EXECUTIVE SUMMARY

HOUSING COMMISSION
EXECUTIVE SUMMARY SHEET

MEETING DATE: July 13, 2018
COUNCIL DISTRICT(S): Citywide
ORIGINATING DEPARTMENT: Homeless Housing Innovations
CONTACT/PHONE NUMBER: Lisa Jones (619) 578-7696

REQUESTED ACTION:
Approve a one-year agreement, with two one-year options to extend, with Family Health Centers of San Diego to operate the City of San Diego’s Housing Navigation Center at 1401 Imperial Avenue, San Diego, California 92113, and authorize the execution of a First Amended and Restated Memorandum of Understanding between the City of San Diego and the San Diego Housing Commission for the City of San Diego Temporary Bridge Shelters and Transitional Storage Center to also address the duties of the parties concerning the Housing Navigation Center.

EXECUTIVE SUMMARY OF KEY FACTORS:
- The San Diego Housing Commission (Housing Commission) administers the agreements for the City of San Diego’s (City) Homeless Shelters and Services Programs.
- The proposed actions referenced in this report will allow the Housing Commission to enter into an agreement with Family Health Centers of San Diego to provide for the operation of the City’s Housing Navigation Center (Center) for a period of up to three years from the date of commencement.
- Center operation expenses are expected to be $1,850,000 in Fiscal Year 2019, which includes $300,000 for tenant improvements, and $1,550,000 per year in subsequent years, subject to funding availability and if the options to extend are exercised by the Housing Commission.
- The City will fund this project. The City has made available $1 million of Community Development Block Grant (CDBG) funding, $300,000 from the City General fund, and $250,000 from the City Low and Moderate Income Housing Asset fund.
- The City Council approved the purchase of the project site, located at 1401 Imperial Avenue, San Diego, California 92113, on January 29, 2018, for the specific purpose of utilizing the site for the proposed Center.
- The Center, designed to centralize services and resources for persons experiencing homelessness, will provide on-site intake, assessment, triage and referrals for permanent and longer term housing opportunities.
DATE ISSUED: July 5, 2018

REPORT NO: HCR18-055

ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of July 13, 2018

SUBJECT: Approval of the Contract between the San Diego Housing Commission and
Family Health Centers to operate the City of San Diego’s Housing Navigation
Center at 1401 Imperial Avenue, San Diego, California 92113

COUNCIL DISTRICT: Citywide

REQUESTED ACTION:
Approve a one-year agreement, with two one-year options to extend, with Family Health Centers of San
Diego to operate the City of San Diego’s Housing Navigation Center at 1401 Imperial Avenue, San
Diego, California 92113, and authorize the execution of a First Amended and Restated Memorandum of
Understanding between the City of San Diego and the San Diego Housing Commission for the City of
San Diego Temporary Bridge Shelters and Transitional Storage Center to also address the duties of the
parties concerning the Housing Navigation Center.

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

City Council:
Authorize the execution of a First Amended and Restated Memorandum of Understanding (MOU)
between the City of San Diego and the Housing Commission for the City of San Diego Temporary
Bridge Shelters and Transitional Storage Center to also address the duties of the parties concerning the
City of San Diego’s Housing Navigation Center (Center) at 1401 Imperial Avenue, San Diego,
California 92113 (Premises), subject to the final approval of Housing Commission General Counsel and
the Office of the City Attorney, as to form and content.

Housing Authority:
1) Approve a one-year agreement, with two one-year options to extend at the Housing
Commission’s sole discretion, for a total term of three years, if and when all options are
exercised1, with Family Health Centers of San Diego to operate the Center 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 President and Chief Executive Officer (President & CEO), or delegated
designee, to execute the Agreement and any and all other documents and agreements that are
necessary to implement these approvals;

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1 After approval, Housing Commission may modify the term to align with the Fiscal Year for budgeting purposes and to align
with the term of the City’s lease agreement.
3) Authorize the execution of a First Amended and Restated Memorandum of Understanding between the City of San Diego and the Housing Commission for the City of San Diego Temporary Bridge Shelters and Transitional Storage Center to also address the duties of the parties concerning the Center, and as it may be amended upon advice of General Counsel for the Housing Commission and the Office of the City Attorney;  
4) Authorize the President & CEO to take such actions as are reasonably necessary to implement the approvals referenced in this report;  
5) Authorize the President & CEO to substitute funding sources and/or increase funding amounts for services provided under the Agreement for the operation of the Center, and under the construction agreement for initial tenant improvements at the Premises, by not more than 10 percent of the original amount allocated herein, if necessary, without further action of the Housing Commission or Housing Authority, but only if and to the extent that such funds are determined to be available for such purposes and when it is determined to be in the best interests of the Housing Commission.

