

# INFORMATIONAL REPORT TO THE HOUSING AUTHORITY OF THE CITY OF SAN DIEGO

**DATE ISSUED:** October 25, 2023 **REPORT NO**: HAR23-013

**ATTENTION:** Chair and Members of the Housing Authority of the City of San Diego

For the Agenda of October 31, 2023

**SUBJECT:** San Diego Housing Commission Semi-Annual Grant Report January 1, 2023,

through June 30, 2023

**COUNCIL DISTRICT:** Citywide

#### NO ACTION IS REQUIRED ON THE PART OF THE HOUSING AUTHORITY

## **SUMMARY**

This report has been prepared in response to the Housing Authority of the City of San Diego (Housing Authority) Resolution Number HA-1569, which provides the San Diego Housing Commission (Housing Commission) authority for a number of grant-related activities and requires semi-annual reporting of all grant activity. It includes information about Housing Commission activity related to competitive grants, non-competitive grants and allocations, and pass-through funds from the City of San Diego (City) during the second half of Fiscal Year (FY) 2023 (January 1, 2023 – June 30, 2023). There was no grant funding approved for the Housing Commission to administer in response to the coronavirus (COVID-19) pandemic during the second half of FY 2023.

## **Grant Activity - Competitive Grants**

During the second half of FY 2023, activity related to 15 competitive funding opportunities occurred.

Decision notices were received for 10 applications, including seven awards totaling \$8,604,956 and three that were not awarded totaling \$6,102,614. Five applications for a total of \$70,750,000 were pending decision as of June 30, 2023.

|   | Table 1 – Competitive Grants – Awarded                 |                              |                        |  |  |
|---|--|------------------------------|------------------------|--|--|
|   | Grantor / Funding Source                               | FY /<br>Quarter<br>Submitted | Amount &<br>Type       | Description  |  |
| ] | U.S. Department of Housing and Urban Development (HUD) | FY23 /<br>First<br>Quarter   | \$4,397,800<br>Renewal | To provide a minimum of 207 PSH units to families and households with individuals with |  |

|   | Table 1  | – Competitive  | e Grants – Awa       | rded   |
|---|--|--|----------------------|--|
|   | Grantor / Funding Source   | Grantor / Funding Source FY / Quarter Submitted Type |                      | Description  |
|   | FY 2022 Continuum of Care<br>(CoC) – SDHC Merged Permanent<br>Supportive Housing (PSH) |  |                      | a disabling condition and experiencing homelessness in the City.   |
| 2 | HUD  FY 2022 CoC – CoC Moving  Home Rapid Rehousing                                    | FY23 /<br>First<br>Quarter                           | \$1,754,367<br>New   | To provide short- to medium-<br>term rental assistance with<br>supportive services to a<br>minimum of 62 individuals<br>experiencing homelessness in the<br>City.  |
| 3 | HUD  FY 2022 CoC – Transition-Age Youth Rapid Rehousing                                | FY23 /<br>First<br>Quarter                           | \$818,088<br>Renewal | To provide short- to medium-<br>term rental assistance with<br>supportive services to a<br>minimum of 28 youth ages 18-24<br>experiencing homelessness in the<br>City.   |
| 4 | HUD  FY 2022 CoC – San Diego Rapid Rehousing Program                                   | FY23 /<br>First<br>Quarter                           | \$731,234<br>Renewal | To provide short- to medium-<br>term rental assistance with<br>supportive services to a<br>minimum of 23 individuals<br>experiencing homelessness in the<br>City.  |
| 5 | HUD Family Self-Sufficiency (FSS)  | FY23 /<br>Second<br>Quarter                          | \$598,353<br>Renewal | To fund the salaries of up to six FSS Program Coordinators at the SDHC Achievement Academy, a learning and resource center with programs that emphasize career planning, job skills, job placement and personal financial education. Programs are available at no cost for individuals and families with low income in the City of San Diego, primarily federal rental assistance participants and public housing residents. |

|   | Table 1 – Competitive Grants – Awarded   |                              |                     |  |  |  |
|---|--|------------------------------|---------------------|--|--|--|
|   | Grantor / Funding Source   | FY /<br>Quarter<br>Submitted | Amount &<br>Type    | Description  |  |  |
| 6 | Federal Communications Commission (FCC)  Affordable Connectivity – Your Home, Your Internet Pilot (ConnectHome Initiative) | FY23 /<br>Third<br>Quarter   | \$230,114<br>New    | To provide approximately 120,000 households with information and/or application assistance for the federal Affordable Connectivity Program, which provides discounted Internet service to eligible households. |  |  |
| 7 | County of San Diego  Community Development Block Grant (CDBG)  | FY23 /<br>Second<br>Quarter  | \$75,000<br>Renewal | To provide San Diego City-<br>County Reinvestment Task Force<br>(RTF) operating support.   |  |  |
|   | Total Awarded: 7   | ,                            | \$8,604,956         |  |  |  |

