



REPORT TO THE HOUSING AUTHORITY OF THE CITY OF SAN DIEGO AND THE SAN DIEGO CITY COUNCIL

DATE ISSUED: April 30, 2019

REPORT NO: HAR19-022

ATTENTION: Chair and Members of the Housing Authority of the City of San Diego and the San Diego City Council
For the Agenda of June 11, 2019

SUBJECT: Homeless Emergency Aid Program (HEAP) Memorandum of Understanding Between the San Diego Housing Commission and City of San Diego

COUNCIL DISTRICT: Citywide

REQUESTED ACTION:

That the Housing Authority of the City of San Diego and San Diego City Council approve the execution of a Memorandum of Understanding, in a form approved by General Counsel, between the City of San Diego and the San Diego Housing Commission regarding the City of San Diego's administration of Homeless Emergency Aid Program (HEAP) block grant funding.

STAFF RECOMMENDATION

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

Housing Authority:

- 1) Approve the execution of a Memorandum of Understanding (MOU), in a form approved by General Counsel, between the City of San Diego (City) and the San Diego Housing Commission (Housing Commission) regarding the City's administration of Homeless Emergency Aid Program (HEAP) block grant funding and transferring a portion of the City's HEAP block grant funding to the Housing Commission for one-time uses that address homelessness in compliance with the terms of the HEAP block grant agreement between the City and the State of California's Business, Consumer Services and Housing Agency;
- 2) Authorize the President & CEO of the Housing Commission, or designee, to execute the final negotiated MOU, and any and all amendment(s) thereto, in a form approved by General Counsel, and to take all actions necessary to implement these approvals;

City Council:

- 3) Approve an MOU between the City and the Housing Commission regarding the City's administration of the HEAP block grant funding; and

- 4) Authorize the Mayor, or designee, to execute an MOU, and any and all amendment(s) thereto, in a form approved by the City Attorney, on behalf of the City, and to take all actions necessary to implement these approvals.

SUMMARY

HEAP is a State of California block grant program authorized by Senate Bill 850 and signed into law by Governor Edmund G. “Jerry” Brown, designed to provide direct assistance to localities to address the homelessness crisis throughout California. HEAP funds are intended to provide one-time flexible block grant funds to address the City of San Diego’s immediate homelessness challenges. HEAP funds must be expended on one-time uses that address homelessness, including prevention, criminal justice diversion programs to homeless individuals with mental health needs, and emergency aid. The City applied for \$14,110,397.95 of HEAP funds from the State of California, and the City’s application was approved on September 27, 2018, awarding the full amount. On December 5, 2018, the City Council approved Resolution No. R-312127, which authorized the City to negotiate, execute and comply with an agreement with the Business, Consumer Services and Housing Agency for State of California for the HEAP block grant and further authorized the City to accept, appropriate and expend the grant funding as set forth in the Resolution, including through administration, negotiation and the awarding of contracts to third parties to implement the HEAP block grant. On December 21, 2018, the City entered into an agreement with the Business, Consumer Services and Housing Agency for the State of California to provide the City one-time HEAP block grant funding in the amount of \$14,110,397.95. HEAP funds must be contractually obligated by January 1, 2020, and completely expended by June 30, 2021.

The Housing Commission administers the agreements for the City’s Homeless Shelters and Services Programs based on the Homelessness MOU between the Housing Commission and the City that first took effect on July 1, 2010.

The term of the proposed HEAP MOU between the City and the Housing Commission will run through June 30, 2021, which coincides with the term of the HEAP block grant.

The total amount of the portion of the City’s HEAP block grant to be transferred under the MOU is not final at this time, and will be finalized before execution of the MOU upon mutual agreement of the Housing Commission and the City.

AFFORDABLE HOUSING IMPACT

As San Diegans continue to live in a City-declared “housing emergency,” the need for immediate housing assistance is critical to the well-being of community members. HEAP funds must be expended on one-time uses that address homelessness, including prevention, criminal justice diversion programs to homeless individuals with mental health needs, and emergency aid. The HEAP funding transferred under this MOU will go to fund a variety of programs directed at serving San Diego’s most vulnerable citizens.

FISCAL CONSIDERATIONS

There is no fiscal impact related to these actions. Actions requested in this report include the authorization to enter into an MOU, no funding is being allocated to a specific program or activity.

PREVIOUS COUNCIL and/or COMMITTEE ACTIONS

On December 5, 2018 the City Council approved Resolution No. R-312127, which authorized the City to negotiate, execute and comply with an agreement with the Business, Consumer Services and Housing

April 30, 2019

Homeless Emergency Aid Program (HEAP) Memorandum of Understanding Between the San Diego Housing Commission and City of San Diego

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Agency for State of California for the HEAP block grant and further authorized the City to accept, appropriate and expend the grant funding as set forth in the Resolution, including through administration, negotiation and the awarding of contracts to third parties to implement the HEAP block grant.

KEY STAKEHOLDERS and PROJECTED IMPACTS

Stakeholders for this project include individuals and households who are experiencing homelessness.

ENVIRONMENTAL REVIEW

Approval of the proposed MOU is not a project as defined by the California Environmental Quality Act Section 21065 and State CEQA Guidelines Section 15378(b)(5), as it is a governmental administrative activity that will not result in direct or indirect physical changes in the environment. The determination that this activity is not subject to CEQA, pursuant to Section 15060(c)(3), is not appealable and a Notice of Right to Appeal the Environmental Determination (NORA) is not required.

Since there are NO federal funds being used for this action, National Environmental Policy Act environmental clearances are not required at this time.

Respectfully submitted,

Lisa Jones

Lisa Jones
Senior Vice President
Homeless Housing Innovations
San Diego Housing Commission

Approved by,

Jeff Davis

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 at 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.

**MEMORANDUM OF UNDERSTANDING BETWEEN
THE CITY OF SAN DIEGO
AND
THE SAN DIEGO HOUSING COMMISSION
FOR THE PROVISION OF HEAP BLOCK GRANT FUNDED PROGRAMS**

This Memorandum of Understanding (“HEAP MOU”) is dated as of _____, 2019 (the “Effective Date”) by and between the SAN DIEGO HOUSING COMMISSION, a public agency (“Commission”) and the CITY OF SAN DIEGO, a municipal corporation (“City”), hereinafter referred to as the “Parties” and each, as a “Party.”

RECITALS

WHEREAS, the State of California Homeless Emergency Aid Program (“HEAP”) is a block grant program designed to provide direct assistance to localities to address the homelessness crisis throughout California; and

WHEREAS, HEAP funds are intended to provide one-time flexible block grant funds to address the City of San Diego’s immediate homelessness challenges; and

WHEREAS, the HEAP funds must be expended on one-time uses that address homelessness, including prevention, criminal justice diversion programs to homeless individuals with mental health needs, and emergency aid; and

WHEREAS, at least five percent (5%) of the HEAP funds awarded to the City must be allocated to establish or expand services meeting the needs of homeless youth or youth at risk of homelessness and not more than five percent (5%) may be allocated to administrative costs; and

WHEREAS, the City applied for \$14,110,397.95 of HEAP funds from the State of California, and the City’s application was approved on September 27, 2018, awarding the full amount (“HEAP Block Grant”); and

WHEREAS, on December 5, 2018 the Council of the City of San Diego (“City Council”) approved Resolution No. R-312127 (“Resolution”), which authorized the City to negotiate, execute and comply with an agreement with the State of California’s Business, Consumer Services and Housing Agency for the HEAP Block Grant to allocate funds on the following categories: services; rental assistance or subsidies; capital improvements; youth focus; and administration; and

WHEREAS, the Resolution further authorizes the City to administer, monitor, and manage the grant funding and to develop, advertise, negotiate, and award contracts to third parties to implement the HEAP block grant; and

WHEREAS, on December 21, 2018 the City entered into an agreement with the State of California's Business, Consumer Services and Housing Agency to provide the City a one-time HEAP block grant funding in the amount of \$14,110,397.95 ("HEAP Grant Agreement"); and

WHEREAS, the City now desires to engage the Commission to assist in the administration of various homelessness programs as set forth in this HEAP MOU.

