



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: JANUARY 23, 2024**

FROM: DEPARTMENT OF HOUSING AND HUMAN SERVICES **WARDS: ALL**

SUBJECT: PROFESSIONAL CONSULTANT SERVICES AGREEMENT FOR \$280,860.13 IN MEASURE Z FUNDS AND SUBRECIPIENT AGREEMENT FOR THE HOMELESS HOUSING, ASSISTANCE, AND PREVENTION PROGRAM ROUND 2 FOR \$216,046.25 IN GRANT FUNDS WITH STEP UP ON SECOND STREET, INC. FOR STREET OUTREACH SERVICES

ISSUES:

Approval of a Professional Consultant Services Agreement, Inc. for \$280,860.13 in Measure Z funds and a Subrecipient Agreement for the Homeless Housing, Assistance and Prevention Program Round 2 for \$216,046.25 in grant funds with Step Up on Second Street, Inc. for street outreach services.

RECOMMENDATIONS:

That the City Council:

1. Approve a Professional Consultant Services Agreement with Step Up on Second Street, Inc. for \$280,860.13 in Measure Z funds for street outreach services;
2. Approve a Subrecipient Agreement for Homeless Housing, Assistance and Prevention Program Round 2 with Step Up on Second Street, Inc. for \$216,046.25 in grant funds for street outreach services; and
3. Authorize the City Manager, or designee, to sign and execute the Professional Consultant Services Agreement and Subrecipient Agreement for Homeless Housing, Assistance and Prevention Round 2 with Step Up on Second Street, Inc., including making minor and non-substantive changes.

BACKGROUND:

In April 2020, the City of Riverside was awarded \$968,672 of Emergency Solutions Grant CARES Act (ESG-CV) funding to prevent, prepare for, and respond to the coronavirus pandemic among individuals and families who are homeless or receiving homeless assistance; and to support additional homeless assistance and homeless prevention activities to mitigate the impacts of COVID-19. On May 26, 2020, the City Council approved allocating the ESG-CV funding towards the following activities:

Activity	Amount
Homeless Prevention	\$420,000.00
Rapid Re-Housing	\$214,988.80
Outreach Services	\$105,500.00
Emergency Shelter Operations	\$131,316.00
Administration	\$ 96,867.20
Total	\$968,672.00

Due to the overwhelming federal resources being allocated toward the Rental Assistance Program to assist renters with past due rent and utilities and the rent eviction moratorium being extended to July 30, 2021, HUD had strongly encouraged grantees to reallocate funding from homeless prevention to other ESG eligible activities such as outreach services or shelter services.

On May 25, 2021, City Council approved reallocating \$413,945.58 of ESG-CV grant funds from homeless prevention to outreach services to continue PSET Outreach Services contracted through City Net for an additional year.

On June 9, 2020, the City was notified by HUD that they would be allocated \$3,126,622 of ESG-CV2 grant funds. On August 3, 2021, the City Council approved amending the City's HUD 2019/2020 Annual Action Plan to allocate \$3,126,622 of ESG-CV 2 funding as follows:

Activity	Grant Amount
Temporary Emergency Housing -Pallet Shelter Operations (Non-congregate shelter) – Extend the Temporary Emergency Housing Operation Agreement with Kingdom Causes, Inc. DBA City Net for an additional year.	\$1,269,611.00
Bridge Housing Operations (Non-congregate shelter) – Subrecipient Agreement with Mercy House to operate a non-congregate shelter at 2881 Hulen Place.	\$1,242,118.00
Homeless Street Outreach – Subrecipient Agreement with Step Up on Second Street, Inc. for street outreach services.	\$ 166,678.00
Dedicate 20 shelter beds to City homeless residents – Subrecipient Agreement with Path of Life Ministries to provide 20 dedicated shelter beds.	\$ 365,000.00
Administration	\$ 83,215.00
Total	\$3,126,622.00

On September 14, 2021, the ESG-CV2 Subrecipient Agreement with Step Up on Second Street, Inc. for \$166,678 in grant funds for street outreach services was executed. Outreach staff will engage and provide services to people living in places not meant for human habitation including cars, parks, abandoned buildings, bus or train stations, encampments, or campgrounds. The team assesses individual's or families' current needs and support them with linkage and access to additional comprehensive services such as mainstream benefits, vital documentation (i.e., driver's license, state ID, social security, etc.), homeless verification, vocational support, emergency shelter, housing, and other critical services.

The Outreach Team will respond to the issues and concerns of people in need of assistance as well as residents, businesses, and others relative to homelessness in this community. Focused

on the "hardest to-reach" and "service-resistant" homeless population, the Outreach Team will work in partnership with city staff, local service providers, health professionals, law enforcement, and the community at-large to help people get off the streets and connected with the services they need to gain stable housing and achieve self-sufficiency. The outreach team will identify individuals being homeless, assess their housing and service needs, and facilitate connection to shelter and other needed services.

DISCUSSION:

In February 2023, staff had routed a First Amendment to ESG-CV2 Agreement with Step Up on Second Street, Inc. for an additional funding allocation of \$156,620 that would extend the contract to August 31, 2023. The agreement was executed in error as the prior City Council approval was only for the original grant allocation of \$166,678 and not for the second funding allocation. The agreement has since been terminated and staff is requesting City Council to consider Professional Consultant Services Agreement, Inc. for \$280,860.13 in Measure Z funds and a Subrecipient Agreement for the Homeless Housing, Assistance and Prevention Program Round 2 for \$216,046.25 in grant funds with Step Up on Second Street, Inc. to continue providing two personnel to conduct street outreach services through the Riverside Access Center and surrounding area. These agreements would extend the street outreach services from July 1, 2022 to May 31, 2025. The new contracts reflect increases in wages for personnel, services, and goods.

STRATEGIC PLAN ALIGNMENT:

The project supports to **Strategic Priority 2 - Community Well Being and Goal**, specifically Goal 2.2 to 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** – Activities and actions by the City serve the public interest, benefit the City's diverse population, and results in greater public good.
2. **Equity** – All individuals served by Step Up on Second Street, Inc.'s Street Outreach are treated with dignity, respect and compassion regardless of their circumstances, ability or identity.
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** – Riverside is inventive and timely in meeting the community's changing needs and prepares for the future through collaborative partnerships and adaptive processes.
5. **Sustainability & Resiliency** – Riverside is committed to meeting the needs of the present without compromising the needs of the future and ensuring the City's capacity to persevere, adapt and grow during good and difficult times alike.

FISCAL IMPACT:

The total fiscal impact of the action is \$496,906.38. The funds are budgeted and available in the following funds and accounts as listed in the table below.

Fund	Program	Account	Amount
Measure Z	Outreach Homeless Services	8003905-421000	\$280,860.13
Development Grants	HHAP 2 Grant	9343230-440210	\$216,046.25
Total			\$496,906.38

Prepared by: Michelle Davis, Housing and Human Services Director
 Certified as to
 availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer
 Approved by: Mike Futrell, City Manager
 Approved as to form: Phaedra Norton, City Attorney

Attachments:

1. Professional Consultant Services Agreement
2. Subrecipient Agreement for Homeless Housing, Assistance and Prevention Program Round 2