



CITY OF POMONA COUNCIL REPORT

September 20, 2021

To: Honorable Mayor and Members of the City Council

From: James Makshanoff, City Manager

Submitted By: Benita De Frank, Neighborhood Services Director

SUBJECT: ADOPT A RESOLUTION TO AMEND THE FY 2021-22 OPERATING BUDGET BY CARRYING OVER REMAINING FUNDS FROM FY 2019-20 AND FY 2020-21 TO INCREASE REVENUE ESTIMATES AND APPROPRIATIONS IN HOMELESS GRANT FUNDS

RECOMMENDATION:

It is recommended that the City Council adopt the following resolution:

RESOLUTION NO. 2021-115 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA, CALIFORNIA, AMENDING THE FY 2021-22 OPERATING BUDGET BY CARRYING OVER REMAINING FUNDS FROM FY 2019-20 AND FY 2020-21 TO INCREASE REVENUE ESTIMATES BY \$120,644 AND APPROPRIATIONS BY \$119,647 IN MEASURE H; INCREASE REVENUE ESTIMATES BY \$304,272 AND APPROPRIATIONS BY \$274,272 IN MISCELLANEOUS STATE GRANTS; INCREASE REVENUE ESTIMATES AND APPROPRIATIONS BY \$631,295 IN OPERATION PORCHLIGHT RAPID REHOUSING, AND INCREASE REVENUE ESTIMATES AND APPROPRIATIONS BY \$630,355 IN SHELTER PLUS CARE (PERMANENT SUPPORTIVE HOUSING PSH) GRANT FUNDS

EXECUTIVE SUMMARY:

Annually, the City of Pomona Neighborhood Services Department's Homeless Programs receive several multi-year grants to fund program operations related to addressing homelessness. During FY 2019-20 and FY 2020-21, the City was awarded substantial grant funding through various sources such as: Tri City Mental Health Services Act, Los Angeles County Measure H Homeless Initiative City of Pomona and Tri Cities Cohort Multi-Jurisdictional Partnership, San Gabriel Valley Council of Governments (SGVCOG) Prevention and Diversion Grant and Implementation Grant, Continuum of Care (CoC) Pomona Operation Porchlight Rapid Rehousing (OPL) Consolidated Continuum of Care (CoC) Permanent Supportive Housing (PSH) Expansion Program, and State of California Emergency Rental Assistance Support Program.

Staff has identified unexpended funds budgeted for each grant award from previous fiscal years. These funds come from projects that were either underway at the time the fiscal year ended and need to be brought forward to complete the projects, or program that had funding that was not fully expended during the previous fiscal year. The following actions must be taken to amend the current Operating Budget: increase revenue estimates and appropriate the prior year's unspent funds and for some grants, align revenue estimates with appropriations for the current FY 2021-22 Operating Budget.

FISCAL IMPACT:

Adoption of Resolution No. 2021-115 (Attachment No. 1) will amend the FY 2021-22 Operating Budget in Measure H (Fund 139), Miscellaneous State Grants (Fund 215), Operation Porchlight Rapid Re-Housing (Fund 136), and Shelter Plus Care (Permanent Supportive Housing PSH) (Fund 218), by increasing revenue estimates by \$1,686,566 and appropriations by \$1,655,569 to carry over unspent funds from prior fiscal years. In addition, for some grants, this action will align revenue estimates with appropriations for the current FY 2021-22 Operating budget.