WHEREAS, the Housing Authority for the City of San Diego approved Resolution _____ which authorized the Commission to enter into this HEAP MOU to provide services in under the HEAP Block Grant

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

- A. Incorporation of Recitals. The Recitals set forth above are incorporated herein by this reference.
- B. Commission Responsibilities.
 - 1. Attachment A to this HEAP MOU contains a description of the programs the City intends to fund with the HEAP Block Grant. The Commission shall be responsible for the general management, administration and oversight of a subset of those programs, as set forth in the attachment (together "HEAP Programs"). Attachment A is attached hereto and made part hereof.
 - 2. The Commission shall monitor all agreements with subcontractors for the operation of the HEAP Programs.
 - 3. The Commission shall ensure all subcontractors for the HEAP Programs comply with the applicable terms of the HEAP Block Grant as set forth in Section E herein and provide those agreements to the City Administrator for review prior to execution.
- C. City Responsibilities.
 - 1. The City shall provide funding for the HEAP Programs. The funding shall be substantially as set forth in Attachment A to this HEAP MOU in consideration for the Commission ensuring that the programs transferred to its authority substantially meet the City's expectations as described in Attachment A. If the City determines to commit reduced funding, it acknowledges that the services will be reduced accordingly. The City reserves the right to amend the funding as set forth in Attachment A per the terms of the "Amendment" clause below.
 - 2. The City shall designate and maintain a City Administrator to provide oversight for this HEAP MOU ("City Administrator"). This role shall be fulfilled by the Mayor's designee, which at this time of execution of this HEAP MOU is the City's Chief of

Homelessness Strategies & Housing Liaison, or successor position, or that individual's designee

3. The City Administrator may authorize modifications within the funding categories provided they are consistent with the Resolution that authorized the acceptance and expenditure of the HEAP Block Grant. The City will work with the Commission to determine, and take into consideration, any impacts a reduction in funding or re-allocation in funding might have to program or system performance and outcomes. The City is responsible for ensuring the expenditures relating to administrative costs and expenditures relating to homeless youth or youth at risk for homelessness are in compliance with the requirements of the HEAP Block Grant, subject to Section E, paragraph 5.
4. The City Administrator may provide direction to the Commission with respect to how to develop and manage the HEAP Programs, including, for example, what data to collect from Commission operations, and may provide direction to the Commission with respect to how to enhance aspects of the HEAP Programs to produce satisfactory results and revise or eliminate aspects of the HEAP Programs that do not.
5. The City shall provide funding under this HEAP MOU in monthly installments to reimburse the Commission for funds expended, within 30 days of receipt of an invoice from the Commission. The City will provide a one-time advance to account for at least the HEAP Programs' first two months of expenses, within 15 days of the Effective Date of this HEAP MOU. .
6. With regard to administrative activities required to manage the programs covered under this HEAP MOU, the Parties expect that each will incur approximately half the total of administrative funds available under the HEAP Block Grant, and the City Administrator and Commission, acting through its designee, will jointly determine and allocate eligible administrative expenses.

D. Term and Termination of HEAP MOU.

1. **Term of HEAP MOU.** The term of this HEAP MOU is from the Effective Date of this HEAP MOU through December 31, 2021.
2. **Termination of HEAP MOU.** Either Commission or the City may terminate this HEAP MOU and all obligations assigned thereunder for any reason by providing fourteen (14) days written notice to the other. Upon termination of this HEAP MOU, any unexpended funds received by Commission shall be returned to City within thirty (30) days of the notice of termination.

E. Grant Provisions.

1. **Expenditure of Funds.** One hundred percent of all HEAP Block Grant funds transferred under this HEAP MOU shall be expended by June 30, 2021, unless otherwise directed in writing by the City Administrator and any funds not expended shall be returned to the City pursuant to the terms of the HEAP Block Grant Agreement.
2. **Compliance with Applicable Laws.** All HEAP Programs funded under this HEAP MOU shall include one-time uses that are consistent with Chapter 5 (commencing with Section 50210) of Part 1 of Division 31 of the Health and Safety Code, and all other relevant provisions established under SB 850 (Chapter 48, Statutes of 2018), for eligible uses which include, but are not limited to, Services, Rental Assistance or Subsidies, Capital Improvements, Homeless Youth Set-Aside, and Administrative Costs.
3. **Ineligible Costs.** Funds distributed under this HEAP MOU shall not be used for costs associated with activities in violation of any law or for any activities not consistent with the intent of the HEAP Block Grant and the eligible uses identified in Health and Safety Code Section 50214, including no more than five percent (5%) of the total amount awarded to the City in HEAP Grant funds may be used for administrative costs related to the execution of eligible activities and no less than five percent (5%) of such funds shall be used to establish or expand services meeting the needs of homeless youth or youth at risk for homelessness.

If the Commission uses the funds paid under this HEAP MOU to pay for ineligible activities, Commission shall be required to reimburse the funds to the City.

4. **Reporting/Audits.**
 - i. Commission shall submit an annual report to City no later than December 1, 2019 and December 1, 2020. Commission shall submit a final report to the City no later than August 31, 2021. The annual report and the final report shall contain a detailed report containing the following:
 1. Amounts awarded to subrecipients with activities identified.
 2. Contract expenditures.
 3. Unduplicated number of homeless persons or persons at imminent risk of homelessness served.
 4. Number of instances of service.
 5. Increases in capacity for new and existing programs.
 6. The number of unsheltered homeless persons becoming sheltered.
 7. The number of homeless persons entering permanent housing.
 - ii. Breakdowns will be included for each activity and program type for the supplemental reporting requirements listed above, when applicable. The same information will also be requested specifically for the following

subpopulations based on priorities defined by the U.S. Department of Housing and Urban Development (“HUD”).

1. Chronically homeless
 2. Homeless veterans
 3. Unaccompanied homeless youth
 4. Homeless persons in families with children.
5. **Retention of Records.** The Commission agrees that City shall have the right to review, obtain, and copy all records and supporting documentation pertaining to its performance under this HEAP MOU.
6. **Nondiscrimination.** Commission and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, gender identity, gender expression, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), genetic information, marital status, military and veteran status, and denial of medical and family care leave or pregnancy disability leave. Commission and its subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Commission and its subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12990(a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code section 12990(a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this HEAP MOU by reference and made part hereof as if set forth in full. Commission and its subcontractors shall give written notice of their obligations under this clause to labor organizers with which they have a collective bargaining or other agreement.
7. **Drug Free Workplace Certification.** Commission and its subcontractors certify under penalty of perjury under the laws of the State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Government Code 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:
- i. Publish a statement notifying employees and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code section 8355(a)(1).

- ii. Establish a Drug-Free Awareness Program, as required by Government Code section 8355(a)(2) to inform employees, contractors, or subcontractors about all of the following:
 - 1. The dangers of drug abuse in the workplace,
 - 2. Commission's policy of maintaining a drug-free workplace,
 - 3. Any available counseling, rehabilitation, and employee assistance programs, and
 - 4. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
- iii. Provide, as required under Government Code section 8355(a)(3), that every employee and/or subcontractor who works under this HEAP MOU:
 - 1. Will receive a copy of Commission's drug-free policy statement, and
 - 2. Will agree to abide by terms of Commission's condition of employment or subcontract.

8. **Special Conditions.** Commission and its subcontractors shall:

- i. Perform the work under this HEAP MOU in accordance with Federal, State, and Local housing and building codes, as applicable.
- ii. Maintain at least the minimum State-required worker's compensation for those employees who will perform the work or any part of it.
- iii. Maintain, as required by law, unemployment insurance, disability insurance, and liability insurance in an amount that is reasonable to compensate any person, firm or corporation who may be injured or damaged by Commission or any subcontractor in performing the work under this HEAP MOU or any part of it.
- iv. Agree to abide by the terms of the HEAP Grant Agreement and include it in each subcontract. A copy of the HEAP Grant Agreement is attached hereto as Attachment B and made part hereof.

