



EXECUTIVE SUMMARY

MEETING DATE: November 22, 2024

HCR24-083

SUBJECT: Approval of the Operating Agreement, License Agreement and Memorandum of Understanding between the San Diego Housing Commission and Vietnam Veterans of San Diego, dba Veterans Village of San Diego, to Operate the City of San Diego Veterans Interim Shelter Program and Provide Additional Shelter Beds

COUNCIL DISTRICT: 2

ORIGINATING DEPARTMENT: Homelessness Housing Innovations

CONTACT/PHONE NUMBER: Casey Snell, 619-578-7691

REQUESTED ACTION:

Approve the agreement with Vietnam Veterans of San Diego, dba Veterans Village of San Diego, (VVSD) to operate a 40-bed, semi-congregate Interim Shelter through a non-competitive process for an initial seven-month term from December 1, 2024, through June 30, 2025, with four one-year options to renew, and approve the license agreement and Memorandum of Understanding with VVSD to occupy residential and commercial spaces at 4141 Pacific Highway, San Diego, CA 92110, for an initial seven-month term from December 1, 2024, through June 30, 2025, with four one-year options to renew.

EXECUTIVE SUMMARY OF KEY FACTORS:

- The San Diego Housing Commission met with VVSD leadership in September 2024 to discuss the possibility of operating underutilized beds on their campus. The result was a proposal to operate 130 units through a separate agreement between Father Joe's Villages and the Housing Commission and to enter into an agreement with VVSD to operate a veteran-specific shelter program.
- The proposed plan was then presented to leadership at the City of San Diego, and the City agreed to fund the new shelter programs. Initial enrollments to the program will be offered to veterans in other City shelters who may prefer to be with other veterans.
- The Veterans Interim Shelter program (Program) will provide safe, low-barrier shelter for up to 40 veterans experiencing homelessness in the City of San Diego.
- Referrals into the Program will be facilitated through the Coordinated Shelter Intake Program, which the Housing Commission administers.
- Services to be provided include, but are not limited to: a safe, secure and supportive environment; access to housing-focused case management and supportive services; basic needs support such as meals, laundry, telephone, restroom and showers; referrals to partner agencies for additional services; and assistance in obtaining permanent or longer-term housing interventions.
- Veterans Village of San Diego is a nonprofit organization dedicated to serving veterans and their families.
- The City of San Diego has committed \$632,312 in City General Funds for operating agreement for the initial term of December 1, 2024 - June 30, 2025.
- In its approval of the City's Fiscal Year (FY) 2025 budget, the City Council reappropriated \$4.2 million to the Housing Commission and the City's Homelessness Strategies and Solutions Department to identify new and replacement shelter beds. These approved, reappropriated funds will be applied toward the cost of the license agreement and MOU for space at VVSD in the amount of \$125,273 per month, subject to approval through the City's annual budgeting process.



REPORT

DATE ISSUED: November 15, 2024

REPORT NO: HCR24-083

ATTENTION: Chair and Members of the San Diego Housing Commission Board of Commissioners For the Agenda of November 22, 2024

SUBJECT: Approval of the Operating Agreement, License Agreement and Memorandum of Understanding between the San Diego Housing Commission and Vietnam Veterans of San Diego, dba Veterans Village of San Diego, to Operate the City of San Diego Veterans Interim Shelter Program and Provide Additional Shelter Beds

COUNCIL DISTRICT: 2

REQUESTED ACTION:

Approve the agreement with Vietnam Veterans of San Diego, dba Veterans Village of San Diego, (VVSD) to operate a 40-bed, semi-congregate Interim Shelter through a non-competitive process for an initial seven-month term from December 1, 2024, through June 30, 2025, with four one-year options to renew, and approve the license agreement and Memorandum of Understanding with VVSD to occupy residential and commercial spaces at 4141 Pacific Highway, San Diego, CA 92110, for an initial seven-month term from December 1, 2024, through June 30, 2025, with four one-year options to renew.

STAFF RECOMMENDATION

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

- 1) Authorize the Housing Commission to enter into an agreement with Vietnam Veterans of San Diego, dba Veterans Village of San Diego, (VVSD) to operate a 40-bed, semi-congregate Interim Shelter at 4141 Pacific Highway, San Diego, CA 92110, through a non-competitive process for an initial seven-month term from December 1, 2024, through June 30, 2025, in the amount of \$602,202 with four one-year options to renew in the amount of \$1,032,346 per year. Funding in Fiscal Year 2025 is anticipated to be City General Funds.
- 2) Authorize the Housing Commission to enter into a license agreement and Memorandum of Understanding with VVSD to occupy residential and commercial spaces at 4141 Pacific Highway, San Diego, CA 92110, for an initial seven-month term from December 1, 2024, through June 30, 2025, with four on-year options to renew.
- 3) 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, provided that a copy of the documents, signed as to form by General Counsel, is submitted to each Housing Commissioner.

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- 4) 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.

