



City of Arts & Innovation

City Council Memorandum

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TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JANUARY 25, 2022

FROM: OFFICE OF HOMELESS SOLUTIONS WARD: ALL

SUBJECT: MEASURE Z - SECOND AMENDMENT TO PROFESSIONAL CONSULTANT SERVICES AGREEMENT WITH KINGDOM CAUSES, INC. DBA CITY NET TO EXTEND CASE MANAGEMENT SERVICES TO THE CITY'S RENTAL ASSISTANCE PROGRAM PARTICIPANTS THROUGH APRIL 9, 2023 IN THE AMOUNT OF \$815,274.60 FOR A TOTAL CONTRACT AMOUNT OF \$1,052,914.60

ISSUE:

Approve a Second Amendment to the Professional Consultant Services Agreement with Kingdom Causes, Inc. dba City Net extending case management services to the City's Rental Assistance Program participants through April 9, 2023 in the amount of \$815,274.60 for a total contract amount of \$1,052,914.60.

RECOMMENDATIONS:

That the City Council:

1. Approve a Second Amendment to the Professional Consultant Services Agreement with Kingdom Causes, Inc. dba City Net to extend case management services to the City's Rental Assistance Program participants through April 9, 2023 in the amount of \$815,274.60 (\$407,637.30 annually); and
2. Authorize the City Manager, or his designee, to execute a Second Amendment to the Professional Consultant Services Agreement with Kingdom Causes, Inc. dba City Net, including making minor and non-substantive changes.

BACKGROUND:

On September 9, 2021, the Purchasing Division posted Request for Proposal (RFP) No. 1975 through the electronic bidding portal. A total of 11 prospective vendors registered for the RFP. The RFP closed on September 27, 2021. A total of four (4) responsive proposals were received. An evaluation committee was established to review and evaluate the proposals submitted based on references; qualifications; experience; price; interview; and approach and methodology. After careful review, it was determined by the evaluation committee that City Net was ranked the most qualified based on the scoring criteria outlined in the RFP.

Vendor	Location	Ranking
Kingdom Causes, Inc.	Anaheim, CA	1
Mercy House Living Centers	Santa Ana, CA	2
Step Up on Second Street, Inc.	Santa Monica, CA	3
Mary Bleier-Troup	Riverside, CA	4

On April 9, 2020, the City entered into a Professional Consultant Services Agreement (PCSA) with Kingdom Causes, Inc. dba City Net (City Net) for \$237,640 to provide case management to the City’s Rental Assistance Program and the Massachusetts Action Plan Program participants for services procured through RFP No. 1975, which was procured under the competitive procurement process. The RFP allows for two-one year additional term extensions upon mutual agreement between the City and the Consultant. The contract was funded with Measure Z funds (\$190,112) and a State COVID-19 Emergency Homelessness Grant from the State (\$47,528).

The contract was executed during the COVID-19 pandemic, whereby the City Manager had the authority granted by City Council on April 7, 2020, to execute all contracts in connection with the local emergency.

On August 4, 2020, the City Net Agreement was amended to allocate federal Coronavirus Aid, Relief, and Economic Security (CARES) Act funds towards case management in the amount of \$160,525.64. The CARES Act funding allocation was subsequently reduced to \$160,373.88, with a final funding allocation as follows:

Measure Z	\$ 29,738.12
State COVID-19 Emergency Homelessness Grant from the State	47,528.00
CARES Act Funds	160,373.88
Total	\$ 237,640.00

During Fiscal Year (FY) 2019/2020, the City Net case managed 97 individuals, and 105 individuals in FY 2020/2021.

DISCUSSION:

Staff is requesting to extend the term for City Net’s Professional Consultant Services Agreement (PCSA) for two (2) twelve (12)-month periods through April 9, 2023 in the annual amount of \$407,637.30 for a total contract increase of \$815,274.60 utilizing Measure Z funds. This funding allocation will support four case managers to provide case management to program participants in the City’s Rental Assistance (RA) Program. The Housing Authority staff will be processing RA applications for the individuals that have been engaged in the Santa Ana River bottom area within the city limits that are interested and in need of housing and case management. City Net’s case managers will be able to provide the case management needed for these individuals.

There was a delay in submitting the Second Amendment to the PCSA as staff was working with City Net to update their case management and in the preparation and review of the Second Amendment to PCSA contract. During this period, City Net continued to provide case management to program participants in the City’s Rental Assistance Program to ensure they remain stably housed and become self-sufficient.

The Purchasing Manager concurs that the recommendation to approve the Second Amendment to Professional Consultant Services Agreement is in compliance with Purchasing Resolution No. 23812, Article Five – Formal Procurement.

STRATEGIC PLAN ALIGNMENT:

This item contributes to **Strategic Priority 2 – Community Well-Being** and **Goal No. 2.2**, collaborate with partner agencies to improve household resiliency and reduce the incidence and duration of homelessness.

The item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – Riverside is transparent and makes decisions based on sound policy. The PCSA will allow formerly homeless individuals who obtain housing receive case management and the resources needed to achieve self-sufficiency.
2. **Equity** – RA program participants who receive case management through City Net have equal access to the RA program and resources provided.
3. **Fiscal Responsibility** – Riverside is a prudent steward of public funds and ensures responsible management of the City’s financial resources while providing quality public services to all.
4. **Innovation** – The City Net case managers continue to come up with innovative programs and resources to assist RA program participants.
5. **Sustainability & Resiliency** – The PCSA with City Net will ensure that case management will continue for housed RA program participants who need assistance with identifying resources needed to meet their individual needs and to achieve self-sufficiency.

FISCAL IMPACT:

The fiscal impact of this recommendation is \$815,275.20; sufficient funds are available in Measure Z Spending Item #20 – Homeless Services, Account No. 8002001-421000. If the City Council approves the Second Amendment to the PCSA with City Net, the total contract amount over the three-year term of April 9, 2020 through April 9, 2023 will be \$1,052,914.60.

Amounts paid to City Net for case management services to the City’s Rental Assistance Program participants to date total \$216,925.98. Outstanding invoices for services provided from April 10, 2021 through the date of this report total \$223,770.45.

Prepared by: Michelle Davis, Housing Authority Manager
Certified as to availability of funds: Edward Enriquez, Chief Financial Officer/Treasurer
Approved by: Lea Deesing, Assistant City Manager
Approved as to form: Phaedra A. Norton, City Attorney

Attachment: Second Amendment to Professional Consultant Services Agreement