|   | Table 2 – Competitive Grants – Not Awarded   |                             |                    |   |  |
|---|--|-----------------------------|--------------------|---|--|
|   | Grantor / Funding<br>Source  | FY / Quarter<br>Submitted   | Amount &<br>Type   | Description   |  |
| 1 | FY 2022 CoC Supplemental to Address Rural and Unsheltered Homelessness – SDHC PSH Initiative – 155 | FY23 /<br>Second<br>Quarter | \$2,666,997<br>New | The San Diego HUD CoC was not awarded funds. This project was designed to provide supportive services connected to permanent housing units to up to 155 individuals experiencing homelessness and chronic homelessness in the City, including youth, veterans, and adults age 55 and older. |  |
| 2 | FY 2022 CoC Supplemental to Address Rural and Unsheltered Homelessness – SDHC Seniors PSH          | FY23 /<br>Second<br>Quarter | \$1,935,618<br>New | The San Diego HUD CoC was not awarded funds. This project was designed to provide supportive services connected to 30 permanent housing units for individuals experiencing homelessness and chronic homelessness in the City age 55 or older with one or more disabling conditions.         |  |

|   | Table 2 – Competitive Grants – Not Awarded   |                             |                    |   |  |
|---|--|-----------------------------|--------------------|---|--|
|   | Grantor / Funding<br>Source  | FY / Quarter<br>Submitted   | Amount &<br>Type   | Description   |  |
| 3 | HUD  FY 2022 CoC Supplemental to Address Rural and Unsheltered Homelessness – MDT 2.0 Outreach | FY23 /<br>Second<br>Quarter | \$1,499,999<br>New | The San Diego HUD CoC was not awarded funds. This project was designed to provide a Multidisciplinary Outreach Team (MDT) to conduct targeted street outreach to up to 150 individuals experiencing homelessness and chronic homelessness in the City who are high acuity and among the most prominent users of emergency services. |  |
|   | <b>Total Not Awarded: 3</b>  |                             | \$6,102,614        |   |  |

In October 2022, the Housing Commission, with support from the Regional Task Force on Homelessness, submitted a "registration of interest" to HUD for new housing vouchers. Stability Vouchers provide rental assistance to individuals and families experiencing homelessness and were awarded via formula allocation to PHAs that partnered with CoCs awarded funding under the FY 2022 CoC Supplemental Notice of Funding Opportunity to Address Rural and Unsheltered Homelessness. The San Diego CoC was not awarded funding under this opportunity.

|   | Table 3 – Competitive Grants – Pending Decision   |                             |                     |   |  |  |
|---|---|-----------------------------|---------------------|---|--|--|
|   | Grantor / Funding<br>Source   | FY / Quarter<br>Submitted   | Amount &<br>Type    | Description   |  |  |
| 1 | California Department of Housing and Community Development (HCD)  Infill Infrastructure Grant – Catalytic Qualifying Infill Areas | FY23 /<br>Third Quarter     | \$45,000,000<br>New | To create 482 affordable rental housing units at two mixed-income, infill developments (Palm City Transit Village and Avanzando San Ysidro, and 1350 Front Street East and West) that will provide a total of 1,593 rental housing units. |  |  |
| 2 | HCD  Homekey Round 3 – Pacific Village  | FY23 /<br>Fourth<br>Quarter | \$16,850,000<br>New | To create 62 permanent affordable housing units with supportive services that will serve Transition-Age Youth (TAY) and veterans experiencing homelessness, as well as individuals experiencing chronic homelessness.                     |  |  |

