



## EXECUTIVE SUMMARY

### HOUSING COMMISSION EXECUTIVE SUMMARY SHEET

DATE: November 30, 2018

HCR18-098

COUNCIL DISTRICT(S): Citywide

ORIGINATING DEPARTMENT: Homeless Housing Innovations

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

#### REQUESTED ACTION:

Approve a 6.5-month agreement, with two one-year options to renew, with Alpha Project for the Homeless to operate the City of San Diego's Cortez Hill Family Center Interim Housing Program at 1449 9<sup>th</sup> Avenue, San Diego, California 92101.

#### EXECUTIVE SUMMARY OF KEY FACTORS:

- The San Diego Housing Commission (Housing Commission) administers the contracts for the City of San Diego's (City) Homeless Shelters and Services Programs based on a Memorandum of Understanding between the Housing Commission and the City that first took effect on July 1, 2010, which includes the Cortez Hill Family Center.
- Cortez Hill Family Center (Cortez Hill) operates as a year-round (365 days per year) service-enhanced interim housing program in alignment with Housing First principles, for a minimum of 150 families with children experiencing homelessness in the City.
- Approving this action will authorize the Housing Commission to enter into a 6.5-month agreement, with two one-year options to renew, with Alpha Project for the Homeless to operate the City of San Diego's Cortez Hill Family Center Interim Housing Program.
- Approving this action will authorize the Housing Commission to expend \$507,264.32 to provide interim housing services to families with children experiencing homelessness during the term of December 15, 2018, to June 30, 2019.



## REPORT

**DATE ISSUED:** November 21, 2018

**REPORT NO:** HCR18-098

**ATTENTION:** Chair and Members of the San Diego Housing Commission  
For the Agenda of November 30, 2018

**SUBJECT:** Approval of the Contract between the San Diego Housing Commission and Alpha Project for the Homeless to operate the City of San Diego's Cortez Hill Family Center Interim Housing Program

**COUNCIL DISTRICT:** Citywide

**REQUESTED ACTION:**

Approve a 6.5-month agreement, with two one-year options to renew, with Alpha Project for the Homeless to operate the City of San Diego's Cortez Hill Family Center Interim Housing Program at 1449 Ninth Avenue, San Diego, California 92101.

**STAFF RECOMMENDATION**

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

- 1) Approve a 6.5-month agreement, with two one-year options to extend at the Housing Commission's sole discretion, with Alpha Project for the Homeless (Alpha Project) to operate the City of San Diego's Cortez Hill Family Center Interim Housing Program (Center) at 1449 Ninth Avenue, San Diego, California 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 \$507,264.32 for a 6.5-month operating period to provide interim housing services to homeless families with children, consisting of the following funding sources: \$103,926 of Community Development Block Grant (CDBG) funds allocated by the City of San Diego for the funding of social services in Fiscal Year 2019; \$165,546 of Emergency Solutions Grant (ESG) funds available for the funding of social services in Fiscal Year 2019; and \$237,793 provided by the City of San Diego Affordable Housing Fund (AHF), 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), 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; and
- 4) Authorize the President & CEO 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,

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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.

### **SUMMARY**

The Housing Commission administers the contracts for the City of San Diego's (City) Homeless Shelters and Services Programs based on a Memorandum of Understanding between the Housing Commission and the City that first took effect on July 1, 2010. Currently, this includes the Cortez Hill Family Center formerly operated by YWCA of San Diego County.

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 ongoing operation of the Center for a period of up to two years and eight months.

### **PROGRAM OVERVIEW**

The Cortez Hill Family Center will provide a year-round (365 days per year), service-enhanced interim housing program in alignment with Housing First principles, for a minimum of 150 families with children, experiencing homelessness in the City. The program will provide safe, low-barrier, interim housing, as well as stabilization and supportive services, to prepare families 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 Center will prioritize and target the most vulnerable, disabled, and/or chronically homeless families living in the City, including families who would be forced to live in places not intended for human habitation (vehicles, parks, abandoned buildings, sidewalks, streets, etc.) were it not for the shelter and services provided by the program. 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; child care and children's activities; and assistance in obtaining permanent supportive housing, permanent affordable housing or longer term housing interventions.

### **Operator Experience**

Alpha Project has extensive experience providing housing opportunities and supportive services for individuals and families experiencing homelessness. The organization currently serves more than 4,000 men, women and children on a daily basis through its various interim shelter, rapid rehousing, and permanent supportive housing programs.

In addition to the more than 20 years of experience working directly with families experiencing homelessness, Alpha Project was chosen by the City of San Diego to operate a Transitional Campground Area during the height of the 2017 -2018 Hepatitis A outbreak, which had a specific focus on serving the City's most vulnerable populations, including seniors, individuals with disabilities, single women and families with children. Working with community partners, the Regional Task Force on the Homeless (RTFH), the Housing Commission and private sector stakeholders, the program successfully housed all 22 families, which included 56 children, within the two months that it was operational.

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Program Design

Alpha Project has developed a program design that leverages privately raised funds, existing in-house supportive services and multiple Memoranda of Understanding with partnering services providers, to provide a comprehensive network of resources and service connections for the clients they will be serving at the Center. All of this will be conducted in a housing –focused environment that leverages a variety of resources to promote families to successfully transition back into housing.

