



## EXECUTIVE SUMMARY

### HOUSING COMMISSION EXECUTIVE SUMMARY SHEET

MEETING DATE: July 9, 2021

HCR21-075

SUBJECT: Approval of the Contract between the San Diego Housing Commission and St. Vincent de Paul Village to operate the City of San Diego Day Center for Persons Experiencing Homelessness

COUNCIL DISTRICT(S): Citywide

ORIGINATING DEPARTMENT: Homeless Housing Innovations Division

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

#### REQUESTED ACTION:

Approve a non-competitive, sole source agreement under Procurement Policy 9.4 with St. Vincent de Paul Village in the amount of \$400,000 to operate the City of San Diego Day Center for Adults Experiencing Homelessness at 299 17th Street, San Diego, 92101.

#### EXECUTIVE SUMMARY OF KEY FACTORS:

- The Day Center is a City-owned facility in the East Village Neighborhood of downtown San Diego at 299 17th Street on land ground leased from the State of California Department of Transportation (CalTrans).
- The Day Center offers services to approximately 6,000 individual clients per year, including providing clients with access to restrooms and washing facilities, off-site showers, mail services, telephone access, computer access, referral services, and a safe environment during the day for individuals experiencing homelessness to meet basic needs.
- The Day Center contract was awarded to St. Vincent de Paul Village, effective July 1, 2016, for an initial one-year term with four one-year options to renew.
- On June 30, 2020, the Housing Commission exercised a sole source justification method of procurement to award a six-month contract to St. Vincent de Paul Village to continue operating the Day Center from July 1, 2020, to December 31, 2020. This was, in part, due to the COVID-19 pandemic.
- Amid the continuing pandemic, the Housing Commission entered into another six-month contract with St. Vincent de Paul Village, via a non-competitive procurement process, to continue operating the Day Center from January 1, 2021, to June 30, 2021. The continued operation of the Day Center was an important resource for providing services in a safe environment.
- The time of performance for the proposed \$400,000 contract will be retroactive to July 1, 2021, and continuing through December 31, 2021.
- The contract will be funded with \$250,000 in CDBG funds and \$150,000 in City General Funds, a significant increase to the originally anticipated six-month budget—a result of the City identifying additional funding to offset the increasing cost to operate the Day Center.
- As the increased funding amount exceeds the \$250,000 threshold for the Housing Commission's President & CEO's approval signature authority, Housing Commission Board action is required to approve the six-month contract with St. Vincent de Paul Village.



## REPORT

**DATE ISSUED:** July 1, 2021

**REPORT NO:** HCR21-075

**ATTENTION:** Chair and Members of the San Diego Housing Commission  
For the Agenda of July 9, 2021

**SUBJECT:** Approval of the Contract between the San Diego Housing Commission and St. Vincent de Paul Village to operate the City of San Diego Day Center for Persons Experiencing Homelessness

**COUNCIL DISTRICT:** Citywide

**REQUESTED ACTION:**

Approve a non-competitive, sole source agreement under Procurement Policy 9.4 with St. Vincent de Paul Village in the amount of \$400,000 to operate the City of San Diego Day Center for Adults Experiencing Homelessness at 299 17<sup>th</sup> Street, San Diego, 92101.

**STAFF RECOMMENDATION**

That the San Diego Housing Commission (Housing Commission) Board of Commissioners (Board) take the following actions:

- 1) Approve the execution of a six-month, non-competitive, sole source agreement under Procurement Policy 9.4 with St. Vincent De Paul Village to operate the City of San Diego Day Center for Adults Experiencing Homelessness (Day Center) at 299 17<sup>th</sup> Street, San Diego, 92101, for a term of July 1, 2021, through December 31, 2021, with a budget of \$400,000, on terms and conditions as set forth in the Agreement, as it may be amended upon advise of the Housing Commission's General Counsel;
- 2) Authorize the President & Chief Executive Officer (President & CEO), or designee, to execute all necessary documents and instruments that are necessary and/or appropriate to implement these approvals, in a form approved by General Counsel, and to take such actions necessary and/or appropriate to implement these approvals; and
- 3) Authorize the President & CEO, 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 Housing Commission Board, but only if and to the extent that funds are determined to be available for such purposes.

