

Agenda Report

February 26, 2024

TO: Honorable Mayor and City Council

FROM: Department of Housing

SUBJECT: AUTHORIZATION TO SUBMIT A FUNDING APPLICATION TO THE STATE OF CALIFORNIA FOR FAMILY HOMELESSNESS CHALLENGE GRANT ROUND 2 AND HOMELESS HOUSING, ASSISTANCE AND PREVENTION ROUND 5 FUNDS; APPROVAL OF AMENDMENT TO CONTRACT 32487 WITH DOOR OF HOPE SUBJECT TO AWARD OF STATE FUNDS

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 per 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 submittal of an application to the State of California for Family Homelessness Challenge Grant Round 2 ("FHC-2") funding in conjunction with Door of Hope in the amount of \$787,500 to serve families with minor children who are at imminent risk of homelessness;
- 3) Authorize the City Manager to certify or execute, and the City Clerk to attest, the application and all other documents, agreements and amendments related to the application and any subsequent Family Homelessness Challenge Grant Round 2 award;
- 4) Authorize the City Manager to amend Contract 32487 with Door of Hope to administer the proposed project, should it be selected for FHC-2 funding, with a term of up to three years and in an amount no greater than what is awarded by the State. Competitive bidding is not required pursuant to City Charter Section 1002(F), contracts for professional or unique services. To the extent that this grant funding is subject to City procurement requirements, grant the proposed contract an exemption from the Competitive Selection process pursuant to

Pasadena Municipal Code Section 4.08.049(B) contracts for which the City's best interests are served;

- 5) Authorize the submittal of an application, as part of the Los Angeles County regional application, to the State of California for Homeless Housing, Assistance and Prevention Round 5 ("HHAP-5") funding in the amount of \$799,522.60 for eligible programs and activities that serve people experiencing homelessness; and
- 6) Authorize the City Manager to certify or execute, and the City Clerk to attest, the application and all other documents, agreements and amendments related to the application and subsequent HHAP-5 award.

BACKGROUND:

Family Homelessness Challenge Grant Round 2

On April 25, 2022 Council approved the submittal of an application to the State of California for Family Homelessness Challenge Round 1 (FHC-1). The State awarded \$17 million of FHC-1 funds on June 30, 2022. The City, as the administrative entity for the Pasadena Continuum of Care (CoC), was one of ten jurisdictions selected for FHC-1 funds and was awarded \$644,211. Grantees that were awarded FHC-1 funds, remain in compliance with FHC-1 requirements, and demonstrate reasonable, sufficient progress toward their self-identified objectives may apply for the second round of FHC funding (FHC-2). Applications for FHC-2 funding are due February 27, 2024, and award announcements are expected by April 29, 2024. All FHC grant funds must be expended by June 30, 2026.

Upon the award of FHC-1 funding, the City entered into Contract 32487 with Door of Hope to administer a homelessness prevention program for families with minor children at imminent risk of homelessness. To date the program has assisted 91 families with case management and financial assistance to pay off rental arrears. The proposed application for FHC-2 funding includes a request for \$787,500 to extend and expand Door of Hope's existing homelessness prevention program. If awarded FHC-2 funds, Door of Hope expects to serve up to an additional 190 Pasadena families. Accordingly, it is recommended that the City amend Contract 32487 with Door of Hope to administer the proposed project should the City's FHC-2 funding application be selected, with a term of up to three years and in an amount not to exceed the FHC-2 funding award.

The Department recommends a competitive selection exemption due to Door of Hope's ability to leverage funds from existing partnerships and grants to rapidly expand service provision and the agency's demonstrated success in administering homelessness prevention programs specifically for families in and around Pasadena. This contract will also increase the City's capacity to ensure timely access to available prevention

resources to a larger subset of clients. Further, Door of Hope's existing program infrastructure would enable services to begin immediately upon contract execution.

Homeless Housing, Assistance and Prevention Round 5

To date, the City has received four rounds of one-time Homeless Housing, Assistance and Prevention (HHAP) state block grant funding totaling \$2.43 million. Continuums of Care (CoC), large cities, and counties are eligible to apply for HHAP funding. On September 29, 2023 the State of California released HHAP-5 application materials. State statute requires that all applications be submitted by March 27, 2024. The State requires that eligible jurisdictions apply collaboratively as a region and has determined the seven eligible jurisdictions within Los Angeles County (Los Angeles County; City of Los Angeles; City of Long Beach; Los Angeles, Glendale, Long Beach and Pasadena Continuums of Care) to be a single region. The Los Angeles County Chief Executive Office's Homeless Initiative will submit a single application on behalf of the region. While jurisdictions are required to apply together, each jurisdiction has the discretion to receive its base allocation directly. The Pasadena CoC will select to receive its base allocation of \$799,522.60 directly and will be responsible for administering the funds, contracting with sub-recipients, reporting HHAP-5 expenditures and activities to the State, and meeting the terms and conditions of the contract.

HHAP-5 funding is intended to support local communities through a broad range of evidence-based solutions that address and prevent homelessness among eligible populations, including street outreach, interim housing, rapid rehousing, services coordination, systems support, hotel and motel conversions, permanent housing and homelessness prevention. As with previous rounds of HHAP funding, HHAP-5 will include a 10% minimum set aside for youth experiencing or at-risk of homelessness.

As the next step in the HHAP-5 application process, the Los Angeles County Chief Executive Office's Homeless Initiative will submit an application to the State on behalf of the region. The application will include a Regionally Coordinated Homelessness Action Plan, a Memorandum of Understanding signed by all seven jurisdictions in the region, and a funding plan for each jurisdiction. Following the anticipated State award of HHAP-5 funding to the City, staff may issue a Request for Proposals to allocate funds to local homeless services providers.

COUNCIL POLICY CONSIDERATION:

The proposed actions support the City Council Strategic Planning Three-Year Goals in the areas of supporting and promoting the quality of life and the local economy. Approval of the recommended actions have the potential to provide essential housing and services for families experiencing or at imminent risk of homelessness in Pasadena. The submittal of applications for FHC-2 and HHAP-5 grant funding 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.

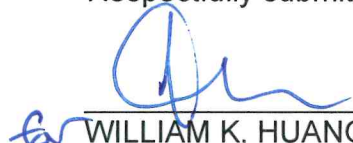
ENVIRONMENTAL ANALYSIS:

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. The submittal of funding applications to the State of California for FHC-2 and HHAP-5 grant funding and the amendment of Contract 32487 will not have a significant effect on the environment and, hence, are not subject to CEQA.

FISCAL IMPACT:

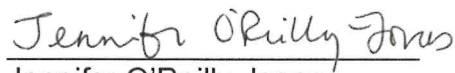
Approval of the recommended actions will have no direct fiscal impact. Should the City's applications be selected for funding, staff will bring back a recommendation to the City Council to recognize the additional revenue in the Department's FY 2025 Operating Budget.

Respectfully submitted,



WILLIAM K. HUANG
Director of Housing

Prepared by:



Jennifer O'Reilly-Jones
Program Coordinator III

Approved by:



MIGUEL MÁRQUEZ
City Manager