

# Agenda Report

March 26, 2018

**TO:** Honorable Mayor and City Council

**THROUGH:** Finance Committee

**FROM:** Housing and Career Services Department

**SUBJECT: AUTHORIZATION TO ENTER INTO AN INTERAGENCY AGREEMENT WITH THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES IN THE AMOUNT OF \$96,250 IN MEASURE H FUNDS FOR THE HOMELESS INCENTIVE PROGRAM**

**RECOMMENDATION:**

It is recommended that the City Council:

- 1) Find that the recommended action is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines per Section 15061 (b)(3), the "General Rule" that CEQA only applies to projects that may have an effect on the environment; and
- 2) Authorize the City Manager to execute, and the City Clerk to attest to all agreements, amendments, and other related documents with the Housing Authority of the County of Los Angeles (HACoLA) to receive Measure H Funds for the Homeless Incentive Program in the amount of \$96,250 with the option to receive additional funding up to \$288,750 over three years, subject to approval of the City Manager. Neither Competitive Bidding nor Competitive Selection are required pursuant to City Charter Section 1002(H) and Pasadena Municipal Code Section 4.08.049(A)(3), contracts with other governmental agencies; and
- 3) Amend the Fiscal Year 2018 Operating Budget by recognizing revenue and appropriating expenditures of \$96,250 in Measure H Funds in the Other Housing Funds (238).

## **BACKGROUND:**

In March 2017, Los Angeles County voters approved Measure H, a quarter percent sales tax to fund previously developed strategies to combat homelessness. These strategies are outlined in the Los Angeles County Homeless Initiative. One of those strategies, B4: Facilitate Utilization of Federal Housing Subsidies, provides for the funding of the Homeless Incentive Program (HIP). HIP allows payments to landlords to incentivize those landlords to rent their units to homeless persons who are using housing vouchers to assist with rent and on behalf of homeless voucher holders to assist them to secure a unit.

The Los Angeles County Board of Supervisors allocated HIP funding to the HACoLA, which has been authorized to enter into Interagency Agreements with other Public Housing Authorities (PHAs) in the county so that this assistance may be provided for homeless rental assistance voucher holders throughout areas of the county that are not covered by HACoLA. The Housing Department acts as the PHA for the City, and is eligible to receive \$96,250 in HIP funding for landlord incentives and administrative funding by entering into this Interagency Agreement (the "Agreement"). The initial contract period of the Agreement is one year. It is anticipated that future HIP funds will be available to the City. Accordingly, under the proposed staff recommendation, the City Manager may amend the Agreement to extend the contract period and funding up to a cumulative contract total amount of \$288,750.

Eligible incentives under HIP include holding fees to landlords in the amount of one month's rent, renewable for one additional month; credit check and rental application fee assistance; security and utility deposit assistance; and damage claim assistance if a program participant causes damages to a unit costing in excess of the security deposit. These incentives assist persons exiting homelessness to compete more effectively in the current rental market which is experiencing very low vacancy rates and average rents that are generally higher than housing vouchers are able to pay.

## **COUNCIL POLICY CONSIDERATION:**

Approval of the recommended action has the potential to assist 25 homeless households to secure permanent housing. The proposed projects are in accordance with the Pasadena Continuum of Care system, General Plan Housing Element, Five-Year Consolidated Plan, and Five-Year Public Housing Authority Plan.

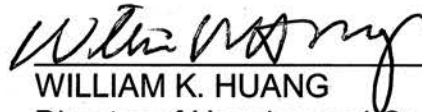
## **ENVIRONMENTAL ANALYSIS:**

The action proposed herein is exempt from the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Section 15061 (b)(3), the "General Rule" provision of CEQA which applies to projects which may have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The receipt of HIP funding to

**FISCAL IMPACT:**

Approval of the recommended action will result in the City receiving \$96,250 in HIP funding for landlord incentives and administrative funding in 23816014-700000-51025 and the award will be appropriated in the expenditure account 23816014-811400-51025. The balance of \$192,500 will be incorporated in the future fiscal year's operating budgets respectively. There are no anticipated indirect or support costs such as maintenance and IT support.

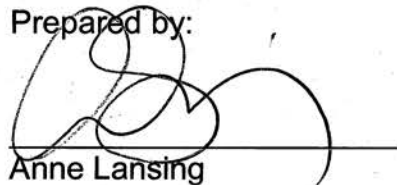
Respectfully submitted,

  
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