



Agenda Report

July 18, 2016

TO: City of Pasadena as Successor Agency to the Pasadena Community Development Commission

FROM: William K. Huang, Director of Housing and Career Services

SUBJECT: **APPROVAL OF AN AMENDMENT TO THE FY 2016 OPERATING BUDGET OF THE HOUSING AND CAREER SERVICES DEPARTMENT IN CONNECTION WITH THE NON-ELDERLY DISABLED CATEGORY 2 VOUCHER PROGRAM**

RECOMMENDATION:

It is recommended that the City of Pasadena as Successor Agency to the Pasadena Community Development Commission (the "City") take the following actions:

- 1) Find that the action proposed herein is exempt from the California Environmental Quality Act pursuant to State CEQA Guidelines Section 15061(b)(3) as it will not have a potentially significant environmental effect and therefore falls under the "general rule" exemption; and
- 2) Approve a budget amendment to the FY 2016 operating budget of the Housing and Career Services Department with an increase in the amount of \$331,608 in the Non-Elderly Disabled Category 2 Voucher program ("NED 2") revenues (Account No.: 22016005-623000-50129) and expenditures (Account No.: 22016005-810500-50129).

BACKGROUND:

At its regular meeting of December 14, 2015, the City of Pasadena as Successor Agency to the Pasadena Community Development Commission approved the transfer of the Non-Elderly Disabled Category 2 Voucher Program ("NED 2") to the U. S. Department of Housing and Urban Development ("HUD"). NED 2 is a HUD program administered by the Housing and Career Services Department (the "Department") which provides rental vouchers to non-elderly disabled clients who are transitioning from a nursing home or other healthcare institution, and who are provided the services needed

to live independently. Staff had concluded that, after nearly four years of operating NED 2, the voucher program would be better administered by the Housing Authority of the City of Los Angeles which, at that time, had tentatively agreed with HUD to take over the program.

In connection with the action to transfer the NED 2 program, the Successor Agency also approved a budget amendment to the Department's FY 2016 operating budget, resulting in a reduction in the amount of \$331,608 in NED 2 revenues and expenditures. Staff had contemplated that the transfer of NED 2 to HUD would occur during FY 2016. However, the transfer was not effectuated until FY 2017, on July 1, 2016. Therefore, the recommended action is necessary to correct this variance in the amount of \$331,608 and restore the FY 2016 budget to the previously approved level prior to the City Council action on December 14, 2015.

COUNCIL POLICY CONSIDERATION:

The proposed action supports the City Council strategic objectives to maintain fiscal responsibility.

ENVIRONMENTAL ANALYSIS:

The proposed action entails a programmatic change in the federal rental voucher programs administered by the City and will not have a potentially significant environmental effect. Therefore, the proposed action falls under the "general rule" exemption per California Environmental Quality Act ("CEQA") Guidelines Section 15061(b) (3) for projects that will not have a potentially significant environmental effect and is exempt from any further environmental review under CEQA.

FISCAL IMPACT:

Approval of the staff recommendation will close out the Housing and Career Services Department's FY 2016 operating budget with an increase in the amount of \$331,608 in NED 2 program revenues and expenditures.

Respectfully submitted,


for **WILLIAM K. HUANG**
Director of Housing and Career Services

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