



# City of Culver City

## Staff Report

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Item #: C-2.

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**CC- CONSENT ITEM: (1) Authorization of the Acceptance of Cities and Councils of Governments Interim Housing Services (CCOGIHS) Grant Funds in the Amount of \$1,109,600 from the County of Los Angeles (County) Chief Executive Office of Homeless Initiative (CEO-HI); and (2) FOUR-FIFTHS VOTE REQUIREMENT: Approval of a Related Budget Amendment.**

**Meeting Date:** September 19, 2022

**Contact Person/Dept.:** Tevis Barnes/ CDD-Housing  
**Phone Number:** (310) 253-5782

**Fiscal Impact:** Yes  No       **General Fund:** Yes  No

**Attachments:** Yes  No

**Commission Action Required:** Yes  No

**Public Notification:** (E-Mail) Meetings and Agendas - City Council (09/14/2022)

**Department Approval:** Sol Blumenfeld, Community Development Director (08/31/2022)

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### **RECOMMENDATION**

Staff recommends the City Council (1) authorize acceptance of Cities and Councils of Governments Interim Housing Services (CCOGIHS) Grant Funds in the amount of \$1,109,600 from the County of Los Angeles (County) Chief Executive Office of Homeless Initiative (CEO-HI); and (2) approve a related budget amendment (**requires a four-fifths vote**).

### **BACKGROUND/DISCUSSION**

#### **Notice of Award**

The CCOGIHS NOFA was released on April 7, 2022, with an initial application deadline of May 25, 2022. The County Board of Supervisors (Board) directed the CEO-HI to create a \$10 million Cities and Councils of Governments Interim Housing Services (CCOGIHS) Fund to support services at interim housing projects located in local jurisdictions. Interim housing creates a pathway for people experiencing homelessness (PEH) to secure permanent housing by providing emergency shelter and

onsite connection to supportive services, so PEH can meet their most pressing and basic needs to become self-sufficient.

On April 25, 2022, the City Council approved the submission of a grant application in the amount of \$10 million under the CCOGIHS NOFA. After the release of the NOFA, the County capped funding awards to \$1 million per jurisdiction. Staff was informed on June 28, 2022, that Culver City was awarded \$1,109,600. The County CEO-HI issued memoranda of understanding (MOU) to grant recipients on August 17, 2022. Per the MOU, the CCOGIHS grant funds must be expended by June 30, 2024.

### **Eligible Uses**

Consistent with Health and Safety Code Section 50220.7(e)(2), CCOGIHS grant funds must be used to expand or develop local interim housing capacity to address homelessness and move PEH into permanent housing. Programs and activities must be based on evidence-based solutions that prevent, reduce and end homelessness. Eligible uses under the CCOGIHS include:

1. Operating Costs such as:
  - i. Client food cost
  - ii. Space Cost
  - iii. Utilities
  - iv. Maintenance/Repair
  - v. Security
2. Supportive Services such as:
  - i. 24-hour bed availability
  - ii. Housing navigation
  - iii. Residential supervisor
  - iv. Crisis intervention
  - v. Problem solving
  - vi. Permanent housing placement

These grant funds will support operation and services under the Interim Housing component of the Homekey Project.

### **FISCAL ANALYSIS**

The total grant award from Project Homekey to the City is \$26.6 million, with approximately \$4.5 million earmarked for services and operations. To cover operating costs associated with the Permanent Supportive Housing component of the project, the County has dedicated \$945,000 to be used over five years through the Department of Health Services (DHS)/Intensive Case Management Services (ICMS) and \$1.7 million from the County CEO-HI do be used over three years. When the City receives the executed agreements for these funds, staff will return with an item to appropriate the funds for the project. The City has committed \$4.9 million through its General Fund to support both the Interim Housing and Permanent Supportive Housing components of the Homekey Project.

The \$1,109,600 CCOGIHS grant award will supplement the Homekey and City funds to support the Interim Housing component and secure the longevity of the programming.

A budget amendment, which requires a four-fifths vote, is necessary to appropriate the grant funds and properly account for the expenditures. The first part of the amendment will appropriate the amount of \$1,109,600 for services related to the Interim Housing component of Project Homekey. If approved, funds will be appropriated to Fund 414.

On April 25, 2022, City Council authorized the appropriation of \$22,145,500 from the Project Homekey grant for the capital portion of the project which includes the acquisition and rehabilitation of the two motels. As part of this budget amendment, Council is being asked to appropriate the remaining \$4,491,814 of the Project Homekey grant dedicated to the ongoing operations of the motels. \$2 million will be appropriated to the Interim Housing - Homekey operations. The balance of \$2,491,814 will be appropriated to the Permanent Housing - Homekey operations. These funds will be used over several fiscal years.

In the Adopted Budget of Fiscal Year 2022-2023, funds in the amount of \$4,086,038 were appropriated in Fund 476 Housing Authority for the operating expenses of the two motels. These funds were placed in Interim Housing - Homekey (#47655920) and Permanent Housing - Homekey (#47655930). The Project Homekey grant was awarded to the City of Culver City, and therefore the motels are the property of the City not the Housing Authority. The proposed budget amendment reverses this appropriation to the Housing Authority and creates new accounts for the operations of the motels in Interim Housing - Homekey (#41450920) and Permanent Housing - Homekey (#41450930) to correctly show them in the City's budget.

Additionally, the Adopted Budget of Fiscal Year 2022-2023 included a transfer of \$1.25 million from the General Fund into the Housing Authority to account for the General Fund contribution to the operating costs of the motels. The budget amendment will reverse that transfer and instead place the funds into a General Fund account for the operating expenditures.

The table below outlines the appropriation of the grant funds, the reversal of the expenditures in the Housing Authority Fund, and the creation of the new Interim Housing and Permanent Housing accounts for those expenditures.

Account Number	Description	Amount
47655920.612300	Interim Housing-Homekey - Property Mgt Svcs	\$ (41,000)
47655920.619800	Interim Housing-Homekey - Other Contractual Svcs	\$ (2,058,019)
47655930.612300	Permanent Housing-Homekey - Property Mgt Svcs	\$ (41,000)
47655930.619800	Permanent Housing-Homekey - Other Contractual Svcs	\$ (2,058,019)
47616100.391101	Transfer in From General Fund	\$ (1,250,000)

41450920.619800	Interim Housing-Homekey - Other Contractual Svcs	\$ 3,109,600
41450920.3XXXXX	Interim Housing-Project Homekey Operating Funds	\$ 2,000,000
41450920.3XXXXX	Interim Housing-CCOGIHS LA County	\$ 1,109,600
41450930.619800	Permanent Housing-Homekey - Other Contractual Svcs	\$ 2,491,814
41450930.3XXXXX	Permanent Housing-Project Homekey Operating Funds	\$ 2,491,814
10116100.952476	Transfer Out to Housing Fund	\$ (1,250,000)
Fund 101 - TBD	Appropriate for Homekey Operating Costs	\$ 1,250,000

## ATTACHMENTS

None.

## MOTIONS

That the City Council:

1. Authorize acceptance of Cities and Councils of Governments Interim Housing Services (CCOGIHS) Grant Funds in an amount of \$1,109,600 from the County of Los Angeles (County) Chief Executive Office of Homeless Initiative (CEO-HI); and
2. Approve of a related budget amendment (**requires a four-fifths vote**); and
3. Authorize the City Attorney to review/prepare the necessary documents; and
4. Authorize the City Manager to execute such documents on behalf of the City.