



City Council Memorandum

City of Arts & Innovation

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

FROM: OFFICE OF HOMELESS SOLUTIONS WARD: 1

SUBJECT: WAIVE THE SUNSHINE ORDINANCE PURSUANT TO RIVERSIDE MUNICIPAL CODE SECTION 4.05.050(D)(1)(a) AND IF THE SUNSHINE ORDINANCE IS WAIVED, DISCUSS AND APPROVE A RESOLUTION TO AUTHORIZE THE CITY OF RIVERSIDE TO ACCEPT A \$10,000,000 PASS-THROUGH GRANT FROM THE STATE OF CALIFORNIA AND APPROVE A REHABILITATION AGREEMENT WITH YOUNG SCHOLARS FOR ACADEMIC EMPOWERMENT DBA TRUEVOLUTION INC. TO FUND THE PROJECT LEGACY, A 49 BED TRANSITIONAL HOUSING PROJECT LOCATED AT 3839, 3853, 3865, 3879 BROCKTON AVENUE, 4145 9TH STREET, AND 4132 UNIVERSITY AVENUE TO BE CONSIDERED BY CITY COUNCIL AT THE JANUARY 25, 2022 CITY COUNCIL MEETING

ISSUE:

Waive the Sunshine Ordinance pursuant to Riverside Municipal Code Section 4.05.050(D)(1)(a) and if the Sunshine Ordinance is waived, discuss and approve a Resolution authorizing the City of Riverside to accept a \$10,000,000 pass-through grant from the State of California and approve a Rehabilitation Agreement with Young Scholars for Academic Empowerment dba TruEvolution, Inc. to fund the Project Legacy, a 49-bed transitional housing project located at 3839, 3853, 3865, 3879 Brockton Avenue, 4145 9th Street, and 4132 University Avenue to be considered by City Council at the January 25, 2022 City Council meeting.

RECOMMENDATION:

That the City Council waive the Sunshine Ordinance by a two-thirds vote pursuant to Riverside Municipal Code Section 4.05.050(D)(1)(a) to discuss and approve a Resolution authorizing the City of Riverside to accept a \$10,000,000 pass-through grant from the State of California and approve a Rehabilitation Agreement with Young Scholars for Academic Empowerment dba TruEvolution, Inc. to fund the Project Legacy, a 49-bed transitional housing project located at 3839, 3853, 3865, 3879 Brockton Avenue, 4145 9th Street, and 4132 University Avenue to be considered by City Council at the January 25, 2022 City Council meeting to prevent increased project costs.

LEGISLATIVE HISTORY:

The State of California (State) in its Budget Act of 2021 (Budget Act), as amended by Budget Bill Jr. (SB129), Chapter 69, Control section 19.56(b)(211) allocated Ten Million dollars (\$10,000,000) to the City of Riverside for TruEvolution's Project Legacy housing project. The State budget appropriation line item reads as follows:

(211) \$10,000,000 to the City of Riverside for TruEvolution's Project Legacy Housing Project.

BACKGROUND:

In September of 2020, Young Scholars for Academic Empowerment, DBA TruEvolution, Inc. (TruEvolution), began working with the Riverside County Housing Authority to seek Housing Opportunities For Persons With AIDS (HOPWA) funding to acquire six contagious parcels located at 3839, 3853, 3865, 3879 Brockton Avenue, 4145 9th Street, and 4132 University Avenue (Properties) and to begin project pre-development on Project Legacy, a 49-unit transitional housing project that would provide housing for persons experiencing homelessness or for those at risk of homelessness. The County granted the project \$1 million in HOPWA funds for the land acquisition needed for the project.

DISCUSSION:

With the passage of the State budget, the State Department of Finance contacted the City Manager's Office with an urgent request to review and sign a short Standard Agreement that would enact the budget appropriation for TruEvolution's Project Legacy. Because the funding was approved by the State, and with the urgent request from the Department of Finance, the City Manager executed a short State Standard Agreement with the concurrence of the City Attorney.

The State grant funds will be used to rehabilitate the Properties. Five of the properties are single-family residences that will be renovated to a 49-bed transitional housing program. One commercial building will be renovated for an on-site community Health and Justice Center which will accommodate TruEvolution's offices and provide wraparound services to the campus' residents and community. The accessory garage structure behind the existing commercial building will be renovated as part of the project to provide a gym and laundry space to serve the tenants of the transitional housing bungalows and individuals using the Health and Justice Center facility.

SUNSHINE WAIVER REQUEST:

To prevent any project delays that would result in increased project costs, staff is requesting to waive the Sunshine Ordinance to allow the City Council to consider on January 25, 2022, a Resolution authorizing the City of Riverside to accept a \$10,000,000 pass-through grant from the State of California and approve a Rehabilitation Agreement with Young Scholars for Academic Empowerment dba TruEvolution, Inc. to fund the Project Legacy, a 49-bed transitional housing project located at 3839, 3853, 3865, 3879 Brockton Avenue, 4145 9th Street, and 4132 University Avenue. Riverside Municipal Code Sections 4.05.050 provides that the Sunshine Notice Requirement may be excused if the minimum notice requirements of the City Charter and the Brown Act have been met and one of the excuses set forth in that section applies. Section 4.05.050(D)(1) provides for the excuse of the Sunshine Notice Requirements if the following applies:

- 1) The local body, by a two-thirds of those members present, adopts a motion determining that, upon consideration of the facts and circumstances, it was not reasonably possible to meet the additional notice requirements under this section and any one of the following exists:
 - a) The need to take immediate action on the item is required to avoid a substantial impact that would occur if the action were deferred to a subsequent special or

regular meeting

Delaying this report until the February 1, 2022 meeting would result in project delays and increased project costs related to insurance premium costs (estimated to be \$80,000) and delaying the opening of a highly needed transitional housing program with wrap around services.

STRATEGIC PLAN ALIGNMENT:

Project Legacy aligns with **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 and **Goal 2.3**, strengthen neighborhood identities and improve community health and the physical environment through amenities and programs that foster an increased sense of community and enhanced feelings of pride and belonging citywide.

The TruEvolution Project also aligns with each of the Cross-Cutting Threads as follows:

1. **Community Trust** – The City of Riverside has identified the need for affordable housing as a priority need in the City's Housing Element process. The Housing Element outreach process gathered information from specific focus groups and interviews with various organizations and service providers in the housing and community development field, as well as residents of the city.
2. **Equity** –The Project ensures that all eligible persons receive equitable access to service and are served with dignity, respect, and compassion regardless of the circumstances, ability, or identity.
3. **Fiscal Responsibility** – There is no fiscal impact to the City General Fund associated with this project. This project allows the City to utilize a State budget appropriation to build low-income housing to create economic stability for extremely low-income City residents.
4. **Innovation** – The Project will allow the City to capitalize on new and changing funding sources in partnership with state programs to meet ongoing and changing needs of low- to moderate income members of the community.
5. **Sustainability & Resiliency** – The Project promotes a sustainable community and economic development and projects to encourage community engagement and resiliency.

FISCAL IMPACT:

There is no fiscal impact associated with this report.

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: PPT