

HOUSING AUTHORITY OF  
THE CITY OF SAN DIEGO

RESOLUTION NUMBER HA- 1777

DATE OF FINAL PASSAGE MAR 20 2018

A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SAN DIEGO APPROVING AN AGREEMENT WITH MENTAL HEALTH SYSTEMS, INC. TO OPERATE A TRANSITIONAL STORAGE CENTER AT 116 SOUTH 20TH STREET, APPROVING A FIRST AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF SAN DIEGO AND THE SAN DIEGO HOUSING COMMISSION FOR THE PROVISION OF TEMPORARY BRIDGE SHELTERS TO ADDRESS THE DUTIES OF THE PARTIES CONCERNING THE TRANSITIONAL STORAGE CENTER, AMENDING THE HOUSING COMMISSION FISCAL YEAR 2018 BUDGET TO ALLOW FOR THE FUNDING OF THE OPERATION OF THE CENTER AND OTHER ACTIONS, UNDER SPECIFIED CONDITIONS, AND APPROVING RELATED ACTIONS.

WHEREAS, the San Diego Housing Commission (Housing Commission) administers the agreements for the City of San Diego's 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; and

WHEREAS, the MOU addresses a transitional storage center operated by Think Dignity, which offers 304 lockers and approximately 130 bins to individuals experiencing homelessness who need space to store their personal belongings; and

WHEREAS, the City desires to create additional space for transitional storage center use, to help address demand; and

WHEREAS, the Housing Commission identified Mental Health Systems, Inc. (Contractor) as an entity prepared and qualified to operate an additional transitional storage center (Center) at 116 South 20th Street in San Diego (Premises); and

WHEREAS, the Center is intended to help keep homeless San Diegans' belongings off the streets, sidewalks, and storefronts within the nearby neighborhood by providing a safe place for homeless individuals to keep their belongings as they look for work, attend classes, or meet with service providers or doctors, and the purpose of this program is to have secure, protected space for homeless individuals to store their personal belongings on an ongoing basis, with access to their belongings during hours of operation; and

WHEREAS, the actions being taken in this Resolution are categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Sections 15301, 15303, and 15311 of the State of California CEQA Guidelines, no exception to the categorical CEQA exemption applies, and processing under the National Environmental Policy Act is not required; NOW, THEREFORE,

BE IT RESOLVED, by the Housing Authority, as follows:

1. The Housing Authority approves a one-year agreement, with two one-year options to extend, for a total term of three years, if and when all options are exercised, with Contractor to operate the Center on terms and conditions substantially similar to the draft agreement attached to Housing Authority Report No. HAR18-011 as Attachment No. 1 (Agreement), as it may be amended upon advice and mutual written agreement of Housing Commission General Counsel and the Office of the City Attorney, subject to the following conditions:

- a. Prior to execution of the Agreement, the Housing Commission shall amend it as follows:
- To remove the mandatory check-in requirement and clarify that property will be considered abandoned after 90 days;
  - To require that the operator shall not allow alcohol or illegal drug use on site;
  - To allow for a maximum of 500 storage units for all three years;
  - To state that, during the first 90 days of operation, Clients must be referred to the facility by a service provider or City staff (such as the San Diego Police Department), or currently be on the waiting list at the Think Dignity center; and
  - To provide that the opening date will be no earlier than June 13, 2018; and
- b. The Housing Commission shall also amend the Agreement to direct the Contractor to adjust its schedule to serve Clients on Sundays, adjusting other operating hours as necessary to accommodate that need, and shall require the Contractor to continue serving Clients on Sundays for as long as the Housing Commission determines the facility is being adequately used during that time.
- c. That approval of the Agreement is contingent upon Housing Authority approval of the funding for the project, and the Housing Authority shall have the opportunity to evaluate the program and decide whether to continue or terminate it at the time of approval of the Housing Commission FY19 budget and again at the time of approval of the Housing Commission FY20 budget.

d. That the Agreement return to the Housing Authority for approval of any options to extend.

2. The Housing Commission President and Chief Executive Officer (President & CEO), or designee, is authorized to sign the Agreement and any and all other documents and agreements that are necessary to implement the Agreement and the intent of this Resolution.

3. The Housing Commission President & CEO, or designee, is authorized to sign a First Amendment to the Memorandum of Understanding between the City of San Diego and the Housing Commission for the Provision of Temporary Bridge Shelters to address the duties of the parties concerning the Center, in substantially the form attached to Housing Authority Report No. HAR18-011 as Attachment No. 2, and as it may be amended upon mutual written agreement of Housing Commission General Counsel and the Office of the City Attorney.

4. The Housing Commission President & CEO is authorized to take such actions as are reasonably necessary to implement the approvals referenced in Housing Authority Report No. HAR18-011, subject to this Resolution.

