

**AMENDMENT NO. 1 TO  
PROFESSIONAL SERVICES AGREEMENT  
WITH PA-AN INC.**

This Amendment No. 1 to the Professional Services Agreement dated March 6, 2024 ("Agreement") is made and entered into as of this 20th day of November 2024, by and between the City of San Bernardino, a charter city and municipal corporation ("City"), and Pa-An Inc. (Studio 6 Suites) ("Owner"). City and Owner are sometimes referred to herein individually as a "Party" and collectively as the "Parties."

**RECITALS**

A. WHEREAS, City and Owner entered into the Agreement on March 6, 2024, to provide motel rooms for the Emergency Shelter Program.

B. WHEREAS, on December 7, 2022, City Council allocated \$12.5 million in American Rescue Plan Act (ARPA) funding for homeless services with \$4.5 million specifically designated for operating a low-barrier Navigation Center.

C. WHEREAS, on February 1, 2023, the City declared a Homelessness State of Emergency, followed by the approval of an Implementation Plan on May 17, 2023. This plan highlighted the urgent need for emergency and interim shelters due to the near-full capacity of existing shelters.

D. WHEREAS, on July 19, 2023, the City Council amended Permanent Local Housing Allocation Funds and, on August 16, 2023, approved a Substantial Amendment to the FY 2020-2021 Annual Action Plan, reallocating CDBG-CV funds to support interim shelter activities.

E. WHEREAS, on December 6, 2023, the City Council formally approved the Motel Voucher Program, authorizing Professional Service Agreements with motel operators to provide interim shelter. In addition, staff were directed to seek local motel operators due to concerns about facilities outside city limits.

F. WHEREAS, on March 6, 2024, the City entered into agreements with three motels—Pa-An, Inc., Namaste Sitiye Inc., and SB Hotel North LLC—for \$2,751,840.

G. WHEREAS, on April 19, 2024, the City canceled the Professional Services Agreement (PSA) with Century RSVP, LLC via email. The decision followed multiple requests and reminders for proper documentation to complete the agreement and concerns over the program's lack of ADA compliance.

NOW, THEREFORE, in consideration of the above recitals and the mutual covenants, conditions, and promises contained in this Amendment No. 1 and the original Agreement, the Parties mutually agree as follows:

**AGREEMENT**

Studio 6 Suites (Updated Rate Schedule)								
Month	Number of Single Rooms	RATE 1	Number of Double Rooms	RATE 2	Nights	Cost of Single Rooms Per Month	Cost of Double Rooms Per Month	Program Cost Per Month
1	20	70	10	80	30	\$ 42,000.00	\$ 24,000.00	\$ 66,000.00
2	20	70	10	80	30	\$ 42,000.00	\$ 24,000.00	\$ 66,000.00
3	20	70	10	80	30	\$ 42,000.00	\$ 24,000.00	\$ 66,000.00
4	20	70	10	80	30	\$ 42,000.00	\$ 24,000.00	\$ 66,000.00
5	20	70	10	80	30	\$ 42,000.00	\$ 24,000.00	\$ 66,000.00
6	20	70	10	80	30	\$ 42,000.00	\$ 24,000.00	\$ 66,000.00
7	20	70	10	80	30	\$ 42,000.00	\$ 24,000.00	\$ 66,000.00
8	20	70	10	80	30	\$ 42,000.00	\$ 24,000.00	\$ 66,000.00
9	20	70	10	80	30	\$ 42,000.00	\$ 24,000.00	\$ 66,000.00
10	20	70	10	80	30	\$ 42,000.00	\$ 24,000.00	\$ 66,000.00
11	20	70	10	80	4	\$ 5,600.00	\$ 3,200.00	\$ 8,800.00
12	20	70	10	80	0	\$ -	\$ -	\$ -
								\$ 668,800.00
<b>NOT TO EXCEED TOTAL ANNUAL AMOUNT:</b>								<b>\$668,640</b>

- a. Permanent Local Housing Fund Allocation: \$229,939
- b. Community Development Block Grant Coronavirus: \$438,701

**Total Number of Single Rooms: 20**

**Total Number of Double Rooms: 10**

**Total Number of Beds: 40”**

4. Full Force. Except as amended by this Amendment No. 1, all provisions of the original Agreement shall remain in full force and effect.

5. Electronic Transmission. A manually signed copy of this Amendment No. 1, which is transmitted by facsimile, email, or other means of electronic transmission, shall be deemed to have the same legal effect as delivery of an original executed copy for all purposes. This Amendment No. 1 may be signed using an electronic signature.

6. Counterparts. This Amendment No. 1 may be signed in counterparts, each of which shall constitute an original and together which shall constitute one and the same Amendment No. 1.

**SIGNATURE PAGE FOR  
AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES AGREEMENT WITH  
PA-AN INC.**

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 1 on the Effective Date first herein above written.

**CITY OF SAN BERNARDINO**

**OWNER**

APPROVED BY:

**PA-AN INC.**

\_\_\_\_\_  
Rochelle Clayton  
Acting City Manager

APPROVED BY:

\_\_\_\_\_  
Andy Patel  
Owner

APPROVED AS TO FORM:

\_\_\_\_\_  
Best Best & Krieger LLP