



EXECUTIVE SUMMARY

HOUSING COMMISSION EXECUTIVE SUMMARY SHEET

MEETING DATE: October 4, 2019

HCR19- 110

SUBJECT: Recommend Approval of the Fiscal Year 2020 Operating Agreement for the City of San Diego Bridge Shelter located at 1710 Imperial Avenue, San Diego, CA 92101 and Amendment to the Memorandum of Understanding Between the City of San Diego and the San Diego Housing Commission for the oversight and administration of the City's Bridge Shelters.

COUNCIL DISTRICT: Citywide

ORIGINATING DEPARTMENT: Homeless Housing Innovations

CONTACT/PHONE NUMBER: Lisa Jones, (619) 578-7696

REQUESTED ACTION: That the San Diego Housing Commission recommend that the Housing Authority of the City of San Diego (Housing Authority) approve an initial operating agreement with two one-year options to renew, with Alpha Project for the Homeless (Alpha Project) to operate the City of San Diego's Bridge Shelter located at 1710 Imperial Avenue, for the initial term of October 16, 2019, through June 30, 2020, as well as recommend approval to amend the current Memorandum of Understanding between the City of San Diego and the San Diego Housing Commission for the oversight and administration of the City's Bridge Shelters to include the new City of San Diego Bridge Shelter located at 1710 Imperial Avenue.

EXECUTIVE SUMMARY OF KEY FACTORS:

- The Housing Commission administers the contracts for the City of San Diego's (City) Bridge Shelter Programs based on a Memorandum of Understanding (MOU) between the Housing Commission and the City that first took effect on November 14, 2017.
- The proposed actions referenced in this report will allow the Housing Commission to enter into the Agreement with Alpha Project in amounts referenced within this report to provide for the ramp-up and ongoing operation of the Bridge Shelter at 1710 Imperial Avenue, San Diego, CA 92101.
- This Bridge Shelter will provide a year-round (365 days per year) bridge housing program in alignment with Housing First principles, for approximately 150 persons experiencing homelessness in the City.
- The City of San Diego will fund this project.
- Housing Commission staff recommend authorization to execute an agreement with Alpha Project in the amount of \$2,634,886 for an initial operating period of October 16, 2019, through June 30, 2020, and an annual operating budget amount for subsequent option years of \$3,508,074 for this Bridge Shelter.
- Housing Commission staff also recommend approval of an amendment to the current MOU between the City and the Housing Commission for the oversight and administration of the City's Bridge Shelters to include the new Bridge Shelter.



REPORT

DATE ISSUED: September 26, 2019

REPORT NO: HCR19-110

ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of October 4, 2019

SUBJECT: Recommend Approval of the Fiscal Year 2020 Operating Agreement for the City of San Diego Bridge Shelter located at 1710 Imperial Avenue, San Diego, CA 92101 and Amendment to the Memorandum of Understanding Between the City of San Diego and the San Diego Housing Commission for the oversight and administration of the City's Bridge Shelters.

COUNCIL DISTRICT: Citywide

REQUESTED ACTION:

That the San Diego Housing Commission recommend that the Housing Authority of the City of San Diego (Housing Authority) approve an initial operating agreement with two one-year options to renew, with Alpha Project for the Homeless (Alpha Project) to operate the City of San Diego's Bridge Shelter located at 1710 Imperial Avenue, for the initial term of October 16, 2019, through June 30, 2020, as well as recommend approval to amend the current Memorandum of Understanding between the City of San Diego and the San Diego Housing Commission for the oversight and administration of the City's Bridge Shelters to include the new City of San Diego Bridge Shelter located at 1710 Imperial Avenue.

STAFF RECOMMENDATION

That the San Diego Housing Commission (Housing Commission) recommend that the Housing Authority of the City of San Diego (Housing Authority) and San Diego City Council (City Council) take the following actions:

Housing Authority:

- 1) Approve an operating agreement with Alpha Project for the Homeless (Alpha Project) for an initial term of October 16, 2019, through June 30, 2020, with two one-year options to renew, to operate the City of San Diego's Bridge Shelter located at 1710 Imperial Avenue, San Diego, CA 92101, on terms and conditions as set forth in the agreement (Agreement), as it may be amended upon advice of General Counsel of the Housing Commission;
- 2) Authorize the execution of an agreement with Alpha Project in the amount of \$2,634,886 (which includes a ramp-up budget amount of \$150,000, and an initial operating budget amount of \$2,484,886) for an initial operating period of October 16, 2019, through June 30, 2020, and an annual operating budget amount for subsequent option years of \$3,508,074 to provide bridge housing and emergency shelter services to persons experiencing homelessness in the City of San

