

August 23, 2022

R-26

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute all documents necessary to amend Contract No. 35632 with KJP II Enterprises, LLC, dba Days Inn of Long Beach, CA, for use of a 47-unit property located at 1500 E Pacific Coast Hwy, as interim housing for people experiencing homelessness and in a COVID-19 high-risk category, in response to the proclaimed emergency for COVID-19, in a total amount not to exceed \$6,506,354, and extend the contract by two six-month terms to September 30, 2023. (Citywide)

DISCUSSION

City Council approval is requested to amend Contract No. 35632 with KJP II Enterprises, LLC, dba Days Inn (Days Inn), by extending the term of the contract by an additional two six-month terms to September 30, 2023, to continue providing a 47-unit property located at 1500 E Pacific Coast Hwy as interim housing for people experiencing homelessness and in a COVID-19 high-risk category. The authority is requested to quickly respond to potential future term extensions needed to provide this interim housing program.

As part of the overall assessment of potential City of Long Beach (City) needs to respond to the serious and imminent threat of an outbreak of COVID-19, it was determined there was a need to enter into leases for the use of public or private property not owned or controlled by the City, for emergency responses such as additional homeless shelters, staging areas, and temporary public safety facilities.

On April 14, 2020, the City Council authorized the City Manager to execute any and all documents necessary to enter into leases with public or private parties to lease or occupy real property in response to the proclaimed emergency due to the COVID-19 pandemic, and adopted a Resolution authorizing the City Manager to execute all necessary documents, including subcontracts and any subsequent amendments, to apply for, accept, and expend grant funding for financial assistance to respond to the COVID-19 pandemic.

On October 1, 2020, the City entered into a six-month agreement, with the option to extend the agreement by an additional six months, with KJP II Enterprises, dba Days Inn, for the provision of temporary non-congregate sheltering for people experiencing homelessness. On April 8, 2021, a first amendment to the agreement was executed to extend the existing contract by six months, and on September 1, 2021, a second

amendment to the agreement was executed to extend the contract for another four months. Additional funding was provided by the Federal Emergency Management Agency (FEMA), and on December 7, 2021, a third amendment to the agreement was executed to extend the contract through June 30, 2022. Subsequently, on February 7, 2022, a fourth amendment to the agreement was executed to increase the per-room rate by \$6, for a total of \$126 per room. Due to a grant funding extension beyond June 30, 2022, provided by the California Department of Social Services as a pass through from the County of Los Angeles, the Department of Health and Human Services (Health Department) has secured funding to continue operating the program through September 30, 2023. Consequently, a fifth amendment to extend the term of the contract through September 30, 2022 was executed.

On May 3, 2022, the City Council approved a receive and file for Contract No. 35632, including the first, second, third and fourth Days Inn to provide a facility to serve as interim housing for people experiencing homelessness and in a COVID-19 high-risk category.

Approval of the requested option for additional extensions will provide the Health Department with the flexibility needed to provide interim housing for people experiencing Homelessness, should the COVID-19 pandemic surge beyond September 30, 2022.

This matter was reviewed by Deputy City Attorney Anita Lakhani and Budget Management Officer Greg Sorensen on August 8, 2022, and by Purchasing Agent Michelle Wilson on August 1, 2022.

TIMING CONSIDERATIONS

City Council action to amend Contract No. 35632 is requested on August 23, 2022, to continue providing interim housing at the Days Inn facility, minimize interruptions to services and provide support to people at risk of or experiencing homelessness at increased vulnerability of COVID-19.

EQUITY LENS

The City has incorporated the Equity Toolkit in this recommendation, as requested by the City Council on April 21, 2020. The services provided will assist people experiencing homelessness in Long Beach who are at increased vulnerability for COVID-19 exposure by providing quality shelter services in a non-congregate shelter model.

FISCAL IMPACT

The requested action will extend the contract to September 30, 2023. The total contract amount with Days Inn will not exceed \$6,506,354. Expenses for this lease are offset by grant funding from the California Department of Social Services made available through Los Angeles County and the Emergency Solutions Grant, to address the spread of the Coronavirus (ESG-CV). This funding is made available through the CARES Act and Federal Emergency Management Authority (FEMA). As lead agency to administer

homeless services grants across the Long Beach Continuum of Care (CoC), ESG program expenses incurred by the Health and Human Services Department are being transferred to the Development Services Department on a quarterly basis where the ESG program funding is currently appropriated. Sufficient funds are appropriated in the Health Fund Group in the Health and Human Services Department and the Community Development Grant Funds Group in the Development Services Department. Costs will be eligible for funding under FEMA and other potential grant funding which the City continues to monitor. Should additional funding be granted, an appropriation increase will be requested as part of the midyear quarterly budget amendment. This recommendation supports temporary non-congregate sheltering for people experiencing homelessness and exposed to COVID-19 and has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.


Respectfully submitted,



KELLY COLOPY

DIRECTOR OF HEALTH AND HUMAN SERVICES

APPROVED:



THOMAS B. MODICA
CITY MANAGER