

MOTION

HOUSING

For over 40 years, 1736 Family Crisis Center (FCC) has been assisting victims of domestic violence, runaway and homeless youth, homeless families, unemployed adults and youth, and other low-income community members with such services as therapy, legal counseling and emergency shelter. FCC serves approximately 5,000 families, individuals and youth each year.

On March 12, 2008, the City Council approved a Community Development Block Grant (CDBG) loan in the amount of \$971,188 to 1736 Family Crisis Center (FCC) Youth Shelter Project (C.F.10-1235 and 10-1235-S1) which was to be repaid with CDBG-eligible services. The original contract implementing this action became effective on July 28, 2008 and was subsequently amended for time extensions in 2009, 2011, and 2013. The contract agreement (C-114713) was for land acquisition and building improvements to allow emergency shelter services to be provided to youth at a single-family residence in Council District 11.

FCC has since received adequate non-City grant funding to complete the necessary improvements to the residence to allow for its use as a shelter. Council District 11 remains committed to this project as FCC continues to provide necessary services to the community. Upon completion of the improvements and opening of the shelter, FCC will have the ability to begin repayment of the City's loan in the form of providing services to low and moderate income young people in need. Under the current contract, Promissory Note, and Deed of Trust, the payback in services is valued at \$40,000 per year, which will amortize for 24 years and four months. Since the execution of this agreement, the Housing and Community Investment Department has revised its service payback rate to \$100,000 per year. To permit FCC to finish construction and bring the contract up to date to current payback rules, all applicable agreements, including the contract, Promissory Note, and Deed of Trust should be extended one year and the service payback rate increased to \$100,000 per year, resulting in a payback period of approximately 10 years.

I THEREFORE MOVE that the General Manager of the Housing and Community Investment Department, or designee, be authorized to negotiate and execute an amendment to City contract C-114713 with the 1736 Family Crisis Center to extend the term of the current contract for 12 months to August 1, 2016, subject to approval of the City Attorney.

I FURTHER MOVE that the General Manager of the Housing and Community Investment Department, or designee, be authorized to amend all necessary agreements, including but not limited to the contract, Promissory Note, and Deed of Trust to permit 1736 Family Crisis Center to provide a loan payback in the form of services at the rate of \$100,000 per year, resulting in a payback period of approximately 10 years, subject to approval of the City Attorney.



JUL 28 2015

PRESENTED BY:



MIKE BONIN
Councilmember, 11th District

SECONDED BY:



ORIGINAL