**SUMMARY**

The Day Center is a City-owned facility in the East Village Neighborhood of downtown San Diego at 299 17<sup>th</sup> Street. The City ground leases the land from the State of California Department of Transportation (CalTrans) for operation of a day center for individuals experiencing homelessness. The Day Center has been in operation since 1991 and offers services to approximately 6,000 individual clients per year, including providing clients with access to restrooms and washing facilities, off-site

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showers, mail services, telephone access, computer access, referral services, and a safe environment during the day for individuals experiencing homelessness to meet basic needs.

The Day Center is open seven days per week—Monday through Friday from 6 a.m. to 4 p.m., and Saturday and Sunday from 6 a.m. to 2 p.m., including City holidays except for December 25. The Day Center is required to serve more than 2,000 unduplicated clients annually. By the close of Fiscal Year 2021, the Center is anticipated to serve more than 5,700 unduplicated clients. Clients are adults age 18 or older experiencing homelessness or at risk of homelessness, some of whom may have disabling conditions. By providing a safe and secure environment, the facility provides an important place where community members experiencing unsheltered homelessness can receive mail, charge cell phones, and receive information on referrals to other programs and services, while critical needs are provided for, such as access to sanitation and cleanliness resources, including handwashing, laundry facilities, restrooms and showers.

Effective July 1, 2010, the City of San Diego and the Housing Commission entered into a Memorandum of Understanding (MOU) for the Housing Commission to administer the City-funded homelessness shelters and services, including administration of the Day Center contract. The Day Center is funded by the Community Development Block Grant (CDBG) set-aside approved by a City Council action on September 25, 2015, and subsequently authorized by City Council Resolution No. 307707. The most recent MOU between the Housing Commission and the City was authorized by City Council Resolution No. 312514 for an initial one-year term with four one-year options to renew, beginning July 1, 2019 through June 30, 2024.

The Day Center contract was awarded to St. Vincent de Paul Village, effective July 1, 2016, for an initial one-year term with four one-year options to renew. Upon conclusion of the fourth renewal option on June 30, 2020, the Housing Commission exercised a non-competitive procurement process under Procurement Policy 9.4 to utilize a sole source justification method of procurement to award a six-month contract in the amount of \$250,000 to St. Vincent de Paul Village to continue operating the Day Center from July 1, 2020, to December 31, 2020. The decision was made in-part due to the COVID-19 pandemic since the current operator was best positioned to continue operating the program in a manner consistent with State and County COVID-19 mandates and in observance of social distancing requirements while ensuring clients received ongoing access to critical health and sanitation resources during the height of the pandemic without interruption of service.

At the conclusion of the six months referenced above, and amid the continuing public health pandemic, the Housing Commission entered into another six-month contract with St. Vincent de Paul Village, via a non-competitive procurement process, to continue operating the Day Center from January 1, 2021, to June 30, 2021. As the COVID-19 pandemic continued to significantly impact homelessness services resources and the region in general during the latter part of 2020, the continued operation of the Day Center was an important resource for providing services in a safe environment. The utilization of the non-competitive process ensured zero gaps in service delivery while the pandemic continued to have significant impact in the region. The current contract with St. Vincent de Paul Village expired on June 30, 2021.

The time of performance for the proposed \$400,000 contract will be retroactive to July 1, 2021, and continuing through December 31, 2021. The contract will be funded with \$250,000 in CDBG funds and

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\$150,000 in City General Funds. The addition of the General Funds represents a significant increase to the originally anticipated six-month budget—a result of the City identifying additional funding to offset the increasing cost to operate the Day Center. As the increased funding amount exceeds the \$250,000 threshold for the Housing Commission’s President & CEO’s approval signature authority, Housing Commission Board action is required to approve the six-month contract with St. Vincent de Paul Village.

