



AGENDA STAFF REPORT

Control: 26001276

MEETING DATE: 05/19/2026

LEGAL ENTITY TAKING ACTION: Board of Supervisors

BOARD OF SUPERVISORS DISTRICT(S): District 5

SUBMITTING AGENCY/DEPARTMENT: County Executive Office

DEPARTMENT CONTACT PERSON(S): Douglas Becht, 714-834-5000
Zulima Lundy, 714-834-6805

SUBJECT: Memorandum of Understanding for Emergency Shelter Operations

CEO CONCUR	COUNTY COUNSEL REVIEW	CLERK OF THE BOARD
Concur	Approve agreement to form	DISCUSSION
		3 Votes Board Majority

Budgeted: N/A	Current Year Cost: N/A	Annual Cost: FY 2026-27 \$140,326
Staffing Impact: No	Funding Source: Federal: 100% (CDBG)	Sole Source: No
Current Fiscal Year Revenue: N/A		County Audit in Last 3 years: No
Levine Act Review Completed? N/A		
Prior Board Action: 5/20/2025 #80, 6/25/2024 #13, 5/23/2023 #53		

RECOMMENDED ACTION(S):

Authorize the Office of Care Coordination Director or designee to execute Amendment No. 3 to Memorandum of Understanding for Emergency Shelter Operations with the City of Laguna Beach to increase the budget in an amount not to exceed \$140,326, effective July 1, 2026, through June 30, 2027, for a revised cumulative total amount not to exceed \$966,415.

SUMMARY:

Approval of the Amendment to the Memorandum of Understanding with the City of Laguna Beach will continue to provide Community Development Block Grant funding to support emergency shelter operations at the Alternative Sleeping Location.

BACKGROUND INFORMATION:

The Memorandum of Understanding (MOU) between the County of Orange (County) and the City of Laguna Beach (City) provides Community Development Block Grant (CDBG) funding to support emergency shelter operations at the Alternative Sleeping Location (ASL). The ASL is a low barrier, 20-bed emergency shelter located within the City and operated by Friendship Shelter, Inc.

The ASL will operate in accordance with the County's Standards of Care for Emergency Shelter Providers (Standards of Care) during the term of the MOU. The Standards of Care is a comprehensive set of administrative, operational, and facility-based standards designed to support the quality and consistency of program operations, evidence-based participant services, core organizational and administrative functions, and facility design and operations.

On an annual basis, the U.S. Department of Housing and Urban Development (HUD) provides CDBG program funding to states, cities and counties viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons. The County completed the Funding Allocation Policy and Process (FAPP) to outline the methods used by Urban County Program to distribute federal and local funds, including CDBG. The Urban County Program is comprised of 12 cities with populations under 50,000 (small participating cities), two cities with populations over 50,000 (metropolitan or Metro cities) and unincorporated areas of Orange County. The Urban County Program includes the City, as a small participating city. Through the FAPP, the County and the City agreed that the CDBG funding would be utilized to support the operations of a low-barrier emergency shelter program.

Prior Board of Supervisors (Board) Actions

Board Date	Contract or Amendment Number	Term	Maximum Obligation	Board Action
May 23, 2023	MOU	July 1, 2023, through June 30, 2024	\$545,437	Approved as Recommended
June 25, 2024	Amendment No. 1	July 1, 2023, through June 30, 2025	\$685,763	Approved as Recommended
May 20, 2025	Amendment No. 2	July 1, 2023, through June 30, 2026	\$826,089	Approved as Recommended

The City has performed pursuant to and consistent with the terms of the MOU. The Laguna Beach City Council approved the MOU during the April 14, 2026, meeting.

The Office of Care Coordination requests that the Board approve the Amendment to the MOU for Emergency Shelter Operations with the City as referenced in the Recommended Action above. Approval of the Amendment to the MOU will support the maintenance of a critical resource that provides emergency shelter and access to supportive services to individuals experiencing homelessness, and support the City’s commitment and efforts to address homelessness.

FINANCIAL IMPACT:

Appropriations for this MOU will be included in Budget Control 018 for the FY 2026-27 Budget. This Amendment to the MOU has no impact on the County General Fund.

The proposed funding sources are:

- Federal: 100%
- Community Development Block Grant [100%]

STAFFING IMPACT:

N/A

REVIEWING AGENCIES/DEPARTMENTS:

OC Community Resources

ATTACHMENTS:

Attachment A - Amendment No. 3 to Memorandum of Understanding with City of Laguna Beach