September 26, 2019

Fiscal Year 2020 Operating Agreement for the City of San Diego Bridge Shelter
at 1710 Imperial Avenue

Page 2

Diego, consisting of the following funding sources for the initial operating term: Homeless Emergency Aid Program (HEAP) funds in the amount of \$1,318,500.50, and Low Income Lease Revenue funds in the amount of \$1,552,128.50, for the Fiscal Year (FY) 2020 operational and ramp-up budget, allocated by the Housing Commission contingent upon the appropriation of said funds by the City of San Diego;

- 3) Authorize the President & Chief Executive Officer (President & CEO) of the Housing Commission, or designee, to execute all necessary documents and instruments that are necessary and/or appropriate to implement these approvals, in a form and format approved by General Counsel, and to take such actions necessary and/or appropriate to implement these approvals;
- 4) Authorize the President & CEO of the Housing Commission, or designee, to substitute funding sources and/or increase compensation by not more than 20 percent of the total agreement amount for the proposed agreement, if necessary, without further action by the Board of Commissioners (Board) of the Housing Commission, but only if and to the extent that funds are determined to be available for such purposes; and
- 5) Approve an amendment to the current Memorandum of Understanding between the City of San Diego and the Housing Commission for the oversight and administration of the City's Bridge Shelters to include the new City of San Diego Bridge Shelter located at 1710 Imperial Avenue, San Diego, CA 92101.

City Council:

Approve an amendment to the current Memorandum of Understanding between the City of San Diego and the Housing Commission for the oversight and administration of the City's Bridge Shelters to include the new City of San Diego Bridge Shelter located at 1710 Imperial Avenue, San Diego, CA 92101.

SUMMARY

The Housing Commission administers the contracts for the City of San Diego's (City) Bridge Shelter Programs based on a Memorandum of Understanding between the Housing Commission and the City that first took effect on November 14, 2017. A renewal of the MOU between the City and the Housing Commission through June 30, 2019, was approved by the Housing Commission Board of Commissioners on May 4, 2018, and by the Housing Authority and City Council on May 22, 2018. A renewal of the MOU between the City and the Housing Commission through June 30, 2020, was approved by the Housing Commission Board of Commissioners on May 3, 2019, and the Housing Authority and City Council on June 11, 2019.

The proposed actions referenced in this report will allow the Housing Commission to enter into the Agreement with Alpha Project in amounts referenced within this report to provide for the ramp-up and ongoing operation of the Bridge Shelter at 1710 Imperial Avenue, San Diego, CA 92101 for the initial operating term and subsequent optional terms, not to exceed two years, contingent upon the appropriation of said funds by the City of San Diego.

September 26, 2019

Fiscal Year 2020 Operating Agreement for the City of San Diego Bridge Shelter
at 1710 Imperial Avenue

Page 3

PROGRAM OVERVIEW

The City of San Diego's Bridge Shelter located at 1710 Imperial Avenue, San Diego, CA 92101 will provide a year-round (365 days per year) bridge housing program in alignment with Housing First principles, for approximately 150 persons experiencing homelessness in the City. The program will provide safe, low-barrier, bridge housing, as well as stabilization and supportive services, to prepare persons experiencing homelessness for the most appropriate longer term or permanent housing interventions, contributing to the regional goals of ensuring instances of homelessness are rare, brief, and non-recurring. The program's target population will be flexible in nature and the shelter may serve more than one sub-population at a time. The number of beds considered "available" may differ slightly at any given time depending on the population or sub-populations being served as determined and directed by the Housing Commission.

The Bridge Shelter will prioritize intakes in conjunction with a household's status in the Coordinated Entry System (CES):

- Service Level 1: Referred Households: Households who have been referred to a permanent housing provider in CES.
- Service Level 2: Service Connected Households: Households who have not been referred to a permanent housing provider in CES, but are active on the CES prioritized by-name-list prior to entry into the Bridge Shelter.
- Service Level 3: Unconnected Households: Households who are not active on the CES prioritized by-name-list prior to entry into the Bridge Shelter or are newly entered in HMIS.

