



HOUSING AUTHORITY REPORT

DATE ISSUED: June 8, 2010

REPORT NO: HAR 10-045

ATTENTION: Members of the Housing Authority
For the Agenda of June 29, 2010

SUBJECT: Memorandum of Understanding with the City of San Diego (Citywide)

REQUESTED ACTION:

Approve the Memorandum of Understanding (MOU) with the City of San Diego.

STAFF RECOMMENDATION:

That the Housing Authority Board approve the MOU between the Housing Commission and the City of San Diego (City) that includes the terms and conditions under which the Housing Commission will assume responsibility for the City's shelter and service programs for the homeless population of the City.

SUMMARY:

In mid 2010, the President & Chief Executive Officer (CEO) restructured the organization to include a Special Housing Initiatives Department that would include programs and projects that serve the homeless and special needs populations in the City of San Diego. Housing Commission staff began to explore assuming responsibility for the operation of the shelter and service programs of the City. For several years, the City included two positions tasked with these responsibilities; however, City budget consideration resulted in the elimination of these positions recently.

Negotiations between the City and Housing Commission have resulted in the proposed MOU (Attachment). Specifically, the MOU includes several points that the Housing Commission Board directed staff to ensure were considered:

1. The MOU covers operation of the Emergency Winter Shelter, Cortez Hill Family Shelter, Neil Good Day Center, Homeless Data Management;
2. City staff will facilitate utility hook ups for the emergency shelter tent through Facilities Maintenance, Water & Streets;
3. 100% of Emergency Shelter Grant Funds will be made directly accessible to the Commission for these activities; Community Development Block Grant funds will be allocated according to Council Policy 700-02;
4. If adequate funding is not available through regular funding sources to operate these programs, the Commission may terminate the MOU with ninety (90) days notice;
5. Prior to July 1, 2010, City staff will provide written description of the documentation that will be required from the Commission to ensure prompt (within 30 days) reimbursement to the Commission of CDBG funds for the shelter programs;
6. The Commission's financial contribution to these programs is capped at the current level or \$445,000 per year;

7. Prior to July 1, 2010, the City shall award contracts for service providers for the operation of the shelter programs during the FY2011 fiscal year and the Commission will assume administration of those contracts. For subsequent years, during the term of the MOU, the Commission will use its procurement and contract award processes for these service operations, as long as adequate funding sources are identified and made available to the Commission.

FISCAL CONSIDERATIONS:

The Commission will receive \$660,147 in ESG funds for the shelter programs in FY 2011; the City will make additional funding of approximately \$850,000 available to the service providers through the City's Community Development Block Grant (CDBG) program. The Commission's FY2011 budget includes \$445,000 from Local Funds for these programs.

EQUAL OPPORTUNITY/CONTRACTING:

Contracts awarded by the City for FY2011 shelter program operations will be done based on the City's procurement and contracting processes. Subsequent contracts and funding awards will be completed using the Commission's processes.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

This Board of the San Diego Housing Commission is scheduled to hear this item at the Regular Housing Commission Meeting of June 18, 2010.

ENVIORNMENTAL REVIEW:

This is not a project within the meaning of the California Environmental Quality Act (CEQA) and is categorically exempt under the provisions of the National Environmental Protection Act (NEPA).

Respectfully submitted,



Cissy Fisher, Vice President
Special Housing Initiatives

Approved by,



Carrol M. Vaughan,
Executive Vice President &
Chief Operating Officer

Attachments: Proposed Memorandum of Understanding

Hard copies are available for review during business hours in the main lobby of the San Diego Housing Commission offices at 1122 Broadway, San Diego, CA 92101 and at the Office of the San Diego City Clerk, 202 C Street, San Diego, CA 92101. You may also review complete docket materials on the San Diego Housing Commission website at www.sdhc.org.

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) entered into this _____ day of 2010, between the SAN DIEGO HOUSING COMMISSION, a public agency (Commission) and the CITY OF SAN DIEGO, a municipal corporation (City).

The term of this MOU is two fiscal years, beginning July 1, 2010 and ending June 30, 2012; the MOU must be renewed one year prior to the end of each fiscal year to ensure availability and allocation of funding. This MOU shall terminate on June 30, 2012 unless extended by the Commission and the City no later than June 30, 2011.