Though the prevalence of COVID-19 in the region is beginning to decrease, this service continues to be critical to provide access to sanitation and washing resources. Engaging in a competitive solicitation over the previous six months while COVID was still having significant impact would not have been conducive to stable service delivery. Issuing a six-month, non-competitive contract to ensure continued services is in the best interest of the City and the people the program serves. In July 2021, a Request for Proposals to competitively procure a program operator will be issued. A demonstrated need exists to continue these critical services without interruption as opposed to possibly transitioning to a new provider in July 2021. The approval of the six-month contract will allow ample time for a competitive procurement process to take place and an operator to be identified prior to the conclusion of the six-month contract term in December 2021.

Since July 1, 2016, St. Vincent de Paul Village has continuously operated the Day Center and has met contract requirements. For these and the previous reasons noted, entering into a six-month, non-competitive agreement with St. Vincent de Paul Village is the most viable option for ensuring continuity of services while a competitive solicitation process is conducted and an operator is selected.

### **AFFORDABLE HOUSING IMPACT**

As the City of San Diego continues to experience a homelessness crisis, the need for a program that can provide quality basic needs and services to individuals and families experiencing homelessness is critical to the well-being of the community. The Day Center serves this purpose by providing for basic needs of individuals experiencing homelessness while assisting with identifying appropriate solutions to end their homelessness. Clients participating in Day Center activities represent San Diego’s most vulnerable citizens.

### **FISCAL CONSIDERATIONS**

Approving this action will authorize the Housing Commission to expend \$400,000 for the operation of the Day Center from July 1, 2021 to December 31, 2021. Additionally, approving this action will result in continuing to provide basic needs and supportive services to a minimum of 2,000 unduplicated individuals and households annually for the duration of the contract.

### **EQUAL OPPORTUNITY/CONTRACTING/EQUITY ASSURANCE**

Saint Vincent de Paul Village is a local nonprofit organization and as such, is not subject to the requirement to submit a Workforce Report.

### **PREVIOUS COUNCIL and/or COMMITTEE ACTIONS**

On November 13, 2020, the Housing Commission Board approved the utilization of a sole-source procurement process to enter into a six-month contract with St. Vincent de Paul Village to operate the Day Center (Report No. HCR20-116).

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On March 24, 2015, the Housing Authority approved the award of the Day Center contract to Saint Vincent de Paul Village (Resolution No. HA-1657).

On July 31, 2012, the Housing Authority approved the award of the Day Center contract to Alpha Project for the Homeless on a month-to-month basis during Fiscal Year 2013 until an operator was selected through a competitive procurement process in Fiscal Year 2013 (Resolution No. HA-1564).

### **KEY STAKEHOLDERS and PROJECTED IMPACTS**

Stakeholders for this project include Day Center clients and St. Vincent de Paul Village as the sub-recipient administering the program. The program is expected to have a positive impact on the community because it will provide for the basic needs of clients while receiving social services. The Day Center will support homeless individuals and households experiencing homelessness and in need of these services.

### **ENVIRONMENTAL REVIEW**

The activities described in the report are not a project as defined in California Environmental Quality Act (CEQA) Section 15378(b)(5) as they are administrative activities of government that will not result in direct or indirect physical changes in the environment and, therefore, are not subject to CEQA pursuant to Section 15060(c)(3) of the State CEQA Guidelines. Nevertheless, they would be categorically exempt under multiple separate provisions of CEQA, including Section 15301 for existing facilities involving negligible or no expansion of the existing use. This determination is not appealable and a Notice of Right to Appeal the Environmental Determination (NORA) is not required. The activity contemplated herein, including operation of the facility, is categorically excluded from the National Environmental Policy Act pursuant to Section 58.35 (b)(2) and (3) and not subject to Section 58.5. Final NEPA clearance was submitted to the City of San Diego on 10/29/2020 and approved by the City on 11/13/2020.

Respectfully submitted,



Lisa Jones  
Executive Vice President, Strategic Initiatives  
San Diego Housing Commission

Approved by,



Jeff Davis  
Deputy Chief Executive Officer  
San Diego Housing Commission

Docket materials are available online in the “Governance & Legislative Affairs” section of the San Diego Housing Commission website at [www.sdhc.org](http://www.sdhc.org).