9. **Inspections.** Commission and its subcontractors shall allow the City and/or the Business, Consumer Services and Housing Agency for State of California to inspect the work performed under this HEAP MOU to ensure the work is being and has been performed in accordance with the applicable Federal, State and/or local requirements, and the HEAP MOU.

10. **HEAP Special Terms and Conditions.**

- i. All proceeds from any interest-bearing account that may be established by the Commission for the deposit of HEAP Block Grant funds must be used for HEAP-eligible activities for purposes as set forth in the HEAP MOU. Consistent with Health and Safety Code section 50214(b) no more than five (5) percent of these proceeds may be used for general administrative

purposes. At least five (5) percent of these proceeds must be allocated to establishing or expanding services for homeless youth.

- ii. Any housing-related activities funded with HEAP Block Grant funds, including but not limited to, emergency shelter, rapid-rehousing, rental assistance, transitional housing and permanent supportive housing must be in compliance or otherwise aligned with the Core Components of Housing First, pursuant to Welfare and Institutions Code section 8255(b).

F. General Provisions

1. **Indemnification.** To the fullest extent provided by law, the City and the Commission agree to indemnify, protect, and hold harmless one another, including their elected officials, officers, agents, representatives, departments, subcontractors, and employees, from and against any and all claims, demands, actions, proceedings, suits, liabilities, damages, costs (including reasonable attorneys' fees) or expenses for, including damage to property, the loss or use thereof, or injury or death to any person, caused by, arising out of, or related to the performance of services under this HEAP MOU by the City or the Commission, their elected officials, officers, agents, representatives, departments, subcontractors and employees. The City's and Commission's duty to indemnify and hold harmless one another shall not include any claim or liability arising from the established sole negligence or willful misconduct of the other, or the other's elected officials, officers, agents, representatives, departments, subcontractors, and employees.
2. **Insurance.** City certifies that it is self-insured and will maintain the same level of insurance throughout the duration of this HEAP MOU. Commission certifies it has obtained insurance as set forth herein:
 - i. Commission shall obtain a single limit general liability insurance and automobile liability insurance in the minimum amount checked and initialed below. If nothing is checked or indicated below, the limit shall be One Million Dollars (\$1,000,000.00):

<input checked="" type="checkbox"/>	General Liability
	\$1,000,000.00
<input checked="" type="checkbox"/>	Workers Compensation
	\$1,000,000.00
<input checked="" type="checkbox"/>	Automobile Liability
	\$500,000.00
 - ii. This coverage is in addition to workers compensation insurance and other insurance coverages required by law. The policies shall provide that coverage on all policies may not be canceled, amended, terminated or otherwise modified without thirty (30) days advance written notice to the Commission and City. Coverage shall remain in full force and effect during the entire term of the policy.
3. **Amendment.** Any changes to this HEAP MOU, including changes to any attachments hereto, shall be in writing and signed by both Parties. Commission's

President and Chief Executive Officer, or designee, and the Mayor, or designee, shall have the authority to execute amendments to this HEAP MOU which do not otherwise require City Council or Housing Authority approval.

4. **Assignability.** Neither Party shall assign any interest in this HEAP MOU and shall not transfer any interest in the same (whether by assignment or novation).
5. **Counterparts.** This HEAP MOU may be executed in one or more counterparts, each of which shall be deemed an original. The Parties agree that in order to expedite the execution process, facsimile or electronically conveyed signatures will be considered and accepted as legally binding.
6. **Entire Agreement; No Novation.** This HEAP MOU represents the entire understanding between the Parties about the subject matter of this HEAP MOU. This HEAP MOU is not a novation of and does not amend or otherwise revise any other agreement, memorandum of agreement or understanding of the Parties.
7. **Principles of Interpretation.** No inference in favor of or against any Party shall be drawn from the fact that such Party has drafted any part of this HEAP MOU. The Parties have participated substantially in the negotiation, drafting, and revision of this HEAP MOU, with advice from legal and other counsel and advisers of their own selection. A word, term or phrase defined in this HEAP MOU may be used in the singular, plural, past tense or future tense, regardless of how it is defined, all in accordance with ordinary principles of English grammar, which shall govern all language in this HEAP MOU. The words “include” and “including” in this HEAP MOU shall be construed to be followed by the words: “without limitation.” Each collective noun in this HEAP MOU shall be interpreted as if followed by the words “(or any part of it),” except where the context clearly requires otherwise. Every reference to any document, including this HEAP MOU, refers to such document, as modified from time to time (excepting any modification that violates this HEAP MOU), and includes all exhibits, schedules, addenda and riders to such document. The word “or” in this HEAP MOU includes the word “and,” except where the context clearly requires otherwise. Every reference to a law, statute, regulation, order, form or similar governmental requirement in this HEAP MOU refers to each such requirement as amended, modified, renumbered, superseded or succeeded, from time to time.
8. **No Other Representations or Warranties.** Except as expressly set forth in this HEAP MOU, no Party makes any representation or warranty material to this HEAP MOU to any other Party

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**SIGNATURE PAGE
TO
MEMORANDUM OF UNDERSTANDING BETWEEN
THE CITY OF SAN DIEGO
AND
THE SAN DIEGO HOUSING COMMISSION
FOR THE PROVISION OF HEAP BLOCK GRANT FUNDED PROGRAMS**

IN WITNESS WHEREOF, this HEAP MOU is entered into by the City of San Diego, acting by and through its Mayor or designee, and by the San Diego Housing Commission, by and through the signature of Commission's authorized representative(s), all as set forth below.

SAN DIEGO HOUSING COMMISSION,
a public agency

CITY OF SAN DIEGO,
a California municipal corporation

By: _____
Jeff Davis
Executive Vice President & Chief Operating
Officer

By: _____
Print Name: _____
Title: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

CHRISTENSEN & SPATH LLP

MARA W. ELLIOTT
CITY ATTORNEY

By: _____
Charles B. Christensen
General Counsel

By: _____
Katherine A. Malcolm
Deputy City Attorney

Attachment A: HEAP Programs

Services	Outreach and Connections to Benefits	Create outreach teams	\$1,372,000.00
		SOAR Benefits Connections	\$114,000.00
		Creation of outreach program and training	\$125,000.00
	Storage	Create new facility or facilities	\$900,000.00
		Continue Downtown Site	\$250,000.00
	Diversion	Expand Family Reunification	\$450,000.00
		Continue Commission Diversion Program	\$1,000,000.00
	Safe Parking	Expand to new lots.	\$540,000.00
		Fund continuation for existing lots.	\$820,000.00
Rental Assistance or Subsidies	Flex Spending Pool for Housing	Create a flexible subsidy pool for housing solutions	\$2,000,000.00
	Landlord Engagement	Expand landlord engagement	\$500,000.00
	Rapid Re-housing Expansion	Expand Rapid Re-housing	\$2,728,356.00
Youth Focus	Youth serving programs	Make investments in programs serving youth	\$705,521.00
Administration	Program development and monitoring	Perform grant administration, monitoring, and program coordination. Establish and monitor contracts, budgets and projects. This total includes City and SDHC administration.	\$705,521.00
Notes	Other programs approved by the City Council for HEAP funding will not, in whole or part, be administered by the SDHC: specifically, the PLEADS diversion program and the Capital Improvement Project for the Women and Families Shelter. The fund totals listed in this table shall be used to cover multi-year activities: the City Administrator will provide direction to the Commission on this, as part of program implementation.		

