



Agenda Report

March 13, 2023

TO: Honorable Mayor and City Council

FROM: Department of Housing

SUBJECT: AUTHORIZATION TO AMEND CONTRACT NOS. 31950 AND 32010 WITH UNION STATION HOMELESS SERVICES TO EXTEND THE TERM AND ADD FUNDING FOR HOMELESS SERVICES PROGRAMS

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;
- 2) Authorize the City Manager to amend Contract No. 31950 with Union Station Homeless Services to increase the contract value by \$35,000 for a total not-to-exceed contract value of \$168,728 through September 30, 2023;
- 3) Authorize the City Manager to amend Contract No. 32010 with Union Station Homeless Services to increase the contract value by \$70,000 for a total not-to-exceed contract value of \$1,250,514 through September 30, 2023;
- 4) Authorize the City Manager to approve no-cost amendments for Contract Nos. 31950 and 32010 which extend the term beyond September 30, 2023; and
- 5) To the extent the amendments to Contract Nos. 31950 and 32010 could be considered a separate procurement subject to the Competitive Selection Process, grant the contracts an exemption pursuant to Pasadena Municipal Code (PMC) Section 4.08.049(B), contracts for which the City's best interests are served. Competitive price bidding is not required pursuant to City Charter Section 1002(F) contracts for professional or unique services.

BACKGROUND:

On December 14, 2020, City Council approved Contract No. 31950 with Union Station Homeless Services without competitive bidding pursuant to City Charter Section 1002(F), contracts for professional or unique services, and Pasadena Municipal Code Section 4.08.049 (B), contracts for which the City's best interests are served, to provide necessary services to facilitate the movement of people experiencing homelessness who are living on the properties of religious institutions into permanent housing. The contract term was approved through September 30, 2022 to align with the U.S. Department of Housing and Urban Development (HUD) expenditure deadline for Emergency Solutions Grant (ESG-CV) funding made available through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act).

On April 12, 2021, City Council approved Contract No. 32010 with Union Station Homeless Services in the amount of \$980,514 without competitive bidding pursuant to City Charter Section 1002(F), contracts for professional or unique services, and Pasadena Municipal Code Section 4.08.049 (B), contracts for which the City's best interests are served, to implement the services enriched Mainstream Voucher Program. These supportive services include housing location, case management, move-in costs, landlord incentives and additional financial assistance for up to 75 households experiencing homelessness. Council also authorized term extensions and a funding increase of up to \$200,000 for a total-not-to-exceed value of \$1,180,514, which the Department is currently executing.

CONTRACT AMENDMENTS

Since the execution of Contract No. 31950, HUD extended the expenditure deadline for ESG-CV funding through September 30, 2023. Contract No. 31950, administered in partnership with All Saints Church, will enable the continued provision of a safe space to sleep for up to 12 unsheltered residents while providing them with services necessary to move forward on their path to permanent housing during a time of increased need for shelter services. Since the program's inception at the beginning of 2021, sixty-six participants have been served. Therefore, it is recommended that the contract term be extended by an additional 12 months to align with HUD's expenditure deadline. To support the costs associated with operating the program for an extended time frame, it is recommended the contract be increased by an additional \$35,000 for a total not-to-exceed contract value of \$168,728.

Contract No. 32010 will continue 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. To date, 61 participants have moved into permanent housing. Union Station has identified a need for additional funding to sustain program operations through the extended deadline of September 30, 2023. As such, staff recommends increasing the contract by \$70,000 for a total not-to-exceed amount of \$1,250,514. Staff also recommends authorizing the City Manager to approve no-cost extensions to both contracts which extend the term

with no change to the total not-to-exceed contract value to allow for the spend down of ESG-CV funds should HUD further extend the expenditure deadline.

The Department recommends a competitive selection exemption due to Union Station's demonstrated success in administering this program since 2021 and establishing a relationship as the supportive service provider with the program participants. Union Station has comprehensive procedures to ensure operational effectiveness and is a fiscally responsible partner with over 10 years of experience administering federal funding from HUD, thus this action continues to be in the best interests of the city. If this action is not approved, it would result in the loss of critical wraparound supportive services that enable participants to secure and maintain housing in the private rental market.

COUNCIL POLICY CONSIDERATION:

This action is consistent with the City Council's goal to support and promote the quality of life and local economy. Approval of the proposed projects 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.

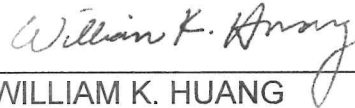
ENVIRONMENTAL ANALYSIS:

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. Authorizing amendments to extend the term and increase funding for existing contracts to provide homeless services assistance will not have a significant effect on the environment and, hence, is not subject to CEQA.

FISCAL IMPACT:

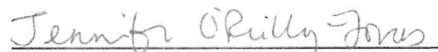
Approval of the recommended actions will result in the addition of \$35,000 to Contract No. 31950 and \$70,000 to Contract No. 32010 through September 30, 2023. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the Housing Department's ESG CARES (ESG-CV) Fund (22416043-817000-50888).

Respectfully submitted,



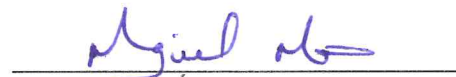
WILLIAM K. HUANG
Director of Housing

Prepared by:



Jennifer O'Reilly-Jones
Program Coordinator III

Approved by:



MIGUEL MÁRQUEZ
City Manager