



Agenda Item

City Council

Item #: 9.4.

5/13/2025

File #: 24-0669

TO: Honorable Mayor and Members of the City Council

THRU: Tom Kisela, City Manager

FROM: Russell Bunim, Community Development Director

1. SUBJECT

First Amendment to Subrecipient Agreement with The Hub OC for supportive services to qualifying populations under the HOME Investment Partnerships Program American Rescue Plan to identify eligible expenses managed by The Hub OC at the Hub Resource Center and reimburse the General Fund (100).

2. SUMMARY

First Amendment to Subrecipient Agreement with The Hub OC to increase compensation by \$503,371, for a total not-to-exceed amount of \$1,293,032, to reimburse eligible expenses to the General Fund as approved through the City's HOME Investment Partnerships Program American Rescue Plan Allocation Plan. This Amendment is necessary for the drawdown of remaining HOME-ARP funds and to reimburse the General Fund (100) for the remaining amount of \$503,371.

3. RECOMMENDED ACTION

Approve the amendment to the agreement with The Hub OC for \$503,371, for a total compensation of \$1,293,032, for supportive services to qualifying populations under the HOME Investment Partnerships Program American Rescue Plan Allocation Plan; and authorize the Mayor and the City Clerk to execute on behalf of the City.

4. FISCAL IMPACT

This Amendment reimburses the General Fund (100) an additional \$503,371 for eligible expenses under the HOME Investment Partnerships Program American Rescue Plan Allocation Plan with The Hub OC.

5. STRATEGIC PLAN GOALS

Goal 3: Enhance Public Communication Strategy and Quality of Life.

6. DISCUSSION AND BACKGROUND

The American Rescue Plan Act of 2021 (ARP) appropriated \$5 billion to jurisdictions that qualified for HOME Investment Partnerships Program (HOME) in Fiscal Year 2021. The purpose of HOME-ARP is to provide housing, services, and shelter to individuals experiencing homelessness, at-risk of homelessness, victims of domestic violence, and other vulnerable populations. The City of Orange was eligible to receive \$1,655,244 and was approved for the funding by the Department of Housing and Urban Development (HUD) with the adoption and approval of the City of Orange HOME-ARP

Allocation Plan (Allocation Plan) on May 8, 2023.

On May 1, 2023, the city issued a Request for Proposals to identify service providers offering specialized services to those experiencing homelessness and other vulnerable populations. The Hub OC was the only agency to submit a proposal. The Hub OC has been providing supportive services through The Hub Resource Center (HRC) at 517 W. Struck since May 2, 2022 that includes, but is not limited to, continuum of care services, laundry, shower, restroom, mail, and food distribution. In addition, the HRC connects the unhoused with access to shelter services through the Coordinated Entry System and Homeless Management Information System, provides access to phones and fax services, veterinary services, COVID-19 vaccinations, haircuts, and referrals to clothing providers. In response to the RFP, the City approved the agreement with The Hub OC on September 12, 2023, to continue the services at the HRC in accordance with the Allocation Plan.

When the City initially approved the agreement for \$789,661, the compensation was based on estimates of the following:

1. Estimated eligible expenses incurred prior to entering the HOME-ARP agreement with The Hub OC and originally paid for through the general fund;
2. Proportion of the operations expected to be managed by The Hub OC moving forward; and
3. Estimated eligible expenses for the operations expected to be managed by the City, including the rental of showers, laundry, and restrooms.

After review of actual expenses, it was determined that the eligible expenses managed by The Hub OC were \$1,293,032. The increase was a result of The Hub OC taking on the management of additional services, including shower, laundry, and restroom services previously managed by the City after the Agreement was approved.

The Amendment increases the compensation and reimbursement of the General Fund for the operations managed by The Hub OC in accordance with the Allocation Plan. The Amendment reclassifies the eligible expenses previously identified as City managed resources to The Hub OC managed resources and allows for the drawdown and reimbursement to the General Fund for the remaining \$503,371 of HOME-ARP funds available.

Staff recommends approving the First Amendment to the Subrecipient Agreement with The Hub OC in order to access the remaining HOME-ARP funds of \$503,371 and request the reimbursement drawdown from HUD.

7. ATTACHMENTS

- First Amendment to Subrecipient Agreement with The Hub OC
- City of Orange HOME-ARP Allocation Plan