A household's service level designation at entry will help to inform case planning at the Bridge Shelter. For Service Level 1 households, Bridge Shelter staff will focus on ensuring the household is engaged in regular and effective communication with their permanent housing provider, and shelter staff will work in conjunction with that provider to exit the household to permanent housing as quickly as possible. For Service Level 2 households, Bridge Shelter staff will focus on next steps to achieve a permanent or other longer-term housing solution through further assessments in HMIS, advocacy in case conferencing for appropriate permanent housing resources through CES, and/or case management to resolve homelessness outside of the resources available through CES. For Service Level 3 households, who are newly homeless or are not active on the CES prioritized by-name list prior to entry into the Bridge Shelter, staff will focus on engaging the household in diversion conversations to resolve homelessness, beginning triage assessments in HMIS, and identifying household needs regarding permanent housing solutions if diversion attempts are not successful. Services to be provided include, but are not limited to: safe, stable housing; a safe, secure, and comfortable environment; access to case management and supportive services; at least two meals per day, seven days per week; outside agency referrals; on-site and off-site counseling services; and assistance in obtaining permanent supportive housing, permanent affordable housing or longer term housing interventions.

Operator Experience

September 26, 2019

Fiscal Year 2020 Operating Agreement for the City of San Diego Bridge Shelter
at 1710 Imperial Avenue

Page 4

Alpha Project is a well-established homeless service provider with more than 20 years of experience meeting the needs of individuals and families experiencing homelessness. The organization has evolved over that time to keep pace with best practices, following nationwide models. Through its array of housing and supportive services, Alpha Project serves more than 4,000 men, women and children on an annual basis. The organization follows a Housing First model, which recognizes the need to provide housing and shelter without preconditions, in conjunction with the provision of supportive services. Alpha Project has been serving families experiencing homelessness since 1995 through permanent supportive housing programs, and in the past several years, through federally funded Rapid Rehousing programs. They also have many years of experience in successfully operating several shelters, including the City of San Diego's inclement weather shelter in past years, the City of San Diego's temporary campground that was opened during the fall of 2017 in response to the City's health crisis, and the City of San Diego's Bridge Shelter program for single adults, which opened in December 2017 and serves 324 individuals daily. In addition to its portfolio of interim shelters, rapid rehousing and permanent supportive housing programs, Alpha Project coordinates a variety of services for its clients, including substance abuse treatment, employment readiness and placement, transportation assistance and healthcare, and has developed innovative programs that support persons with lived experience to engage with the local community, and provide peer-to-peer outreach through their Wheels of Change and Take Back the Streets programs.

Program Design

The Bridge Shelter will provide persons who are experiencing homelessness and have not been successfully diverted from the homeless assistance system with bridge housing, emergency shelter and diverse on-site supportive services, including but not limited to, stabilization and housing relocation services. The shelter's target population will be flexible, and the shelter may serve more than one sub-population at a time.

The Bridge Shelter will utilize trauma-informed care, motivational interviewing, and a harm reduction model, which does not require sobriety but addresses heavy drinking and/or drug use and its consequences. The system design will effectively serve participants in a welcoming and solutions-focused environment. All services will be easily accessible and evaluated for effectiveness on a regular basis.

The Contractor will adhere to all Regional Task Force on the Homeless (RTFH) performance standards and requirements, including recommendations from the RTFH regional planning process for creation of a Homeless Crisis Response System.

The Bridge Shelter will participate in the Coordinated Entry System (CES) as appropriate and as established by RTFH community standards and policies.

September 26, 2019

Fiscal Year 2020 Operating Agreement for the City of San Diego Bridge Shelter
at 1710 Imperial Avenue

Page 5

a. ***Program Components***

- 1) Housing First program with low barriers to entry and operations;
- 2) Housing-focused program which aims to resolve participants' homelessness as quickly as possible while also meeting client's basic needs;
- 3) Appropriate 24-hour residential services and staffing;
- 4) Participation in intakes, screenings, assessments, and case conferencing or other integral components of CES as appropriate and established by RTFH community standards and policies;
- 5) Coordination with and referrals to County, State, and Federal programs, as well as nonprofits and social service agencies, as appropriate; including an area where supportive services and permanent housing staff from partner agencies can connect with participants;
- 6) Assistance in locating safe and affordable permanent or other longer-term housing opportunities for participants; including determining diversion opportunities or housing interventions outside of CES when appropriate;
- 7) Assistance with housing applications and supportive and subsidized housing paperwork;
- 8) Basic Services, including but not limited to:
 - a) A maximum of 150 beds for persons experiencing homelessness in one temporary Sprung structure that demonstrates compliance with all permitting and regulatory requirements; any adjustments to the bed count must be approved by the Housing Commission and the City, and be in compliance with all permitting and regulatory requirements;
 - b) At least two meals per day;
 - c) Showers, wash stations, restrooms, laundry, and belongings storage for participants, in an environment compliant with the Americans with Disabilities Act (ADA);
 - d) Routine operating supplies, including but not limited to hygiene products;
 - e) Telephone access and message services, including an ADA-compliant telephone as supplied by the Housing Commission;
 - f) Janitorial and routine maintenance services;
 - g) Waste removal and disposal services;
 - h) Regularly laundered linens
 - i) Access to testing for communicable diseases provided directly by the City or County of San Diego (including but not limited to Hepatitis A);
- 9) Community Outreach, including but not limited to:
 - a) Host/attend a minimum of two community meetings to ensure community participation;

