



## EXECUTIVE SUMMARY

### HOUSING COMMISSION EXECUTIVE SUMMARY SHEET

MEETING DATE: June 14, 2019

HCR19-065

SUBJECT: Memorandum of Understanding Between the City of San Diego and the San Diego Housing Commission for the Provision of Homeless Shelters and Services

COUNCIL DISTRICT(S): Citywide

ORIGINATING DEPARTMENT: Homeless Housing Innovations

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

#### REQUESTED ACTION:

Recommend that the Housing Authority of the City of San Diego authorize the President & Chief Executive Officer of the San Diego Housing Commission, or designee, to negotiate and enter into a Memorandum of Understanding with the City of San Diego for the administration and provision of homeless shelters and services for an initial one-year term from July 1, 2019, through June 30, 2020, with four one-year options to renew.

#### EXECUTIVE SUMMARY OF KEY FACTORS:

- The Housing Commission administers the agreements for the City of San Diego's (City) Homeless Shelters and Services Programs based on a Memorandum of Understanding (MOU) between the Housing Commission and the City that first took effect on July 1, 2010.
- The current MOU expires June 30, 2019, and renewal is required to ensure continued operation of the City's Transitional Storage Center, Cortez Hill Family Center, PATH Connections Housing Interim Bed Program, Day Center Facility for Homeless Adults, Mental Health Systems Serial Inebriate Program Transitional Housing, Emergency Solutions Grant Rapid Rehousing Programs, and Father Joe's Villages Interim Housing Program.
- The MOU describes the roles and responsibilities of the Housing Commission in its administration of the activities listed above and the City's oversight, management, and monitoring of the Housing Commission's administration of these activities.
- The MOU would be for an initial one-year term from July 1, 2019, through June 30, 2020, with four one-year options to renew. These terms will coincide with the City's Five-Year Consolidated Plan.



## REPORT

**DATE ISSUED:** June 6, 2019

**REPORT NO:** HCR19-065

**ATTENTION:** Chair and Members of the San Diego Housing Commission  
For the Agenda of June 14, 2019

**SUBJECT:** Memorandum of Understanding Between the City of San Diego and the San Diego Housing Commission for the Provision of Homeless Shelters and Services

**COUNCIL DISTRICT:** Citywide

**REQUESTED ACTION:**

Recommend that the Housing Authority of the City of San Diego approve the execution of a Memorandum of Understanding between the City of San Diego and the San Diego Housing Commission for the Provision of Homeless Shelters and Services for an initial one-year term from July 1, 2019, through June 30, 2020, with four one-year options to renew.

**STAFF RECOMMENDATION**

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

1. Approve a Memorandum of Understanding (MOU) between the City of San Diego (City) and the San Diego Housing Commission (Housing Commission) for the Provision of Homeless Shelters and Services for an initial one-year term from July 1, 2019, through June 30, 2020, with four additional one-year options to extend; and
2. Authorize the Housing Commission's President & Chief Executive Officer, or designee, to execute the final negotiated MOU, in a form approved by General Counsel, and to take all actions necessary to implement these approvals.

**SUMMARY**

On June 29, 2010, the Housing Authority and the San Diego City Council (City Council) approved an MOU between the City and Housing Commission, transferring responsibility to administer the City's homeless shelters and services programs from the City to the Housing Commission. This MOU has been renewed twice (in 2010 and 2014) and amended four times (once in 2011, twice in 2012, and once in 2015) with clarifications and modifications for specific programs and additional funding awards.

The proposed MOU synthesizes the actions in the previous documents and incorporates the following programs for inclusion in the MOU:

- Transitional Storage Center
- Cortez Hill Family Center
- PATH Connections Housing Interim Bed Program

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- Day Center Facility for Homeless Adults
- Mental Health Systems Serial Inebriate Program Transitional Housing
- Emergency Solutions Grant (ESG) Rapid Rehousing Programs
- Father Joe's Villages Interim Housing Program

The MOU describes the roles and responsibilities of the Housing Commission in its administration of the activities listed above and the City's oversight, management, and monitoring of the Housing Commission's administration of these activities.

Four funding sources are identified for these programs:

- Emergency Solutions Grant: Annual U.S. Department of Housing and Urban Development (HUD) formula grant to the City providing funding for homeless shelters and rapid rehousing programs.
- Community Development Block Grant (CDBG): Annual HUD formula grant to the City. The City has earmarked approximately \$1.3 million in CDBG funding to support the Day Center Facility for Homeless Adults, Cortez Hill Family Center, Father Joe's Villages Interim Shelter, and PATH Connections Housing Interim Bed Program.
- City General Funds: Appropriations have been made available for specific homeless projects and are contingent upon availability of such funds. In the past, these funds have supported Interim Housing Programs and the Day Center Facility for Homeless Adults. Any future appropriations are subject to subsequent City Council action, at the City Council's discretion.
- Housing Commission Funds: The Housing Commission supports the City's homeless shelters and services programs when funding is available and appropriated by the Housing Commission and approved by the Housing Authority.