|   | Table 3 – Competitive Grants – Pending Decision |                             |                         |  |  |
|---|---|-----------------------------|-------------------------|--|--|
|   | Grantor / Funding<br>Source                     | FY / Quarter<br>Submitted   | Amount &<br>Type        | Description  |  |
| 3 | HCD  Homekey Round 3 – Abbott Street Apartments | FY23 /<br>Fourth<br>Quarter | \$3,900,000<br>New      | To create 13 permanent affordable housing units with supportive services that will serve individuals experiencing chronic homelessness.  |  |
| 4 | HCD Homeownership Super NOFA – CalHome          | FY23 /<br>Second<br>Quarter | \$5,000,000<br>New      | To provide up to 25 households with mortgage assistance through the SDHC First-time Homebuyer Program.   |  |
| 5 | HUD Family Unification Program                  | FY23 /<br>Fourth<br>Quarter | N/A <sup>1</sup><br>New | To provide up to 75 federal rental housing vouchers to families for whom housing is the determining factor in the placement of a child with child welfare services or the delay in the discharge of the child, or children, to the family from out-of-home care, and to youth between the ages of 18 and 25 who are at risk of or experiencing homelessness. |  |
|   | <b>Total Pending Decision</b>                   | : 5                         | \$70,750,000            |  |  |

Additionally, the Housing Commission was included in a request to HUD's FY 2023 Economic Development Initiative – Community Project Funding (CPF). This is a Congressionally directed grant program. The City of San Diego and Housing Commission worked in partnership with U.S. Representative Juan Vargas's office (District 52) to seek \$850,000 in CPF support to help complete predevelopment work for the densification of the Housing Commission-owned affordable housing property Casa Colina Phase I in City Heights. A similar collaborative CPF request with U.S. Senator Alex Padilla and U.S. Representative Scott Peters (District 50) was sought for \$1.5 million and \$1 million, respectively, for capital improvements to convert publicly owned, unused office space at the Housing Commission's headquarters into a shelter for people experiencing homelessness.

#### **Grant Activity – Pass-through Funding**

As part of its approval of the City's FY 2024 Budget on June 12, 2023, the San Diego City Council (City Council) approved funding from four grant awards to be passed through to the Housing Commission to administer as the City's public housing agency.

<sup>&</sup>lt;sup>1</sup> The Budget Authority of rental housing vouchers is unknown until the time of award.

Also approved in the FY 2024 Budget was approximately \$15.3 million from the City's General Fund to the Housing Commission for the administration of several existing programs to address homelessness. Two additional General Fund allocations to the Housing Commission included \$3 million for a one-year extension of the Eviction Prevention Program to provide education and legal services for low-income renters facing eviction, and \$500,000 for the creation of the City of San Diego Residential Tenant Protections Ordinance Eviction Notice Registry to receive from landlords written notices of at-fault and no-fault just cause reasons for termination of tenancy.

|   |   | Table 4 – I                 | Pass-through Fu         | nding   |
|---|---|-----------------------------|-------------------------|---|
|   | Grantor / Funding<br>Source   | FY / Quarter<br>Approved    | Amount &<br>Type        | Description   |
| 1 | California Business, Consumer Services, and Housing Agency (BCSHA), California Interagency Council on Homelessness (Cal ICH), via City of San Diego  Homeless Housing, Assistance, and Prevention (HHAP) (Rounds 1-4) | FY23 /<br>Fourth<br>Quarter | \$26,812,895<br>Renewal | HHAP funds are granted to the City and help to support the Housing Commission's administration of Bridge Shelters, Interim Shelters, Youth Shelters, and case management, and Rapid Rehousing programs for households experiencing homelessness.                  |
| 2 | HUD  Community  Development Block  Grant (CDBG) –  Entitlement  | FY23 /<br>Fourth<br>Quarter | \$1,318,078<br>Renewal  | CDBG Entitlement funds are allocated to the City and help to support the Housing Commission's administration of a Day Center and Interim Shelters for households experiencing homelessness.   |
| 3 | Emergency Solutions Grant (ESG)   | FY23 /<br>Fourth<br>Quarter | \$1,045,371<br>Renewal  | ESG funds are allocated to the City and help to support the Housing Commission's administration of Interim Shelters and Rapid Rehousing programs for households experiencing homelessness, and a Security Deposit program for veterans experiencing homelessness. |
| 4 | HUD   | FY23 /<br>Fourth<br>Quarter | \$6,017,634<br>Renewal  | HOME funds are allocated to the City<br>and help to support the Housing<br>Commission's efforts to develop and  |

| Table 4 – Pass-through Funding         |                          |                  |  |  |
|--|--------------------------|------------------|--|--|
| Grantor / Funding<br>Source            | FY / Quarter<br>Approved | Amount &<br>Type | Description  |  |
| HOME Investment<br>Partnerships (HOME) |                          |                  | preserve affordable rental housing and create homeownership opportunities. |  |
| Total Pass-through Funding: 4          |                          | \$35,193,978     |  |  |

