



CITY OF POMONA COUNCIL REPORT

November 16, 2020

To: Honorable Mayor and Members of the City Council

From: James Makshanoff, City Manager

Submitted By: Benita De Frank, Neighborhood Services Director

SUBJECT: ADOPT RESOLUTION 2020-157, AMENDING THE FY 2020-21 OPERATING BUDGET BY APPROPRIATING \$45,000 IN LOW-MODERATE INCOME HOUSING FUND BALANCE AND APPROVE AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH LESAR DEVELOPMENT CONSULTANTS RELATED TO THE CITY PLANNING AND HOMELESS PROGRAM GRANT, INCREASING THE AWARD AMOUNT BY \$45,000, FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$312,750.

RECOMMENDATION:

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

- 1) Adopt the following resolution:

RESOLUTION 2020-157 – AMENDING THE FY 2020-21 CITY OPERATING BUDGET BY APPROPRIATING \$45,000 IN LOW-MODERATE INCOME HOUSING FUND BALANCE TO INCREASE THE PROFESSIONAL SERVICES AGREEMENT WITH LESAR DEVELOPMENT CONSULTANTS (131-6201-52285-00000) BY THE SAME AMOUNT.

- 2) Approve an amendment to the sole source contract with LeSar Development Consultants (LeSar) for professional services related to the City Planning and Homeless Program Grant, extending the contract to June 30, 2021, amending the scope of work, and increasing the contract award by \$45,000 in Low-Moderate Income Housing Funds, for a total contract amount not to exceed \$312,750.

- 3) Authorize the City Manager to execute the contract amendment, subject to approval as to form by the City Attorney.

EXECUTIVE SUMMARY:

On September 16, 2019, the City Council awarded a sole source contract to LeSar Development Consultants (LeSar) for professional services related to the City Planning and Homeless Program

Grant, Priority Area 1, for an amount not to exceed \$267,750, over an 18-month period. Several contract deliverables, under the area of “***Land Use/Zoning Ordinances and Community Education on Housing Policies***”, were outlined as part of the original agreement that will not be fulfilled due to the Covid-19 pandemic. These deliverables included community meetings and a Housing Summit. To address this, the City has worked with LeSar to submit a revised scope of services that can be fulfilled, meeting the intention and goals of the original agreement. In submitting the revision, an increased scope of work has been proposed, that includes a \$45,000 increase in funding. This increase will bring the total contract amount to \$312,750.

FISCAL IMPACT: Resolution 2020-157 (Attachment 1) will amend the FY 2020-21 Operating Budget by appropriating \$45,000 in available Low-Moderate Income Housing Fund Balance to amend the LeSar Professional Services Agreement by the same amount (131-6201-52285-00000). Funding for the remaining balance of the contract has been appropriated under Measure H Funding (139-1791-XXXXXX-65404) in the Fiscal Year 2020-21 City Operating Budget.

AUTHORITY: In accordance with Section 2-994 of the City’s Purchasing Ordinance, Sole Source for professional services over \$100,000 shall be approved by City Council.

PREVIOUS RELATED ACTION: On July 2, 2018, City Council adopted a resolution authorizing the submission of the “City of Pomona Enhanced Strategic Plan to Prevent and Combat Homelessness” to the Los Angeles County, Chief Executive Office, outlining enhancements to the City of Pomona’s “A Way Home” Strategic Plan. On August 5, 2019, City Council adopted Resolution No. 2019-116 allowing the City to receive and appropriate \$297,500 in Measure H funding (139-1791-XXXXXX-65404) to implement Priority Area 1 services. On September 16, 2019, City Council awarded a sole source contract to LeSar Development Consultants for professional services related to the awarded City Planning and Homeless Program Grant, Priority Area 1, for an amount not to exceed \$267,750.

DISCUSSION:

In 2017, the Board of Supervisors approved Measure H Homeless Initiative (HI) funding to cities to develop their own homelessness plans. In 2018, 41 cities throughout Los Angeles, including the City of Pomona, submitted their homelessness plans to the County. In September 2018, the Board of Supervisors approved \$9 million in Measure H funding for the Homeless Initiative and United Way Home for Good Funders Collaborative (Home for Good) to issue a Request for Proposals (RFP) for those eligible cities to implement their homelessness plans, either as individual cities or multi-jurisdictional partners.

The Home for Good RFP outlined two priority areas that would be considered for funding. Priority Area 1 focused on increasing the supply of interim and permanent housing for people experiencing homelessness and Priority Area 2 focused on enhancing the service system for those experiencing or at-risk of homelessness.

In response to the Home for Good RFP, the City of Pomona submitted two applications: 1) The City of Pomona: Individual Priority Area 1 application and 2) The Tri-Cities Cohort: Multi-Jurisdictional Partnership Priority Area 1 and Priority Area 2 application. Together, the applications were funded in the amount of \$1,366,754.

City of Pomona Priority Area 1 Award

The City of Pomona was awarded \$297,500 in funding specifically to focus on how to increase the supply of housing for people experiencing homelessness. \$267,750 was used to contract with LeSar and the remainder of \$29,750 was used for administration of the grant. The grant was to run through February 2021.

In response to the application, the City proposed to work with LeSar on two projects: 1) perform a scattered site feasibility study to determine the highest and best use of City-owned properties, including their potential to be used for housing for people experiencing homelessness; and, 2) conduct analyses of local land use/zoning ordinances in light of best practices in supporting affordable housing strategies and increase community knowledge of housing policies.