RECITALS

WHEREAS, The City's Consolidated Plan passed by Council Resolution on, _____ estimates there are 6,500 homeless persons located within the City's jurisdictional limits; and

WHEREAS, The City's Homeless Programs included in the Consolidated Plan, seek to continue to expand the involvement of nonprofit entities in the provision of shelter and services to the homeless and further recognizes the need to increase the availability of shelter beds to effectively serve homeless persons with special needs in an efficient and effective manner; and

WHEREAS, pursuant to the City's Consolidated Plan, the City has provided temporary shelter and services for homeless persons (e.g., Emergency Winter Shelter, Cortez Hill Family Shelter, Neil Good Day Center, Homeless Data Management referred to as "Shelter and Service Programs") through a series of contractual arrangements with shelter and service providers; and

WHEREAS, the City desires to transfer the management of the contracts for operation of the Shelter and Service Programs;

NOW, THEREFORE, the Commission and the City agree as follows:

1. On July 1, 2010, the Commission will take responsibility for the management and oversight of the City's contracts for provision of shelter and services for homeless persons as awarded by the City prior to July 1, 2010 and as awarded by the Housing Commission and/or Housing Authority for the remaining term of this MOU.
2. To provide temporary shelter, services and assistance to alleviate homelessness:
 - The Housing Commission will use City appropriated funds (and other sources as available) to support the shelter program.
 - The Housing Commission will manage the contracts to operate the Neil Good Day Center as awarded by the City to provide walk-in and referral services for homeless.
 - The Housing Commission will continue to fund data management services through the Regional Task Force on the Homeless at current level (\$45,000/year) if services and funding are deemed necessary.

- To assist families with access to transitional housing, case management, and support services: the Housing Commission will use Emergency Shelter Grant (ESG), Community Development Block Grant (CDBG) and any other funds available to support assistance to a minimum of 100 families through the Cortez Hill Family Center.
 - The City staff will facilitate utility hook ups for shelter tent operations (Facilities Maintenance, Water, Streets). Commission will be responsible for payment of service hook ups, utility payments, and costs associated with set-up/tear down of shelter program(s).
3. Sources of Funds: the City will dedicate 100% of funds received from the HUD ESG and will dedicate CDBG funding in accordance with Council Policy 700-02 to shelter and service programs during the term of the MOU. City and Housing Commission acknowledge that the current rate of City funding does not cover the entire cost of the shelter program and is contingent upon the ESG entitlement amount, other funding sources confirmed, and Council approval during the CDBG Application process. It is expressly understood that the Commission may terminate this MOU, upon ninety (90) days written notice to the City, if regular funding sources adequate to cover the provision of a tent and social services at a level of service equal or greater than that provided by the City's winter shelter program in FY2010 are not made available.
 4. To ensure the Commission's ability to manage the operational contracts, the City agrees to work with the Commission and HUD to facilitate the Commission's ability to directly access the ESG funds through the Integrated Disbursement and Information System (IDIS). It is understood that this MOU will not be effective until arrangements have been completed to ensure the Commission can directly access ESG funds.
 5. The Commission shall ensure compliance with CDBG, ESG, and/or other federal regulations and requirements with regard to administration and utilization of the CDBG and ESG funds and ensure all subcontract compliance through monitoring reviews are conducted by Commission staff and documented.
 6. Funding available through CDBG will be subject to the City's reimbursement process. Prior to July 1, 2010 the City will provide a detailed description of the documentation that will be required from the Commission for the reimbursement of funds provided through CDBG. The City agrees reimbursement requests from the Commission will be paid within 30 days of receipt, provided said documentation is included with the reimbursement request.
 7. Commission shall, in a timely manner, provide City with all ESG and CDBG data and narrative as requested to complete the Annual Action Plan, Consolidated Annual Performance Evaluation Report, and monitoring reports, and any other reports and documents required by the CDBG Program office

Either the Commission or the City may terminate this MOU for any reason by providing 90 days written notice to the other.

SAN DIEGO HOUSING COMMISSION

CITY OF SAN DIEGO

BY: _____

BY: _____

DATE: _____

DATE: _____

APPROVED:

OFFICE OF THE CITY ATTORNEY

CHRISTENSEN & SPATH LLP

A California Limited Liability Partnership

BY: _____

BY: _____

General Counsel

City Attorney

San Diego Housing Commission

City of San Diego