SUMMARY
The Housing Commission administers the agreements for the City of San Diego’s (City) Homeless Shelters and Services Programs based on a Memorandum of Understanding (MOU) between the Housing Commission and the City that first took effect on July 1, 2010.

The Housing Commission and City entered into a separate MOU for the Temporary Bridge Shelter Programs, which was approved by the Housing Commission Board of Commissioners on November 3, 2017, as well as the Housing Authority and San Diego City Council (City Council) on November 14, 2017. On March 20, 2018, the City Council and Housing Authority authorized the execution of a First Amendment to the MOU between the City and the Housing Commission for the City of San Diego Temporary Bridge Shelters to also address the duties of the parties concerning the Transitional Storage Center at 116 South 20th Street, San Diego, California 92113, as approved by General Counsel for the Housing Commission and the Office of the City Attorney.

The proposed actions referenced in this report will allow the Housing Commission to enter into the Agreement with Family Health Centers of San Diego in amounts referenced within this report to provide for the operation of the Center for a period of up to three years from the date of commencement.

Pursuant to the proposed First Amended and Restated Memorandum of Understanding between the City of San Diego and the Housing Commission for the City of San Diego Temporary Bridge Shelters and Transitional Storage Center to also address the duties of the parties concerning the Housing Navigation Center, the City will:

a. Provide for weekly Environmental Services cleanings of the exterior of the Premises block a minimum of three times a week; the regularity of cleaning shall be evaluated throughout the term of the operation of the Center and increased or decreased accordingly based on need. Any changes to the cleaning schedule shall be agreed to in writing by both Parties.

b. Provide regular San Diego Police Department patrols in the vicinity of the Premises.

In addition, approval is contingent on the following:
Lease of Housing Navigation Center (Center) Premises. The City will:

a. Enter into a lease agreement with the Housing Commission-selected operator for the Premises. The lease shall not include payment by the Center’s operator. The City further agrees to obtain all approvals necessary for the execution of the lease agreement prior to the opening of the Center.
b. Obtain all necessary permits and clearances for the operation of the Center on the Premises, including CEQA review, NEPA review, and any and all necessary permits for ADA upgrades
c. Draft and document any land use ordinance determined to be necessary and obtaining appropriate City approval of the land use ordinance, as and if required.
d. Provide Housing Commission with ADA report performed by the City for necessary ADA tenant improvements to be performed by the Center operator.

Advancement of Funds for Center Operating Expenses and Costs for Tenant Improvements. The City will:

a. Upon written request by the Housing Commission, advance funds to the Housing Commission for Center operating expenses in the amounts as follows:

<table>
<thead>
<tr>
<th>FUNDING SOURCE</th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
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</thead>
<tbody>
<tr>
<td>CDBG</td>
<td>$1,000,000</td>
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<tr>
<td>General Fund</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
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<tr>
<td>Low and Moderate Income Housing Fund</td>
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<td><strong>TOTAL</strong></td>
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Funding in FY 2020 through FY 2023 shall be subject to funding availability.

b. Upon written request by the Housing Commission, advance funds to the Housing Commission for costs for tenant improvements in the amount of $300,000 from CDBG funds for FY 2019, upon approval of the operator contract between the operator and the Commission.
c. Certify that all funds advanced to the Housing Commission for the operation of the Center are permitted expenditures under the various funding sources, including but not limited to CDBG funding, Low and Moderate Income Funds and City of San Diego General Funds.

