

# Sedgwick County

525 North Main Street 3rd Floor Wichita, KS 67203

## Legislation Text

File #: 14-1240, Version: 1

Second amendment to the lease agreements between Keith Bomholt and Sedgwick County for apartments for COMCARE's Permanent Housing Project.

Recommended Action: Approve the agreements and authorize the Chairman to sign.

Background: In August 2003, COMCARE's Homeless Program received HUD's approval to implement a Transitional Housing Program. This program offered stable housing, mental health services, addiction treatment, and banking services for people enrolled at any point in time for a duration of up to two years. The program was funded through two separate grants that provided for a total of 21 units.

Recent changes in HUD directives for receiving funding have necessitated more of a permanent focus on housing options. As a result, terms are being revised for the current lease agreements covering these units.

The Second Amendment to Lease Agreements revises the current agreements to cover a reduced total of 19 one-bedroom units. The "Safety Net" agreement covers 11 units at a monthly rental rate of \$524.00 per unit, while the "Samaritan" agreement covers 8 units at a monthly rental rate of \$515.00 per unit. Rates have been approved by the property owner and more accurately reflect market rental rates for units in which all utilities are included. Minor differences in the rent rate between the two agreements are necessitated by the funding coverage limits from HUD for each funding source.

Changes to these agreements are effective May 1, 2014. The "Safety Net" agreement is a one-year term, through April 2015. The "Samaritan" agreement is effective for an initial eight month term, through December 31, 2014. The agreements are automatically renewed each successive year, on the date that matches their funding renewal. Automatic renewals are subject to the program continuing to receive annual approval from the Department of Housing and Urban Development (HUD) for the grants that are used to pay lease costs for these units. It should be noted that the original lease agreements also contain language allowing for termination with a 30 day notice.

Alternatives: The BoCC could choose not to approve these Second Amendment to Lease Agreements, in which case COMCARE would need to immediately find alternative housing for all participants currently living in the apartments prior to May 1, 2014.

### Financial Considerations:

310965-14 Center City Safety Net Housing HUD Grant (05/01/2014 - 04/30/2015)

310975-14 Center City Samaritan HUD Grant (01/01/2014 - 12/31/2014)

#### Monthly costs:

11, one-bedroom apartments x \$524.00 = \$5,764.00 (Safety Net units)

8, one-bedroom apartments x \$515.00 = \$4,120.00 (Samaritan units)

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Annual total for all units not to exceed \$118,608.00

Additional budget authority is not requested.

Legal Considerations: The authority for this action is K.S.A. 19-101. A simple majority vote is required.

Policy Considerations: All Sedgwick County policies have been followed.