



## EXECUTIVE SUMMARY

### HOUSING COMMISSION EXECUTIVE SUMMARY SHEET

MEETING DATE: February 19, 2021

HCR21-035

SUBJECT: Amendment to Third Term of San Diego Housing Commission's Agreement for Temporary Staffing Service with Remedy Temporary Services, LLC D/B/A REMX, FS-17-03.0

COUNCIL DISTRICT(S): Citywide

ORIGINATING DEPARTMENT: Compliance and Equity Assurance

CONTACT/PHONE NUMBER: Debra Fischle-Faulk / 619-578-7411

#### REQUESTED ACTION:

Authorize an amendment to the third term of the San Diego Housing Commission agreement for temporary staffing services to increase compensation and allow for additional costs due to an increased need for temporary staffing due to the emergency rent relief project due to the COVID-19 pandemic.

#### EXECUTIVE SUMMARY OF KEY FACTORS:

- On November 13, 2020, the Housing Commission Board of Commissioners (Board) voted 6-0 to recommend that the Housing Authority of the City of San Diego (Housing Authority) authorize the execution of an amendment of an existing Memorandum of Understanding and related actions to continue to oversee and administer the City's COVID-19 Emergency Rental Assistance Program (Report No. HCR20-115).
- The Housing Commission's as-needed contract with REMX was one of the contract extensions approved by the Housing Commission Board on November 13, 2020 to continue to provide temporary staffing for the COVID-19 Emergency Rental Assistance Program.
- However, this contract could not be executed, as the requested Housing Authority approval was not obtained at the December 8, 2020, Housing Authority meeting because of technical difficulties.
- On December 27, 2020, the federal Coronavirus Response and Relief Supplemental Appropriations Act of 2021 was signed into law. It included \$25 billion for emergency rental assistance program funds, including funds allocated to the City of San Diego.
- Leveraging \$5,000,000 in federal funds previously allocated by the City with this new federal funding maximizes the assistance that could be provided to low-income households affected by COVID-19.
- In addition, the existing temporary staff supporting the previous COVID-19 Emergency Rental Assistance Program were retained to work on other Rental Assistance Division projects and to maintain staff continuity when a new COVID-19 assistance program begins.
- The staff-recommended actions provide the required approval for staff to execute an amendment to increase the compensation to REMX for costs incurred that exceeded the original contract amount related to the City's COVID-19 Emergency Rental Assistance Program and create capacity for the Housing Commission's standard temporary staffing needs.



## REPORT

**DATE ISSUED:** February 17, 2021

**REPORT NO:** HCR21-035

**ATTENTION:** Chair and Members of the San Diego Housing Commission  
For the Agenda of February 19, 2021

**SUBJECT:** Amendment to Third Term of San Diego Housing Commission's Agreement for Temporary Staffing Service with Remedy Temporary Services, LLC D/B/A REMX, FS-17-03.0

**COUNCIL DISTRICT:** Citywide

### **REQUESTED ACTION**

Authorize an amendment to the third term of the San Diego Housing Commission agreement for temporary staffing services to increase compensation and allow for additional costs due to an increased need for temporary staffing due to the emergency rent relief project due to the COVID-19 pandemic.

### **STAFF RECOMMENDATION**

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

- 1) Approve an increase to the maximum compensation for the current term of the Agreement for Temporary Staffing Services with Remedy Temporary Services, LLC D/B/A REMX (REMX) in the amount of \$250,000 for a maximum compensation amount of \$500,000 as identified in the Agreement, to provide compensation for additional temporary staff on-boarded for the administration of the Emergency Rental Assistance Program in response to the ongoing COVID-19 pandemic and provide for standard staffing needs of the Housing Commission;
- 2) Authorize the President & Chief Executive Officer (President & CEO), or designee, to substitute the funding sources with other available funding sources provided the total program/project budget amount after substitution does not exceed the approved total budget, should the operational need arise or should such actions be to the benefit of the Housing Commission and its mission; and
- 3) Authorize the President & CEO, or designee, to execute all documents and instruments that are necessary and/or appropriate to implement these approvals, in a form approved by General Counsel, and take such actions as are necessary and/or appropriate to implement these approvals.

### **SUMMARY**

On November 13, 2020, the Housing Commission Board of Commissioners (Board) voted 6-0 to recommend that the Housing Authority of the City of San Diego (Housing Authority) authorize the execution of an amendment of an existing Memorandum of Understanding between the Housing Commission and the City of San Diego (City) to continue to oversee and administer the City's COVID-19 Emergency Rental Assistance Program; authorize the Housing Commission to expend additional federal Coronavirus Aid, Relief, and Economic Security (CARES) Act Community Development Block

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Grant (CDBG) funds and CARES Act Housing Choice Voucher Administration funds to support the continuing operations of the program; and authorize the Housing Commission to execute contract extensions with third-party vendors to support the continuing operations of the Program (Report No. HCR20-115). These actions were docketed for consideration by the Housing Authority at its meeting on December 8, 2020; however, due to technical difficulties, the Housing Authority meeting ended prior to the actions being considered, and the staff report HAR20-046 was returned to staff at the Housing Authority meeting of December 15, 2020.