**PROGRAM OVERVIEW**
The Housing Commission’s strategy is to prevent homelessness whenever possible, and to provide an integrated array of housing and supportive services to help families, individuals, and youth progress who are experiencing homelessness obtain permanent housing, in accordance with the national “housing first” model to provide housing for homeless individuals as quickly as possible, with supportive services as needed. As part of the City’s and the Housing Commission’s efforts to support the work of the
Regional Task Force on the Homeless (RTFH) and the Regional Community Plan to create a Homeless Crisis Response System, a Housing Navigation Center was envisioned to serve as an entry point of the Coordinated Entry System (CES), provide core services to address housing crises, and help clients access a range of mainstream services that impact housing stability. The Center, designed to centralize services and resources for persons experiencing homelessness, will provide on-site intake, assessment, triage and referrals for permanent and longer term housing opportunities.

As the Center operator, Family Health Centers of San Diego will assist individuals experiencing homelessness: identify immediate housing solutions, provide crisis management, access mainstream benefits that are important to addressing issues impacting housing stability, and work with partnering agencies for permanent housing and supportive service program linkages.

In addition, Center operations require reporting of outcomes, including but not limited to the number of clients utilizing the Center daily and the total number of people served. Center clients will be connected to a Housing Navigator within 90 days of being assessed with the Vulnerability Index – Service Prioritization and Decision Assistance Tool (VI-SPDAT), and Center clients working with a Housing Navigator will be “housing ready” within 60 days of Housing Navigator assignment.

**General Standards**

Family Health Centers of San Diego will ensure:

- Service delivery will be client-focused. Center staff and all persons who interact with clients will be trained on homeless population service provision, positive engagement and general customer service standards that address the needs of the target population.
- Appropriate staffing, including peer support and street outreach
- Alignment with Housing First principles with low barriers to entry and operations
- Welcome, intakes, and assessment
- Assistance in obtaining safe, permanent housing
- Access to case management and other appropriate permanent housing-focused services (e.g., Housing Navigation, case conferencing)
- Participation in CES
- Coordination with and referrals to County, State and Federal programs, as well as nonprofits and social service agencies, as appropriate
- Restrooms and wash stations are available for clients actively utilizing the facility, and ensure that healthy and sanitary conditions are maintained
- Mail services are made available for clients utilizing the Housing Navigation Center
- Telephone access and message services, including an ADA-compliant telephone
- Staffing with appropriate ongoing training for service delivery and data collection and analysis.
- Security to ensure a safe environment at the Center for clients, volunteers, and others who may come in contact with the Center.
- Designated point-of-contact who is available at all times to address issues that may arise at the Center and coordinate security issues with the San Diego Police Department.
- Compliance with Fire Marshal inspections and recertifications as needed.
- Appropriate policies and procedures are in place for Center operations, including low-barrier Terms of Service, which will be displayed on-site at all times, and various means for clients to provide input into the Center.
• Data entry, analysis and reporting in the RTFH-approved Homeless Management Information Systems of all Center activities.
• Designate the President and Chief Executive Officer as the single point of contact for the Housing Commission for all contract and programmatic related communications.

**Property Management**

Family Health Centers of San Diego will:

• Perform tenant improvements, including ADA compliance as necessary and in accordance with HUD procurement guidelines as approved by the Housing Commission and the City.
• Appoint a Construction Manager to oversee the construction and act as liaison to the Housing Commission as it relates to the tenant improvements.
• Maintain a secure and healthful environment for delivery of all services.
• Provide for:
  o Operating supplies;
  o Site control;
  o Prompt maintenance and repair;
  o Utilities;
  o Security;
  o Janitorial services;
  o Waste removal and disposal; and
  o Other Center related items, as referenced within the Agreement.
• Provide secure entry/exit for clients and others to be monitored by Center staff.
• Develop a fire escape emergency plan for approval by the Fire Marshal and the Housing Commission.
• Permanently maintain a fire watch. A fire watch, or fire lookout, monitors a building or area at risk of fire. The person or people designated as the fire watch must check for fires and fire threats within the building or area.
• Provide a written drug and alcohol-free policy for staff that is posted/displayed at the Center site at all times; the written policy shall include and describe the disciplinary action to result from the illegal use, consumption, distribution, and/or possession of drugs and/or alcohol.
• Maintain the Center, at all times, in an orderly and vermin-free condition.
• Make efforts to ensure clients do not queue, litter, or loiter within a one block radius of the Facility and maintain the Premises at all times to be free of litter debris and graffiti, and notify City’s Environmental Services Department to mitigate related issues as necessary.
• Report all suspected criminal activity to law enforcement.
• Provide design specification for proposed design of intake and client services areas.