5. The amendment of the Housing Commission FY 2018 Budget is authorized to allow for the funding of the operation of the Center with Contractor, funding for a construction agreement for initial tenant improvements at the Premises, and funding for the payment of lease payments for the lease to be entered into by the City of San Diego for the Center, in a total amount not to exceed \$457,233.85, subject to the following two paragraphs.

6. The Housing Commission President & CEO is authorized to substitute funding sources and increase funding amounts for services provided under the Agreement for the operation of the Center, under the construction agreement for initial tenant improvements at the Premises, and for the payment of lease payments for the lease agreement to be entered into by

the City of San Diego for the Premises, if necessary, by not more than \$91,446.77, which represents 20 percent of the original amount allocated herein, without further action of the Housing Commission or the Housing Authority, but only if and to the extent that such funds are determined to be available for such purposes and when it is determined to be in the best interests of the Housing Commission. Accordingly, the total amount authorized for this project in FY 2018 pursuant to this Resolution shall not in any case exceed \$548,680.62.

7. For FY 2018, the amendment of the Housing Commission budget shall not exceed the savings realized from funds allocated to, but not expended on, the temporary bridge shelters programs, and funding used for this project shall not be backfilled using funds allocated for permanent supportive housing. The Housing Commission shall request future funding allocations as part of the FY 2019 and FY 2020 Housing Commission budgets, subject to Housing Authority approval. The Housing Commission shall bring forward a comprehensive funding plan for Years 2 and 3 during the Housing Commission FY 2019 budget hearings. The Housing Commission shall provide, as part of each funding request, information sufficient to allow the Housing Authority to evaluate the project and determine whether to continue or terminate it.

8. The approvals granted by this Resolution are contingent upon passage of a City Council resolution approving the City's signature of the First Amendment to the Memorandum of Understanding, the City's lease of the Premises to Contractor, and related actions, which is being considered by the City Council concurrently with this Resolution.

9. The approvals granted by this Resolution are subject to specific conditions and requests of the following parties:

a. That the Housing Commission:

- Evaluate, in conjunction with the City, the cost and feasibility of making the facility's existing restrooms available to Clients of the facility. The Housing Authority authorizes using contingency funds for this purpose, provided there are sufficient contingency funds available for this purpose once other authorized expenditure of those funds are accommodated and, in that case, authorizes an associated amendment to the operating agreement to allow for restroom use by Clients. If it is determined financially infeasible, the Housing Commission will evaluate, in conjunction with the City, alternatives to provide Clients with restroom access on or near the site; and
- Provide written reports on number of Clients served, utilization rate, any changes to operations, outreach activity, connections to other services and housing, at least monthly and upon request by the Council President/Chair of the Housing Authority.

b. That the Mayor:

- Follow the Community Impact Strategy as outlined in the memorandum dated March 20, 2018, from Bahija Humphrey, Assistant Chief of Civic Initiatives;
- Increase security to 24 hours per day and expand security to a ½ mile radius for at least the first 90 days;

- Work on providing increased street lighting and planting and maintaining shade-producing street trees around the property; and
  - Work, in conjunction with the Metropolitan Transit System and San Diego Association of Governments, on installing a railroad crossing arm at the nearby intersection; and
- c. That Councilmember Chris Ward, in his capacity as Chair of the Select Committee on Homelessness:
- Docket a discussion of review of other locations for transitional storage facilities citywide at the committee within 90 days.

APPROVED: MARA W. ELLIOTT, General Counsel

By Kevin Reisch / for  
Nathan Slegers  
Deputy General Counsel

NLJS:als  
03/13/2018  
03/22/2018 Rev. Copy  
Or.Dept:SDHC  
Doc. No. 1701700\_3

Passed and adopted by the Housing Authority of the City of San Diego on March 20, 2018, by the following vote:

	<b>Yeas</b>	<b>Nays</b>	<b>Excused</b>	<b>Not Present</b>
Barbara Bry	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lorie Zapf	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Ward	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Myrtle Cole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Cate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Georgette Gomez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**AUTHENTICATED BY:**

**Myrtle Cole**

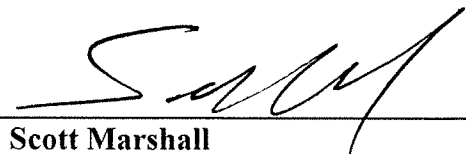
Chair of the Housing Authority  
of the City of San Diego, California

**Richard C. Gentry**

Executive Director of the Housing Authority  
of the City of San Diego, California

I HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of RESOLUTION NO. 1777 passed and adopted by the Housing Authority of the City of San Diego, California on March 20, 2018.

By:

  
**Scott Marshall**  
 Deputy Secretary of the Housing Authority  
 of the City of San Diego, California