



# Agenda Report

February 27, 2023

**TO:** Honorable Mayor and City Council

**THROUGH:** Finance Committee

**FROM:** Housing Department

**SUBJECT:** AMENDMENT TO THE HOUSING DEPARTMENT'S FISCAL YEAR 2023 OPERATING BUDGET AND AUTHORIZATION TO AMEND CONTRACT NO. 31830 WITH THE FID GROUP DBA FRIENDS IN DEED WITH ADDITIONAL FUNDING FOR THE PROVISION OF MOTEL VOUCHERS

## **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;
- 2) Amend the Housing Department's Fiscal Year 2023 Operating Budget by transferring \$100,000 from the unappropriated fund balance in the General Fund (101) to the Housing Department's Other Housing Fund (238) for expenses associated with the provision of weather-activated motel vouchers to people experiencing homelessness as detailed in the background section of this report;
- 3) Authorize the City Manager to amend Contract No. 31830 with The FID Group, dba Friends In Deed, to increase the total contract value by up to \$100,000 for emergency shelter services as detailed in the body of this report. Competitive price bidding is not required pursuant to City Charter Section 1002(F) (contracts for professional or unique services); and
- 4) To the extent the amendment could be considered a separate procurement subject to the Competitive Selection Process, 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:**

After over three decades of operating the Bad Weather Shelter, a congregate shelter which is open during inclement weather, Friends In Deed lost its long-time lease of a church gym in March 2020. Since then, Friends In Deed and City staff have worked year round to locate an alternative location for the Bad Weather Shelter. Many sites have been considered including City-owned properties and privately owned properties, but none have met the site requirements which include ample space for an appropriately scaled shelter program, a kitchen, separate restrooms for men and women, storage for cots and other supplies, a layout which is contained and would support the required security, and off-street areas in which participants would line up. The Housing Department ("Department") publicly issued a Winter Shelter Site Request for Information in July 2022 but did not receive any responses. The Department continued its search for a new site, visiting the monthly meeting of the Pasadena Clergy Coalition to present on the outstanding need and solicit potential sites. Three churches expressed initial interest in hosting the shelter of which two have since been ruled out. The third site is still under consideration but is not available for the 2023 winter season.

In lieu of a congregate shelter, the City has funded the provision of weather-activated motel vouchers for the purpose of hypothermia prevention among residents experiencing homelessness since December 2020. The Department does not directly administer motel vouchers. The City has contracted with Friends In Deed to provide motel stays to unsheltered residents when the overnight temperature is predicted to fall below 40 degrees, there is more than a 40% chance of rain, or winds are predicted to exceed 40 miles per hour. In response to an unusually cold and rainy early winter season which exhausted available grant funds, on January 18, 2023, Council approved the addition of up to \$100,000 of General Fund to the Department's FY 2023 Operating Budget and the amendment of Contract 31830 with Friends In Deed to add these funds. Since then, under Council direction, Friends In Deed has ramped up its motel voucher program to ensure that motel stays during inclement weather are provided to all who request the services. It is projected that the \$100,000 of General Funds approved in January will be expended by March 1, 2023 (Table A). Friends In Deed will also have expended a total of \$78,810.60 of funding from other sources including federal Emergency Solutions Grant funding (\$25,000), Los Angeles County Measure H funding (\$31,258.65), and unrestricted funds from private donations since the start of the 2023 winter season.

Table A

	Dates (Thursday- Wednesday)	# of People Served (# Funded by GF)	# of Nights Activated	GF Expenditures	Expenditures from Other Sources	Total Expenditures
Week 1	1/5/23 - 1/11/23	21 (0)	6	\$0	\$15,833.20	\$15,833.20
Week 2	1/12/23 - 1/18/23	15	5	\$0	\$10,555.50	\$10,555.50
Week 3	1/19/23 - 1/25/23	63 (2)	6	\$1,155.50	\$33,353.00	\$33,353.00
Week 4	1/26/23 - 2/1/23	59 (59)	3	\$18,852.15	\$113.85	\$18,966.00
Week 5	2/2/23 - 2/8/23	0	0	\$0	\$0	\$0
Week 6	2/9/23 - 2/15/23	69 (69)	2	\$14,645.30	\$0	\$14,645.30
Week 7	2/16/23- 2/22/23	74 (74)	4	\$29,290.60	\$0	\$29,290.60
Week 8*	2/23/23- 3/1/23	74 (48)	7	\$36,056.45	\$18,955.05	\$55,011.50
<b>Total</b>		<b>112 (unduplicated)</b>	<b>33</b>	<b>\$100,000.00</b>	<b>\$78,810.60</b>	<b>\$178,810.60</b>

\*Projected as of 2/23/23

The provision of weather-activated motel vouchers is currently scheduled through April 5, 2023. As such, the Department requests an additional \$100,000 from the General Fund which will be used to sustain the provision of weather-activated motel vouchers. Staff recommends the approval of an amendment to Contract No. 31830 which will include an additional \$100,000 of General Funds to allow Friends In Deed to support the weather-activated motel vouchers through April 5, 2023. Any funds not expended by April 5, 2023 will be returned to the City.

The Department recommends a competitive selection exemption due to Friends In Deed's demonstrated success and existing infrastructure to administer motel-based emergency shelter, including weather-activated motel vouchers. It is in the City's best interest to support the expansion of this program to protect residents experiencing homelessness from hypothermia during inclement weather.

#### **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 the Department's FY 2023 Operating Budget and an existing contract to add funding will not have a significant effect on the environment and, hence, is not subject to CEQA.

**COUNCIL POLICY CONSIDERATION:**

Approval of the recommended actions will expand the provision of weather-activated, motel vouchers for people experiencing unsheltered homelessness in Pasadena during the 2023 winter season. 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.

**FISCAL IMPACT:**

Approval of the recommended actions will increase the Department's Fiscal Year 2023 Operating Budget in the Other Housing Fund (238) by \$100,000 for the amendment to Contract No. 31830 with Friends in Deed. The General Fund's unappropriated fund balance will decrease by \$100,000.

Respectfully submitted,



WILLIAM K. HUANG  
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