## **Grant Activity – Non-Competitive Funding**

As the City's public housing agency, the Housing Commission is allocated non-competitive funds from HUD and other jurisdictions based on formulas and other factors. There were three non-competitive grant allocations totaling \$3,248,394 to the Housing Commission during the second half of FY 2023.

|   | Table 5 – Non-Competitive Funding   |                               |                      |   |  |
|---|---|-------------------------------|----------------------|---|--|
|   | Grantor / Funding<br>Source   | FY / Quarter<br>Allocated     | Amount &<br>Type     | Description   |  |
| 1 | HUD<br>Capital Fund Program   | FY 2023 /<br>Third<br>Quarter | \$498,394<br>Renewal | An annual formula allocation to the Housing Commission to address modernization and accrual needs for public housing units.   |  |
| 2 | State of California Department of Housing and Community Development (HCD) General Funds | FY2023 /<br>Fourth<br>Quarter | \$750,000<br>New     | A one-time allocation (AB102 – SEC.19.564) for the Homelessness Outreach Task Force (also known as Multidisciplinary Outreach Team)   |  |
| 3 | State of California HCD General Funds   | FY2023 /<br>Fourth<br>Quarter | \$2,000,000<br>New   | A one-time allocation (AB102 – SEC.19.564) for the predevelopment of the densification of Casa Colina Phase 1 in City Heights (also known as University Avenue Densification Pilot Project) |  |
|   | Total Non-competitive Fu  | inding: 3                     | \$3,248,394          | ,   |  |

# **Economic Impact**

• **Sub-recipient Agreements** – During the second half of FY 2023, the Housing Commission executed 36 sub-recipient agreements totaling \$36,749,944 from multiple grant sources.

|    | Table 6 – Sub-recipient Agreements   |  |              |  |  |  |  |
|----|--|--|--------------|--|--|--|--|
|    | Sub-recipient & Project  | Grantor / Funding Source                     | Amount       |  |  |  |  |
| 1  | Alpha Project for the Homeless – Bridge Shelter (16 <sup>th</sup> Street and Newton Avenue)        | California BCHSA, Cal<br>ICH, HHAP, via City | \$6,571,548  |  |  |  |  |
| 2  | Alpha Project for the Homeless – Bridge Shelter (17 <sup>th</sup> Street and Imperial Avenue)      | California BCHSA, Cal<br>ICH, HHAP, via City | \$2,959,661  |  |  |  |  |
| 3  | St. Vincent de Paul Village, Inc. (dba Father Joe's Villages) – Bridge Shelter (Golden Hall)       | California BCHSA, Cal<br>ICH, HHAP, via City | \$10,458,046 |  |  |  |  |
| 4  | Home-Start, Inc. – Rapid Rehousing   | California BCHSA, Cal<br>ICH, HHAP, via City | \$329,800    |  |  |  |  |
| 5  | The San Diego LGBT Community Center (The Center) – TAY Case Management (at Golden Hall)            | California BCHSA, Cal<br>ICH, HHAP, via City | \$76,048     |  |  |  |  |
| 6  | The Center – SafeTAY Network Outreach  | California BCHSA, Cal<br>ICH, HHAP, via City | \$130,040    |  |  |  |  |
| 7  | Mental Health Systems, Inc. (dba TURN<br>Behavioral Health Services) – Storage Connect<br>Center I | California BCHSA, Cal<br>ICH, HHAP, via City | \$1,411,795  |  |  |  |  |
| 8  | TURN Behavioral Health Services – Storage<br>Connect Center II                                     | California BCHSA, Cal<br>ICH, HHAP, via City | \$904,766    |  |  |  |  |
| 9  | People Assisting the Homeless (PATH) – Rapid Rehousing   | California BCHSA, Cal<br>ICH, HHAP, via City | \$451,154    |  |  |  |  |
| 10 | San Diego Youth Services – SafeTAY<br>Hotel/Motel Vouchers   | California BCHSA, Cal<br>ICH, HHAP, via City | \$81,332     |  |  |  |  |
| 11 | San Diego Youth Services – TAY Case<br>Management (at Golden Hall)                                 | California BCHSA, Cal<br>ICH, HHAP, via City | \$95,243     |  |  |  |  |
| 12 | San Diego Youth Services – Youth Emergency<br>Shelter  | California BCHSA, Cal<br>ICH, HHAP, via City | \$244,841    |  |  |  |  |
| 13 | The Salvation Army – Rapid Rehousing   | California BCHSA, Cal<br>ICH, HHAP, via City | \$354,073    |  |  |  |  |

