600 Rickenbacker Road in the City of Bell. It is leased long-term from the U.S. General Services Administration under a program that uses vacant Federal facilities as homeless shelters.

The facility currently offers year-round shelter to 350 homeless men and women each night, and expands its capacity by another 140 beds during the winter under the County's Winter Shelter Program. It offers a wide variety of services to meet the needs of its homeless clients, including case management, counseling, adult education, job search, medical services, and veterans programs.

The Salvation Army proposes to modify a portion of the warehouse building with upgrades to the heating system, insulation, and the addition of security doors, so that 70 additional year-round beds for individuals may be installed. The shelter is requesting up to $50,000 to cover the costs of these upgrades.

The Bell Shelter also plans to create an additional 70 year-round emergency beds for families that will permit families to stay together in the same housing unit. A variety of State and Federal funds will be used for the cost of this second phase of expansion. The shelter presently has 17 mobile homes at the site that have been used to house some of the winter shelter beds. These mobile homes will be refurbished to accommodate the needs of families. Additional mobile homes will also be acquired and installed to supplement the current stock.

The 140 new beds will consist of 70 beds for individuals in the main building and 70 beds for families in the mobile homes, and will expand the shelter's capacity to house homeless persons year round. The shelter is requesting funds for the costs of operating and providing supportive services to the additional clients in the total amount of $2,450,000 for three years, at the cost of approximately $816,666 per year.

Funding Request:

Renovation Funds	$ 50,000
Service System Funds	$2,450,000
Total Request	$2,500,000