

Agenda Report

November 18, 2024

TO: Honorable Mayor and City Council

FROM: Department of Housing

SUBJECT: AUTHORIZE THE CITY MANAGER TO AMEND CONTRACT NO. 32597 WITH STEP UP ON SECOND STREET, INC. TO INCREASE THE CONTRACT BY \$175,000 TO A NOT-TO-EXCEED AMOUNT OF \$350,000 AND EXTEND THE TERM TO PROVIDE SUPPORTIVE SERVICES

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 City Manager to amend Contract No. 32597 with Step Up on Second Street, Inc. to increase the contract by \$175,000, thereby increasing the contract total to a not-to-exceed amount of \$350,000, and extend the term 13 months to align with the grant period; and
3. Authorize the City Manager to execute five additional amendments to the subject contract, each to extend the term for twelve months and to add funding not-to-exceed \$175,000 each year as set forth in the agenda report.

BACKGROUND:

On April 24, 2023, as the result of a competitive Request for Proposals process conducted in November 2022, Council authorized Contract No. 32597 with Step Up on Second, Inc. in the amount of \$175,000 with an initial term ending January 31, 2024 for the provision of intensive case management services to rental assistance program participants. The contract is funded by a U.S. Department of Housing and Urban Development (HUD) Continuum of Care (CoC) grant which also funds rental assistance administered by the Housing Department. Council also authorized the City Manager to execute amendments for five consecutive years beginning February 1, 2024 with an

additional year of funding in an amount not-to-exceed \$175,000 for each term in accordance with the funding allocation contained in the master grant agreement between HUD and the City.

However, in February 2024 HUD consolidated the CoC grant which funds Contract No. 32597 with a second CoC grant that also funds rental assistance. To align the two grants' terms, the newly consolidated grant has an initial 13-month term of February 1, 2024 through February 28, 2025. The consolidated grant is expected to renew annually with a 12-month terms beginning in 2025. In order to align the term of Contract No. 32597 with the term of the consolidated CoC grant that funds it, staff recommend authorizing the City Manager to execute an amendment to add \$175,000, increasing the contract total to a new not-to-exceed amount of \$350,000, and extend the term by 13 months through February 28, 2025. Staff further recommend authorizing the City Manager to execute five additional amendments to the subject contract, each to extend the term for twelve months and to add funding not-to-exceed \$175,000 each year.

COUNCIL POLICY CONSIDERATION:

The proposed actions support the City Council Strategic Planning Three-Year Goals in the area of supporting and promoting the quality of life and the local economy. Approval of the recommended action will provide essential intensive case management supportive services for people who formerly experienced homelessness in Pasadena. Approval of the recommended actions is in accordance with the Pasadena Continuum of Care Homelessness Plan, General Plan Housing Element, Five-Year Consolidated Plan, and Five-Year Public Housing Authority Plan.

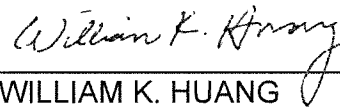
ENVIRONMENTAL ANALYSIS:

The action proposed herein is exempt from the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Section 15061 (b)(3), the "General Rule" 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 amendment of a contract for the provision of intensive case management services will not have a significant effect on the environment and, hence, is not subject to CEQA.

FISCAL IMPACT:


Approval of the recommended actions will have no direct fiscal impact as the grant funds are currently included in the Department's adopted Fiscal Year 2025 Operating Budget.

Respectfully submitted,




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Approved by:


MIGUEL MÁRQUEZ
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