Attachment B

BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY
HOMELESS COORDINATING AND FINANCING COUNCIL (REV 9/18)
915 Capitol Mall, Suite 350-A
Sacramento, CA 95814
Phone: (916) 653-4090
Fax: (916) 653-3815



HOMELESS EMERGENCY AID PROGRAM REQUEST FOR FUNDS FORM

Contract Number: 18-HEAP-00002

Grantee Name: The City of San Diego
Address: 202 C Street MS 9A
City: San Diego
State & Zip: CA, 92101

Expiration Date: 10/31/2021

Contact Person: Keely Halsey
Contact Person Title: Chief of Homelessness Strategies & Housing Liaison
E-mail: khalsey@sanidiego.gov
Phone No.: (619) 236-6213

HOMELESS EMERGENCY AID EXPENDITURES BREAKDOWN

BUDGET BREAKDOWN		REQUEST
Proposed Activities	Approved Budget	Draw Amount
Services	\$5,871,000.00	\$5,871,000.00
Rental Assistance or Subsidies	\$5,228,356.16	\$5,228,356.16
Capital Improvements	\$1,600,000.00	\$1,600,000.00
Homeless Youth Set-Aside	\$705,521.90	\$705,521.90
Administrative Costs	\$705,519.89	\$705,519.89
Other: _____	\$0.00	\$0.00
Other: _____	\$0.00	\$0.00
TOTAL:	\$14,110,397.95	\$14,110,397.95

CERTIFICATION

*By signing this form, I certify to the best of my knowledge and belief that the form is true, complete, and accurate, and the activities and budget are for the purposes and objectives set forth in the terms and conditions of the HEAP Standard Agreement. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise.

Keely Halsey ROBERT VACCHI

12/21/18

Name of Authorized Person

Date:

Signature of Authorized Person

Date:

BCSH USE ONLY

Grant Management Representative Signature

Date:



The principal purpose of the information provided is to establish the unique identification of the government entity.

Instructions: You may submit one form for the principal government agency and all subsidiaries sharing the same TIN. Subsidiaries with a different TIN must submit a separate form. Fields bordered in red are required. Hover over fields to view help information. Please print the form to sign prior to submittal. You may email the form to: vendors@fiscal.ca.gov, or fax it to (916) 576-5200, or mail it to the address above.

Principal Government Agency Name	City of San Diego		
Remit-To Address (Street or PO Box)	202 C Street		
City	San Diego	State	CA Zip Code+4 92101
Government Type:	<input checked="" type="checkbox"/> City <input type="checkbox"/> County <input type="checkbox"/> Special District <input type="checkbox"/> Other (Specify)	<input type="checkbox"/> Federal	Federal Employer Identification Number (FEIN) 95-6000776

List other subsidiary Departments, Divisions or Units under your principal agency's jurisdiction who share the same FEIN and receives payment from the State of California.

Dept/Division/Unit Name		Complete Address	
Dept/Division/Unit Name		Complete Address	
Dept/Division/Unit Name		Complete Address	
Dept/Division/Unit Name		Complete Address	

Contact Person	Keely Halsey	Title	
Phone number	619-236-6213	E-mail address	khalsey@sandiego.gov
Signature	[Signature] ROBERT VACCARIS DCOO		Date 9/6/2018



Business, Consumer Services and Housing Agency
Edmund G. Brown Jr., Governor | Alexis Podesta, Chair

September 27, 2018

Keely Halsey
Chief of Homelessness Strategies & Housing Liaison
City of San Diego
202 C Street, MS 9A
San Diego, CA 92101

RE: Award Announcement – City of San Diego
Agreement #18-HEAP-00002: App#LC-CA-601-M6UNXKLLIF

Dear Ms. Halsey,

The Business, Consumer Services and Housing Agency (Agency) Homeless Coordinating and Financing Council (HCFC) is pleased to announce that the City of San Diego has been awarded a Homeless Emergency Aid Program (HEAP) grant in the amount of \$14,110,397.95. This letter constitutes notice of the award of HEAP funds for use in San Diego.

The City of San Diego will receive its full disbursement of funds after the Standard Agreement is fully executed, and the enclosed Request for Funds form has been signed and returned. *Please note that the Request for Funds form must be signed at a date at least one day after the City of San Diego has signed the Standard Agreement.* In addition, grant expenditures may not be incurred prior to the execution of the Standard Agreement and receipt by the City of San Diego of HEAP funds.

Please be advised that this award is subject to the terms and conditions of the Standard Agreement, *which must be fully executed within **thirty days** of the date of this award letter.* Failure by the City of San Diego to sign and return the Standard Agreement upon receipt from Agency within this timeframe may result in a delay of disbursement of funds.

Congratulations on your successful application. For further information, please contact Daniel Castillo, HEAP Grant Manager at 916-651-2788 or daniel.castillo@bcsh.ca.gov.

Sincerely,


Secretary Alexis Podesta
Council Chair

915 Capitol Mall, Suite 350-A | Sacramento, CA 95814 | (916) 653-4090
www.bcsh.ca.gov/hcfc



CALIFORNIA HOMELESS COORDINATING AND FINANCING COUNCIL

Business, Consumer Services and Housing Agency
Edmund G. Brown Jr., Governor | Alexis Podesta, Chair

Keely Halsey
Chief of Homelessness Strategies & Housing Liaison
City of San Diego
202 C Street, MS 9A
San Diego, CA 92101

Dear Ms. Halsey,

RE: City of San Diego-18-HEAP-00002 - App#LC-CA-601-M6UNXKLLIF

Congratulations on your Homeless Emergency Aid Program (HEAP) award. Attached is a copy of the HEAP Standard Agreement with Exhibits A through D.

A. Standard Agreement (STD 213 and Exhibits A through D)

STD 213 – Cover page

Exhibit A – Authority, Purpose and Scope of Work

Exhibit B – Budget Detail and Payment Provisions

Exhibit C – Terms and Conditions

Exhibit D – Special Terms and Conditions

B. For expeditious handling of the contract, please complete the following:

1. Review the entire Agreement thoroughly and, if necessary, discuss the requirements with your legal and financial advisors. Changes to the Agreement will not be accepted unless approved in writing by the Agency.
2. BCSH has provided four signed copies of the Standard Agreement, STD 213. The Grantee shall counter sign the four copies of the first page of the Standard Agreement, STD 213, and initial the first page of Exhibits A through D.
3. The person(s) authorized in the Authorized Signatory Form must provide an **original signature, printed name, title and date** on the lower left-hand section entitled "Contractor" on each of the four

copies of the STD 213, and provide an original initial in the space provided on the cover of each copy of Exhibits A through D

4. The person authorized in the Authorized Signatory Form must provide a printed name, signature, and date on the attached Request for Funds (RFF) form. **The date of the signature must be at least one day after the date of the signed STD 213.**
5. Do not send photo copies of signatures. All must be original signatures with wet ink.
6. Return the four signed copies of the STD 213 with all initialed Exhibits and the signed RFF form **within 30 days** via certified mail.
7. Insert a signed copy of either the STD 204 or GovtTIN form that was submitted along with application documents.
8. Maintain a complete electronic version of the STD 213 and Exhibits A through D for your pending file. Note: The contract is not effective until it is signed by the Grantee's designated official and the Agency.

The Agency reserves the right to cancel a pending Standard Agreement in its entirety if not returned within the required 30-day period. Furthermore, no changes may be made to the Standard Agreement or Exhibits A through D without prior written approve from the Agency.

Please accept my best wishes for a successful program. Please contact me at (916) 651-2788 or Daniel.Castillo@bcsh.ca.gov or Local Government Liaison Lahela Mattox at (916) 651-2770 or Lahela.Mattox@bcsh.ca.gov if you have any questions regarding the Standard Agreement or the provisions therein.

Sincerely,



Daniel Castillo
Grant Manager

AGREEMENT NUMBER 18-HEAP-00002
REGISTRATION NUMBER

1. This Agreement is entered into between the State Agency and the Contractor named below:

STATE AGENCY'S NAME

BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY

CONTRACTOR'S NAME

City of San Diego

2. The term of this Agreement is: **Upon BCSH Approval** through **10/31/2021**
3. The maximum amount of this Agreement is: **\$ 14,110,397.95**
4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibit A -	Authority, Purpose and Scope of Work	3
Exhibit B -	Budget Detail and Payment Provisions	3
Exhibit C -	Terms and Conditions	9
Exhibit D -	Special Terms and Conditions	1
TOTAL NUMBER OF PAGES ATTACHED:		16

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR

CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.)

