

# Agenda Report

**DATE:** APRIL 28, 2003

**TO:** CITY COUNCIL/PASADENA COMMUNITY DEVELOPMENT COMMISSION

**FROM:** CITY MANAGER/CHIEF EXECUTIVE OFFICER

**SUBJECT: JOINT ACTION: SECOND AMENDMENT TO THE EMERGENCY HOMELESS RESPONSE PROJECT SUBRECIPIENT AGREEMENT WITH THE ECUMENICAL COUNCIL OF PASADENA AREA CHURCHES FOR THE PROVISION OF EMERGENCY HOMELESS ASSISTANCE SERVICES IN RESPONSE TO THE EVACUATION OF THE WASHINGTON THEATER COMPLEX**

## **RECOMMENDATION:**

It is recommended that the City Council and the Pasadena Community Development Commission take the following actions:

1. Approve the terms and condition of the Second Amendment to the Emergency Homeless Response Project Sub-recipient Agreement No. 18,010/CDC- 491 between the City and Ecumenical Council of Pasadena Area Churches ("Sub-recipient");
2. Approve a journal voucher appropriating \$225,000 (HOME Program - \$175,000; Emergency Shelter Grant - \$50,000) to the EHRP project account for the provision of emergency homeless assistance services; and
3. Authorize/direct the City Manager/Chief Executive Officer to execute, and the City Clerk/Secretary to attest the Second Amendment, and take actions necessary to implement EHRP.

## **EXECUTIVE SUMMARY:**

The Second Amendment to Emergency Homeless Response Project (EHRP) Sub-recipient Agreement provides \$225,000 for the continued provision of emergency homeless assistance services with supplemented and focused assistance for those households that were recently displaced by the evacuation of the Washington Theater Complex. These households were required to vacate the Complex due to existing conditions that make the apartment building uninhabitable. The Ecumenical Council in partnership with the City of Pasadena is coordinating both the annual operation (\$50,000) of the EHRP and the expanded delivery of the services (\$175,000) to those households displaced from the Washington Theater Complex.

**BACKGROUND:**

On June 10, 2002, the City Council/Pasadena Community Development Commission authorized the City Manager/Chief Executive Officer to enter into a Sub-recipient Agreement (18,010/CDC-491) with the Ecumenical Council of Pasadena Area Churches for operation of the Emergency Homeless Response Project. The Emergency Homeless Response Project (EHRP) was developed with the support of the City of Pasadena to effectively respond to displaced low-income Pasadena tenants who are living in rental housing and/or formerly homeless persons who need permanent housing. EHRP includes a coalition of agencies (Ecumenical Council of Pasadena Area Churches, Union Station Foundation, Passageways, Pacific Clinics, Housing Rights Center, American Red Cross, Neighborhood Legal Services, City of Pasadena, etc.) that provide emergency homeless prevention services to Pasadena low/moderate income families and individuals.

The Ecumenical Council of Pasadena Area Churches (Ecumenical Council) administers the EHRP which provides services throughout the year to low-income families including: temporary emergency shelter, emergency food, clothing, household bedding and supplies, homeless prevention services, rental assistance, and start-up assistance for permanent housing. Since 1982, the Ecumenical Council has coordinated temporary emergency shelter for displaced families in Pasadena. On March 3, 2003, the Human Services Commission again recommended FY2003-04 Emergency Shelter Grant funding in the amount of \$50,000 for the EHRP. However, based on the recent emergency evacuation of the Washington Theater on April 2, 2003, the recommended EHRP, as amended herewith, shall also provide focused homeless assistance services to those affected households whom were in residence at the Washington Theater Complex at the time of the recent emergency evacuations. Additional funding for emergency homeless assistance in the amount of \$175,000 from the HOME Investment Partnership Program is recommended to fund the immediate needs of those affected tenants.

**WASHINGTON THEATER COMPLEX – EMERGENCY INTERVENTION**

The Washington Theater Complex (Complex) located at 851 East Washington Boulevard consists of the historic theater, 6 commercial spaces and 40 sub-standard apartment units. On the ground level of the Complex is the dilapidated theatre (closed) with 6 adjacent small business units (operating). The Owner is currently in escrow with Vanguard Realty for sale of the property.

The Washington Theater Apartments housed approximately 40 families in 32 units until April 4, 2003. Beginning April 2, 2003, the Washington Theater was completely evacuated based on the recommendation of the American Mold Institute. On March 31, 2003, the Owner submitted to the City Prosecutor a copy of the American Mold Institute's Mold Investigation Report. The American Mold Institute suggested in its report that the occupants of the apartment building be evacuated due to the high presence of toxic mold and other toxic elements found inside the apartment building. The Owner had no means to evacuate his tenants and as a result the Ecumenical Council was contacted. The Ecumenical Council took the lead in assisting the Owner and City in the evacuation process. A scheduled evacuation plan of one floor per day was commenced on April 2<sup>nd</sup>. On April 4, 2003, the Owner hired a Fire Department approved contractor to board-up and secure the building.

