



# City of Culver City

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## Staff Report

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**File #:** 22-673, **Version:** 1

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**CC - Approval of a Memorandum of Understanding with Exodus Recovery, Inc to serve as the Lead Operator and Supportive Service Provider for the Proposed Homekey Interim and Permanent Supportive Housing Motel Conversion Project.**

**Meeting Date:** January 24, 2022

**Contact Person/Dept** Tevis Barnes, CDD/Housing Division

**Phone Number** (310) 253-5780

**Fiscal Impact:** ☒ Yes ☐ No

**General Fund:** ☐ Yes ☒ No

**Public Hearing:** ☐ **Action Item:** ☒

**Attachments:** ☒

**Commission Action Required:** ☐ Yes ☒ No

**Date:**

**Public Notification:** (Email) Meetings and Agendas-City Council and Housing (01/20/2022); Exodus Recover Inc. (12/29/2021); Advisory Committee on Housing and Homelessness (01/11/2022)

**Department Approval:** Sol Blumenfeld, Community Development Director (01/13/2022)

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### **RECOMMENDATION:**

Staff recommends the Culver City Council approve entering into a Memorandum of Understanding (MOU) with Exodus Recovery Inc. (Exodus) to serve as the lead operator and supportive service provider for the proposed Homekey Interim Housing (IH) and Permanent Supportive Housing (PSH) Motel Conversion Project (Project).

### **BACKGROUND/DISCUSSION**

#### **Exodus Recovery, Inc.**

Exodus has over 35 years of experience developing, implementing and operating innovative behavioral, health and substance use disorder services and programs in Los Angeles, Orange, San Diego, Fresno, Solano and Napa counties, through funding from Department(s) of Mental Health, Department of Health Services and Department of Public Health. The Exodus system of care is designed to promote a full array of services including alternative crisis services, outreach and engagement (including homeless outreach), mental health, health and substance use disorder and sobering services, homeless care support services, services to justice involved populations, tenancy support services, housing navigation and bridge housing, benefits advocacy, care coordination and

support for the medically fragile and complex. Exodus provides these services in a strengths-based integrated, field-based delivery system that bring hope, empowerment, self-sufficiency and recovery to the most vulnerable individuals in the communities they serve. Through demonstrated successful outcomes, the Exodus model of care has proven their ability to provide field/community based, integrated services which effectively coordinate behavioral health, co-occurring conditions and social services to improve the health and well-being of medically complex, high users of multiple systems.

At the City Council meeting of December 13, 2021, a presentation was given by Exodus highlighting their experience and service. Council Members were provided an opportunity to tour the Exodus Baldwin Park IH Project on January 20, 2022.

## **Homekey Resolution**

On December 13, 2021, City Council approved a resolution to apply for the creation of 38 IH units and 35 PSH under the State Housing and Community Development Department (HCD) Homekey Notice of Funding Availability (NOFA). This NOFA makes \$1.2 billion available statewide for the production/programming of housing and services for the unhoused. A Homekey submission requirement involves the engagement through a memorandum of understanding with a qualified service provider of the designated targeted population. The service provider and City will work jointly to implement the Project to effectively serve unhoused residents.

## **Goal 1 - Plan to Prevent and Combat Homelessness/Motel Conversion**

Witnessing the growth of homelessness in Culver City and in the region, the City continues to implement goals outlined in the 2018 Council-adopted Plan to Prevent and Combat Homelessness (Plan). Under the Plan, Goal 1 is to Increase Bridge Housing Options and Increase the Numbers of Persons served. More specifically, Action 1a calls for the creation of an emergency shelter through the conversion of a local motel. If awarded funding under Homekey, Exodus would assist in the effectuation of this goal by serving as the lead operator and service provider of the Project.

## **Memorandum of Understanding**

The MOU with Exodus defines roles and responsibilities of Exodus as the operator and supportive service provider of the Project. The MOU includes terms and provisions defined by both the City and in the HCD Homekey NOFA.<sup>1</sup>

The general terms/terms of the MOU are as follows:

Purpose - The City will acquire and rehabilitate two adjacent motels and convert one to 38 units of IH and the other to 35 units of PSH. The Project will target the chronic homeless who are high users of emergency and outreach services.

Work/Scope of Work - Exodus shall satisfactorily perform all services set forth in the Scope of Works (SOWs) attached as exhibits to the MOU. In summary, this includes providing oversight of the day-to-day operation for both the IH and PSH facilities, maintenance, and supportive services/Intensive Case Management Services (ICMS) at both locations. The SOWs also include IH and PSH House Rules of Conduct for the Project and Management Plans.

Term - The term of the MOU should be from the date Council approves the MOU to 45 days after grant award announcement from HCD Homekey Round 2. If the grant funds are not awarded, this MOU will terminate and neither party will be obligated to the terms and provisions of the MOU. If the Homekey funds are awarded, the City will enter into a Professional Service Agreement (PSA) with Exodus to serve as the operator and lead service provider of the Project.

Payment/ Budget -There is no payment associated with entering into this MOU. If the Homekey funds are awarded the City will enter into a PSA with a defined budget for the Project. Budget and payment will be negotiated as part of the PSA.