City of San Diego

BY (Authorized Signature)



DEPUTY CHIEF OPERATING OFF.
ROBERT VACCHI

DATE SIGNED (Do not type)

12/21/18

PRINTED NAME AND TITLE OF PERSON SIGNING

Keely Halsey, Chief of Homelessness Strategies & Housing Liaison

ADDRESS

**202 C Street, MS 9A
San Diego, CA 92101**

STATE OF CALIFORNIA

AGENCY NAME

BUSINESS, CONSUMERS SERVICES AND HOUSING AGENCY

BY (Authorized Signature)



DATE SIGNED (Do not type)

9.28.18

PRINTED NAME AND TITLE OF PERSON SIGNING

**Alexis Podesta, Secretary
Business, Consumer Services and Housing Agency**

ADDRESS

915 Capitol Mall, Suite 350-A, Sacramento, CA 95814

**California Department of General
Services Use Only**



☐ Exempt per:

STATE OF CALIFORNIA
STANDARD AGREEMENT
STD 213 (Rev 06/03)

AGREEMENT NUMBER 18-HEAP-00002
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ROBERT VACCHI

PCSO

DATE SIGNED (Do not type)

12/21/18

PRINTED NAME AND TITLE OF PERSON SIGNING

Keely Halsey, Chief of Homelessness Strategies & Housing Liaison

ADDRESS

**202 C Street, MS 9A
San Diego, CA 92101**

STATE OF CALIFORNIA

AGENCY NAME

BUSINESS, CONSUMERS SERVICES AND HOUSING AGENCY

BY (Authorized Signature)



for:

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City of San Diego

BY (Authorized Signature)



ROBERT VACCHI DCOO

DATE SIGNED (Do not type)

12/21/18

PRINTED NAME AND TITLE OF PERSON SIGNING

Keely Halsey, Chief of Homelessness Strategies & Housing Liaison

ADDRESS

**202 C Street, MS 9A
San Diego, CA 92101**

STATE OF CALIFORNIA

AGENCY NAME

BUSINESS, CONSUMERS SERVICES AND HOUSING AGENCY

BY (Authorized Signature)



Alexis Podesta

DATE SIGNED (Do not type)

9.28.18

PRINTED NAME AND TITLE OF PERSON SIGNING

**Alexis Podesta, Secretary
Business, Consumer Services and Housing Agency**

ADDRESS

915 Capitol Mall, Suite 350-A, Sacramento, CA 95814

**California Department of General
Services Use Only**

SIGN HERE

☐ Exempt per:

AGREEMENT NUMBER
18-HEAP-00002
REGISTRATION NUMBER

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City of San Diego

BY (Authorized Signature)



KEELY HALSEY DECO

DATE SIGNED (Do not type)

12/21/18

PRINTED NAME AND TITLE OF PERSON SIGNING

Keely Halsey, Chief of Homelessness Strategies & Housing Liaison

ADDRESS

**202 C Street, MS 9A
San Diego, CA 92101**

STATE OF CALIFORNIA

AGENCY NAME

BUSINESS, CONSUMERS SERVICES AND HOUSING AGENCY

BY (Authorized Signature)



DATE SIGNED (Do not type)

9.28.18

PRINTED NAME AND TITLE OF PERSON SIGNING

**Alexis Podesta, Secretary
Business, Consumer Services and Housing Agency**

ADDRESS

915 Capitol Mall, Suite 350-A, Sacramento, CA 95814

California Department of General
Services Use Only



☐ Exempt per:

Standard Agreement
EXHIBIT A

AUTHORITY, PURPOSE AND SCOPE OF WORK

Homeless Emergency Aid Program (HEAP)

1. Authority

Pursuant to Chapter 5 (commencing with Section 50210) of Part 1 of Division 31 of the Health and Safety Code, and all other relevant provisions established under SB 850 (Chapter 48, Statutes of 2018), the State has established the Homeless Emergency Aid Program ("HEAP" or "the Program" or "the grant"). The Program is administered by the California Homeless Coordinating and Financing Council ("Council") in the Business, Consumer Services and Housing Agency ("Agency"). HEAP provides one-time flexible block grant funds to Administrative Entities as defined in the September 5, 2018 HEAP Notice of Funding Availability (NOFA) and Large Cities to address their immediate homelessness challenges. This Standard Agreement along with all its exhibits ("Agreement") is entered into by the Agency and an Administrative Entity or Large City ("Contractor") under the authority of, and in furtherance of the purpose of, the Program. In signing this Agreement and thereby accepting this award of funds, the Contractor agrees to comply with the terms and conditions of the Agreement, the Notice of Funding Availability ("NOFA") under which the Contractor applied, the representations contained in the Contractor's application, and the requirements of the authority cited above.

2. Purpose

The general purpose of the Program is to provide one-time block grant funding to address the immediate emergency needs of homeless individuals and individuals at imminent risk of homelessness in the service area of each Contractor. In accordance with the authority cited above, an application was made by the Contractor for HEAP funds to be allocated for eligible uses under the grant, which include, but are not limited to, the following: services, rental assistance or subsidies, capital improvements and homeless youth activities.

3. Definitions

Terms herein shall have the same meaning as the definitions set forth in the HEAP NOFA.

4. Scope of Work

The Scope of Work ("Work") for this Agreement shall include one-time uses that are consistent with Chapter 5 (commencing with Section 50210) of Part 1 of Division 31 of the Health and Safety Code, and all other relevant provisions established under SB 850 (Chapter 48, Statutes of 2018), for eligible uses, which include, but are not limited to, one or more of the following:

**Standard Agreement
EXHIBIT A**

- A. Services,
- B. Rental Assistance or Subsidies,
- C. Capital Improvements,
- D. Homeless Youth Set-Aside,
- E. Administrative Costs, and
- F. Other

4. Agency Contract Coordinator

The Agency's Contract Coordinator for this Agreement is the Council's HEAP Grant Manager or the Grant Manager's designee. Unless otherwise instructed, any notice, report, or other communication requiring Contractor signature for this Agreement shall be mailed by first class mail to the Agency Contract Coordinator at the following address:

Business, Consumer Services and Housing Agency
Attn: Homeless Emergency Aid Program Grant Manager
915 Capitol Mall, Suite 350-A
Sacramento, CA 95814

5. Contractor's Contract Coordinator

The Contractor's Contract Coordinator ("Authorized Representative") for this Agreement is listed below. Unless otherwise informed, any notice, report or other communication required by this Agreement will be mailed by first class mail to the Contractor's Contract Coordinator at the following address:

Contractor's Authorized Representative Name:	Keely Halsey Chief of Homelessness Strategies & Housing Liaison City of San Diego
Address:	202 C Street MS 9A San Diego, CA 92101
Phone:	(619) 236-6213
Email:	khalsey@sandiego.gov

**Standard Agreement
EXHIBIT A**

6. Effective Date, Term of Agreement, and Deadlines

- A. This Agreement is effective upon approval by the Agency. (indicated by the signature provided by Agency in the lower left section of page one, Standard Agreement, STD. 213), when signed by all parties.
- B. All HEAP grant funds must be at least fifty percent contractually obligated by January 1, 2020. One hundred percent of Program funds must be expended by June 30, 2021. Any funds not expended by that date shall be returned to the Agency and will revert to the General Fund (See Health and Safety Code Section 50215).

7. Special Conditions

Agency reserves the right to add any special conditions to this Agreement it deems necessary to ensure the goals of the Program are achieved.

**Standard Agreement
EXHIBIT B**

BUDGET DETAIL AND PAYMENT PROVISIONS

Homeless Emergency Aid Program (HEAP)

1. Budget Detail

The Contractor agrees that HEAP funds shall be expended on one-time uses that address immediate homelessness challenges.

Consistent with the application submitted by the Contractor on September 5, 2018, the Business, Consumer Services and Housing Agency ("Agency") shall award funds in the form of a grant for the following eligible activities:

A. Capital Improvements:	\$1,600,000.00
B. Services:	\$5,871,000.00
C. Rental Assistance or Subsidies:	\$5,228,356.16
D. Homeless Youth Set-Aside:	\$ 705,521.90
E. Administrative Costs:	\$ 705,519.89
Total HEAP Award Amount:	\$14,110,397.95

2. General Conditions Prior to Disbursement

General Requirements – All Contractors must submit the following forms prior to HEAP funds being released:

- A. Request for Funds Form (RFF),
- B. Four original copies of the signed STD. 213 form and initialed Exhibits A through D, and
- C. Any other documents, certifications, or evidence requested by Agency as part of the HEAP application.