|    |   | T  | 1           |
|----|---|--|-------------|
| 14 | Urban Street Angels – SafeTAY Hotel/Motel<br>Vouchers                     | California BCHSA, Cal<br>ICH, HHAP, via City | \$153,188   |
| 15 | Urban Street Angels – TAY Interim Shelter                                 | California BCHSA, Cal<br>ICH, HHAP, via City | \$503,045   |
| 16 | Alpha Project for the Homeless – Rosecrans<br>Sprung Structure Shelter    | California BCHSA, Cal<br>ICH, HHAP, via City | \$4,217,843 |
| 17 | PATH – Multidisciplinary Outreach   | California BCHSA, Cal<br>ICH, HHAP, via RTFH | \$182,013   |
| 18 | Father Joe's Villages – Day Center for Adults                             | HUD, CDBG, via City                          | \$500,000   |
| 19 | Father Joe's Villages – Interim Shelter for Adults (Paul Mirabile Center) | HUD, CDBG, via City<br>HUD, ESG, via City    | \$456,886   |
| 20 | PATH – Interim Shelter (Connections Housing)                              | HUD, ESG, via City                           | \$656,400   |
| 21 | PATH – Rapid Rehousing  | HUD, ESG, via City                           | \$250,000   |
| 22 | PATH – System Navigation at the Homelessness<br>Response Center           | HUD, CDBG, via City                          | \$726,359   |
| 23 | Father Joe's Villages – PSH (The Village)                                 | HUD, CoC                                     | \$920,538   |
| 24 | Father Joe's Villages – TAY Rapid Rehousing                               | HUD, CoC                                     | \$300,287   |
| 25 | Home-Start, Inc. – PSH (TAY Scattered Sites)                              | HUD, CoC                                     | \$73,742    |
| 26 | Home-Start, Inc. – TAY Rapid Rehousing                                    | HUD, CoC                                     | \$150,762   |
| 27 | Housing Innovation Partners – PSH (Beta and Cove)                         | HUD, CoC                                     | \$526,380   |
| 28 | The Center – PSH (Karibu)   | HUD, CoC                                     | \$425,958   |
| 29 | The Center – PSH (Sunburst)   | HUD, CoC                                     | \$317,797   |
| 30 | TURN Behavioral Health Services – PSH (Scattered Sites)                   | HUD, CoC                                     | \$471,062   |
| 31 | Pathfinders – PSH (Delta)   | HUD, CoC                                     | \$79,243    |
| 32 | PATH – Rapid Rehousing  | HUD, CoC                                     | \$648,913   |
| 33 | SBCS (formerly South Bay Community Services) – PSH (La Posada)            | HUD, CoC                                     | \$133,947   |

| 34                                 | SBCS – TAY Rapid Rehousing                  | HUD, CoC | \$272,539    |
|------------------------------------|---|----------|--------------|
| 35                                 | Townspeople – PSH (34 <sup>th</sup> Street) | HUD, CoC | \$189,920    |
| 36                                 | Townspeople – PSH (Gamma)                   | HUD, CoC | \$524,775    |
| Total Sub-recipient Agreements: 36 |   |          | \$36,749,944 |

• Contracts Awarded – During the second half of FY 2023, the Housing Commission executed five contracts totaling \$344,839 in HUD Capital Fund program funding that is allocated non-competitively to the Housing Commission. The annual HUD Capital Fund allocation is based on a formula that measures the existing modernization and accrual needs of public housing authorities. The funds are intended to be used for public housing units.

| Table 7 – Contracts Awarded |                                      |                      |              |  |
|-----------------------------|--------------------------------------|----------------------|--------------|--|
|                             | Property                             | Description          | Amount       |  |
| 1                           | Mason, Camulos, 44 <sup>th</sup> St. | Security Cameras     | \$181,248.87 |  |
| 2                           | Vista Verde                          | Security Cameras     | \$78,469.77  |  |
| 3                           | Picador                              | Parking Lot Repairs  | \$64,870.91  |  |
| 4                           | Via Las Cumbres                      | Parking Lot Lighting | \$12,249.45  |  |
| 5                           | Picador                              | Parking Lot Lighting | \$8,000      |  |
| Total Contracts: 5          |                                      |                      | \$344,839.00 |  |

Respectfully submitted,

Debra Fischle-Faulk

Senior Vice President, Compliance and

**Equity Assurance** 

San Diego Housing Commission

Debra Fischle-Faulk

Approved by,

Jeff Davis

Interim President & Chief Executive Officer

San Diego Housing Commission

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