



# Agenda Report

May 20, 2019

**TO:** Honorable Mayor and City Council  
**FROM:** Department of Housing  
**SUBJECT:** **APPROVAL OF HEAP FUNDING RECOMMENDATIONS IN THE TOTAL AMOUNT OF \$1,139,145 AND APPROVAL OF CESH FUNDING RECOMMENDATIONS IN THE TOTAL AMOUNT OF \$285,402 THROUGH THE END OF FISCAL YEAR 2021**

**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;
- 2) Authorize the City Manager to enter into seven sub-recipient contracts for Homeless Emergency Aid Program (HEAP), California state funding to provide emergency shelter services, housing locators, and direct healthcare services to people experiencing homelessness, as well as capital improvements for agencies serving people experiencing homelessness, for the total aggregate amount of \$1,139,145 (see Funding Recommendations) and with terms ending March 31, 2020; and
- 3) Authorize the City Manager to enter into two sub-recipient contracts for California Emergency Solutions and Housing (CESH) funding to provide street outreach and rapid rehousing to people experiencing homelessness, for the total aggregate amount of \$285,402 (see Funding Recommendations) with terms concluding on June 30, 2021 and each renewable for one year with additional funding equal to the initial contract amounts.

**BACKGROUND:**

On October 1, 2018, Council authorized the City to submit a funding application to the California Department of Housing and Community Development (HCD) for California Emergency Solutions and Housing (CESH) Program grant funds. On January 11, 2019 HCD notified the City of its CESH award in the amount of \$720,243. The City anticipates receiving a Standard Agreement by June 2019 and will have a total of five years to spend these funds.

On December 3, 2018, Council authorized the City to submit a funding application to the California Business, Consumer Services and Housing Agency (BCSH) for Homeless Emergency Aid Program (HEAP) grant funds. The City was granted an award, and on February 14, 2019, the City entered into an agreement with the State for \$1,428,216 of HEAP funds, which must be expended by June 30, 2021.

Upon receipt of award letters from the State, the Department of Housing undertook a competitive selection process for HEAP and CESH funding in order to identify community-based organizations that are well-suited to provide housing and supportive services for people experiencing homelessness.

The Department made available \$1,210,556 in HEAP funding and \$285,402 in CESH funding through a Request for Applications (RFA). The HEAP and CESH funding totaling \$652,501 that was not made available through these competitive processes will be used for City administrative costs or awarded to service providers at a later date through additional competitive processes.

**Request for Applications**

The Department issued a joint HEAP and CESH RFA on March 6, 2019 to select qualified entities to operate and administer program(s) in each of the six funding areas. This funding opportunity was open to agencies that provide direct services to people experiencing homelessness. The RFA was transmitted to the Pasadena Partnership to End Homelessness, which includes over twenty agencies providing homeless services in the Pasadena area and was posted on the Pasadena Continuum of Care website.

Eleven applications were received in total: Five from Union Station Homeless Services, two from Friends In Deed, two from Foothill Unity Center, one from Housing Works, and one from Community Health Alliance Pasadena (ChapCare). No applications were received for Homeless Youth Set-Aside funding. On April 18, 2019 a Grants Evaluation Panel comprised of three City staff met to evaluate the two Capital Improvements applications that were received and assigned each a score out a possible 100 points. On April 23, 2019 a Grants Evaluation Panel comprised of two City staff and two non-conflicted individuals who are members of the Pasadena Continuum of Care met to evaluate the nine service-based applications. The panel assigned each application a score out of possible 100 points based on overall agency capacity and program-specific evaluation. Scores are summarized in Attachment A.

### **Funding Recommendations**

As specified in the RFA, funding was primarily awarded to the highest scoring application within each project type. However, the evaluation panel could elect to reject or partially award funding to any selected application if it was determined that this better suited the needs of the Pasadena Continuum of Care (CoC). The panel chose to award partial funding for two Emergency Shelter applications and one Housing Locator application. The final funding recommendations, with total funding in the amount of \$1,424,547 are as follows:

#### Homeless Emergency Aid Program (HEAP) = \$1,139,145

1. Emergency Shelter
  - **Union Station Homeless Services: \$229,145**
  - **Foothill Unity Center: \$150,000**
2. Housing Locators
  - **Union Station Homeless Services: \$200,316**
  - **Ecumenical Council of Pasadena Area Congregations, dba Friends In Deed: \$179,684**
3. Direct Healthcare Services
  - **Community Health Alliance Pasadena, ChapCare: \$237,500**
4. Capital Improvements
  - **Union Station Homeless Services (Family Center): \$129,210**
  - **Union Station Homeless Services (Adult Center): \$13,290**

#### California Emergency Solutions and Housing (CESH) Program = \$285,402 (two years)

1. Rapid Rehousing
  - **Foothill Unity Center: \$76,750** (renewable for one year with additional funds)
2. Street Outreach
  - **Ecumenical Council of Pasadena Area Congregations, dba Friends In Deed: \$65,951** (renewable for one year with additional funds)

### **Contract Term**

All HEAP-funded projects must be completed by March 31, 2021. The contract term for HEAP-funded projects will be for up to twenty-one (21) months from the date of execution by the City. The contract term for CESH-funded projects will be for up to twelve (12) months from date of execution by the City. CESH contracts may be renewed for an optional one-year with additional funding subject to the approval of the City Manager.

**COUNCIL POLICY CONSIDERATION:**

Approval of the recommended action has the potential to provide housing and supportive services for single adults, families and youth experiencing homelessness in Pasadena. Approval of 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.

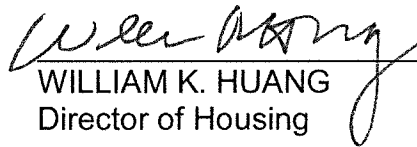
**ENVIRONMENTAL ANALYSIS:**

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 approval of state HEAP and CESH funding recommendations and the authorization to enter into contracts with the selected sub-recipient agencies will not have a significant effect on the environment and, hence, is not subject to CEQA.

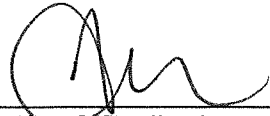
**FISCAL IMPACT:**

Approval of the recommended action will have no direct fiscal impact as the grant funds are currently included in the Department's Fiscal Year 2020 recommended budget. The purpose of this agenda is to authorize the City Manager to enter into contracts with sub-recipients to provide housing and supportive services for people experiencing homelessness.

Respectfully submitted,

  
WILLIAM K. HUANG  
Director of Housing

Prepared by:

  
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Approved by:

  
for STEVE MERMELL  
City Manager

Attachment A: Evaluation Matrix