3. Expenditure of Funds

Specific requirements and deadlines for contractually obligating and expending awarded funds are defined in the HEAP statutes. Health and Safety Code Sections 50214 and 50215 mandate the following:

- A. No more than five (5) percent of HEAP funds may be used for administrative costs related to the execution of eligible activities.
- B. No less than five (5) percent of HEAP funds shall be used to establish or expand services meeting the needs of homeless youth or youth at risk of homelessness.
- C. No less than 50 percent of HEAP funds shall be contractually obligated by January 1, 2020.
- D. One hundred percent of HEAP funds shall be expended by June 30, 2021.
- E. Any funds not expended by June 30, 2021 shall be returned to Agency and will revert to the General Fund.

**Standard Agreement
EXHIBIT B**

Homeless Coordinating and Financing Council ("Council") staff will provide ongoing technical assistance and training to support Contractors in successfully complying with these requirements and deadlines.

HEAP funds may not be obligated and expended prior to the effective date of this Agreement or prior to Contractor's receipt of HEAP funds, whichever date is later, even if it is for an eligible use under the statute. Program funds shall be expended in compliance with the requirements set forth in Chapter 5 of Part 1 of Division 31 of the Health and Safety Code and all other relevant provisions established under SB 850, the NOFA, and this Agreement.

4. Disbursement of Funds

HEAP funds will be disbursed to the Contractor upon receipt, review and approval of the completed RFF by Agency, which will then forward the RFF to the State Controller's Office ("SCO") for a check to be issued. The RFF must include the proposed activities and amount of funds proposed for expenditure under each eligible use. HEAP funds will be disbursed in a single allocation once the RFF has been received by the SCO.

5. Budget Changes

After the effective date of this Agreement, the Contractor agrees that no changes shall be made to the Contractor's HEAP budget, funded homeless service providers ("subrecipients"), or eligible activities listed in the RFF without first obtaining approval from Agency. Any changes to this Agreement must be requested by the Contractor in writing through submission of a Change Request Form. Changes must be approved in writing by Agency.

6. Ineligible Costs

HEAP funds shall not be used for costs associated with activities in violation of any law or for any activities not consistent with the intent of the Program and the eligible uses identified in Health and Safety Code Section 50214.

Agency reserves the right to request additional information and clarification to determine the reasonableness and eligibility of all costs to be paid with funds made available by this Agreement. If the Contractor or its funded subrecipients use HEAP funds to pay for ineligible activities, the Contractor shall be required to reimburse these funds to Agency.

- A. An expenditure which is not authorized by this Agreement, or which cannot be adequately documented, shall be disallowed and must be reimbursed to Agency by the Contractor.
- B. Expenditures for activities not described in Exhibit A or Paragraph 1 above shall be deemed authorized if the activities are consistent with Health and Safety Code

**Standard Agreement
EXHIBIT B**

- Section 50214 and such activities are included in the approved RFF or are approved in writing by Agency prior to the expenditure of funds for those activities.
- C. Agency, at its sole and reasonable discretion, shall make the final determination regarding the allowability of expenditures of HEAP funds.
 - D. Program funds shall not be used for overhead or planning activities, including Homeless Management Information Systems or Homelessness Plans.

7. Administrative Costs

The Contractor must comply with Health and Safety Code Section 50214, which limits administrative costs related to the execution of eligible activities to no more than five percent of HEAP funds. For purposes of this Program, "administrative costs" does not include staff costs directly related to carrying out the eligible activities described in Paragraph 1 of this Exhibit.

**Standard Agreement
EXHIBIT C**

TERMS AND CONDITIONS

Homeless Emergency Aid Program (HEAP)

1. Effective Date, Commencement of Work and Completion Dates

- A. This Agreement is effective upon approval by Agency, which is indicated by the signature provided by Agency in the lower left-hand corner of page one, Standard Agreement, STD. 213, when signed by all parties. Contractor agrees that the work shall not commence, nor any costs to be paid with HEAP funds be incurred or obligated by any party, prior to execution of this Agreement by Agency and the Contractor, or prior to Contractor's receipt of HEAP funds, whichever date is later. Contractor agrees that the work shall be completed by the expenditure date specified in Exhibit A, Paragraph 6.
- B. Contractor must contractually obligate no less than 50 percent of HEAP funds by January 1, 2020. One hundred percent of HEAP funds shall be expended by June 30, 2021. Any funds not expended by June 30, 2021 shall be returned to Agency and revert to the General Fund. "Obligate" means that the Contractor has placed orders, awarded contracts, received services, or entered similar transactions that require payment from the grant amount. In the case of an award made to a general purpose local government that subcontracts with private nonprofit organizations via letters of awards and Service Provider Agreements, the Subcontractors are required to obligate the funds by the same statutory deadlines. "Expended" means all HEAP funds obligated under contract or subcontract have been fully paid and receipted, and no invoices remain outstanding.
- C. Contractor and its Subcontractors agree that the work shall be completed by the expiration date specified in Exhibit A, Paragraph 6 and that the Scope of Work will be provided for the full term of this Agreement.

2. Sufficiency of Funds and Termination

- A. Agency may terminate this Agreement at any time for cause by giving a minimum of 14 days' notice of termination, in writing, to the Contractor. Cause shall consist of: violations of any terms or conditions of this Agreement, or any breach of contract as described in Paragraph 7; violation of any Federal or State Laws or Regulations; or withdrawal of Agency's expenditure authority. Upon termination of this Agreement, unless otherwise approved in writing by Agency, any unexpended funds received by the Contractor shall be returned to Agency within thirty days of the Notice of Termination.
- B. This Agreement is valid and enforceable only if sufficient funds are made available to Agency by legislative appropriation. In addition, this Agreement is subject to any additional restrictions, limitations or conditions, or statutes, regulations or any other

**Standard Agreement
EXHIBIT C**

laws, whether federal or those of the State of California, or of any agency, department, or any political subdivision of the federal or State of California governments, which may affect the provisions, terms or funding of this Agreement in any manner.

3. Transfers

Contractor may not transfer or assign by subcontract or novation, or by any other means, the rights, duties, or performance of this Agreement or any part thereof, except with the prior written approval of Agency and a formal amendment to this Agreement to affect such subcontract or novation.

4. Contractor's Application for Funds

Contractor has submitted to Agency an application for HEAP funds to provide urgently needed emergency assistance to homeless people in communities with a declared shelter crisis or applicable waiver as authorized by Health and Safety Code Section 50212(b). Agency is entering into this Agreement on the basis of, and in substantial reliance upon, Contractor's facts, information, assertions and representations contained in that Application, and in any subsequent modifications or additions thereto approved by Agency. The Application and any approved modifications and additions thereto are hereby incorporated into this Agreement.

Contractor warrants that all information, facts, assertions and representations contained in the Application and approved modifications and additions thereto are true, correct, and complete to the best of Contractor's knowledge. In the event that any part of the Application and any approved modification and addition thereto is untrue, incorrect, incomplete, or misleading in such a manner that would substantially affect Agency approval, disbursement, or monitoring of the funding and the grants or activities governed by this Agreement, then Agency may declare a breach hereof and take such action or pursue such remedies as are provided for breach hereof.

5. Reporting/Audits

A. The Contractor shall submit an annual report to Agency on forms provided by Agency, by January 1, 2020 and January 1, 2021. If the Contractor fails to provide such documentation, Agency may disencumber any portion of the amount authorized by this Agreement with a 14-day written notification. The Contractor shall also submit a final report by September 30, 2021.

B. The annual report shall contain a detailed report containing the following:

1. Amounts awarded to subrecipients with activity(ies) identified.
2. Contract expenditures.
3. Unduplicated number of homeless persons or persons at imminent risk of homelessness served.

