



## EXECUTIVE SUMMARY

### HOUSING COMMISSION EXECUTIVE SUMMARY SHEET

MEETING DATE: September 18, 2020

HCR20-091

SUBJECT: Approval of the Contract Amendment between the San Diego Housing Commission and Father Joe's Villages to operate the City of San Diego's Bridge Shelter for Families, Single Women, and Transitional-Aged Youth

COUNCIL DISTRICT: Citywide

ORIGINATING DEPARTMENT: Homeless Housing Innovations

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

#### REQUESTED ACTION:

Approve an amendment to the operating agreement with Father Joe's Villages for the operation of the City of San Diego's Bridge Shelter for Families, Single Women, and Transitional-Aged Youth, with expanded capacity to serve 280 additional single adults at the San Diego Concourse and sections of Golden Hall, located at 202 C Street, San Diego, California.

#### EXECUTIVE SUMMARY OF KEY FACTORS:

- The Housing Commission administers the contracts for the City of San Diego's (City) Bridge Shelter Programs.
- On June 11, 2019, the City Council voted to continue operating the Bridge Shelter for Families and Single Women at the San Diego Concourse and sections of Golden Hall, located at 202 C Street, San Diego, CA 92101, further expanded by 138 beds in November 2019 to serve Transitional-Aged Youth.
- Due to changes in the homelessness crisis response system compelled by the COVID-19 pandemic, the City has determined to expand the current Bridge Shelter by 280 beds to serve additional single adults at Golden Hall. The existing 288 beds will be maintained to serve families and Transitional-Aged Youth, but may see some reduction due to social distancing implications.
- Staff requests that the Housing Commission recommend that the Housing Authority approve an amendment to the operating agreement with Father Joe's Villages (FJV) for the operation of the City of San Diego's Bridge Shelter for Families, Single Women, and TAY to increase the current contract in an amount of \$2,920,869.87, for a nine-month period, which includes operations startup costs of \$52,481.25 for a total contract amount, inclusive of the current budget for the original 288 beds, of \$7,667,957.27 to support up to 568 beds in total.
- The City of San Diego allocated \$4,474,087.40 in State of California Homeless Housing, Assistance, and Prevention (HHAP) program funds in June 2020 for the existing 288 beds. The addition of \$2,920,869.87 in City General Fund (GF) funds for the operating agreement budget amendment will provide sufficient operating funds for Fiscal Year 2021 to support a bed availability of 568.



## REPORT

**DATE ISSUED:** September 15, 2020

**REPORT NO:** HCR20-091

**ATTENTION:** Chair and Members of the San Diego Housing Commission  
For the Agenda of September 18, 2020

**SUBJECT:** Approval of the Contract Amendment between the San Diego Housing Commission and Father Joe's Villages to operate the City of San Diego's Bridge Shelter for Families, Single Women, and Transitional-Aged Youth

**COUNCIL DISTRICT:** Citywide

**REQUESTED ACTION:**

Approve an amendment to the operating agreement with Father Joe's Villages for the operation of the City of San Diego's Bridge Shelter for Families, Single Women, and Transitional-Aged Youth, with expanded capacity to serve 280 additional single adults at the San Diego Concourse and sections of Golden Hall, located at 202 C Street, San Diego, California.

**STAFF RECOMMENDATION:**

That the San Diego Housing Commission (Housing Commission) recommend 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 an amendment to the operating agreement with Father Joe's Villages (FJV) for the operation of the City of San Diego's Bridge Shelter for Families, Single Women, and Transitional-Aged Youth (TAY) at Golden Hall, with expanded capacity to serve 280 additional Single Adults, to increase the current contract in an amount of \$2,920,869.87, for a nine-month period, which includes operations startup costs of \$52,481.25 for a total contract amount, inclusive of the current budget for the original 288 beds, of \$7,667,957.27 to support up to 568 beds and cribs in total. Funding type for the expansion is anticipated to be City General Fund in the amount of \$2,920,869.87. Existing beds are funded by the State of California Homeless Housing, Assistance, and Prevention program in the amount of \$4,747,087.40;
- 2) Authorize the Housing Commission's President & Chief Executive Officer (President & CEO), or designee, to execute all 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;
- 3) Authorize the Housing Commission's President & CEO, or designee, to substitute funding sources and/or increase compensation by not more than 20 percent of the total agreement amount for the proposed agreement, if necessary, without further action by the Housing Commission Board or the Housing Authority, but only if and to the extent that funds are determined to be available for such purposes.

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**City Council:**

- 1) Authorize the Chief Financial Officer to expend \$3,035,354.15 from the General Fund, from the Homelessness Strategies Department budget, to support expanded Bridge Shelter activity, and to expend an additional \$448,855.18 from the same source to support a further minor expansion of shelter opportunities at this location if it is determined there is adequate physical and operational capacity, for a total not to exceed \$3,484,209.33.
  