| Program | Revenue Account # | Change to 2021-22 Revenue Estimates (\$) | Expenditure Account # | Requested 2021-22 Appropriation (\$) |
|---|----------------------|--|------------------------|--------------------------------------|
| Los Angeles County Measure H Initiative – City of Pomona Priority Area 1 | 139-1702-40903-65404 | + \$9,943 | 139-1702-52350-65404 | + \$9,943 |
| | 139-1791-40903-65404 | - \$20,748 | 139-1791-52285-65404 | - \$20,748 |
| Los Angeles County Measure H Homeless Initiative – Tri Cities Cohort: Multi-Jurisdictional Partnership Priority Area 2 (FY 2019-20) | 139-1702-40903-65405 | + \$76 | 139-1702-52063 - 65405 | + \$76 |
| | 139-1791-40903-65405 | + \$132,078 | 139-1791-52285-65405 | + \$132,078 |
| San Gabriel Valley Council of Governments (SGVCOG) Prevention and Diversion Grant | 139-1791-40903-58724 | - \$1,183 | 139-1791-52285-58724 | - \$2,180 |
| | 139-1702-40903-58724 | + \$478 | 139-1702-52285-58724 | + \$478 |
| Sub-total: Measure H | | <u>+ \$120,644</u> | | <u>+ \$119,647</u> |
| Tri City Mental Health State Act | 215-1791-40873-58681 | + \$229,556 | 215-1791-52285-58681 | + \$229,556 |

| | | | | |
|---|--------------------------|---------------------------|--------------------------|---------------------------|
| (MHSA) Grant (FY 2019-2020, FY 2020-21) | | | | |
| San Gabriel Valley Council of Governments (SGVCOG) Implementation Grant | 215-1791- 40873-58724 | + \$31,731 | 215-1791- 52285-58724 | - \$20,279 |
| | | | 215-1791- 51039-58724 | + \$2,010 |
| | | | 215-1791- 52450-58724 | + \$8,000 |
| | | | 215-1791- 52111-58724 | + \$12,000 |
| | 215-1702- 40873-58724 | + \$10,837 | 215-1702- 52285-58724 | + \$10,837 |
| State of California Emergency Rental Assistance Support Program | 215-1702- 40873-58743 | + \$3,300 | 215-1702- 52285-58743 | + \$3,300 |
| | 215-1791- 40873-58743 | + \$28,848 | 215-1791- 52285-58743 | + \$28,848 |
| Sub-Total: Miscellaneous State Grants | | <u>+ \$304,272</u> | | <u>+ \$274,272</u> |
| Continuum of Care (CoC) Pomona Operation Porchlight Rapid Re-Housing Consolidated Sub-Total: Operation Porchlight Rapid Re- Housing | 136-1702- 40850-00000 | + \$34,853 | 136-1702- 51012-00000 | + \$17,386 |
| | | | 136-1702- 52285-00000 | + \$17,467 |
| | 136-1791- 40850-00000 | + \$596,442 | 136-1791- 52285-00000 | + \$596,442 |
| | | <u>+ \$631,295</u> | | <u>+ \$631,295</u> |
| Continuum of Care (CoC) Permanent Supportive Housing (PSH) | 218-1702- 40850-00000 | + \$10,740 | 218-1702- 51012-00000 | + \$10,740 |
| | 218-1791- 40850-00000 | + \$619,615 | 218-1791- 52579-00000 | + \$470,565 |

| | | | | |
|---|--|-----------------------------|----------------------|-----------------------------|
| Expansion Program | | | 218-1791-51012-00000 | + \$138,929 |
| | | | 218-1791-52285-00000 | + \$10,121 |
| Sub-total: Shelter Plus Care (PSH) | | <u>+ \$630,355</u> | | <u>+ \$630,355</u> |
| Grand Total All Homeless Grants | | <u>+ \$1,686,566</u> | | <u>+ \$1,655,569</u> |

PREVIOUS RELATED ACTIONS:

City Council authorized City of Pomona staff to enter into an agreement and accept funding for each of the grant awards listed below to provide services that meet the needs of individuals and families experiencing homelessness.

