


CITY COUNCIL ACTION REQUEST			
DEPARTMENT(S) Housing	CEQA Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.	COORDINATION City Attorney's Office; City Manager's Budget Office	Director Approval /s/ Erik L. Soliván
COUNCIL DISTRICT(S) Citywide			CMO Approval  12/4/25
SUBJECT: Fourth Amendment to the Consultant Agreement with The Pun Group, LLP for Grant Monitoring Services			
RECOMMENDATION			
Adopt a resolution authorizing the Housing Director, or his designee, to negotiate and execute a Fourth Amendment to the Consultant Agreement with The Pun Group, LLP for grant monitoring services, to increase the maximum total compensation by \$135,000, from \$731,500 to \$866,500 for the period of January 1, 2026 to June 30, 2026.			
BASIS FOR RECOMMENDATION			
<p>The Housing Department is responsible for the financial and programmatic monitoring of subrecipients that administer local, state, and federal grant funds supporting housing, homelessness, and community development programs. To support this oversight function, The Pun Group, LLP will continue to provide grant monitoring services to ensure compliance with applicable federal and state regulations, proper use of funds, adherence to grant conditions, achievement of performance goals, and the maintenance of sound internal controls. Responsibilities include conducting financial and programmatic reviews, assessing grantee performance, testing eligibility documentation, and verifying implementation of corrective action plans to address identified findings.</p> <p>This amendment supports the City's implementation of audit recommendations issued by the California State Auditor and the San José City Auditor. Both audits identified the need to strengthen the City's grant monitoring framework, improve internal oversight processes, and better align contract performance metrics with the City's broader homelessness response strategy.^{1 2}</p> <p>The expanded scope of The Pun Group, LLP's work will support these recommendations by providing independent monitoring and technical assistance that will help the City respond to audit findings, maintain proper grant oversight, enhance accountability, and ensure that program expenditures are directly tied to measurable outcomes.</p>			
COMMISSION RECOMMENDATION AND INPUT			
No commission recommendation or input is associated with this action.			

¹ California State Auditor, *Homelessness in California: San José and San Diego Must Do More to Plan and Evaluate Their Efforts to Reduce Homelessness*. Report 2023-102.1, April 9, 2024:
<https://information.auditor.ca.gov/reports/2023-102.1/index.html>.

² City Auditor's Office, City of San José, *Homelessness Coordination: Expanding Outreach, Strengthening Grant Oversight, and Aligning Performance Goals Can Improve the City's Response*. Report 25-04, October 2025:
<https://sanjose.legistar.com/View.ashx?M=F&ID=14843214&GUID=C224409C-BF4C-41D5-B947-19E8B74FCD1F>

COST AND FUNDING SOURCE
The recommended amendment to this agreement of \$135,000 will be funded by the Housing Program Development and Monitoring appropriation in the Community Development Block Grant Fund.
FOR QUESTIONS CONTACT: Cupid Alexander, Deputy Director, Housing Department, at cupid.alexander@sanjoseca.gov