- 2) Authorize the Chief Financial Officer to substitute other sources of funding (including Coronavirus Relief Funds, Emergency Solutions Grant funds, Homeless Emergency Aid Program, or Homeless, Housing, Assistance, and Prevention funds), if available after having accounted for other approved uses of that funding, in order to meet spending timelines associated with those funds. Should it be determined that a substitute of funding sources would be beneficial, this authorization would only be actioned, if and to the extent that an Environmental Review per National Environmental Policy Act environmental clearances with respect to federal funding sources is completed and clearance is received.

**SUMMARY**

The Housing Commission administers the contracts for the City of San Diego's (City) Bridge Shelter Programs based on a Memorandum of Understanding (MOU) between the Housing Commission and the City of San Diego (the City) that first took effect on November 14, 2017. In December 2018, the City Council took action to appropriate funding for the relocation of the Bridge Shelter for Families and Single Women from 14<sup>th</sup> and Commercial Street to 17<sup>th</sup> and Imperial Avenue. The City of San Diego identified portions of Golden Hall in the City Concourse as an interim location for program operations while the Sprung structure shelter was erected at the new location.

On April 1, 2019, operations of the Bridge Shelter for Families and Single Women at 14<sup>th</sup> and Commercial Street ceased, and clients were relocated to the sections of Golden Hall. The relocation to Golden Hall became permanent upon City action to utilize the relocated Sprung structure as a fourth Bridge Shelter to serve a flexible population of persons experiencing homelessness. In November 2019, the Bridge Shelter program operating at Golden Hall was further expanded by 138 beds to incorporate the Transitional-Aged Youth (TAY) population into the intervention and to serve additional families. The program continued to operate from Golden Hall until March 24, 2020, when families from the Golden Hall Bridge Shelter were relocated to pre-identified hotels in response to the Coronavirus (COVID-19) pandemic. This transfer provided for a safer environment for families since a dormitory shelter setting would not be conducive to reducing or preventing the spread of a communicable disease during a global pandemic.

As families residing at the Golden Hall Bridge Shelter were relocated to hotels, single women residing at both the Interim Shelter for Homeless Adults, located at the Paul Mirabile Center (PMC), and PATH Connections Interim Shelter moved to the Golden Hall Bridge Shelter to coincide with the families moving from Golden Hall to hotels. The relocation was one component of Operation Shelter to Home, the City's response to mitigating the impacts of COVID-19 on persons experiencing homelessness through the provision of beds and services while observing social distancing and other preemptive health measures throughout the respective interventions. Concurrently, the Fiscal Year 2020 contract renewals approved by the Housing Authority authorized the continued operation of the Bridge Shelter for Families, Single Women, and TAY at the Golden Hall location once determined safe to resume operations at the Golden Hall location.

Given the relocation activities compelled by the onset of COVID-19 and the subsequent exit strategies necessitated by the pending sunset of Operation Shelter to Home, the City has determined to further expand the current 288-bed Bridge Shelter located at Golden Hall to add an additional 280 shelter beds, to be allocated to single adults for a total of 568<sup>1</sup> beds and cribs. The additional beds will be located on the first floor of Golden Hall, which would permit for maximum amount of space usage downstairs, and the second floor will continue to house families and the TAY population, thus permitting both groups to have a more private setting conducive to their needs.

The amended budget would total \$7,667,957.27 for Fiscal Year 2021, an annual amount prorated for nine months of expanded bed capacity, with increased costs for food services, security personnel, client transportation, case management and general operational costs for the expansion of 280 additional beds. One-time startup costs in the amount of \$52,481.25 are included in the Fiscal Year 2021 total. Economies of scale are realized by expanding the current shelter to up to 568 beds and cribs and also adding an additional six washer-and-dryer combinations to facilitate laundry services. In addition, a new shower room compliant with the Americans with Disabilities Act has been added to the first floor and is available to anyone who requires such accommodations. At the current annualized budget of \$4,747,087.00 for 288 beds, the per-bed-night cost based on the annual budget is \$45.16. When calculating costs with the expansion to 568 beds and cribs, the per-bed-night cost based on an annualized operating budget of \$8,574,405.56 is \$41.36. This economy of sale equates to an annual savings of \$787,905.70.

### **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 Bridge Shelter serves this purpose by providing bridge housing and emergency shelter services to families with children, single adults, and TAY experiencing homelessness. Participants 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 allocated \$4,474,087.40 in State of California Homeless Housing, Assistance, and Prevention (HHAP) program funds in June 2020 for the existing 288 beds. The addition of \$2,920,869.87 in City General Fund (GF) funds for the operating agreement budget amendment will provide sufficient operating funds for Fiscal Year 2021 to support a bed availability of 568.

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<sup>1</sup> Total bed capacity may change based on future and/ or ongoing social distancing requirements issued by County of San Diego Department of Public Health. Any reduction in the approved budget due to changes in bed capacity will be reflected through administrative amendments to the budget. Note that this would not be a one-for-one reduction in costs, as some economies of scale may be lost in a reduced bed capacity scenario.

