

South Bay Cities Council of Governments

September 11, 2023

TO: SBCCOG Steering Committee

FROM: Jacki Bacharach, SBCCOG Executive Director
Ronson Chu, SBCCOG Senior Project Manager for Homeless Services

SUBJECT: Motel Leasing and SRO Beds Program for Redondo Beach as the 1st pilot city

BACKGROUND

As part of its Local Solutions Fund programming, the SBCCOG is creating a Motel Leasing and SRO Beds Pilot Program for Cities and Non-Profits. In July of 2023, the Board approved the Local Solutions Fund which included \$350,000 set aside for a Motel/SRO Bed Leasing Pilot. Redondo Beach is seeking to be the first city to participate in this program and is requesting \$235,150 to lease 13 SRO beds and 2 motel rooms to house 28 people in a year's time (please see attached Redondo Beach proposal).

People on the streets face tremendous obstacles in their rehousing efforts. Without a stable roof over their heads, people experiencing homelessness have a hard time:

- a) preparing for job interviews (ex. phone charging)
- b) making routine medical appointments or keeping track of their medication
- c) connecting with their case managers and,
- d) face many other obstacles

This is why having interim housing solutions is so important in the fight against homelessness. However, interim housing can be in short supply.

The SBCCOG Motel/SRO Pilot Program seeks to provide participants with a safe space to work on their rehousing journey, and supplement cities' interim housing capacity. **This Pilot Program seeks to enter into MOU agreements with participating cities and/or non-profit partners.** The 1st pilot city will be Redondo Beach. The MOU agreement will include the following guidelines:

- 1) **Reimbursement** - Allow for cities to lease motel/SRO beds and seek reimbursement using the SBCCOG Local Solutions Fund
- 2) **Pricing** – Motel rates at roughly \$500-\$800 a week; SRO rates at roughly \$1,000/month
- 3) **Indemnification and Insurance** – Cities and/or Non-Profit Partners would agree to indemnify SBCCOG of any damages or liabilities. Cities and Partners would also agree to carry the necessary insurance for the program.
- 4) **Eligibility** – Participants must be at an acuity level where they can be in the rooms unsupervised. The program is open to Adults, Families, Seniors, and Veterans. Participants must be in the Coordinated Entry System (CES) and must have a housing plan created by the case manager. Participants must be in the SBCCOG jurisdiction.

- 5) **Duration** – For SRO beds, participants may enter into 6 month -12 month leases with the SRO provider. Extensions will be on a case by case basis and only if the participant has made progress in their housing plan. For Motels, participants can stay in the rooms for up to 3 months. Additional 3 month extensions may be granted provided the participant is reaching their milestones and progressing on their housing plan. A maximum of 3 extensions may be granted. SBCCOG reserves the right to approve eligibility and grant extensions after consultation with the case worker.
- 6) **Meals** – Cities and Partners must have a meal plan in place for all participants. The meal plan can include participants’ income for meals. If the participant does not have the means to procure meals, the City or Partner must find a suitable option such as a local food pantry or non-profit food provider.
- 7) **Check-ins** – Cities and Non-Profit Partners are required to have at least 2 check-ins a week. One check-in must be in person.
- 8) **Services** – In recognition that a successful housing plan may entail wrap around services, Cities and Partners shall provide the necessary behavioral health and/or physical health wrap around services. Other services that may be necessary include document services, transportation services, and legal services. The SBCCOG will receive monthly reports from Cities and Partners to confirm that necessary interventions are being provided.
- 9) **Furniture and Supplies** – For SRO housing, the SBCCOG’s Pilot Program will assist in the purchase of the bare necessities such as mattresses, microwaves, mini-fridge, fans, toilet paper, towels, dishes, and other welcome supplies. Cities and Partners must make an effort to solicit the community for these donations. Purchases will be coordinated through CES furniture providers when possible.
- 10) **Guests, Pets, and Program Rules** – Guests will be allowed, but no overnight stays. Motels generally do not allow pets without a fee. The Pilot Program will pay for service or comfort animals per the guidelines of the motel. For SRO rooms, the Pilot Program will adhere to landlord guidelines on pets. Cities and Partners will be required to have participants sign and acknowledge their understanding of the program rules. Suggested rules are below.

Suggested Motel/SRO Pilot Program Rules:

- No Violence: Any hostile physical contact from Participant to other guest/resident, neighbors, staff, visitors, or others at the Property. No threat of violence: Any hostile or aggressive speech, body language, real or implied, that suggests inflicting harm or threat of harm to another at the Property.
- No Disrespectful or Aggressive Conduct or Language toward staff, neighbors, or other guest/resident.
- No Drug & Criminal Activity: Drug and criminal activity are prohibited on or off the Property. The Program recognizes that LA County is a Housing First jurisdiction.
- No Illegal Activity/Conduct: Any violation of federal, state, or local laws whether witnessed directly or reasonably suspected
- Failure to maintain your unit in an acceptable condition: There is to be no property damage, excessive trash, debris, or personal belongings, or missing unit furnishings
- Pest Control Service and Property Management Instructions: Failure to comply with pest control services and Property Management instructions regarding the care of the unit may result in termination. Pest control service is a requirement to maintain the unit and

Participants will comply with instructions from pest control and/or Property Management to maintain the habitability of the unit.