**Standard Agreement
EXHIBIT C**

4. Number of instances of service (defined in September 5, 2018 HEAP NOFA.
5. Increases in capacity for new and existing programs.
6. The number of unsheltered homeless persons becoming sheltered.
7. The number of homeless persons entering permanent housing.

Breakdowns will be expected for each activity (i.e. services, capital improvements, rental assistance, etc.) and program type (i.e. emergency shelter, rapid re-housing, outreach, etc.) for the supplemental reporting requirements listed above, when applicable. The same information will also be requested specifically for the following subpopulations, based on priorities defined by the U.S. Department of Housing and Urban Development (HUD):

1. Chronically homeless
2. Homeless veterans
3. Unaccompanied homeless youth
4. Homeless persons in families with children

Counts by subpopulation will not be required in cases where that information is unavailable, but it is expected in cases where client information is entered in a Homeless Management Information System (HMIS). Additional breakdowns for other subgroups (e.g. race, ethnicity, disability status, etc.) are optional, if the Contractor chooses to include them.

The Contractor will also be asked to comment on the following:

1. Progress made toward local homelessness goals.
2. The alignment between HEAP funding priorities and "Housing First" principles adopted by the Homeless Coordinating and Financing Council
3. Any other effects from HEAP funding that the CoC or large city would like to share (optional).

C. Agency reserves the right to perform or cause to be performed a financial audit. At Agency request, the Contractor shall provide, at its own expense, a financial audit prepared by a certified public accountant. HEAP administrative funds may be used to fund this expense.

1. If a financial audit is required by Agency, the audit shall be performed by an independent certified public accountant.
2. The Contractor shall notify Agency of the auditor's name and address immediately after the selection has been made. The contract for the audit shall allow access by Agency to the independent auditor's working papers.
3. The Contractor is responsible for the completion of audits and all costs of preparing audits.
4. If there are audit findings, the Contractor must submit a detailed response acceptable to Agency for each audit finding within 90 days from the date of the

**Standard Agreement
EXHIBIT C**

audit finding report.

6. Retention and Inspection of Records

- A. The Contractor agrees that Agency or its designee shall have the right to review, obtain, and copy all records and supporting documentation pertaining to performance of this Agreement. The Contractor agrees to provide Agency or its designee, with any relevant information requested. The Contractor agrees to permit Agency or its designee access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees who might reasonably have information related to such records and inspecting and copying such books, records, accounts, and other materials that may be relevant to a matter under investigation for the purpose of determining compliance with the Chapter 5 of Part 1 of Division 31 of the Health and Safety Code and all other applicable requirements established under SB 850, HEAP program guidance document published on the website, and this Agreement.
- B. The Contractor further agrees to retain all records described in Paragraph A for a minimum period of five (5) years after the termination of this Agreement.
 - 1. If any litigation, claim, negotiation, audit, monitoring, inspection or other action has been commenced before the expiration of the required record retention period, all records must be retained until completion of the action and resolution of all issues which arise from it.

7. Breach and Remedies

- A. The following shall each constitute a breach of this Agreement:
 - 1. Contractor's failure to comply with the terms or conditions of this Agreement.
 - 2. Use of, or permitting the use of, HEAP funds provided under this Agreement for any ineligible activities.
 - 3. Any failure to comply with the deadlines set forth in this Agreement.
- B. In addition to any other remedies that may be available to Agency in law or equity for breach of this Agreement, Agency may:
 - 1. Bar the Contractor from applying for future HEAP funds;
 - 2. Revoke any other existing HEAP award(s) to the Contractor;
 - 3. Require the return of any unexpended HEAP funds disbursed under this Agreement;
 - 4. Require repayment of HEAP funds disbursed and expended under this Agreement;
 - 5. Require the immediate return to Agency of all funds derived from the use of HEAP funds including, but not limited to recaptured funds and returned funds;

**Standard Agreement
EXHIBIT C**

6. Seek, in a court of competent jurisdiction, an order for specific performance of the defaulted obligation or the appointment of a receiver to complete the technical assistance in accordance with HEAP requirements; and
7. Seek such other remedies as may be available under this Agreement or any law.
8. All remedies available to Agency are cumulative and not exclusive.
9. Agency may give written notice to the Contractor to cure the breach or violation within a period of not less than 15 days.

8. Waivers

No waiver of any breach of this Agreement shall be held to be a waiver of any prior or subsequent breach. The failure of Agency to enforce at any time the provisions of this Agreement, or to require at any time, performance by the Contractor of these provisions, shall in no way be construed to be a waiver of such provisions nor to affect the validity of this Agreement or the right of Agency to enforce these provisions.

9. Nondiscrimination

During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, gender identity, gender expression, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), genetic information, marital status, military and veteran status, and denial of medical and family care leave or pregnancy disability leave. Contractors and subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor or subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

10. Conflict of Interest

All participants are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not

**Standard Agreement
EXHIBIT C**

limited to, Government Code section 1090 and Public Contract Code, sections 10410 and 10411, for State conflict of interest requirements.

- A. **Current State Employees:** No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest, and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
- B. **Former State Employees:** For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.
- C. **Employees of the Contractor:** Employees of the Contractor shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act, Government Code section 87100 et seq.

11. Drug-Free Workplace Certification

Certification of Compliance: By signing this Agreement, Contractor, and its subcontractors, hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Government Code 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:

- A. Publish a statement notifying employees and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code section 8355(a)(1).
- B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355(a)(2) to inform employees, contractors, or subcontractors about all of the following:
 - 1. The dangers of drug abuse in the workplace,

**Standard Agreement
EXHIBIT C**

2. Contractor's policy of maintaining a drug-free workplace,
 3. Any available counseling, rehabilitation, and employee assistance programs, and
 4. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
- C. Provide, as required by Government Code section 8355(a)(3), that every employee and/or subcontractor who works under this Agreement:
1. Will receive a copy of Contractor's drug-free policy statement, and
 2. Will agree to abide by terms of Contractor's condition of employment or subcontract.

12. Child Support Compliance Act

For any Contract Agreement in excess of \$100,000, the Contractor acknowledges in accordance with Public Contract Code 7110, that:

- A. The Contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
- B. The Contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

13. Special Conditions – Contractors/Subcontractor

The Contractor agrees to comply with all conditions of this Agreement including the Special Conditions set forth in Exhibit D. These conditions shall be met to the satisfaction of Agency prior to disbursement of funds. The Contractor shall ensure that all Subcontractors are made aware of and agree to comply with all the conditions of this Agreement and the applicable State requirements governing the use of HEAP funds. Failure to comply with these conditions may result in termination of this Agreement.

- A. The Agreement between the Contractor and any Subcontractor shall require the Contractor and its Subcontractors, if any, to:
 1. Perform the work in accordance with Federal, State and Local housing and building codes, as applicable.
 2. Maintain at least the minimum State-required worker's compensation for those employees who will perform the work or any part of it.

**Standard Agreement
EXHIBIT C**

3. Maintain, as required by law, unemployment insurance, disability insurance, and liability insurance in an amount that is reasonable to compensate any person, firm or corporation who may be injured or damaged by the Contractor or any Subcontractor in performing the Work or any part of it.
4. Agree to include all the terms of this Agreement in each subcontract.

14. Compliance with State and Federal Laws, Rules, Guidelines and Regulations

The Contractor agrees to comply with all State and Federal laws, rules and regulations that pertain to construction, health and safety, labor, fair employment practices, environmental protection, equal opportunity, fair housing, and all other matters applicable and/or related to the HEAP program, the Contractor, its Subcontractors, and all eligible activities.

Contractor shall also be responsible for obtaining any and all permits, licenses, and approvals required for performing any activities under this Agreement, including those necessary to perform design, construction, or operation and maintenance of the activities. Contractor shall be responsible for observing and complying with any applicable federal, state, and local laws, rules or regulations affecting any such work, specifically those including, but not limited to, environmental protection, procurement, and safety laws, rules, regulations, and ordinances. Contractor shall provide copies of permits and approvals to Agency upon request.