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<b>FUNDING SOURCE</b>	<b>FY 2021</b>	<b>FY 2021 (Amended)</b>	<b>FY 2022*</b>
HHAP	\$4,747,087.40	\$4,747,087.40	Funding Type TBD
GF	\$0.00	\$2,920,869.87	Funding Type TBD
<b>TOTAL</b>	<b>\$4,747,087.40</b>	<b>\$7,667,957.27</b>	<b>\$8,693,860.19**</b>

\*Option years will be exercised contingent upon the appropriation of said funds by the City of San Diego for that purpose.

\*\* FY2022 anticipated amount includes an additional \$119,454.63 to the annualized budget to accommodate for two manager positions currently paid by Regional Task Force on the Homeless (RTFH) Homeless Emergency Aid Program (HEAP) funds under separate contract that complete the case management staffing appropriate for this type of service. This RTFH/HEAP funding will end by FY2022 and associated costs will need to be absorbed into the FY2022 budget in order to maintain appropriate case management levels.

### **EQUAL OPPORTUNITY/CONTRACTING**

Father Joe's Villages is a local nonprofit and as such, not subject to the requirement to submit a Workforce Report.

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

On June 16, 2020, the City Council approved an MOU with the Housing Commission regarding the administration of Homeless Housing, Assistance, and Prevention (HHAP) program funding (R-313113). A portion of HHAP funds are allocated to fund the operation of the City's Bridge Shelter Program.

On June 16, 2020, the City Council approved Resolution HA-1859 authorizing execution of agreements with Alpha Project for the Homeless, Father Joe's Village, and Veterans Village of San Diego to operate the City's Bridge Shelters during Fiscal Year 2021.

On June 16, 2020, the City Council approved Resolution R-313111 authorizing execution of an MOU with the Housing Commission for a one-year term with two one-year option to renew to operate the City's Bridge Shelter Program. City Council also approved and Resolution R-313112 to remove references to the provision of Transitional Storage Center Services and bifurcate the MOUs.

On December 10, 2019, the Housing Authority approved Resolution HA-1838, approving the Sixth Amendment between the Housing Commission and the City to expand services to Transitional-Aged Youth at Golden Hall located at 202 C Street, San Diego, CA

On June 11, 2019, the Housing Authority approved Resolution HA-1817, approving the execution of operating agreements with Alpha Project for the Homeless, Veterans Village of San Diego, and Father Joe's Villages for the operation of the three City of San Diego Bridge Shelters for a 12-month term, from July 1, 2019, to June 30, 2020.

In addition, the City Council approved an MOU with the Housing Commission regarding the administration of Homeless Emergency Aid Program (HEAP) block grant funding (R-312516). This resolution included an amendment to authorize the reallocation of \$1.6 million dedicated to outreach in HEAP funding to support a fourth Bridge Shelter at 17th and Imperial Avenue (previously planned for the relocation of the Single Women and Family Program).

On October 15, 2019, the Housing Authority approved Resolution HA-1835, approving the execution of the Fifth Amendment between the Housing Commission and the City to reflect the Housing Commission's responsibility for the oversight and administration of the Bridge Shelter located at 1710 Imperial Avenue.

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

Stakeholders for this project include shelter residents and Father Joe's Villages 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 an additional 280 single women who would otherwise be experiencing unsheltered homelessness conditions.

### **ENVIRONMENTAL REVIEW**

Consistent with the previous environmental determination that was approved by both the Housing Authority and City Council on June 11, 2019 for this related action, the following environmental determination applies to the actions outlined in this report. This project is not subject to CEQA pursuant to California Government Code section 8698.4, which provides that actions taken by a city to lease, convey, or encumber land owned by a city, or to facilitate the lease, conveyance, or encumbrance of land owned by the local government for, or to provide financial assistance to, a homeless shelter is not subject to CEQA. In addition, this activity is not subject to CEQA pursuant to Section 15060(c)(2) because the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment. Since there are no federal funds being used for this action, National Policy Act environmental clearances are not required at this time.

COVID-19 Operations Activities described in the report relating to temporary operations at alternative sites in response to the COVID-19 pandemic are exempt from CEQA pursuant to CEQA Guidelines Sections 15269(c) (Emergency Projects) and 15359 (Emergency). This action is necessary to prevent or mitigate an emergency, and is also necessary to address a sudden and unexpected occurrence involving a clear and imminent danger, demanding immediate action to prevent or mitigate the loss of, or damage to, life, health, property, or essential public services related to the novel coronavirus – COVID-19 pandemic. The COVID-19 pandemic, if left unaddressed, will result in an immediate short-term public health crisis, and this action is necessary to prevent or mitigate loss of life, health, and essential public services. The action involves immediate action necessary to provide social distancing within the City's homeless facilities necessary to mitigate the COVID-19 pandemic. The Amendment between the San Diego Housing Commission and Father Joe's Villages to operate the City of San Diego's Bridge Shelter for Families, Single Women, and Transitional Aged Youth and Other Actions Related to Operation of the Bridge Shelter located at 202 C Street is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3) (Common Sense) which states that CEQA applies only to projects that have the potential for causing a significant effect on the environment. The Common Sense Exemption is applicable where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. This would not, on its own accord, cause a significant effect on the environment.

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Respectfully submitted,



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

Approved by,



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

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