- Consistent Violation of the Rules: Continuous disregard for any of the Program rules may result in termination.
- Public Intoxication: Participants are prohibited from consuming alcohol in the common areas of the property, and actions related to such consumption cannot interfere with the safety or quiet enjoyment of others.
- Voluntary/Involuntary Exits: Temporary absence without notifying management may result in permanent exit from program.
- Guests/Visitors are allowed on the property or in your unit. However, no overnight stays.
- Property Common Areas: The balconies, patio area, entryways, stairways, and other common areas should be free of debris, trash, and clutter. Nothing will be stored in the halls, staircases, or lobby of the Property.
- No Smoking in the unit. Use designated outside smoking area.
- No Alterations to the Unit or the Property: Participants are NOT allowed to make ANY alterations, additions, or repairs of any kind to the room (i.e., nails, push pins, tape, etc.)
- No Excessive/Loud Noise that disrupts the quiet enjoyment of other Participants from your room, the parking lot, or any other location on the Property at any time.
- For motel properties, no car repairs are allowed on the property.
- No PETS unless authorized by Program Management in advance of bringing the pet to the Property or to your unit. Dogs must be leashed when outside your unit. Clean up after your pet(s).

RECOMMENDATION

Recommend Board approval of the Guidelines and if the MOU is prepared by the Board meeting, approve an allocation of \$235,150 from the Local Solutions Fund.

ATTACHMENT:

**REDONDO BEACH PROPOSAL
FOR MOTEL AND SRO LEASING**

I. Overview

On June 22, 2023, the Board of Directors of the South Bay Cities Council of Governments (SBCCOG) approved the Local Solutions Fund Statement of Work, which allocated the \$2,344,214 Measure H Local Solutions Fund awarded by the Los Angeles County Executive Office – Homeless Initiative (CEO-HI). One of the Local Solution Fund allocations approved was \$350,000 for Motel and SRO Leasing. To date, no City has requested this funding.

SRO Leasing

Since 2020, the City of Redondo Beach has leased five (5) SRO apartments within SPA 8 to serve as bridge housing. During the Redondo Beach City Fiscal Year 2023-2024 Budget Approval process, the Mayor and Council approved leasing an additional thirteen (13) SRO apartments on the condition of identifying grant funding to pay the rent and necessary costs.

On January 11, 2022, the SBCCOG awarded the City of Redondo Beach Innovation funds for Interim Housing. On June 22, 2023, the SBCCOG Board of Directors awarded an additional \$80,000 to continue the project until November 22, 2024.

In June of 2023, the City of Redondo Beach entered into five leases with Swami International (Swami) to rent five (5) SRO's at \$1,050 per month for each SRO, starting July 2023 to November 2024. The City of Redondo Beach also agreed to pay an additional \$12.50 per month for each SRO for renter's insurance.

Swami has become a strong partner with the City of Redondo Beach and a great supporter of the Outdoor Homeless Court. The SRO's that Swami leases to Redondo Beach come with a shared kitchen, a shared laundry room, and multiple bathrooms. Swami requires that all tenants have a case manager working closely with them to obtain permanent housing. Swami also requires that the mattress and box spring is replaced with each new tenant to prevent bed bugs.

Due to the successful relationship between Swami and Redondo Beach as well as the number of units being leased, Redondo Beach Homeless Housing Navigator, Lila Omura, was able to negotiate a lower monthly rental at \$950 a month per unit.

The City is requesting funding to rent thirteen (13) SRO's, for renter's insurance, and for furniture and appliances such as mattresses, box springs, mattress frames, microwaves and mini refrigerators for each SRO.

Motel Leasing

There have been four occasions that Redondo Beach utilized the SBCCOG Client Aid Program specifically for motel stays. All four clients were long term Redondo Beach residents experiencing homelessness and suffering mental health illnesses. All four clients were service resistant, but due to the persistence of the Redondo Beach Homeless Housing Navigator, Lila

Omura, each client finally expressed readiness for housing. This readiness by a person experiencing homelessness who is also suffering a mental illness is often temporary, and the person could quickly change his or her mind. When that person expresses interest in shelter or housing, action needs to be taken immediately, which is one of the reasons this funding has been so successful. All four of these clients were either permanently housed or placed in the Redondo Beach Pallet Shelter, working on their housing plans.

As demonstrated by other clients who have needed motel stays both in Redondo and in other cities, motel stays give clients the opportunity to prepare for employment and housing appointments, as well as saves case managers time from having to search for the clients for these important appointments. Motel stays are quicker than bridge housing because they do not require background checks. Motel stays are a quick fix to get someone temporarily off the street so that the case manager can place them in the next day or so. Since the Redondo Beach Pallet Shelter is always fully occupied, Redondo Beach has placed many clients in motels, usually with the help of many faith based organizations in addition to the SBCCOG Client Aid Program. Having two motel rooms in place would save the Redondo Beach Homeless Housing Navigator time, stress and effort from having to secure funding, especially outside of business hours.

The City is requesting funding to rent two motel rooms at \$100 a night.

II. Objective

The City of Redondo Beach will use this funding to secure interim housing for individuals to be safely housed as they create and complete housing plans and behavioral health plans if needed.

III. Task

Target	6 months	12 months
Increase room inventory to 14	<ul style="list-style-type: none"> - Place 14 people - Move 14 people to permanent housing 	<ul style="list-style-type: none"> - Place 28 people - Move 28 people to permanent housing

IV. Pricing Schedule

Proposal	6 mos	12 mos
SRO Rent (\$950 for each SRO per month)	\$74,100	\$148,200
Renter's insurance and admin fee (\$12.50 for each SRO per month)	\$975	\$1,950
Mattress, box spring, mattress frame, microwave, and mini refrigerator	\$8,000	\$12,000
Motel stay (2 rooms for \$100 a night)	\$36,600	\$73,000
Total	\$119,675	\$235,150