Target Population - The Project will target the chronic homeless population who are higher users of emergency and outreach services. Occupants of the Project will be selected through the Coordinated Entry System (CES). The lead CES coordinator is Saint Joseph Center (SJC). The City has entered into an agreement with SJC to provide outreach services to the City's unhoused residents.

HCD Homekey Requirements - In the receipt of Homekey Funds Exodus must provide certification of good standing with the State of California, Articles of Incorporation, Bylaws and any amendments, and adhere to the HCD requirements under Tenant Selection, Housing First, Statewide and local Homeless Management Information Systems (HMIS) and Accessibility and Non- Discrimination (Notes).

### **Competitive Bidding Exemption**

The selection of Exodus for these professional services is exempted from the competitive bidding requirements pursuant to Section 3.07.065.A of the Culver City Municipal Code (CCMC), which allows for the award of a contract without complying with competitive bidding provided the contract is based upon competitive quotations, whenever practical, as determined by the City Manager. In this case, competitive quotes have been determined to be impractical based on two factors. First, to be considered for geographic set-aside funds under the HomeKey NOFA and additional bonus funding up-to \$730,000, applications must be submitted by January 31, 2022. This timeframe would not allow for an extensive Request for Proposal (RFP) process and the City must be expeditious in its actions to retain an operator and service provider for the Project. Housing staff has surveyed three agencies that provide housing, mental health and substance use supportive services in Los Angeles County and determine that Exodus has the local knowledge of Culver City's unhoused residents, direct experience of working with the Culver City SJC Outreach Team, and Culver City Police and Fire Departments in addressing the needs of residents (both housed and unhoused) experiencing crisis and experience in administering Homekey IH and PSH projects.

### **FISCAL ANALYSIS**

Outside of staff time, there is no fiscal impact in entering into a MOU with Exodus to serve as the lead operator and service provider of the Project. If awarded Homekey funds, staff will negotiate the terms and budget of a PSA with Exodus for the implementation of the Projects and return to City Council for the approval of the PSA.

## **MOTION**

That the City Council:

1. Approve entering into a Memorandum of Understanding with Exodus Recovery Inc. to serve as the lead operator and supportive service provider for the proposed Homekey Interim Housing and Permanent Supportive Housing Motel Conversion Project; and
2. Authorize the City Attorney to review/prepare the necessary documents; and
3. Authorize the City Manager to execute such documents on behalf of the City.

## **NOTES**

### **<sup>1</sup>Homekey NOFA/ Article V - Other Program Requirements**

#### **Section 501. Housing First**

The Eligible Applicant shall certify to employ the core components of Housing First, as set forth at Welfare and Institutions Code section 8255, in its property management and tenant selection practices. Projects shall accept tenants regardless of sobriety, participation in services or treatment, history of incarceration, credit history, or history of eviction in accordance with practices permitted pursuant to Housing First practices, including local Coordinated Entry System prioritization protocols, or other federal or state Project funding sources.

#### **Section 502. Tenant Selection**

Referrals to Homekey Assisted Units shall be made through the local Coordinated Entry System (CES) for persons who are experiencing Homelessness. For persons At Risk of Homelessness, CES or another comparable prioritization system based on greatest need shall be used. All referral protocols for Homekey Assisted Units must be developed in collaboration with the local CoC and implemented consistent with the requirements set forth in this NOFA. CoC collaboration in Project and supportive service design is also strongly encouraged to help target and serve greatest need populations.

#### **Section 503. Participation in Statewide HDIS/HMIS**

All Homekey Grantees shall support CoC participation in the statewide Homeless Data Integration System (HDIS), and, in accordance with state and federal law (including all applicable privacy law), disclose relevant data to the local Homeless Management Information System (HMIS).

#### **Section 505. Accessibility and Non-Discrimination**

All developments shall adhere to the accessibility requirements set forth in California Building Code Chapter 11A and 11B and the Americans with Disabilities Act, Title II.

In addition, developments shall adhere to either the Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. Part 8, or HUD's modified version of the 2010 ADA Standards for Accessible Design (Alternative 2010 ADAS), HUD-2014-0042-0001, 79 F.R. 29671 (5/27/14) (commonly referred to as "the Alternative Standards" or "HUD Deeming Memo"). Accessible units shall, to the maximum extent feasible and subject to reasonable health and safety requirements, be distributed throughout the Project and be available in a sufficient range of sizes and amenities consistent with 24 CFR part 8.26.

Grantees shall adopt a written non-discrimination policy requiring that no person shall, on the grounds of race, color, religion, sex,

gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, age, medical condition, genetic information, citizenship, primary language, immigration status (except where explicitly prohibited by federal law), arbitrary characteristics, and all other classes of individuals protected from discrimination under federal or state fair housing laws, individuals perceived to be a member of any of the preceding classes, or any individual or person associated with any of the preceding classes be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with program funds made available pursuant to this NOFA.

Grantees shall comply with the requirements of the Americans with Disabilities Act of 1990, the Fair Housing Amendments Act, the California Fair Employment and Housing Act, the Unruh Civil Rights Act, Government Code section 11135, Section 504 of the Rehabilitation Act of 1973, and all regulations promulgated pursuant to those statutes, including 24 CFR Part 100, 24 CFR Part 8, and 28 CFR Part 35.