

Agenda Report

October 3, 2022

TO: Honorable Mayor and City Council

FROM: Housing Department

SUBJECT: **AUTHORIZATION TO AMEND CONTRACT NO. 21547 TO EXTEND SCHEDULE OF PERFORMANCE FOR INTERIOR REHABILITATION OF CENTENNIAL PLACE PROJECT**

RECOMMENDATION:

It is recommended that the City Council take the following actions:

- 1) Find that the recommended actions are 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; and
- 2) Authorize the City Manager to amend Contract No. 21547 with Centennial Place Limited Partnership, to extend the schedule of performance for the interior rehabilitation of the Centennial Place permanent supportive housing project through March 30, 2023, with an additional extension as may be necessary as set forth in the agenda report.

BACKGROUND:

Centennial Place, located at 235 E. Holly Street, is a former YMCA single-room occupancy apartment building that was originally constructed in 1910 and renovated in 1991 with 144 units of affordable housing for very low income persons. Since 2010, Centennial Place has been operating as a permanent supportive housing project for individuals experiencing homelessness. The property is owned and managed by Centennial Place Limited Partnership ("Owner") of which nonprofit housing developer Abode Communities is the general partner. In 2013, the City provided loan assistance to Owner in the amount of \$367,438 for the first phase of an interior rehabilitation project which was completed in 2017. Pursuant to that certain Funding Modification to Amendment Agreement to Rental Housing Rehabilitation Loan Agreement dated July 31, 2019, as amended (the "Agreement") between the City and Owner, additional City

housing funds totaling \$314,200 were committed to the second phase of the interior rehabilitation of Centennial Place. The scope of work includes replacement of the main elevator, structural repairs to the main elevator hoistway, repairs to the elevator hoistway walls for the ADA lift, renovation of shower facilities, renovation of bathrooms to ADA standards, and related soft costs. The scope of work is approximately 46% completed.

Under the Agreement, the rehabilitation project was scheduled to be completed by June 30, 2021. However, due to the health impacts of the COVID pandemic, and economic impacts on construction industry supply lines, the project has been delayed. Completion is now projected for the first quarter of 2023. Accordingly, staff recommends that the Agreement be amended to extend the scope of work performance deadline through March 30, 2023, with authority granted to the Housing Director to provide an additional extension through June 30, 2023, if deemed to be necessary.

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 approval of an amendment to an existing contract to extend the schedule of performance for completion of the project will not have a significant effect on the environment and, hence, is not subject to CEQA.

COUNCIL POLICY CONSIDERATION:

Approval of the recommended action will ensure continued access to emergency shelter services for people experiencing unsheltered homelessness in Pasadena. This action is consistent with the City Council's goal to support and promote the quality of life and local economy. The proposed actions 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.

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FISCAL IMPACT:

There is no direct fiscal impact on the FY 2023 Operating Budget associated with approval of the subject recommendation.

Respectfully submitted,



WILLIAM K. HUANG

Housing Director

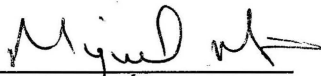
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Approved by:



MIGUEL MÁRQUEZ

City Manager