All of the affected residents of the Washington Theater Complex have been housed in temporary lodging, principally hotel/motel accommodations, under the auspices of the Ecumenical Council's EHRP. Tenants are also being monitored daily by the City including the provision of medical services from the Pasadena Public Health Department.

The Ecumenical Council (Sub-Recipient) now desires to amend the EHRP Sub-recipient Agreement to provide for its FY2003-04 annual ESG allocation (\$50,000) and additional funds (\$175,000) to assist those households that were displaced by the evacuation of the Washington Theater Complex. The additional funds are to be used exclusively to assist those households and/or individuals who were known residents of the Washington Theater Complex at the time the evacuations occurred and who do not have the resources necessary to obtain emergency shelter on their own.

The actual dollar amount and scheduled expenditure of funds for the required homeless assistance services will vary depending on the circumstances of each household and the availability/accessibility of affordable permanent housing. The funds will be used for the continued provision of essential services including (but not limited to): a) assistance in obtaining permanent housing; b) medical and psychological counseling and supervision; c) employment counseling; d) nutritional counseling; e) substance abuse treatment and counseling; f) assistance in obtaining other Federal, State and local assistance; other services such as child care, transportation, job placement and training; e) administrative cost necessary to provide the above services. The expenditure of all funds shall be closely monitored and audited to facilitate potential cost recovery at a later date. Efforts shall also be undertaken as part of this comprehensive delivery of housing and supportive services to provide long-term rental assistance to those persons who are able to obtain permanent housing. Tenant-based rental assistance shall be provided to eligible households along with placement assistance from other housing professionals.

#### **WASHINGTON THEATER COMPLEX – EXISTING BUILDING CONDITIONS**

The evacuation of the Washington Theater Complex was preceded by a lengthy code compliance effort commencing in August, 2002. The City Resources Against Slum Housing (CRASH) Team was referred to this Complex by the Public Health Department in mid-August, 2002. The CRASH Team's first inspection of the apartment building occurred August 20, 2002. During the following thirty days, there was minimal compliance by the Owner with respect to the cited violations. A hearing was set with the Owner for September 18, 2002. The Owner was apprised of the nature of the violations and given a copy of the CRASH Team's report. A bi-weekly inspection schedule was established with the Owner and CRASH Team beginning October 2, 2002 and continuing until full compliance was achieved. The Owner was also provided a list of violations each time the apartment building was re-inspected. Progress was made, albeit not in as timely a fashion as anticipated. However, the CRASH Team continued to receive complaints from residents that certain violations were not corrected although others were resolved.

On February 12, 2003, heavy rains flooded some of the apartment units on the 3<sup>rd</sup> and 2<sup>nd</sup> floors. Extensive water damage occurred due to the deteriorated condition of the building roof. The Fire Department and CRASH Team were again present on-site to monitor the Owner's response. Plastic sheeting was placed on the roof to limit water leakage. Five to six units were severely damaged. Families were relocated to other parts of the apartment building. On February 13, 2003, the CRASH Team re-inspected the apartment building and surveyed damages. Five units were posted "unsafe to occupy". Three additional families were relocated to other parts of the apartment building. On February 17, 2003 another heavy rainstorm with high winds occurred. The plastic sheeting was damaged by the wind and additional water leakage and building damages were noted; two additional units were impacted. One additional family was also relocated to another part of the apartment building. A series of CRASH Team re-inspections were performed following the incident and it was noted that no repairs were in progress. On March 19, 2003 the CRASH Team convened a hearing with Owner. On March 31, 2003, the CRASH Team re-inspected the units. No repairs were in progress but subsequently, roof repairs were completed on April 4, 2003. Presently, the Complex remains boarded-up pending final determination of the building's status and complete mitigation of the uninhabitable conditions.

**HOUSING IMPACT:**

Approval of the subject recommendation will result in the continued provision of emergency assistance services/activities to very low and low-income households. The Emergency Homeless Response Project will minimize the disruption in the lives of very low and low-income Pasadena residents who have been displaced through governmental action, natural disaster or other extreme situations. It will also stabilize the lives of formerly homeless persons who are seeking permanent housing by continuing to provide temporary emergency shelter, case management and other homeless prevention services to families that may be displaced, need emergency housing assistance or seeking permanent housing. The proposed project is consistent with the General Plan Housing Element, Implementation Plan 1999-2004, Five Year Public Housing Authority Plan, Five Year Consolidated Plan and the Northwest Plan Housing Element.

**FISCAL IMPACT:**

Approval of the subject recommendation will increase the City's funding commitment for the Emergency Homeless Response Program to \$225,000 (HOME Investment Partnership Program funds - \$175,000; Emergency Shelter Grant - \$50,000). The proposed funding shall be drawn from the Commission's Housing Opportunities Fund account and the Emergency Shelter Grant account, which have projected beginning balances for FY 2003-2004 in the amount of \$6.6 million and \$210,000, respectively. All cost associated with the Washington Theater evacuation will be carefully monitored/audited and cost recovery will be sought from the Owner.

Respectfully submitted,




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