| Grant Name | Grant Total Award | Council Date Approved |
|--|--------------------------|------------------------------|
| Tri City MHSA | \$396,025 | December 2, 2019 |
| Los Angeles County Measure H Initiative – City of Pomona Priority Area 1 | \$297,500 | August 5, 2019 |
| Los Angeles County Measure H Homeless Initiative – Tri Cities Cohort: Multi-Jurisdictional Partnership Priority Area 2 | \$1,069,254 | August 5, 2019 |
| San Gabriel Valley Council of Governments (SGVCOG) Prevention and Diversion Grant | \$14,997 | September 21, 2020 |
| San Gabriel Valley Council of Governments (SGVCOG) Implementation Grant | \$250,000 | September 21, 2020 |
| Continuum of Care (CoC) Pomona Operation Porchlight Rapid Re-Housing Consolidated | \$909,401 | October 19, 2020 |
| Continuum of Care (CoC) Permanent Supportive Housing (PSH) Expansion Program | \$1,874,125 | October 19, 2020 |
| State of California Emergency Rental Assistance Support Program | \$133,100 | May 17, 2021 |

DISCUSSION:

During FY 2019-20 and FY 2020-21, City of Pomona received various multi-year homeless program grant awards. Unexpended grant funds in both fiscal years must be brought forward to

the current fiscal year, and for some grants, adjustments are needed to amend revenue estimates and appropriations to align the current FY 21-22 budget. The grant awards include Tri City MHSA, Los Angeles County Measure H Initiative – City of Pomona Priority Area 1 and Tri Cities Cohort: Multi-Jurisdictional Partnership Priority Area 2, SGVCOG Prevention and Diversion and Implementation Grants, CoC Pomona Operation Porchlight Rapid Rehousing Consolidated Program and Permanent Supportive Housing Expansion Program, and State of California Emergency Rental Assistance Support Program. An overview of each program can be found below:

Tri City Mental Health Services Act (MHSA)

On December 18, 2018, the City officially entered into an agreement with Tri City Mental Health Services for the purpose of reserving 28 crisis shelter beds at Hope for Home for single adults experiencing homelessness. In December 2019, the original contract was amended to change the contract period from July 1, 2019 to June 30, 2022. The amendment also increased the number of beds from 28 to 31. These changes also increased the funding award from \$357,700 to \$396,025 annually. The beds will be used to accommodate approximately 100 eligible adults experiencing homelessness per year and provide clients food, case management, and other supportive services to assist them in obtaining permanent housing. Lastly, funding assists in related costs associated with the Hope for Home Access Center.

Los Angeles County Measure H Initiative – City of Pomona Priority Area 1

City of Pomona applied for and was awarded two grants totaling \$1,366,754 in Los Angeles County Measure H Initiative funds. The first grant, City of Pomona Priority Area 1 Grant, was for the award amount of \$297,500 to conduct a local land use/zoning ordinances review and feasibility of use review of the 13 Pomona Housing Successor Agency owned properties, including their potential to be used for housing people experiencing homelessness. The City identified LeSar Development Consultants to conduct all reviews. The review of local land use and zoning ordinances will assist the City in determining the next steps to meet the growing need for the development of all levels of housing. The review of the Pomona Housing Successor Agency owned properties will also provide the City with information to establish the most productive use of the properties to meet the long term affordability covenants of the properties as required by funding used to acquire the properties. Grant funds must be expended by December 31, 2021.

Los Angeles County Measure H Homeless Initiative – Tri Cities Cohort: Multi-Jurisdictional Partnership Priority Area 2

The City applied for and was awarded Measure H Homeless Initiative funds in the amount of \$1,069,254 to implement a multi-jurisdictional project between the cities of Pomona, Claremont, and La Verne. The grant term was originally from August 19, 2019 to February 28, 2021 however, the County granted the City an extension until December 31, 2021. Grant funds continue to be allocated towards the following services: Homeless Prevention Program, four Tri City Community Navigators (one Community Navigator per City and two assigned to Pomona), Motel Vouchers for families experiencing homelessness, and six crisis shelter beds at Hope for Home for single adults experiencing homelessness. The cities continue their collaborative efforts to provide supportive services to their neighbors experiencing homelessness to identify permanent, safe housing.

