



COUNTY of VENTURA

COUNTY EXECUTIVE OFFICE
SEVET JOHNSON, PsyD
County Executive Officer

February 27, 2024

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, CA 93009

Mike Pettit
Assistant County Executive Officer

Kaye Mand
County Chief Financial Officer

Shawn Atin
Assistant County Executive Officer/
Human Resources Director
Labor Relations

Subject: Approval of, and Authorization for, the County Executive Officer or Designee, to Enter into a First Amendment of the Lease Agreement with Ventura Vagabond Inn, LLC ("Lease Agreement") for a One-Year Period from March 1, 2024, Through February 28, 2025, for \$205,000 Per Month, not to exceed \$2,460,000, with Ability to Terminate the Lease Agreement after Six Months; Find that the Lease Agreement is Categorically Exempt from the California Environmental Quality Act; Supervisorial District No. 1; Authorize the Auditor-Controller to Process Budgetary Adjustments Associated with this Amendment (Recommendation 3: 4/5ths Vote Required)

Recommendations:

1. Approve, and authorize the CEO, or designee, to enter into a first amendment of the lease agreement ("Lease Agreement") with the Ventura Vagabond Inn, LLC ("Ventura Vagabond") for a one-year period from March 1, 2024, through February 28, 2025, for \$ 205,000 per month, not to exceed \$2,460,000, with ability to cancel after six months with thirty days' advance notice; and
2. Find that your Board's approval of the Lease Agreement with Ventura Vagabond is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15301 as an action solely to lease existing facilities.
3. Authorize the Auditor-Controller to process the accounting transactions necessary to establish appropriations and unanticipated revenues as follows (4/5ths vote required):

INCREASE	1010-1011	Other Charges	\$1,230,000
INCREASE	1010-1011	Other Financing Sources	\$1,230,000

STRATEGIC PRIORITY:

This action addresses the Strategic Priority to 'Address Homelessness and Lift Up the Most Vulnerable' by extending non-congregate shelter availability for our most vulnerable residents.

FISCAL/MANDATES IMPACT: Division 1010 - CEO

Mandatory: No
Source of Funding: Community Development Block Grant – CARES Act (CDBG-CV); Homeless Housing, Assistance and Prevention (HHAP)
Funding Match Required: None
Impact on Other Departments: N/A

	<u>FY 2023-24</u>	<u>FY 2024-25</u>
<u>Summary of Revenues and Costs:</u>		
Revenues:	\$ 820,000	\$ 410,000
Costs:		\$ 0
Direct	\$ 820,000	\$ 1,640,000
Indirect-Dept	\$ 0	\$ 0
Indirect-County CAP	\$ 0	\$ 0
Total Cost	\$ 820,000	\$ 1,640,000
Net County Cost	\$ 0	\$ 1,230,000
Recovered Indirect Costs	\$ 0	\$ 0

FY 2023-24 Budget Projection for County Executive Office – Division 1010				
	Adopted Budget	Adjusted Budget	Projected Budget	Estimated Savings/(Deficit)
Appropriations	\$ 34,727,259	\$ 52,559,467	\$ 49,546,142	\$ 3,013,325
Revenue	\$ 18,560,539	\$ 22,248,061	\$ 21,909,455	\$ (338,606)
Net Cost	\$ 16,166,720	\$ 30,311,406	\$ 27,636,687	\$ 2,674,719

Due to the early termination provision in this amendment appropriations requested only reflected six months of service. If this program continues beyond that point, our office will return to your Board to seek additional appropriations.

BACKGROUND

The County of Ventura launched Project Roomkey (PRK) in March 2020 in response to the COVID-19 pandemic, providing non-congregate shelter, meals, and supportive

services to unhoused persons at increased risk of illness and death from the virus. Nearly 900 persons have been sheltered, with over 500 persons exiting to permanent or temporary housing placements. Currently, 110 people remain sheltered in motels with another 35 people in non-congregate shelter at Casa Aliento, formerly the former Oxnard Vagabond Inn, pending its conversion into permanent supportive housing.

Casa Aliento and PRK, including shelter and food costs, were 100% reimbursed by FEMA until July 1, 2022. Effective July 2, 2022, through May 11, 2023, FEMA funding was extended at a reduced rate of 90%. Funds received from the California Department of Social Services to support PRK (\$820,157 from Round 1 and \$4,315,276 from Round 2) are nearly exhausted.

DISCUSSION

On February 28, 2023, your Board authorized entering into a one-year lease with the Ventura Vagabond Hotel. This arrangement served to reduce costs from \$115/night to roughly \$86/night equivalent by leasing the entire property in lieu of issuing individual motel vouchers. Over the past year, we've successfully exited all clients from the Best Western in Ventura to permanent or temporary placements in housing or shifted clients into vacant rooms at the adjacent Vagabond Hotel. 124 persons remain sheltered in the PRK program with 78 rooms at the Ventura Vagabond and 32 rooms at the Premier Inn in Thousand Oaks (14 persons are secondary clients – caregivers or partners).

As has been the goal since PRK's inception in March 2020, it is hoped that the program can be extended long enough to transition all remaining participants to permanent housing. Given delays in new housing units coming online, the remaining CDSS funding, which supported PRK when FEMA funding ended at the conclusion of the public health emergency, has nearly been exhausted. To continue the program, staff have identified unprogrammed CDBG-CV funds (just under \$130K), administrative funds from both CDBG-CV and HHAP (\$700K not likely to be drawn due to lack of eligible staffing costs to bill against these programs), along with interest earnings from grant funds sitting in trust (\$481K) to continue the PRK program. While additional sources continue to be sought, the funds identified above are sufficient to carry the program for the minimum six-month period of the one-year lease extension at the Vagabond in Ventura. While the lease extension retains all terms and conditions from our original agreement, staff were able to negotiate a slightly reduced rate of \$205,000 per month, down from \$210,000.

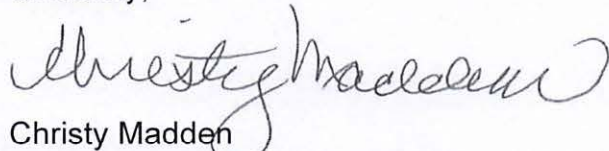
In looking at new housing units coming online that may be available to participants in PRK, Westview Village Phase II (5 units) and Central Terrace (35 units) are scheduled to be completed in March of 2024. Casa Aliento will have 20 units for persons experiencing homelessness (in addition to the 40 units already serving as non-congregate shelter) which should be available for occupancy in the Spring of 2024. The recently awarded

Valentine Road Homekey project in Ventura will have 72 units reserved for persons experiencing homelessness or who qualify as chronically homeless, the timing of which is dependent upon contract award and construction schedules but optimistically at least a portion of the units should become available towards the end of 2024. We continue to partner with United Way's Landlord Engagement team to increase private placements in permanent housing.

Your Board's approval of the Lease Agreement with the Ventura Vagabond is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15301 as an action to continue to lease existing facilities. Staff has also determined that no unusual circumstances or other facts set forth in CEQA Guidelines section 15300.2(c) precludes use of this categorical exemption.

This item has been reviewed by the offices of the Auditor-Controller and County Counsel. If you have questions regarding this item, please contact Christy Madden at 654-2679.

Sincerely,



Christy Madden
Senior Deputy Executive Officer



Sevet Johnson, PsyD.
County Executive Officer

Exhibit 1: First Amendment to Lease Agreement between County of Ventura and Vagabond San Buenaventura