

Agenda Report

April 12, 2021

TO: Honorable Mayor and City Council

FROM: Department of Housing

SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH UNION STATION HOMELESS SERVICES IN THE AMOUNT OF \$980,514 TO PROVIDE SUPPORTIVE SERVICES TO ELIGIBLE HOUSEHOLDS WHO RECEIVE A MAINSTREAM HOUSING CHOICE VOUCHER

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 Section 15061 (b)(3), the "common sense" provision that CEQA only applies to projects that may have an effect on the environment; and
- 2) Authorize the City Manager enter into a contract, without competitive bidding pursuant to City Charter Section 1002(F), contracts for professional or unique services, with Union Station Homeless Services for implementation of the Mainstream Voucher Program in an amount not to exceed \$980,514;
- 3) Grant the proposed contract an exemption from the Competitive Selection process pursuant to Pasadena Municipal Code Section 4.08.049 (B), contracts for which the City's best interests are served; and
- 4) Authorize the City Manager to extend the term of the contract and increase the not to exceed amount up to \$200,000 based on the receipt of additional federal funding.

BACKGROUND:

Mainstream Vouchers are Housing Choice Vouchers (HCV), commonly known as Section 8, for households which include a person with a disability who is under the age of 62. Eligible households consist of single non-elderly persons with disabilities or those with more than one person where at least one household member is at least 18 years

old and less than 62 and has a disability. Once eligible, participants do not “age out” of eligibility. The City of Pasadena Housing Department (CoPHD) was awarded 75 Mainstream Vouchers through an application to U.S. Department of Housing and Urban Development (HUD) on December 23, 2020. The effective date of availability of these vouchers is February 1, 2021, and they must be leased up by February 1, 2022.

Aside from separate funding appropriations and specific eligibility requirements, Mainstream Vouchers are administered under the same program requirements as the HCV Program.

Public Housing Agencies that administer Mainstream Vouchers may develop local preferences to determine which target eligible population will be prioritized for these vouchers. In consultation with the HCV Resident Advisory Board, which consists of rental assistance program participants, and the Pasadena Continuum of Care, the CoPHD determined that these Mainstream Vouchers should be targeted to eligible households experiencing literal homelessness as defined by HUD. This determination was made in order to prioritize limited assistance to those most in need.

Services Enriched Mainstream Voucher Program

On December 14, 2020, the City Council approved \$1,290,514 in ESG-CV funding for rapid rehousing activities, which includes the provision of housing relocation and stabilization services. These supportive services include housing location, case management, move-in costs, and landlord incentives among others. The award of 75 Mainstream Vouchers by HUD for ongoing rental assistance corresponding with the availability of ESG-CV dollars for wraparound services uniquely positions the City to develop an innovative strategy to rapidly and permanently house a large number of vulnerable households experiencing homelessness. The population to be served by this program includes households who are currently experiencing homelessness. Blending these two funding streams together provides an opportunity to increase successful voucher utilization and maximize the impact of the services offered through a tailored package of financial assistance and targeted supportive services to ensure tenant success.

Union Station Homeless Services is a Pasadena-based non-profit with over 45 years of experience in homeless services and is the leading agency serving homeless, formerly homeless, and very low-income individuals and families in Pasadena and across the San Gabriel Valley. The Department recommends a competitive selection exemption due to Union Station’s demonstrated success in administering high performing federally-funded programs for both rental assistance and supportive services in and around Pasadena for over 10 years. As an agency, Union Station has comprehensive procedures to ensure operational effectiveness and has consistently been a fiscally responsible partner with extensive experience administering federal funding from HUD. Union Station also serves as the lead Coordinated Entry System (CES) service provider for the target population to be served by the program and would be able to facilitate housing placements quickly all while ensuring clients are receiving the appropriate

support and services they need to remain in their homes. These competencies would facilitate a quick formalization of the program and serve the City's best interests during the local state of emergency by ensuring the City will be able to comply with the aggressive timelines for full utilization of all 75 available vouchers as well the expenditure of ESG-CV funding. Delayed action will result in the loss of unused long-term rental assistance vouchers for Pasadena residents.

The Department determined that the budget and overall cost of \$980,514 provided by Union Station to administer this program is fair and reasonable based on a comparison with existing contracts for similar services.

COUNCIL POLICY CONSIDERATION:

Approval of the recommended action has the potential to provide permanent housing and supportive services for non-elderly households with a disability experiencing homelessness in Pasadena. This action is consistent with the City Council's goal to support and promote the quality of life and local economy. Approval of the recommended action is 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 "common sense" 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. Entering into a contract to provide housing relocation and stabilization supportive services will not have a significant effect on the environment and, hence, is not subject to CEQA.

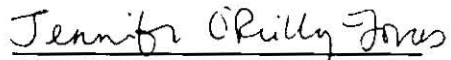
FISCAL IMPACT:

The recommended actions will have no direct fiscal impact. These funds were approved by the City Council on December 14, 2020 and are included as revenue in the Department's Fiscal Year 2021 Operating Budget.

Respectfully submitted,


WILLIAM K. HUANG
Director of Housing

Prepared by:


Jennifer O'Reilly-Jones
Program Coordinator II

Approved by:


STEVE MERMELL
City Manager