

Agenda Report

January 24, 2022

TO: Honorable Mayor and City Council

FROM: Housing Department

SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH THE COUNTY OF LOS ANGELES FOR THE RECEIPT OF MEASURE H FUNDING FOR HOMELESS SERVICES; AMENDMENT TO CONTRACT NO. 23,046 WITH THE LOS ANGELES HOMELESS SERVICES AUTHORITY TO EXTEND THE TERM THROUGH FEBRUARY 2022; AMENDMENTS TO RELATED SUBRECIPIENT CONTRACTS NOS. 31386, 31391, 31392, 31393, 31394, 31395

RECOMMENDATION:

It is recommended that the City Council:

- 1) Find that the recommended actions are 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;
- 2) Authorize the City Manager to enter into a contract with the County of Los Angeles in the amount of \$765,467 and to execute one related amendment with a not-to-exceed amount of \$800,000 to provide homelessness prevention, rapid rehousing, coordinated entry, and emergency shelter services;
- 3) Authorize the City Manager to approve an amendment to Contract No. 23,046 with LAHSA to extend the term through February 28, 2022 and any additional amendments which extend the term but do not increase the total not-to-exceed amount of the contract;
- 4) Authorize the City Manager to approve certain amendments to the sub-recipient Contracts Nos. 31386, 31391, and 31392 with Union Station Homeless Services, Contracts Nos. 31393 and 31394 with The FID Group dba Friends In Deed, and Contract No. 31395 with Sycamores as follows: a) increase funding to a level that does not exceed the amount of any Measure H funds allocated to the City by the County, either passed through LAHSA or contracted directly with the City,

and b) extend the period of the contract terms for up to five (5) one-year extensions; and

- 5) These transactions are exempt from competitive bidding per City Charter Section 1002(F) based on contracts for professional or unique services. To the extent the amendments could be considered a separate procurement subject to the Competitive Selection Process, it is recommended that the City Council grant the contract an exemption pursuant to Pasadena Municipal Code (PMC) Section 4.08.049(B), contracts for which the City's best interests are served.

BACKGROUND:

On October 15, 2018, City Council authorized Contract No. 23,046 with the Los Angeles Homeless Services Authority ("LAHSA") for the receipt of Measure H funds for homeless services. The Measure H allocations, for certain homeless strategies, are calculated based on the City's percentage of the county's homeless population, which is equivalent to approximately 1%. On June 21, 2021, the City Council authorized Contract No. 23,522 with LAHSA for the receipt of additional Measure H funding for the following four strategies, as determined by the Los Angeles County Homeless Initiative's office:

- A5: Homelessness Prevention for Individuals
- B3: Partner with Cities to Expand Rapid Re-Housing
- E7: Strengthen the Coordinated Entry System (CES)
- E8: Enhance the Emergency Shelter System

To date, the City has received \$2,872,896 in Measure H funds, which includes \$425,417 for the Homeless Incentive Program ("HIP") under an additional strategy B4: Facilitate Utilization of Federal Housing Subsidies. HIP provides incentive payments to landlords who rent their units to people experiencing homelessness who are using housing vouchers to assist with rent. These funds have been passed through the Los Angeles Community Development Authority (LACDA) and therefore are contracted separately from the LAHSA Measure H funds.

The City's Measure H allocation in Contracts Nos. 23,046 and 23,522 has been used to fund six (6) previously approved sub-recipient contracts with Union Station Homeless Services (31386, 31391, 31392) for rapid rehousing, CES and emergency shelter programs, The FID Group dba Friends In Deed (31393, 31394) for homelessness prevention and emergency shelter programs, and Sycamores (31395) for a youth-specific rapid rehousing program (combined, the "Sub-Recipient Contracts"). These community-based organizations were selected to administer these programs and provide the aforementioned housing and supportive services directly to people experiencing or at-risk of homelessness as the result of a competitive selection process. Staff monitor the performance of sub-recipients under these contracts, including the number of people served and progress towards program outcomes. Since the programs began operating in 2019, a de-duplicated total of 616 people have been served across the four strategies: 38 people in homelessness prevention, 28 people in rapid

rehousing, 21 people in CES housing navigation, 94 people in non-congregate emergency shelter (motel vouchers) and 435 people in congregate emergency shelter (Bad Weather Shelter).

Under direction from the County of Los Angeles ("County"), LAHSA extended the term of Contract No. 23,522 through November 30, 2021 without additional funding while the City and the County have been working to finalize a new contract which will include the City's Fiscal Year 2022 Measure H allocation in the amount of \$504,064 and \$261,403 in unexpended Measure H funds from Contracts Nos. 23,046 and 23,522 with LAHSA (total not-to-exceed amount of \$765,467). Contract No. 23,046 expired June 30, 2021 and requires authorization to be extended so the City can access unexpended funds to support ongoing services until the contract with the County is executed. Once Contracts Nos. 23,046 and 23,522 are fully closed out, any additional unexpended funding from these two contracts will be added to the new contract with the County through an amendment with a not-to-exceed amount of \$800,000. The expected initial term of the contract with L.A. County will be from March 1, 2022 to June 30, 2022.

Going forward, administration of the City's Measure H funding will be transferred from LAHSA to the County to improve overall efficiency of operations. LAHSA will retain all duties and responsibilities related to program monitoring. Staff recommends authorizing the City Manager to enter into the proposed contract with the County and the approval of certain amendments to the related Sub-Recipient Contracts as follows: a) increase funding to a level that does not exceed the amount of any Measure H funds allocated to the City by the County, either passed through LAHSA or contracted directly with the City; and b) extend the period of the contract terms for up to five (5) one-year extensions.

COUNCIL POLICY CONSIDERATION:

Approval of the recommended actions has the potential to provide essential housing and supportive services for people experiencing homelessness in Pasadena. These actions are consistent with the City Council's goal to support and promote the quality of life and local economy. Authorization of this contract 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:

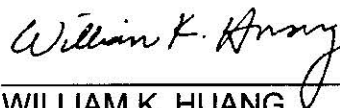
The actions proposed herein are exempt from the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Section 15061 (b)(3), the "common sense" provision of CEQA which applies to projects which may have the potential for causing a significant effect on the environment. Where it 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. Entering into a contract with the County to receive Measure H funding for homeless services, extending the term of an

existing contract with LAHSA, and amendments related to sub-recipient contracts will not have a significant effect on the environment and, hence, are not subject to CEQA.

FISCAL IMPACT:

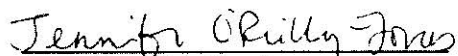
Approval of the subject recommendations will have no fiscal impact as the funding is currently included in the Department of Housing's adopted FY 2022 Operating Budget.

Respectfully Submitted,



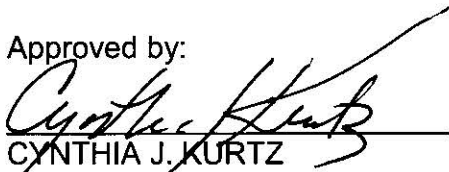
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Approved by:



CYNTHIA J. KURTZ
Interim City Manager