



## CITY OF BEVERLY HILLS STAFF REPORT

**Meeting Date:** February 21, 2012  
**To:** Honorable Mayor & City Council  
**From:** James R. Latta, L.C.S.W., Human Services Administrator  
**Subject:** Community Development Block Grant Funds: Proposal For Funding  
Regional Homeless Permanent Supportive Housing

**Attachment:** Location of Tamarind Avenue Permanent Supportive Housing  
Project

---

### **RECOMMENDATION**

At the February 7, 2012, Formal meeting, City Council approved the sale of \$90,000 of unexpended CDBG funds for \$63,000 of general funds from an established willing buyer. Staff recommends the use of the \$63,000 of unrestricted funds for the purchase of a dedicated permanent supportive housing unit to benefit homeless individuals in Beverly Hills.

### **INTRODUCTION**

On November 3, 2011 City Council adopted a resolution adding the City of Beverly Hills to a list of supporters of *Home For Good*. *Home for Good* is a blueprint for ending homelessness in Los Angeles County by 2016. The Resolution formalized the City of Beverly Hills' commitment to regional solutions to homelessness and permanent, supportive housing for the most vulnerable people who are homeless. The *Home For Good* plan of action specifically asks community, business and education partners, non-profit organizations, and other government entities in Los Angeles County to join together in the commitment to end chronic and Veteran homelessness.

The City of Beverly Hills has the unique opportunity to purchase a dedicated ready to move in unit worth approximately \$96,000 for \$63,000 of unrestricted general funds that were obtained in exchange for unspent CDBG funds. The unit of interest is situated within a 10 unit building located at 1146 Tamarind Avenue in Los Angeles which is approximately 5.23 miles from Beverly Hills. Built in the late 1930's, the building is in excellent shape and the seller recently upgraded and refurbished seven of the ten units. Step Up On Second closed escrow on October 11, 2011. Tod Lipka, President and Chief

Meeting Date: February 21, 2012

Executive Officer of Step Up On Second will be present at the study session to answer any questions.

### **DISCUSSION**

The City receives an annual allocation of federal Community Development Block Grant (CDBG) funds through the Los Angeles County Development Commission (LACDC). These funds must be used to assist low to moderate income persons and households in the City. It can be particularly difficult for cities such as Beverly Hills, without qualified low-income areas, to find CDBG-eligible projects. Generally, CDBG-funded projects must be located within the city's jurisdiction except for projects serving the homeless. Such projects may be located anywhere in the County as they will still benefit homeless persons from the city providing the CDBG funds. Since the City has been unable to build a large enough CDBG construction fund for an eligible development within the City limits and unused funds must be returned to the Federal Government within a specified time period, it makes sense to continue to apply the funding in support of a regional construction project that may be used by and benefit the City's homeless.

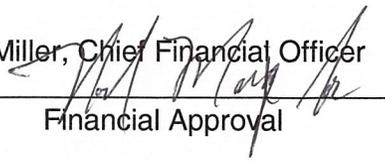
Step Up On Second is a community based, nondenominational 501C (3) non-profit social service agency founded to address the unmet mental health and housing needs of very low income homeless individuals in the region. The acquisition of Tamarind Ave. means that Step Up now has 76 permanent supportive housing units in development across three projects in Hollywood, all geared to provide housing to the most chronically homeless on the streets with a mental illness. Like Step Up's other Hollywood projects, they are in partnership with Aileen Getty, who graciously provided full acquisition funding (\$960,000) for the Tamarind building. Ms. Getty provided a long term (20 year) low interest loan to Step Up for the purchase of the property with the consideration to forgive a portion of the loan, should Step Up raise additional support for the project. Following the acquisition of the property, Los Angeles County Supervisor, Zev Yaroslavsky approved a grant of \$250,000 for the Tamarind project.

For the past four years, the City has contracted with Step Up On Second for the Changing Lives and Sharing Places (CLASP) homeless outreach program. The CLASP team works closely with City staff to engage and refer for assistance members of the Beverly Hills homeless community. Providing just one permanent supportive housing unit would greatly assist the outreach team in their efforts to make a difference. This is also consistent with the policies outlined in the recently approved City's Housing Element. Supporting this plan reflects the City of Beverly Hills' commitment to permanent, supportive housing for the most vulnerable people who are homeless in our community.

### **FISCAL IMPACT**

The sale of unexpended CDBG funds to an established willing buyer will provide the \$63,000 to the general fund to purchase the dedicated unit of housing for the City's homeless program. The lump sum payment of \$63,000 will be due and payable to the City of Beverly Hills on or before July, 31, 2012.

Scott Miller, Chief Financial Officer

  
Financial Approval

Steve Zoet, Director C.S.

  
Approved By

# ATTACHMENT 1

# 1146 Tamarind Ave.

Total Travel Estimate: 5.23 miles - about 15 minutes

