

Agenda Report

April 25, 2022

TO: Honorable Mayor and City Council

FROM: Department of Housing

SUBJECT: AUTHORIZATION TO SUBMIT A FUNDING APPLICATION TO THE STATE OF CALIFORNIA IN RESPONSE TO A REQUEST FOR APPLICATIONS FOR FAMILY HOMELESSNESS CHALLENGE GRANT FUNDS; APPROVAL OF CONTRACT WITH DOOR OF HOPE SUBJECT TO AWARD OF STATE FUNDS

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 "common sense" provision that CEQA only applies to projects that may have an effect on the environment;
- 2) Authorize the submittal of an application to the State of California for Family Homelessness Challenge Grant funding in conjunction with Door of Hope in the amount of \$644,211 to serve families with minor children who are experiencing or at imminent risk of homelessness;
- 3) Authorize the City Manager to certify or execute, and the City Clerk to attest, the application and all other documents, agreements and amendments related to the application and subsequent State award; and
- 4) Authorize the City Manager to enter into a contract with Door of Hope to administer the proposed project, should it be selected for funding, with a term of up to three years and in an amount no greater than what is awarded by the State. Competitive bidding is not required pursuant to City Charter Section 1002(F), contracts for professional or unique services. To the extent that this grant funding is subject to City procurement requirements, 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.

BACKGROUND:

The Family Homelessness Challenge (FHC) grant was authorized by AB 140 (Chapter 111, Statutes of 2021) for the purpose of providing one-time grants and technical assistance to local jurisdictions and Continuums of Care to address and end family homelessness. The program is administered by the California Interagency Council on Homelessness (Cal ICH), a division of the State of California Business, Consumer Services, and Housing (BCSH) Agency. Cal ICH will distribute \$30 million across a minimum of two rounds of funding. The first round of \$15 million (FHC-1) will be awarded through a competitive Request for Applications and will fund innovative applications which accelerate local efforts to make families' experiences of homelessness rare, brief, and one-time. Applications for FHC-1 funding are due April 30, 2022 and BCSH is expected to make award announcements by June 30, 2022. All FHC grant funds must be expended by June 30, 2026. Grantees that are awarded FHC-1 funds, remain in compliance with FHC-1 requirements, and demonstrate reasonable, sufficient progress toward their self-identified objectives may apply for the second round of FHC funding (FHC-2).

Eligible activities under the Family Homelessness Challenge Grant program include rapid rehousing, operating subsidies, street outreach, services coordination, systems support, delivery of permanent housing, and prevention and shelter diversion. Housing Department staff, as the administrators of the Pasadena Continuum of Care (CoC) which is the City's primary planning body for homeless services as designated by the U.S. Department of Housing and Urban Development (HUD), have determined homelessness prevention and shelter diversion services to be a high priority need in the community. This determination is in line with the City's 2020-2024 Five-Year Consolidated Plan, which identified "Expand[ing] homeless prevention and intervention services" as the number two priority need in the Strategic Plan section based on feedback collected from community needs surveys and quantitative data reported in the Consolidated Plan's Needs Assessment and Housing Market Analysis.

The proposed application includes a request for \$644,211 to fund a homelessness prevention program targeting Pasadena families with minor children who are at imminent risk of falling into homelessness. If awarded FHC funding, it is proposed that the program be administered by Door of Hope, a local non-profit homeless service provider. Door of Hope was founded locally in 1985 and currently serves over 220 families annually with transitional housing and homelessness prevention services in Pasadena and surrounding cities. FHC funds will provide financial assistance to families at risk of homelessness to cover rental arrears and short-term rental assistance. Door of Hope will leverage private donation funding and grant funding from the Milgard Foundation to support all staffing costs, some administrative costs, operations costs, and additional rental assistance for families who need deeper assistance to remain housed. Door of Hope's staff will provide program participants with case management

services and service linkages to community-based resources, including legal services to further support housing stability. Accordingly, it is recommended that the City enter into a contract with Door of Hope to administer the proposed project should the City's FHC funding application be selected, with a term of up to three years and in an amount not to exceed the FHC funding award.

Given that Door of Hope is the partner on a grant application, an RFP should not be required. However, to the extent that this grant agreement is subject to the Competitive Selection Process, the Department recommends a competitive selection exemption due to Door of Hope's ability to leverage funds from existing partnerships and grants to rapidly expand service provision and the agency's demonstrated success in administering homelessness prevention programs specifically for families in and around Pasadena. This contract will also increase the City's capacity to ensure timely access to available prevention resources to a larger subset of clients. Further, Door of Hope's existing program infrastructure would enable services to begin immediately upon contract execution.

COUNCIL POLICY CONSIDERATION:

The proposed actions support the City Council Strategic Planning Three-Year Goals in the area of supporting and promoting the quality of life and the local economy. Approval of the recommended action has the potential to provide essential housing and services for families experiencing or at imminent risk of homelessness in Pasadena. The submittal of an application for FHC grant funding 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 actions proposed herein are 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. The submittal of a funding application to BCSH for FHC grant funding will not have a significant effect on the environment and, hence, is not subject to CEQA.

FISCAL IMPACT:

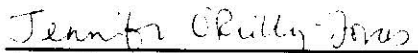
Approval of the recommended action will have no direct fiscal impact. Should the City's application later be selected for an award of funds, staff will bring back a recommendation to the City Council to recognize the additional revenue in the Department's FY 2023 Operating Budget.

Respectfully submitted,



for WILLIAM K. HUANG
Director of Housing

Prepared by:



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Approved by:



CYNTHIA J. KURTZ
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