

Agenda Report

June 23, 2025

TO: Honorable Mayor and City Council

THROUGH: Economic Development & Technology Committee (June 17, 2025)

FROM: Housing Department

SUBJECT: AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT WITH CHILDS DESIGNS, FOR PROJECT MANAGEMENT SERVICES FOR AN AMOUNT NOT TO EXCEED \$400,000

RECOMMENDATION:

It is recommended that the City Council take the following actions:

- 1) Find that the recommended action is 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; and
- 2) Authorize the City Manager to enter into a contract with Childs Designs to provide ADU project management services for an amount not to exceed \$400,000.

BACKGROUND:

Upon the successful completion of the Second Unit ADU Loan Pilot Program in FY 2024, the Housing Department launched the second round of the Program in FY 2025, with a budget totaling \$5,185,000 in state housing funds (\$2.68 million from the Permanent Local Housing Allocation (PLHA) program, and \$2.5 million from the CalHome program). Under this program, homeowners are incentivized to create an accessory dwelling unit (ADU) to be leased by a Pasadena Housing Choice Voucher holder through the City's Section 8 rent assistance program as an affordable rental unit on their property for seven (7) continuous years. This program provides homeowners with comprehensive assistance for financing and project management services for the construction of a new ADU or rehabilitation of an existing unpermitted ADU.

The project management services would be provided by a qualified third-party vendor contracted by the City. On March 4, 2025, a request for proposals (RFP) for Project Management for Pasadena ADU Loan Program was posted to OpenGov Procurement. A total of 88 vendors downloaded the RFP. A total of seven proposals were received by the bid closing date on March 19, 2025. These proposals were reviewed and evaluated by Housing staff, and scored as follows:

#	Proposer	Score
1	Childs Designs	84
2	Hill Architects, PC	78
3	Office of: Office	74
4	San Gabriel Valley Habitat for Humanity	72
5	Global Urban Strategies, Inc	68.7
6	HPP CARES, Inc.	63.9
7	Hollywood Handy Construction, Inc	44.2

It is recommended that Childs Designs be awarded the contract for this project as they received the highest proposal score. Childs Design will assist homeowners in choosing the architects, builders, planners, and contractors needed for the ADU design and construction. Childs Designs will assist the homeowner at every stage in the ADU project from pre-design to permitting to bid preparation, and construction oversight.

COUNCIL POLICY CONSIDERATION:

This proposed action supports the City Council Strategic Planning Three-Year Goals in the areas of supporting and promoting the quality of life and the local economy.

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. The recommended action, authorizing the City Manager to enter into a project management contract, is excluded from the definition of "project" pursuant to State CEQA Guidelines Section 15378(b)(4). Accordingly, no further CEQA review is required for this action.

FISCAL IMPACT:

Approval of the recommended action will have no direct fiscal impact to the general funds. The approval of the subject contract will result in a total allocation of \$400,000 in Calhome and PLHA funds to complete 20 ADUs. It is anticipated that these funds will be expended over the next three fiscal years including the expenditure of approximately \$100,000 in FY 2026.

Respectfully submitted,



James Wong (Jun 11, 2025 10:31 PDT)

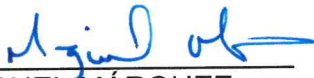
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