SGVCOG Prevention and Diversion Grant

The City of Pomona applied for the SGVCOG Prevention and Diversion Grant and received a total award of \$14,997. The grant term was originally from September 1, 2020 to June 15, 2021, however the SGVCOG granted an extension until November 30, 2021 to expend grant funding. The funding allows for the implementation of a Prevention and Diversion Program, targeting individuals at-risk of becoming homeless or assists individuals who have recently become homeless. The program assists individuals with rental arrears, housing relocation and stabilization, rental application fees, security deposits, utility payments, moving costs, housing search and placement, housing stability case management, tenant legal services and credit repair.

SGVCOG Implementation Grant

In January 2020, the SGVCOG worked with staff from its member cities to identify regional homeless program goals and to develop a framework and approach to distribute state funding. The SGVCOG allocated state funding towards the implementation of member cities' previously developed homeless plans. The City of Pomona applied for the SGVCOG Implementation Grant and was awarded a total of \$250,000. The Implementation Grant became effective on September 1, 2020 and ends May 31, 2022. The funding is dedicated to activities specified under the City's Homeless Plan. The funding will allow for the following activities: encampment cleanups, street outreach, legal services, development of a homeless website, and permanent supportive housing services.

CoC Pomona Operation Porchlight Rapid Re-Housing (RRH) Consolidated Program

Since 1995, City of Pomona applies for an annual renewal of HUD CoC funding, as authorized by the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act). This funding is awarded through the Los Angeles CoC lead agency, Los Angeles Homeless Services Authority (LAHSA) for both the Rapid Re-Housing (RRH) and Permanent Supportive Housing (PSH) Programs. On January 20, 2020 for FY 2020-21, the City of Pomona was granted a renewal of funding for its RRH Program for a total of \$909,401 and \$883,675 for VOALA for program services such as case management, rental and supportive services, coordination, and administration. RRH focuses on housing navigation, relocation services, and short-and-medium term rental assistance for individuals and families experiencing homelessness. RRH follows a Housing First model, which offers housing without preconditions such as employment, income, credit history, or sobriety. Lastly, households who are assisted under the Program, work one-on-one with the Coordinated Entry System (CES) Staff who provide and connect the households to supportive services and housing placements.

CoC Permanent Supportive Housing (PSH) Expansion Program

Similar to the Rapid Rehousing Program, City of Pomona has applied for the annual grant renewal of its Permanent Supportive Housing (PSH) Program which is also funded under the CoC. The PSH Program funding varies year-to-year based on current fair market rents and is a direct award from HUD. The PSH Program provides indefinite rental assistance along with supportive services. Individuals who qualify for the PSH Program must be experiencing homelessness with a disability or families with an adult or child member with a disability. For FY 2020-21, City of Pomona was

awarded \$1,874,125 and of that award, \$42,000 was allocated to VOALA for program services such as life skill services, client engagement, and administration.

State of California Emergency Rental Assistance Support Program

On April 21, 2021, the Local Initiatives Support Corporation (LISC), on behalf of the State of California, awarded the City of Pomona a grant from funds received from the State of California Department of Housing and Community Development (HCD) under available funding from the Treasury to provide emergency rental and utility assistance to households impacted by the COVID-19 pandemic. The City received a total grant award of \$133,100 and is to be expended from April 21, 2021 through December 31, 2021. The City was selected to provide tiers 1, 2, and 3 grant activities. LISC implemented a three-tier engagement strategy to assist in engaging individuals with the necessary support. The tiers are focused on: 1) promotion of the program; 2) targeted outreach to eligible households; and 3) technical assistance to provide application guidance to individuals. City of Pomona Emergency Rental Assistance Program agencies, Inland Valley Hope Partners (IVHP), Tri City Mental Health, and Catholic Charities, have also contributed to providing outreach and technical assistance for the State Emergency Rental Assistance Support Program.

COUNCIL PRIORITIES & GOALS: This item supports 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.

Prepared by:

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ATTACHMENT:

Attachment No. 1 – Resolution No. 2021-115