The City is the property owner of the Center site. The City Council approved purchase of the project site, located at 1401 Imperial Avenue, San Diego, California 92113, on January 29, 2018, for the specific purpose of utilizing the site for the proposed Housing Navigation Center.

• Family Health Centers of San Diego will enter into a lease agreement with the City for the Center, setting forth all of Family Health Centers of San Diego’s maintenance and repair obligations.
CONTRACTOR SELECTION PROCESS
On February 28, 2018, the Housing Commission issued a Request for Proposals (RFP) for a Housing Navigation Center, seeking contractors to operate the Center. The RFP was posted and made available for download on the PlanetBids website through both the Housing Commission and the City’s portals. Advertisements were also placed in the San Diego Union Tribune. More than 1,200 notifications were sent through the PlanetBids system. A pre-proposal meeting was held on March 14, 2018. Representatives from eight companies and not-for-profit agencies were in attendance.

At the RFP closing on April 26, 2018, five proposals were received. Proposals were submitted by Bay Area Community Services, Family Health Centers of San Diego, Father Joe’s Villages, Mental Health Systems, Inc. and People Assisting the Homeless (PATH). Subsequent to the closing, a responsiveness review was conducted on all proposals received. All proposals were found to be responsive. A source selection committee evaluated, scored and ranked the responses based on the following criteria: Experience and Capacity, Service Description, Service Delivery Method and Staffing, Projected Costs Partnerships and Sustainability. Family Health Centers of San Diego received the highest ranking of all the proposals. Below is a summary of the final proposal rankings:

<table>
<thead>
<tr>
<th>Organization</th>
<th>Ranking</th>
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<tbody>
<tr>
<td>Family Health Centers of San Diego</td>
<td>1</td>
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<tr>
<td>Bay Area Community Services</td>
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<tr>
<td>People Assisting the Homeless (PATH)</td>
<td>3</td>
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<tr>
<td>Father Joe’s Villages</td>
<td>4</td>
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<tr>
<td>Mental Health Systems, Inc.</td>
<td>5</td>
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After a comprehensive review and consideration, the selection committee recommended the Housing Commission enter into negotiations and subsequently award the contract to Family Health Centers of San Diego. The contract will be executed two weeks after Housing Authority approval.

AFFORDABLE HOUSING IMPACT
The operation of the Center will allow homeless individuals to connect to services to provide intake, assessment, triage and referrals for permanent housing opportunities.

FISCAL CONSIDERATIONS
The City of San Diego will fund this project.

The City of San Diego has made available $1 million of Community Development Block Grant (CDBG) funding, $300,000 from the City General fund, and $250,000 from the City Low and Moderate Income Housing Asset fund.
June 5, 2018

Approval of Contract between San Diego Housing Commission and a Contractor to operate the Housing Navigation Center at 1401 Imperial Avenue, San Diego, California 92113

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Total Funding Sources:

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<tr>
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**EQUAL OPPORTUNITY CONTRACTING**
Family Health Centers of San Diego is a local nonprofit and is not subject to the requirement to submit a Workforce Report.

**PREVIOUS COUNCIL and/or COMMITTEE ACTION**
There have been no prior Council or Committee actions concerning this operation contract nor the leasing of the Center by the City of San Diego.

On January 29, 2018, the San Diego City Council passed Resolution No. R-311521, authorizing the Mayor, or designee, on behalf of the City to complete the acquisition of the property located at 1401 Imperial Avenue, San Diego, California, further identified as Assessor’s Parcel Numbers 535-614-01 and 535-614-02.

**COMMUNITY PARTICIPATION and PUBLIC OUTREACH EFFORTS**
The Agreement will require the Family Health Centers of San Diego to provide regular outreach to the Community as set forth within the Agreement.

