



## EXECUTIVE SUMMARY

MEETING DATE: June 21, 2024

HCR24-061

SUBJECT: Amendment to the Agreement with the Harvey Family Foundation for the Landlord Housing Restoration Assistance Program

COUNCIL DISTRICT: Citywide

ORIGINATING DEPARTMENT: Rental Assistance Division

CONTACT/PHONE NUMBER: Azucena Valladolid (619) 578-7604

### REQUESTED ACTION:

Authorize an amendment to the San Diego Housing Commission's agreement with the Harvey Family Foundation to increase the maximum allowable compensation in the amount of \$412,500 for a maximum total compensation amount of \$660,000 for a term from June 12, 2024, through July 30, 2025, for the provision of assistance services to property owners in the City of San Diego impacted by January 22, 2024, floods to complete repairs to restore their properties to make them habitable and available for rent to families displaced from their homes by the January 22, 2024, floods.

### EXECUTIVE SUMMARY OF KEY FACTORS:

- The City of San Diego, County of San Diego and State of California declared states of emergency in connection with the impacts of record-breaking rainfall and ensuing flooding that occurred in San Diego on January 22, 2024, which displaced many City of San Diego residents from their homes.
- On February 19, 2024, the Federal Emergency Management Agency (FEMA) announced President Joseph Biden's Major Disaster Declaration, which made federal funding available for affected individuals in San Diego County.
- On April 30, 2024, the County of San Diego Board of Supervisors extended the County's Emergency Temporary Lodging Program (ETLP) for displaced households to continue to provide temporary lodging through June 21, 2024, and allocated \$4.2 million to the San Diego Housing Commission to provide further assistance for eligible City residents in the County's ETLTP.
- To utilize the County grant, the Housing Commission developed the Flood Recovery Program for Displaced Residents, which consists of Housing Search Assistance, Family Financial Assistance, and Landlord Housing Restoration Assistance.
- For the Landlord Housing Restoration Assistance Program, the Housing Commission contracts with the Harvey Family Foundation, which has led storm response efforts of this nature, to assess flood damage at homes within the City of San Diego and to contract for labor and materials to complete necessary repairs to restore the homes to make them habitable and available to rent to the original displaced family or another eligible ETLTP family.
- The Housing Commission executed a contract with the Harvey Family Foundation on June 12, 2024, in the amount of \$247,500 to expeditiously begin to provide services through the program. The contract amount was within the budgetary authority delegated to the President and CEO in the Housing Authority's approval of the Housing Commission's Fiscal Year 2024 budget.
- An increase in the maximum allowable compensation in the Housing Commission's contract with the Harvey Family Foundation is necessary to continue the Landlord Housing Restoration Assistance Program.



## REPORT

**DATE ISSUED:** June 13, 2024

**REPORT NO:** HCR24-061

**ATTENTION:** Chair and Members of the San Diego Housing Commission  
For the Agenda of June 21, 2024

**SUBJECT:** Amendment to the Agreement with the Harvey Family Foundation for the Landlord  
Housing Restoration Assistance Program

**COUNCIL DISTRICT:** Citywide

### REQUESTED ACTION

Authorize an amendment to the San Diego Housing Commission's agreement with the Harvey Family Foundation to increase the maximum allowable compensation in the amount of \$412,500 for a maximum total compensation amount of \$660,000 for a term from June 12, 2024, through July 30, 2025, for the provision of assistance services to property owners in the City of San Diego impacted by January 22, 2024, floods to complete repairs to restore their properties to make them habitable and available for rent to families displaced from their homes by the January 22, 2024, floods.

### STAFF RECOMMENDATION

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

- 1) Authorize an amendment to the Housing Commission's contract with the Harvey Family Foundation to increase the maximum allowable compensation in the amount of \$412,500 for a maximum total compensation amount of \$660,000 for the term of June 12, 2024, through July 30, 2025, to administer the Landlord Housing Restoration Assistance Program and provide assistance services, as described in this report, to property owners in the City of San Diego impacted by the January 22, 2024, floods to complete repairs to restore their properties to make them habitable and available for rent to City of San Diego families displaced from their homes by the January 22, 2024, floods.
- 2) Authorize the President and Chief Executive Officer (President and CEO), or designee, to substitute the funding sources with other available funding sources so long as the total program/project budget amount after substitution does not exceed the approved total budget, and to increase compensation by not more than 50 percent of the total agreement amount, if necessary, should the operational need arise based on the state of emergency and subject to funding availability, without further action by the Housing Commission Board.
- 3) Authorize the President and Chief Executive Officer, or designee, to execute all documents and instruments necessary and/or appropriate to implement these approvals, in a form approved by General Counsel, and to take such actions as are necessary and/or appropriate to implement these approvals, provided that a copy of the documents, signed as to form by General Counsel, is submitted to each Housing Commissioner.

