



staff report

TO: Honorable Mayor and Members of the City Council

ATTENTION: Jeffrey L. Stewart, City Manager

FROM: Jim DellaLonga, Director of Economic Development

SUBJECT: Consideration and possible action to authorize the City Manager to execute Amendment No. 1 to Agreement File No. 472.1.1, in a form approved by the City Attorney, between the City of Bellflower acting as the Successor Housing Agency to the Dissolved Bellflower Redevelopment Agency, and Little House, Inc., using savings from Our Place Housing Solutions (Agreement File No. 464.1) Homeless Prevention and Rapid-Rehousing Program to increase the funding for the completion of a 3-bedroom Americans with Disability Act (ADA) compliant unit with a multi-purpose room and kitchen for qualified low income Bellflower women with substance abuse problems and at-risk of becoming homeless.

DATE: June 13, 2016

EXECUTIVE SUMMARY

This action would authorize the City Manager to execute Amendment No. 1 to Agreement File No. 472.1.1 with Little House, Inc. The purpose of the Amendment is to increase the compensation to fund the completion of a 3-bedroom ADA compliant unit with a multi-purpose room and kitchen for qualified low income bellflower women with substance abuse problems and at-risk of becoming homeless.

RECOMMENDATION TO CITY COUNCIL

- 1) Authorize the City Manager to execute Amendment No. 1 to Agreement File No. 472.1.1, in a form approved by the City Attorney; or
- 2) Alternatively, discuss and take other action related to this item.

FISCAL IMPACT

Under the current Agreement, the total funding to Little House, Inc. (Little House), is an amount not to exceed \$342,000. The Agreement uses the amount available in the City of Bellflower Successor Housing Agency's (SHA) Low and Moderate Income Housing Asset Funds ("LMIHAF"). The Agreement provides three disbursements of funds over three fiscal years during the month of July or August from 2015 to 2017.

Staff Report – Amendment No. 1 to Agreement File No. 472.1.1

Little House, Inc.

June 13, 2016

Page 2 of 2

The Amendment proposes to increase the funding by \$20,000 to a total funding amount not to exceed \$362,000. The proposed Amendment also adds a fourth disbursement date of June 2016. Proposed funding will come from FY 2015-2016 savings for SHA’s Homeless Prevention and Rapid Re-housing Program with Our House Place Solutions (OPHS). OPHS is expected to spend approximately \$45,000 of the \$65,000 allotted for the program under Agreement File No. 464.1.

DISCUSSION

On May 12, 2014, the City SHA entered into Agreement File No. 472.1.1 with Little House for the development of a 3-bedroom ADA compliant unit with a multi-purpose room and kitchen for qualified low income Bellflower women with substance abuse problems and at-risk of becoming homeless. While a specific fund amount was approved for this Project as part of the budget, several unexpected expenses associated with the Project were not accounted for. These expenses include two Fire Department requirements to widen the driveway and install a sprinkler system plan. The third major expense included is the Edison connection. The existing power connection could not accommodate enough power for the Project; therefore a new connection is required.

The Project is currently 95% complete. The proposed Amendment will help close the funding gap required to complete the Project.

Little House is a State-licensed and certified facility that offers alcohol and drug treatment in a residential setting. Their services include family programs, group and individual therapy, discharge planning, and aftercare services. Little House receives funding to run their programs under the Los Angeles County Alcohol and Drug Program. Resident fees are based on ability to pay and no one is turned away due to the lack of funds.

ATTACHMENT

Amendment No. 1 to Agreement File No. 472.1.1..... 3

**AMENDMENT NO. 1 TO
AGREEMENT FILE NO. 472.1.1 BETWEEN
THE CITY OF BELLFLOWER ACTING AS THE SUCCESSOR HOUSING AGENCY
TO THE DISSOLVED BELLFLOWER REDEVELOPMENT AGENCY
AND LITTLE HOUSE, INC.
FOR DEVELOPMENT OF A 3-BEDROOM ADA COMPLIANT UNIT WITH A
MULTI-PURPOSE ROOM AND KITCHEN FOR LOW INCOME BELLFLOWER WOMEN WITH
SUBSTANCE ABUSE PROBLEMS AND AT-RISK OF BECOMING HOMELESS**

THIS AMENDMENT NO. 1 ("Amendment") is made and entered into this 13th day of June 2016, by and between the CITY OF BELLFLOWER, acting as the Successor Housing Agency to the Dissolved Bellflower Redevelopment Agency, a municipal corporation ("SHA"), and LITTLE HOUSE, INC., a California nonprofit corporation (hereinafter referred to as "Little House").

1. Section 1 of Agreement File No. 472.1.1 ("Agreement"), is amended to read as follows:

"Maximum payment from the Low and Moderate Income Housing Assets Funds ("LMIHAF") for the Project shall not exceed Three Hundred Sixty-two Thousand Dollars (\$362,000.00) plus any interest accrued on Little House's loan; provided that the interest is not accrued at more than six percent (6%) per year."
2. Section IV (B) of Agreement, is amended to read as follows:

"Reimbursement 3: By July/August 2017 in the amount of Twenty-three Thousand Ninety-seven Dollars (\$23,097.00), plus any accrued interest on Little House's loan will be reimbursed to Little House.

Reimbursement 4: June 2016 in the amount of Twenty Thousand Dollars (\$20,000.00), with no interest accrued."
3. This Amendment may be executed in any number or counterparts, each of which will be an original, but all of which together constitutes one instrument executed on the same date.
4. Except as modified by this Amendment, all other terms and conditions of Agreement File No. 472.1.1 remain the same.

IN WITNESS WHEREOF, the parties hereto have executed this contract the day and year first hereinabove written.

SUCCESSOR HOUSING AGENCY
a municipal corporation

LITTLE HOUSE, INC.,
a California nonprofit corporation

Jeffrey L. Stewart, City Manager

Samantha Salmeron, Executive Director

ATTEST:

Mayra Ochiqui, City Clerk

Taxpayer ID No. 95-2815107

APPROVED AS TO FORM:

Karl H. Berger, City Attorney

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