The Housing Commission's as-needed contract with REMX was one of the contract extensions approved by the Housing Commission Board. Specifically, approval was granted to amend the contract in an amount not to exceed an additional \$250,000 to provide temporary staff for the continuing operations of the City's COVID-19 Emergency Rental Assistance Program and additional Housing Commission temporary staff needs. However, this contract could not be executed as the requested Housing Authority approval was not obtained at the December 8, 2020, meeting due to technical difficulties.

In December 2020, strong indications emerged that additional federal funding for rental assistance was likely to be approved, and on December 27, 2020, the federal Coronavirus Response and Relief Supplemental Appropriations Act of 2021 was signed into law. It included \$25 billion for emergency rental assistance program funds for state, local and tribal governments throughout the United States. The new federal emergency rental assistance funds allow for a greater impact on households struggling financially due to COVID-19 than the funds previously allocated for the City of San Diego's COVID-19 Emergency Rental Assistance Program. Leveraging the \$5,000,000 previously allocated by the City with the new federal funding maximizes the assistance that could be provided to low-income households. In addition, the existing temporary staff supporting the previous COVID-19 Emergency Rental Assistance Program were retained to work on other Rental Assistance Division projects and to maintain staff continuity when the new COVID-19 assistance program begins.

The recommended actions provide the required approval for staff to execute an amendment to increase the compensation to REMX for costs incurred that exceeded the original contract amount related to the City's COVID-19 Emergency Rental Assistance Program and create capacity for the Housing Commission's standard temporary staffing needs.

### **AFFORDABLE HOUSING IMPACT**

The City of San Diego's COVID-19 Emergency Rental Assistance Program provided one-time rental assistance to more than 3,700 low-income households in the City of San Diego experiencing financial hardship due to COVID-19.

### **FISCAL CONSIDERATIONS**

If the Housing Authority of the City of San Diego approves a Memorandum of Understanding between the City of San Diego and the Housing Commission for the oversight and administration of the City of San Diego COVID-19 Housing Stability Assistance Program, the Housing Commission's Fiscal Year 2021 budget will be increase to allow for the funding of the increased cost of the contract referenced in the staff-recommended actions in this report.

Funding Sources will be a combination of federal sources: Coronavirus Relief Funds (CRF) and CDBG –CV Funds

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### **PREVIOUS COUNCIL AND/OR COMMITTEE ACTION**

On June 8, 2020, the City Council designated \$15.1 million in federal CARES Act funding in the City's Fiscal Year 2021 budget to support the COVID-19 Emergency Rental Assistance Program (Resolution No. R-313071) and requested that the Housing Commission and City staff work with the offices of Mayor Kevin L. Faulconer and City Councilmember Chris Ward to create the program.

On June 30, 2020, the San Diego City Council authorized the expenditure of up to \$15,100,000 in Federal CARES Act funds, which HUD awarded to the City, to create the COVID-19 Emergency Rental Assistance Program (Resolution No. R-313133), and the City Council (Resolution No. R-313133) and Housing Authority (Resolution No. HA-1867) authorized the execution of a Memorandum of Understanding between the City and the Housing Commission for the Housing Commission to provide oversight and administration for the program.

On October 13, 2020, the San Diego City Council unanimously approved the allocation of \$5,000,000 in CARES Act CDBG funds to support the City of San Diego's (City) COVID-19 Emergency Rental Assistance Program (Resolution NO. R-313256).

On December 8, 2020, due to technical difficulties, the San Diego City Council and the Housing Authority continued to December 15, 2020, a report requesting authorization to execute an amended MOU between the Housing Commission and the City of San Diego (City) to continue the oversight and administration of the City's COVID-19 Emergency Rental Assistance Program and to take related actions.

On December 15, 2020, the San Diego City Council and the Housing Authority returned to staff a report requesting authorization to execute an amended MOU between the Housing Commission and the City of San Diego (City) to continue the oversight and administration of the City's COVID-19 Emergency Rental Assistance Program and to take related actions.

### **EQUAL OPPORTUNITY AND CONTRACTING INFORMATION**

REMX is a woman-owned national company with local branches. They will submit the required EOC forms and Workforce Report prior to contract execution.

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

Stakeholders for the City's COVID-19 Emergency Rental Assistance Program included households with low income in the City of San Diego experiencing financial hardship due to the COVID-19 pandemic, landlords and property owners for these households, and the Housing Commission.

### **ENVIRONMENTAL REVIEW**

This activity is not a project as defined by the California Environmental Quality Act (CEQA) Section 21065 and CEQA Guidelines Section 15378(b)(5), as it is an organizational or administrative activity of government 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.

The parties agree that the provision of any federal funds as the result of this action is conditioned on the City of San Diego's final NEPA review and approval.

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Respectfully submitted,

Approved by,



Debra Fischle-Faulk  
Senior Vice President, Compliance and  
Equity Assurance  
San Diego Housing Commission



Jeff Davis  
Deputy Chief Executive Officer  
San Diego Housing Commission

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