## SUMMARY

On January 22, 2024, San Diego Mayor Todd Gloria declared a local state of emergency in the City of San Diego due to a record-breaking rainstorm and ensuing flooding that occurred that day. County of San Diego Interim Chief Administrative Officer Sarah Aghassi also declared a countywide state of emergency on January 22, which the County of San Diego Board of Supervisors ratified on January 24, 2024. On January 23, 2024, California Governor Gavin Newsom also declared a state of emergency in San Diego and Ventura counties due to the impacts of the winter storms. On January 29, 2024, the San Diego City Council unanimously ratified the Mayor's declaration of a state of emergency in the City of San Diego (San Diego Resolution R-2024-334). On January 30, 2024, the County of San Diego Board of Supervisors approved actions toward storm response and recovery, including reallocating \$10 million in American Rescue Plan Act evergreen resources to funds for those impacted by the emergency. On February 19, 2024, the Federal Emergency Management Agency (FEMA) announced President Joseph Biden's Major Disaster Declaration, which made federal funding available for affected individuals in San Diego County.

In the aftermath of the storm and flooding, which displaced many City of San Diego residents from their homes, the Housing Commission established an incident command structure and implemented programs to provide emergency hotel placements for City of San Diego households within the budget authority delegated to the Housing Commission's President and CEO in the Housing Authority's approval of the Housing Commission's Fiscal Year 2024 budget (Housing Authority Resolution HA-1990). On February 6, 2024, the Housing Authority authorized the Housing Commission to revise and amend its Fiscal Year 2024 budget in an amount up to \$2,250,000 to allow the use of any appropriate and eligible funding sources to implement and temporarily fund a hotel shelter program and short-term emergency shelter and assistance program, pending potential reimbursement from other sources of funds, which may include philanthropic resources (Housing Authority Resolution HA-2003). The Housing Commission's program served as a bridge for over 300 City of San Diego families until the County of San Diego's emergency resources became available.

The County of San Diego launched its Emergency Temporary Lodging Program (ETLP) on February 12, 2024. This initiative transitioned residents who had been housed by the San Diego Housing Commission, National City Housing Authority, County Office of Education, and community-based organizations (CBOs), as well as those identified through County outreach and self-referrals, into the County-managed temporary lodging. On April 30, 2024, the County of San Diego Board of Supervisors extended the ETLP to continue to provide temporary lodging through June 21, 2024, and allocated \$4.2 million to the Housing Commission to provide further assistance for eligible City residents in the County's ETLP.

To utilize the County grant, the Housing Commission developed the Flood Recovery Program for Displaced Residents. This program consists of:

- **Housing Search Assistance.** All City of San Diego families eligible for and participating in the County's ETLP can receive housing search assistance from the Housing Commission. This includes families who receive financial assistance from FEMA. Assistance will include a housing search class and referrals to available homes for rent based on the family size and needs.
- **Family Financial Assistance.** The Housing Commission will provide financial assistance to move a family into housing, including: application fees, a security deposit equal to up to two

months' rent, storage costs, hotel expenses for up to two weeks for families that have executed a lease and are awaiting the unit's availability, moving costs, up to six months of rent subsidy, and a Landlord Leasing Bonus of \$1,500 for landlords who rent to an eligible ETLP family.

- **Landlord Housing Restoration Assistance Program.** The Housing Commission contracts with the Harvey Family Foundation, which has led storm response efforts of this nature, to assess flood damage at homes within the City of San Diego and to contract for labor and materials to complete necessary repairs to restore the homes to make them habitable and available to rent to the original displaced family or another eligible ETLP family.

The Housing Commission executed a contract with the Harvey Family Foundation on June 12, 2024, in the amount of \$247,500 to expeditiously begin to provide services through the Landlord Housing Restoration Assistance Program. The contract amount was within the budgetary authority delegated to the President and CEO in the Housing Authority's approval of the Housing Commission's Fiscal Year 2024 budget.

