

Agenda Report

May 22, 2023

TO: Honorable Mayor and City Council

THROUGH: Finance Committee

FROM: Housing Department

SUBJECT: AMENDMENT TO HOUSING DEPARTMENT'S FISCAL YEAR 2023 OPERATING BUDGET; AUTHORIZATION TO AMEND CONTRACT NO. 23,609 WITH COUNTY OF LOS ANGELES TO ADD ADDITIONAL FUNDING AND EXTEND THE TERM THROUGH JUNE 30, 2024

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) Amend the Department of Housing's Fiscal Year 2023 Operating Budget by recognizing revenue and appropriating \$1,025,080 in the Other Housing Fund (238) for Measure H funding for homeless services;
- 3) Authorize the City Manager to amend Contract No. 23,609 with County of Los Angeles to add \$1,025,080 for a not-to-exceed total of \$1,790,547 and to extend the term through June 30, 2024;
- 4) Authorize the City Manager to execute one additional amendment to Contract No. 23,609 in the amount of \$800,000 for a total not-to-exceed amount of \$2,590,547 to support the continued provision of homeless services and extend the term through June 30, 2025; and
- 5) Authorize the City Manager to approve no-cost extension amendments to Contract No. 23,609 which extend the term beyond June 30, 2025.

BACKGROUND:

On January 24, 2022, Council Authorized Contract No. 23,609 with the County of Los Angeles ("County") for the receipt of Measure H funds for homeless services. The contract total currently is \$765,467 which includes \$504,064 of the City's Fiscal Year (FY) 2022 direct Measure H funding allocation as well as \$261,403 of carryover funding from Contracts Nos. 23,046 and 23,522 with the Los Angeles Homeless Services Authority (LASHA) that were expiring June 30, 2022. The City has since closed both contracts with LAHSA; however, additional unspent funding in the amount of \$521,016 was identified upon close out. As directed by the LA County Board of Supervisors, all unspent funds from the LAHSA contracts are to be carried over and included in the new contract with the County. The proposed amendment will add a total of \$1,025,080 of Measure H funds. This includes the City's FY 2023 allocation of \$504,064, which is equivalent to the FY 2022 allocation, as well as the additional \$521,016 of unexpended funds from Contracts Nos. 23,046 and 23,522 with LAHSA. This amendment will also extend the contract term through June 30, 2024.

The Board of Supervisors approved the County's FY 2024 Measure H budget on February 7, 2023, which includes funding for the City's FY 2024 direct allocation of Measure H. While the County has yet to calculate the City's exact allocation, the Board of Supervisors approved more funding for Continuums of Care in FY 2024 compared to previous fiscal years. Thus, staff expect to receive a higher allocation, but it will not exceed \$800,000. The proposed amendment in Recommendation 3 will allow the City to accept its FY 2024 allocation of Measure H funding once an amendment is issued by the County.

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. Amendment of the Department's Operating Budget and amending a contract with the County for Measure H funds 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.

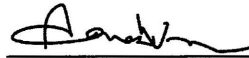
ENVIRONMENTAL ANALYSIS:

The 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. Amendment of the Department's Operating Budget and amending a contract with the County to receive additional Measure H funding for homeless services will not have a significant effect on the environment and, hence, are not subject to CEQA.

FISCAL IMPACT:

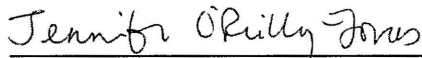
Approval of the recommended actions will increase the Department of Housing's Fiscal Year 2023 Operating Budget in the Other Housing Fund (238) by \$1,025,080 in both revenue (Acct. No 23816048-70000) and appropriations (Acct. No. 23816048-818800). There is no impact to the General Fund.

Respectfully Submitted,



for WILLIAM K. HUANG
Director of Housing

Prepared by:



Jennifer O'Reilly-Jones
Program Coordinator II

Approved by:



MIGUEL MÁRQUEZ
City Manager