September 26, 2019

Fiscal Year 2020 Operating Agreement for the City of San Diego Bridge Shelter
at 1710 Imperial Avenue

Page 6

- b) Provide opportunities for electronic and/or written community feedback; and
- c) Demonstrate community input has been reviewed and incorporated into operations plan, as appropriate.

General Standards

Alpha Project will ensure:

- Adequate staffing and peer support with appropriate ongoing training for service delivery and data analysis;
- 24-hour security and site control to ensure a safe environment at the Bridge Shelter site for participants, volunteers, and others who may come in contact with the shelter, including secure entry/exit for participants monitored by staff;
- A designated point-of-contact who is available at all times to address issues that may arise at the Bridge Shelter and coordinate security issues with the San Diego Police Department;
- Appropriate policies and procedures for Bridge Shelter operations, including intake and low-barrier guidelines for community living, which will be displayed on-site at all times, and various means for participants to provide feedback to and input into the shelter;
- A written drug- and alcohol-free policy for staff that is posted/displayed at the shelter site at all times, which will include and describe the disciplinary action to result from the illegal use, consumption, distribution, and/or possession of drugs and/or alcohol;
- Conduct data entry, analysis and reporting in the RTFH-approved HMIS of Program activities as required by RTFH;
- Participation in the Coordinated Entry System.

Property Management

Project will:

- Maintain a secure and healthful environment for delivery of all services;
- Provide for site control, prompt maintenance and repair, utilities, security, janitorial services, and waste removal and disposal; and
- Maintain a fire escape emergency plan, fire watch, and comply with Fire Marshal inspections and recertifications as needed

The City is the lessee of the program site.

- Alpha Project (Operator) may be required to execute a tenancy agreement with the City, setting forth all of Alpha Project's maintenance and repair obligations and any other responsibilities related to site control, if and to the extent required by the City of San Diego.
- Other and further obligations as are set forth in the Scope of Work referenced in the final contract.

CONTRACT SELECTION PROCESS

On September 5, 2019, the Housing Commission issued a Request for Proposals (RFP) for the operation of the Bridge Shelter located at 1710 Imperial Avenue, seeking a contractor to operate the Shelter. The

September 26, 2019

Fiscal Year 2020 Operating Agreement for the City of San Diego Bridge Shelter

at 1710 Imperial Avenue

Page 7

RFP was posted and made available for download on the PlanetBids website through both the Housing Commission and the City's portals. Through the PlanetBids system, 93 vendors were notified. A pre-proposal meeting was held on September 11, 2019. Representatives from four agencies were in attendance.

At the RFP closing September 19, 2019, five proposals were received. Subsequent to the closing, a responsiveness review was conducted with all proposals determined to be responsive. A source selection committee evaluated, scored and ranked the responses based on the following criteria: Operations and Supportive Services, Program Concept and Case Management Plan, Program Readiness, Organizational Experience and Capacity, Community Considerations and Projected Costs. The highest ranked proposers were invited to meet with the evaluation committee on September 24, 2019. Below is a summary of the final rankings.

ORGANIZATION	RANKING
Alpha Project for the Homeless	1
People Assisting the Homeless	2
Father Joe's Villages	3
San Diego Youth Services	4
Mobitat Portable Housing Units	5

After a comprehensive review and consideration, the selection committee recommended the Housing Commission enter into negotiations and subsequently award the contract to Alpha Project. The contract will be executed following Housing Authority approval.

AFFORDABLE HOUSING IMPACT

As San Diegans continue to live in a City-declared housing emergency "shelter crisis," the need for immediate housing assistance is critical to the well-being of community members. The Bridge Shelter serves this purpose by providing bridge housing and emergency shelter services to persons experiencing homelessness. Participants in this program represent some of San Diego's most vulnerable citizens, as 100 percent of participants are homeless, with low-to-moderate incomes.