Allocation of the City's funds for the homeless shelters and services programs will be made through sub-recipient agreements between the Housing Commission and local service providers. It is expressly stated that in no event shall the Housing Commission be required to provide the services referenced within the MOU without the appropriation of sufficient funding by the City. The MOU is subject to cancellation, by either party, upon 90 days written notice to the other party.

The requested term of this MOU is for one fiscal year, beginning July 1, 2019, and ending June 30, 2020, with four additional one-year options to extend the term. These terms will coincide with the City's Five-Year Consolidated Plan (Fiscal Year 2020 to Fiscal Year 2024).

### **AFFORDABLE HOUSING IMPACT**

As San Diegans continue to live in a City-declared "shelter crisis" the need for immediate housing assistance is critical to the well-being of community members. Individuals participating in the programs represent some of San Diego's most vulnerable citizens, as 100 percent of program participants are experiencing homelessness, with very low to moderate incomes.

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**FISCAL CONSIDERATIONS**

Approving this action will not approve or appropriate funding for these programs. The Housing Commission does not have any fiscal or other liability under the MOU until such date as the Housing Commission and the Housing Authority have identified and approved the corresponding funding sources and uses for these services. The fiscal impact on the Housing Commission Board-approved budget, as a result of approving this action, cannot be determined until a sub-recipient agreement, including the related budget for the various programs and funding sources, is executed by the City and the Housing Commission.

**PREVIOUS COUNCIL and/or COMMITTEE ACTIONS**

On April 28, 2015, the Housing Authority approved a First Amendment to the MOU by adding a section to include the year-round Interim Housing Facility, approved by the Housing Authority on March 24, 2015, to replace sections referencing the City's Single Adult and Veterans Emergency Winter Shelters; revising the language in the Permitting section regarding the Interim Housing modifies the use of the Community Development Block Grant (CDBG) funds for the Interim Housing activities; and accepting the first option to extend the term of the MOU one additional fiscal year for the period from July 1, 2015 to June 30, 2016.

On June 17, 2014, the Housing Authority approved a restated 2014 MOU to synthesize the previous MOU and its amendments and to further delineate Housing Commission and City responsibilities for these programs and their funding sources. The City also added a section on sub-recipient agreements and funding reimbursement to the Housing Commission. Four options to renew the MOU annually also were included.

On September 25, 2012, the Housing Authority approved a Third Amendment to the MOU to set aside up to \$1,318,078 of federal Community Development Block Grant funds each year for certain homeless programs as described in the MOU.

On July 31, 2012, the Housing Authority approved a Second Amendment to the MOU extending the term for one year, addressing funding for homeless services, changing administration of the Emergency Solutions Grant to the City due to new HUD regulations, and describing the Neil Good Day Center competitive bid process and funding.

On June 27, 2011, the Housing Authority approved a First Amendment to the MOU was approved which extended the term for one year, further described the shelter services and funding, and indemnified both parties to the MOU.

On June 29, 2010, the Housing Authority approved the initial MOU between the City and the Housing Commission, transferring the administration of the City's Homeless Shelters and Services Programs to the Housing Commission.

**KEY STAKEHOLDERS and PROJECTED IMPACTS**

Stakeholders for this project include: Clients receiving housing and services under programs authorized by this MOU; sub-recipients receiving funding to operate the programs authorized by this MOU; and residents of the City of San Diego.

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**ENVIRONMENTAL REVIEW**

The activities described in the report are not a project as defined in California Environmental Quality Act (CEQA) Section 15378 and, therefore, are not subject to CEQA pursuant to Section 15060 (c)(3) of the State CEQA Guidelines and/or are categorically exempt under multiple separate provisions of CEQA, including Sections 15301, 15304 (e), 15311(c) which includes the placement of temporary or seasonal facilities designed for public use. A final reservation of federal funds shall occur only upon satisfactory completion of a National Environmental Policy Act (NEPA) review. A preliminary determination has defined the activities contemplated herein, including administrative and management activities to be categorically excluded from NEPA pursuant to Section 58.35(b)(2) and (3) and exempt per Section 58.35(a)(3) and (4) of Title 24 of the Code of Federal Regulations. The parties agree that the provision of any federal funds to the project is conditioned on the City of San Diego's final NEPA review and approval.

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