LeSar Development Consultants Agreement

As an agency, LeSar specializes in working with diverse stakeholders to address complex public policy, such as housing affordability and homelessness, workforce and economic development, transportation, and community development. LeSar also founded the Housing Policy Leadership Academy, an intensive program for community leaders and influencers who want to better understand and advance solutions to address California's housing and homelessness crises. As such, and given the long history of consulting with the City of Pomona, LeSar welcomed the opportunity to partner once again with the City on the two projects outlined in the City's Homelessness Plan Implementation Grant Priority Area 1 Proposal.

Scattered Site Feasibility Study

The first area of study within the professional services agreement with LeSar was a scattered site feasibility study. To complete this study, LeSar has conducted a high-level site and building assessment of identified Housing Successor Agency and City owned properties with a specific focus on whether the properties can be used for housing for households experiencing homelessness. As part of the study, the project team assessed each property's current and potential use to make recommendations on whether to sell, maintain, or convert each property to an alternate use based on its long-term potential as housing for people experiencing homelessness. The project team has also conducted an intensive study of three sites, outlining the cost of renovation/rehabilitation, potential funding streams, projected property management costs, and interest from potential partners. This study is near completion and recommendations will be made available as part of a final report.

This portion of the agreement was not impacted by the outbreak of Covid-19.

Land Use/Zoning Ordinances and Community Education on Housing Policies

Within the second area of study, LeSar proposed conducting an analyses of City land use/zoning ordinances and community education/engagement on housing supply and affordability in the context of the City's values related to cultural and economic diversity. To complete this portion of the agreement, LeSar was going to review existing land use and zoning policies related to housing and provide feedback to staff. In addition, they were going to meet with community stakeholders regarding housing, hosting focus groups, community meetings and culminating in a housing

summit. However, due to the pandemic and the resulting moratorium on public gatherings, a revision of the scope of work is necessary. To keep the original goal of community engagement and education in housing, LeSar proposed to restructure some activities. These proposed revisions included the following:

Revised Task #	Activity
1	<p><u>Replace the originally proposed half-day workshop with a 90-minute online educational session with discussion</u> on best/emerging practice and trends in housing and land use policy and planning to meet the needs of households across diverse age, cultural, and socioeconomic groups:</p> <ul style="list-style-type: none"> • LDC will deliver the session twice to accommodate different schedules • LDC will use online polls and/or an online survey of participants to gather feedback on community priorities, concerns, and opportunities related to providing housing to meet the needs of the City’s diverse population
2	<p><u>No change to reviews of existing and in progress City land use/zoning ordinances based on identified priorities and in the context of current law, best/emerging practices, and economic impact.</u></p>
3	<p><u>No change to reviews of existing and in progress City land use/zoning ordinances based on identified priorities and in the context of current law, best/emerging practices, and economic impact.</u></p>
4	<p><u>Having completed 3 focus groups prior to the pandemic, propose to facilitate a 4th and final focus group virtually with developers on diversifying housing options.</u></p>
5	<p><u>Replace the Housing Summit with a customized course that blends elements of the Housing Policy Leadership Academy with content focused on specific pro-housing policies that support the planning, approval, and construction of housing.</u> Each session would be a 90-minute webinar and include an opportunity for the City to gather feedback from Pomona stakeholders, to inform the development of working groups to participate in the Housing Element planning process. Sessions would cover the following topics:</p> <ul style="list-style-type: none"> • Session 1: Origins of the housing crisis, evolution of frameworks for increasing supply and affordability to ensure a prohousing production strategy targeting “Housing for All,” and federal, state, and local government roles in housing policy and planning • Session 2: Favorable zoning and land use • Session 3: Decreasing production timeframes • Session 4: Reducing construction and development costs • Session 5: Providing financial subsidies • Session 6: Identifying community priorities
6	<p>Produce a summary report of the community education and engagement process, research findings, and recommendations to inform the development of a framework for the development of a Housing Strategic Plan and prioritize in-depth feasibility analyses for specific land use/zoning ordinances.</p>

Staff has reviewed the proposed revisions and determined the activities meet the goals of the County's grant program funding. In addition, the proposed Housing Policy Leadership Academy provides a value added component that can assist in creating a pathway for community input into the Housing Element. The Housing Element will need to be submitted to the State by October 2021 and these activities could be incorporated into the citizen participation requirement.

To meet the revised activities, there is an increase in funding needed in the amount of \$45,000. This increase is directly related to the Housing Policy Leadership Academy and the time and effort involved in creating and hosting a Pomona specific academy. The funding needed is available in the Low-Moderate Income Housing Fund balance through appropriation. The remainder of the contracted amount is budgeted in Measure H Funds (139-1791-XXXXX-65404), with some payments being made in FY 2019-2020. In addition to the revised scope of work, staff is also requesting an extension of time in the agreement from February 28, 2021 to June 30, 2021. This can be accomplished through a "no cost extension" which has been offered by the County and applied for by the City.

CONCLUSION

City staff is recommending that the proposed revisions be accepted and that the professional services agreement be amended to reflect the changes. These include a revision of the scope of work, an increase in award of \$45,000, and an extension of the term of the agreement to June 30, 2021.

COUNCIL PRIORITIES & GOALS: This action supports City Council Goal J – Encourage the development and maintenance of quality housing opportunities for all; and City Council Goal K – to reduce the unsheltered homeless population by 10% annually and take actions to mitigate the impacts of homelessness on the community.

Prepare by:

Benita DeFrank
Neighborhood Services Director

ATTACHMENT

Attachment 1 – Resolution No. 2020-157