This design includes, but is not limited to, the following components;

- Shelter Diversion
- Outreach & Engagement
- Intake & Assessment
- Case Management & Housing Navigation
- Medical, Mental, Health, Dental and Vision Care
- Substance Abuse Counseling & Treatment
- Legal Assistance
- Financial Literacy
- Life Skills
- Employment Services
- Transportation Assistance
- Child care
- Youth Mentorships and Tutoring
- Parenting Classes
- Veteran Services

Funding Summary

<b>FUNDING SOURCE</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
CDBG	\$103,863	\$191,863	\$191,863
ESG	\$165,546	\$305,625	\$305,625
AHF	\$237,792	\$439,000	\$439,000
<b>TOTAL</b>	<b>\$507,264*</b>	<b>\$936,488</b>	<b>\$936,488</b>

\*Indicated amounts are pro-rated for the 6.5-month operating term in Fiscal Year 2019.

<b>FUNDING BY USE</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Operations	\$507,264	\$936,488	\$936,488
<b>TOTAL</b>	<b>\$507,264</b>	<b>\$936,488</b>	<b>\$936,488</b>

General Standards

Alpha Project 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.

- Adequate staffing and peer support with appropriate ongoing training for service delivery and data analysis;

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- 24-hour security to ensure a safe environment at the Center site for participants, volunteers, and others who may come in contact with the Center;
- A 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;
- Appropriate policies and procedures for Center operations, including low-barrier house rules, which will be displayed on-site at all times, and various means for participants to provide feedback to and input into the Center;
- A written drug- and alcohol-free policy for staff that is posted/displayed at the Center 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;
- Data entry, analysis and reporting in the RTFH-approved Homeless Management Information System of all Center activities; Alignment with Housing First principles with low barriers to entry and operations;
- Assistance in obtaining safe, permanent housing;
- Access to case management and other appropriate permanent housing-focused services (e.g., Housing Navigation, case conferencing); and
- Participation in the Coordinated Entry System.

#### Property Management

Alpha 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;
- Provide secure entry/exit for clients and service providers to be monitored by Center staff; and
- Maintain a fire escape emergency plan, fire watch, and comply with Fire Marshal inspections and recertifications as needed

The City is the property owner of the Center site.

- Alpha Project will enter into a lease agreement with the City for the Center, setting forth all of Alpha Project's maintenance and repair obligations, of which, corresponding costs would be incorporated into the project budget.
- Other and further obligations as are set forth in the Scope of Work referenced in the final contract.

#### **CONTRACT SELECTION PROCESS**

On August 30, 2018, the Housing Commission issued a Request for Proposals (RFP) for the operations of the Cortez Hill Family Center Interim Housing Program, 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 109 notifications were sent through the PlanetBids system. A pre-proposal meeting was held September 12, 2018. Representatives from eight companies and not-for-profit agencies were in attendance.

At the RFP closing September 13, 2018, four proposals were received. Proposals were submitted by People Assisting the Homeless (PATH), Salvation Army, Home Start and Alpha Project. Subsequent to

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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: Experience and Capacity, Service Description, Service Delivery Method & Staffing and Projected Costs, Partnerships & Sustainability. Alpha Project received the highest ranking. Below is a summary of the final rankings.

<b>ORGANIZATION</b>	<b>RANKING</b>
Alpha Project	1
Home Start	2
Salvation Army	3
People Assisting the Homeless	4

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 two weeks after 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 Center serves this purpose by providing interim housing services to families with children experiencing homelessness. Families participating 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 and the Housing Commission will jointly fund this project.

The City of San Diego has made available \$191,863 of Community Development Block Grant (CDBG) funds and \$305,625 of Emergency Solutions Grant (ESG) funds. The Housing Commission will also be making available \$200,000 from the City of San Diego’s Affordable Housing Fund (AHF), which the Housing Commission administers. The Center is among the City of San Diego’s interim housing programs identified in the “model programs” for which Affordable Housing Funds may be expended, pursuant to the Fiscal Year 2019 Affordable Housing Fund Annual Plan approved by the City Council on June 11, 2018.

<b>FUNDING SOURCE</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
CDBG	\$103,926	\$191,863	\$191,863
ESG	\$165,546	\$305,625	\$305,625
AHF	\$237,792	\$439,000	\$439,000
<b>TOTAL</b>	<b>\$507,264*</b>	<b>\$936,488</b>	<b>\$936,488</b>

\*Indicated amounts are pro-rated for the 6.5-month operating term in Fiscal Year 2019.

**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.

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**PREVIOUS COUNCIL and/or COMMITTEE ACTION**

The Housing Commission administers the contracts for the City of San Diego's (City) Homeless Shelters and Services Programs based on a Memorandum of Understanding between the Housing Commission and the City that first took effect on July 1, 2010. Currently, this includes the Cortez Hill Family Center.

On May 4, 2018, the Housing Commission Board of Commissioners authorized the execution of a sole source agreement with YWCA of San Diego County for the continued operations of the Cortez Hill Family Center Interim Housing Program.

The approved contract value was \$694,489 for the 12-month term between July 1, 2018, and June 30, 2019. YWCA of San Diego County subsequently surrendered the contract for the operation of the Cortez Hill Family Center Interim Housing Program.

**KEY STAKEHOLDERS and PROJECTED IMPACTS**

Stakeholders for this project include: Cortez Hill 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 otherwise homeless families with children.

**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 exempt per Section 58.34(a)(3) and (4) of Title 24 of the Code of Federal Regulations.

Respectfully submitted,



Lisa Jones  
Senior Vice President  
Homeless Housing Innovations

Approved by,



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

Attachments: 1) Operator Agreement with Alpha Project for the Homeless

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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](http://www.sdhc.org).