An increase in the maximum allowable compensation in the Housing Commission's contract with the Harvey Family Foundation is necessary to continue the Landlord Housing Restoration Assistance Program to assist property owners affected by the floods to restore their properties and make them habitable and available for rent to eligible families displaced by the floods.

### **CONTRACTOR SELECTION PROCESS**

A sole source procurement in accordance with Procurement Policy 14.1 was utilized to select the operator for the Program. A request for proposals process was determined to not be viable for this project, as the County's ETL program expiration is soon approaching and an urgent need to identify an experienced provider that can ramp up to meet service needs under a very short time frame made it necessary to utilize a sole source process to ensure families continued to be supported through this transition. In addition, The Harvey Family Foundation has performed and facilitated damage assessment and repairs for damaged units and assisted affected families to move back in their original units in a more expedited fashion. In the interest of minimizing disruption during the relocation process and ensuring that all households have access to needed services, a noncompetitive procurement process was utilized to procure an operator as quickly as possible.

### **FISCAL CONSIDERATIONS**

The funding sources and uses proposed for approval by this action were not included in the Housing Authority-approved Fiscal Year 2024 Housing Commission budget but are included in the Fiscal Year 2025 approved budget. Approving this action will increase the funding sources and uses in the Fiscal Year 2024 budget by \$660,000.

<b>Funding Source</b>	<b>Funding Use</b>	<b>Initial Contract Amount</b>	<b>Recommended Increase</b>	<b>Total Contract Amount</b>
County of San Diego	Landlord Housing Restoration Assistance Program	\$247,500	\$412,500	\$660,000

### **HOUSING COMMISSION STRATEGIC PLAN**

This item relates to Strategic Priority Area No. 1 in the Housing Commission's Strategic Plan for Fiscal Year (FY) 2022-2024: Increasing and Preserving Housing Solutions and Strategic Priority Area No. 4: Advancing Homelessness Solutions – Supporting the City of San Diego Community Action Plan on Homelessness.

### **EQUAL OPPORTUNITY CONTRACTING AND EQUITY ASSURANCE**

All Program services and/or assistance will be provided in an equitable and inclusive manner. We're about people. At the Housing Commission, Diversity, Equity, Inclusion and Access are embedded in our values, mission, and culture. The Housing Commission makes an intentional effort to provide equitable access to its programs and services and fosters a diverse and inclusive workplace and community. Diversity and inclusion are catalysts for meaningful change. The Housing Commission encourages and welcomes diverse approaches and points of view from employees, customers and the community as it continuously improves its programs, projects and policies.

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

Key stakeholders include property owners affected by the January 22, 2024, floods, families displaced from their homes by the floods, the County of San Diego as the funder for this program, and the Housing Commission.

### **ENVIRONMENTAL REVIEW**

#### *California Environmental Quality Act*

The proposed action to contract with the Harvey Family Foundation to provide assistance for repairs caused by flooding is statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15269 (Emergency Projects). Governor Gavin Newsom declared a state of emergency in San Diego County on January 23, 2024. CEQA Section 15269 exempts projects to maintain, repair, restore, demolish, or replace property or facilities damaged or destroyed as a result of a disaster in a disaster-stricken area in which a state of emergency has been proclaimed by the Governor pursuant to the California Emergency Services Act, commencing with Section 8550 of the Government Code. This includes projects that will remove, destroy, or significantly alter an historical resource when that resource represents an imminent threat to the public of bodily harm or of damage to adjacent property or when the project has received a determination by the State Office of Historic Preservation pursuant to Section 5028(b) of Public Resources Code.

#### *National Environmental Policy Act*

The proposed action to contract with the Harvey Family Foundation to provide assistance for repairs caused by flooding is statutorily exempt from the National Environmental Policy Act pursuant to Section 502 (Federal Emergency Assistance) and Section 406 of the Stafford Act. Section 406 applies to action taken or assistance provided that has the effect of restoring facilities as they existed before a major disaster or emergency.

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Respectfully submitted,

*Azucena Valladolid*

Azucena Valladolid

Executive Vice President of Rental Assistance and  
Workforce Development

San Diego Housing Commission

Approved by,

*Jeff Davis*

Jeff Davis

Deputy Chief Executive Officer  
San Diego Housing Commission

Hard copies are available for review during business hours at the information desk in the main lobby of the San Diego Housing Commission offices at 1122 Broadway, San Diego, CA 92101 Docket materials are also available in the “Governance & Legislative Affairs” section of the San Diego Housing Commission website at [www.sdhc.org](http://www.sdhc.org).