FISCAL CONSIDERATIONS

The City of San Diego will fund this project with Homeless Emergency Aid Program (HEAP) funds already allocated by City Council Resolution (R-312516) for this purpose, in the amount of \$548,904. The City of San Diego is also bringing a companion item to City Council on October 15, 2019, to request City Council approval to allocate \$1,552,128.50 in Low Income Lease Revenue funds and \$769,596.50 in Homeless Emergency Aid Program (HEAP) Flexible Housing Pool funds for the FY 2020 operational and ramp-up budget of the Bridge Shelter located at 1710 Imperial. For the total amount of FY 2020 funds to be allocated for this program of \$2,870,629.

September 26, 2019

Fiscal Year 2020 Operating Agreement for the City of San Diego Bridge Shelter
at 1710 Imperial Avenue

Page 8

FUNDING SOURCE	FY 2020	FY 2021*	FY 2022*
HEAP (R-312516)	\$548,904	TBD	TBD
Low Income Lease Revenue	\$1,552,128.50	TBD	TBD
HEAP (Flex Pool)	769,596.50	TBD	TBD
TOTAL	\$2,870,629	\$3,683,477	\$3,683,477

*It is anticipated that the City of San Diego will commit state Homeless Housing, Assistance, and Prevention Program (HHAPP) funding toward future option year renewals. Option years will be exercised contingent upon the appropriation of said funds by the City of San Diego for that purpose.

FUNDING BY USE	FY 2020	FY 2021	FY 2022
Ramp-up	\$150,000	\$0	\$0
Initial Supplies/Fixtures	\$104,000	\$0	\$0
Operations	\$2,484,886*	\$3,508,074	\$3,508,074
Housing Commission	\$131,743*	\$175,403	\$175,403
TOTAL	\$2,870,629	\$3,683,477	\$3,683,477

*Indicated amounts are pro-rated for the 8.5-month operating term in Fiscal Year 2020.

EQUAL OPPORTUNITY/CONTRACTING

Alpha Project is a local nonprofit. As a nonprofit, Alpha Project is not subject to the requirement to submit a Workforce Report.

PREVIOUS COUNCIL and/or COMMITTEE ACTION

The most current renewal of the MOU for oversight and administration of the Bridge Shelters from July 1, 2019, through June 30, 2020, was approved by the Housing Authority (Resolution HA-1817) and City Council (Resolution R-312514) on June 11, 2019. This resolution included a fourth amendment to provide for continued operations of the Women and Family Program at Golden Hall, 202 C Street, San Diego, CA 92101.

On June 11, 2019, the City Council also approved an MOU with the Housing Commission regarding the administration of Homeless Emergency Aid Program (HEAP) block grant funding (R-312516). This resolution included an amendment to authorize the reallocation of \$1.6 million dedicated to outreach in the HEAP funding to support a fourth Bridge Shelter at 17th and Imperial Avenue (previously planned for the relocation of the Women and Family Program).

September 26, 2019

Fiscal Year 2020 Operating Agreement for the City of San Diego Bridge Shelter
at 1710 Imperial Avenue

Page 9

KEY STAKEHOLDERS and PROJECTED IMPACTS

Stakeholders for this project include: shelter residents and Alpha Project as the sub-recipient administering the program. The program is expected to have a positive impact on the community as it will provide shelter and services to 150 persons otherwise experiencing homelessness.

ENVIRONMENTAL REVIEW

On January 11, 2019, the City of San Diego made an environmental determination for the operation of a temporary housing shelter at 1710 Imperial Avenue pursuant to the California Environmental Quality Act (CEQA) as set forth in the City's Notice of Right to Appeal Environmental Determination of the same date. Given the foregoing, and pursuant to the City's determination, the activities described in the report are exempt from CEQA pursuant to State CEQA Guidelines Section 15060(c)(2) and, nevertheless, is categorically exempt from CEQA pursuant to State CEQA Guidelines Section 15303 (New Construction or Conversion of Small Structures), Section 15304 (Minor Alterations to Land), and Section 15332 (In-Fill Development Projects). Processing under the National Environmental Policy Act (NEPA) is not required as there are no federal funds involved with this action.

Respectfully submitted,

Approved by,



Lisa Jones
Senior Vice President
Homeless Housing Innovations



Jeff Davis
Executive Vice President & Chief of Staff
San Diego Housing Commission

Hard copies are available for review during business hours at the security information desk in the main lobby and the fifth floor reception desk 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 in the "Governance & Legislative Affairs" section of the San Diego Housing Commission website at www.sdhc.org.