**KEY STAKEHOLDERS and PROJECTED IMPACTS**
Homeless individuals and households will benefit from the operation of this Center. The Center will provide onsite, intake, assessment, triage and referrals for housing opportunities. Family Health Centers will assist individuals experiencing homelessness to identify immediate housing solutions, provide crisis management, access mainstream benefits (e.g. Supplemental Security Income, Social Security Disability Insurance, DMV, County, etc.) that are important to addressing issues impacting housing stability, and work with partnering agencies for permanent housing and supportive service program linkages.

**ENVIRONMENTAL REVIEW**
The City of San Diego, as Lead Agency, determined that the activity to negotiate and execute the purchase and sale agreement for the acquisition of property at 1401 Imperial Avenue (Purchase & Sale Agreement), allocate and transfer associated funding, and approval of property improvements is covered
by the General Rule, CEQA Section 15061(b)(3), and is categorically exempt from CEQA pursuant to State CEQA Guidelines Section 15301.

In addition, development and land uses within the Downtown Community Planning area are covered under the following documents, all referred to as the “Downtown FEIR”: Final Environmental Impact Report (FEIR) for the San Diego Downtown Community Plan, Centre City Planned District Ordinance, and 10th Amendment to the Centre City Redevelopment Plan, certified by the former Redevelopment Agency (“Former Agency”) and the City Council on March 14, 2006 (Resolutions R-04001 and R-301265, respectively); subsequent addenda to the FEIR certified by the Former Agency on August 3, 2007 (Former Agency Resolution R-04193), April 21, 2010 (Former Agency Resolution R-04510), and August 3, 2010 (Former Agency Resolution R-04544), and certified by the City Council on February 12, 2014 (City Council Resolution R-308724) and July 14, 2014 (City Council Resolution R-309115); and, the Final Supplemental Environmental Impact Report for the Downtown San Diego Mobility Plan certified by the City Council on June 21, 2016 (Resolution R-310561). The environmental impacts of the proposed uses were adequately addressed in the Downtown FEIR; the uses are within the scope of the development program described in the Downtown FEIR and are adequately described within the Downtown FEIR for the purposes of CEQA; and, none of the conditions listed in CEQA Guidelines Section 15162 exist. Therefore, no further environmental documentation is required under CEQA. The current, proposed agreement for services and Memorandum of Understanding is not a separate “project” for purposes of CEQA pursuant to CEQA Guidelines Section 15378(a) because the funding action does not have the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, in comparison to the Project for which the Development Services Department has determined that the CEQA exemption applies.

The City of San Diego, as responsible entity, is anticipated to conduct a limited Environmental Review of this Project for the use of CDBG funds. The Housing Commission hereby issues an advisory opinion that the activities contemplated herein, relating to the operation of the facilities, is categorically excluded from the National Environmental Policy Act pursuant to Section 58.35(b)(2) and (3) and exempt per Section 58.34(a)(3) and (4) of Title 24 of the Code of Federal Regulations. The activities contemplated herein related to tenant improvements are categorically excluded subject to Section 58.5 pursuant to Section 58.35(A)(3)(iii) and convert to exempt under Section 58.34(a)(12). A final Environmental Review will be completed by the City prior to any approval of this action by the Housing Authority and a copy of the Environmental Review will be placed on file in the Environmental Review Record. Since this action is merely advisory and no contract can be executed, unless and until approved by the Housing Authority of the City of San Diego, taking this preliminary advisory action without a final NEPA review is not a choice limiting action. The contract will NOT be signed unless and until the City of San Diego has made the appropriate NEPA determination, through an exclusion to an exemption, or, through another appropriate determination. If such a determination is not achieved, this agreement will not be executed.
June 5, 2018
Approval of Contract between San Diego Housing Commission and a Contractor to operate the Housing Navigation Center at 1401 Imperial Avenue, San Diego, California 92113
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Respectfully submitted,    Approved by,

Lisa Jones      Jeff Davis
Vice President      Executive Vice President & Chief of Staff
Homeless Housing Innovations      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 “Public Meetings” section of the San Diego Housing Commission website at www.sdhc.org.