



**City of Santa Ana**  
**20 Civic Center Plaza, Santa Ana, CA 92701**  
**Staff Report**  
**January 18, 2022**

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**TOPIC:** Amendment to Operating Agreement with Salvation Army

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**AGENDA TITLE:**

Approve a Second Amendment to Salvation Army Agreement to Extend the Operation of a Temporary Shelter at the Hospitality House for One Month (Non-General Fund)

**RECOMMENDED ACTION**

Authorize the City Manager to execute:

1. A second amendment to the agreement with Salvation Army for the operation of a temporary shelter at the Hospitality House, extending the term for an additional month at the amount of \$130,000 per month, for a total aggregate amount not to exceed \$1,040,000, subject to non-substantive changes approved by the City Manager and City Attorney.
2. A second amendment to the funding agreement with Salvation Army to use \$130,000 per month of additional ESG-CV funds to operate the shelter at the Hospitality House, for a total aggregate amount not to exceed \$1,040,000, subject to non-substantive changes approved by the City Manager and City Attorney.

**DISCUSSION**

On June 15, 2021, City Council approved an agreement with the Salvation Army to operate a temporary 75-bed homeless shelter at 818 E Third Street in Santa Ana, in the amount of \$390,000 for an anticipated 90-day period, subject to extension through December 31, 2021, for a total not to exceed amount of \$780,000. On November 16, the City Council approved an amendment to the agreement to continue operation of the temporary shelter through January 31, 2022 for the monthly extension rate of \$130,000, bringing the total agreement not to exceed amount to \$910,000. The Hospitality House has provided shelter for approximately 50 men since opening, follows the City's referral process, and does not accept walk-ins. The shelter provides men a clean, safe personal bed space, three nourishing meals per day, and the opportunity to work with a professional Housing Navigator to expedite their placement in permanent housing.

Unforeseen circumstances, including COVID-19, heavy rainstorms over the holidays, and the supply chain crisis, have delayed the opening of the Homeless Navigation Center. For this reason, it is necessary for the temporary site to be extended through the final stages of construction. Utilizing this same site will provide the continuity of care for shelter guests without any interruption of service.

**FISCAL IMPACT**

Funds in the amount of \$130,000 are available in the Emergency Solutions Grant-CV grant, Payment to Subagent account (no.13518789 -69135) for expenditure in the current fiscal year.

**EXHIBIT(S)**

1. Amendment to agreement with Salvation Army to operate the Hospitality House as a temporary shelter.
2. Amendment to the funding agreement with Salvation Army for use of ESG-CV funds to operate the Hospitality House as a temporary shelter.

Submitted By: Steven Mendoza, Assistant City Manager

Approved By: Kristine Ridge, City Manager