15. Inspections

- A. Contractor shall inspect any work performed hereunder to ensure that the work is being and has been performed in accordance with the applicable Federal, State and/or local requirements, and this Agreement.
- B. Agency reserves the right to inspect any work performed hereunder to ensure that the work is being and has been performed in accordance with the applicable Federal, State and/or local requirements, and this Agreement.
- C. Contractor agrees to require that all work that is determined based on such inspections not to conform to the applicable requirements be corrected and to withhold payments to the subrecipient or Subcontractor until it is corrected.

16. Litigation

- A. If any provision of this Agreement, or an underlying obligation, is held invalid by a court of competent jurisdiction, such invalidity, at the sole discretion of Agency, shall not affect any other provisions of this Agreement and the remainder of this Agreement shall remain in full force and effect. Therefore, the provisions of this Agreement are and shall be deemed severable.

**Standard Agreement
EXHIBIT C**

- B. The Contractor shall notify Agency immediately of any claim or action undertaken by or against it, which affects or may affect this Agreement or Agency, and shall take such action with respect to the claim or action as is consistent with the terms of this Agreement and the interests of Agency.

**Standard Agreement
Exhibit D**

SPECIAL TERMS AND CONDITIONS

Homeless Emergency Aid Program (HEAP)

1. All proceeds from any interest-bearing account established by the Contractor for the deposit of HEAP funds, along with any interest-bearing accounts opened by Subrecipients to the Contractor for the deposit of HEAP funds, must be used for HEAP-eligible activities. Consistent with Health and Safety Code Section 50214 (b), no more than five (5) percent of these proceeds may be used for general administrative purposes. At least five (5) percent of these proceeds must be allocated to establishing or expanding services for homeless youth, as defined in HEAP Program documents.
2. Any housing-related activities funded with HEAP funds, including but not limited to, emergency shelter, rapid-rehousing, rental assistance, transitional housing and permanent supportive housing must be in compliance or otherwise aligned with the Core Components of Housing First, pursuant to Welfare and Institution Code Section 8255(b).

HOUSING AUTHORITY OF
THE CITY OF SAN DIEGO

RESOLUTION NUMBER HA-_____

DATE OF FINAL PASSAGE _____

A RESOLUTION OF THE HOUSING AUTHORITY OF THE
CITY OF SAN DIEGO APPROVING A MEMORANDUM OF
UNDERSTANDING BETWEEN THE CITY OF SAN DIEGO
AND THE SAN DIEGO HOUSING COMMISSION
REGARDING THE ADMINISTRATION OF HOMELESS
EMERGENCY AID PROGRAM (HEAP) BLOCK GRANT
FUNDING.

WHEREAS, the State of California Homeless Emergency Aid Program (HEAP) is a
block grant program designed to provide direct assistance to localities to address the
homelessness crisis throughout California; and

WHEREAS, HEAP funds are intended to provide one-time flexible block grant funds to
address the City of San Diego's immediate homelessness challenges; and

WHEREAS, HEAP funds must be expended on one-time uses that address homelessness,
including prevention, criminal justice diversion programs to homeless individuals with mental
health needs, and emergency aid; and

WHEREAS, the City of San Diego (City) applied for \$14,110,397.95 of HEAP funds
from the State of California and the City's application was approved on September 27, 2018,
awarding the full amount; and

WHEREAS, at least 50% of the HEAP funds awarded to the City must be contractually
obligated by January 1, 2020, and 100% must be expended by June 30, 2021; and

WHEREAS, the City and the San Diego Housing Commission (Housing Commission) desire to enter into a new MOU for the provision of HEAP block grant funded programs (HEAP MOU), a copy of which is included in the backup materials accompanying this Resolution;

WHEREAS, Attachment A to the HEAP MOU describes the HEAP programs the City intends to fund with the HEAP funds; and

WHEREAS, paragraphs C.1 and F.3 of the HEAP MOU allow the City and the Housing Commission to make future administrative amendments to the funding shown in Attachment A, without approval by the Council or the Housing Authority; NOW, THEREFORE,

BE IT RESOLVED, by the Housing Authority of the City of San Diego, as follows:

1. The HEAP MOU between the City and the Housing Commission is approved.
2. The Housing Commission President & Chief Executive Officer (President & CEO), or designee, is authorized and directed to sign the HEAP MOU, and any and all amendment(s).

3. The President & CEO, or designee, is authorized and directed to sign all documents and take all actions necessary and appropriate to carry out and implement this Resolution, in a form approved by the Housing Commission General Counsel and without further action of the Board of Commissioners of the Housing Commission or the Housing Authority.

APPROVED: MARA W. ELLIOTT, General Counsel

By _____
Marguerite E. Middaugh
Deputy General Counsel

MEM:jdf
05/15/19
Or.Dept: SDHC
Doc. No.: 2007267

RESOLUTION NUMBER R-_____

DATE OF FINAL PASSAGE _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF
SAN DIEGO APPROVING A MEMORANDUM OF
UNDERSTANDING BETWEEN THE SAN DIEGO HOUSING
COMMISSION AND THE CITY OF SAN DIEGO REGARDING
THE ADMINISTRATION OF HOMELESS EMERGENCY AID
PROGRAM (HEAP) BLOCK GRANT FUNDING.

WHEREAS, the State of California Homeless Emergency Aid Program (HEAP) is a block grant program designed to provide direct assistance to localities to address the homelessness crisis throughout California; and

WHEREAS, HEAP funds are intended to provide one-time flexible block grant funds to address the City of San Diego's immediate homelessness challenges; and

WHEREAS, HEAP funds must be expended on one-time uses that address homelessness, including prevention, criminal justice diversion programs to homeless individuals with mental health needs, and emergency aid; and

WHEREAS, at least 5% of the HEAP funds awarded to the City must be allocated to establish or expand services meeting the needs of homeless youth or youth at risk of homelessness and not more than 5% may be allocated to administrative costs; and

WHEREAS, the City applied for \$14,110,397.95 of HEAP funds, and the City's application was approved on September 27, 2018, awarding the full amount; and

WHEREAS, at least 50% of the HEAP funds awarded to the City must be contractually obligated by January 1, 2020, and 100% must be expended by June 30, 2021; and

WHEREAS, the City and the San Diego Housing Commission (Housing Commission) desire to enter into a new MOU for the provision of HEAP block grant funded programs (HEAP MOU), a copy of which is included in the backup materials accompanying this Resolution;

WHEREAS, Attachment A to the HEAP MOU describes the HEAP programs the City intends to fund with the HEAP funds; and

WHEREAS, paragraphs C.1 and F.3 of the HEAP MOU allow the City and the Housing Commission to make future administrative amendments to the funding shown in Attachment A, without approval by the Council or the Housing Authority; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, as follows:

1. The HEAP MOU between the Housing Commission and the City is approved.
2. The Mayor, or designee, is authorized and directed to sign the HEAP MOU.

A copy of the signed HEAP MOU shall be placed on file with the City Clerk as Document No.

RR-_____.

3. The Mayor, or designee, is authorized and directed to sign all documents and take all actions necessary and appropriate to carry out and implement this Resolution, including any and all amendment(s), in a form approved by the City Attorney, on behalf of the City.

APPROVED: MARA W. ELLIOTT, City Attorney

By _____
Katherine A. Malcolm
Deputy City Attorney

KAM:jdf
05/15/19
Or.Dept: Mayor's Office
Doc. No.: 2007124

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of _____.

ELIZABETH S. MALAND
City Clerk

By _____
Deputy City Clerk

Approved: _____
(date)

KEVIN L. FAULCONER, Mayor

Vetoed: _____
(date)

KEVIN L. FAULCONER, Mayor



The City of San Diego
Item Approvals

Item Subject: Homeless Emergency Aid Program (HEAP) Memorandum of Understanding Between the San Diego Housing Commission and City of San Diego.

Contributing Department	Approval Date
DOCKET OFFICE	05/01/2019

Approving Authority	Approver	Approval Date
HOUSING COMMISSION FINAL DEPARTMENT APPROVER	DAVIS, JEFF	04/30/2019
DEPUTY CHIEF OPERATING OFFICER	CALDWELL, ERIK	05/01/2019
CITY ATTORNEY	MALCOLM, KATE	05/29/2019