SUMMARY

The Housing Commission has administered homelessness services contracts on behalf of the City based on a Memorandum of Understanding (Homeless Shelters and Services MOU) that first took effect on July 1, 2010. As of July 1, 2023, several individual MOUs between the Housing Commission and the City for the operation and administration of homelessness services programs have been replaced with a Master Memorandum of Understanding (Master MOU), which consolidates the separate MOUs into one comprehensive document and streamlines the associated administrative processes. The Master MOU describes the responsibilities of both the City and Housing Commission related to the operation of the various homelessness shelters, services and programs and serves as an overarching agreement between the City and the Housing Commission to enter into program-specific agreements and administrative agreements. Execution of the Master MOU between the Housing Commission and the City for the oversight and administration of the City's homelessness services programs for an initial term of July 1, 2023, through June 30, 2024, with three one-year options to renew, was approved by the Housing Commission Board on June 15, 2023, and the Housing Authority and City Council on June 26, 2023 (City Council Resolution No. R-315018; Housing Authority Resolution No. HA-1987).

The City of San Diego (City), in collaboration with the Housing Commission, has developed a short-term action plan on homelessness informed by stakeholder feedback from persons with lived experience, living experience, front-line staff from shelters and outreach, and shelter operator leadership to address the projected loss of 614 shelter beds by December 31, 2024. A consistent theme in the feedback was the importance of offering options that include programs directed at special populations or persons with special needs and shelter that offered a variety of settings, including non-congregate. It was also noted that smaller programs are preferred across all stakeholder groups, and that co-located services are necessary.

The Housing Commission met with VVSD leadership in September 2024 to discuss the possibility of operating underutilized beds on their campus. The result was a proposal to operate 130 units for shelter through a separate agreement between Father Joe's Villages and the Housing Commission and to enter into an agreement with VVSD to operate a veteran-specific shelter program. The proposed plan was then presented to leadership at the City, and the City agreed to fund the new shelter programs. Initial enrollments to the program will be offered to veterans in other City shelters who may prefer to be with other veterans.

The proposed actions referenced in this report will allow the Housing Commission to enter into an agreement with VVSD in amounts referenced within this report to operate the City of San Diego Veteran Interim Shelter at 4141 Pacific Highway, San Diego, CA 92110, for the initial operating term of December 1, 2024, through June 30, 2025, with four one-year options for renewal, contingent on funding availability, as well as an associated agreement to occupy residential and commercial space to support additional shelter program operations.

The program supports the Community Action Plan on Homelessness for the City of San Diego (Action Plan). This comprehensive, 10-year plan builds on recent progress and lays out short-term achievable

goals while serving as a guide for long-term success in addressing homelessness. According to the updated Action Plan released in fall 2023, the crisis response system estimates a need for an estimated 410-820 beds in addition to any shelter replacement beds bought online to address closing of shelter programs for unsheltered individuals.

PROGRAM OVERVIEW

The Veterans Interim Shelter program (Program) will provide safe, low-barrier shelter for up to 40 veterans experiencing homelessness in the City of San Diego. The Program will provide stabilization and supportive services to prepare veterans for the most appropriate longer-term or permanent housing intervention, contributing to the regional goals of ensuring instances of homelessness are rare, brief and non-reoccurring.

Referrals into the Program will be facilitated through the Coordinated Shelter Intake Program, which the Housing Commission administers. Services to be provided include, but are not limited to: a safe, secure and supportive environment; access to housing-focused case management and supportive services; basic needs support such as meals, laundry, telephone, restroom and showers; referrals to partner agencies for additional services; and assistance in obtaining permanent or longer-term housing interventions. The Program will adhere to the San Diego Housing Commission Universal Terms of Service, Termination, Suspension & Appeals for Shelter/Residential Programming – Policies & Procedures.

Program Services:

- a. A Housing First program with low barriers to entry and operations;
- b. A housing-focused program that aims to resolve Program clients' homelessness as quickly as possible. Related services include, but are not limited to:
 - i. Determining diversion opportunities;
 - ii. Self-sufficiency needs assessments;
 - iii. Development of housing plans, including stabilization strategies and client housing goals and objectives;
 - iv. Coordination with and referrals to County of San Diego, State of California, and federal programs, as well as nonprofits and social service agencies, as appropriate;
 - v. Assistance in locating safe and affordable permanent or other longer-term housing, including determining housing interventions and opportunities outside of the Coordinated Entry System (CES);
 - vi. Completion of intakes, screenings, assessments, and case conferencing or other integral components of CES, pursuant to the San Diego Continuum of Care community standards and policies;
 - vii. Assistance with housing applications and supportive and subsidized housing paperwork;
 - viii. Advocacy for clients with prospective landlords;
 - ix. A minimum of two meals per day Showers, wash stations, restrooms, laundry facilities and/or laundry services, and storage for Program Clients' personal belongings;
 - x. Routine operating and client supplies, including but not limited to hygiene products, basic first aid supplies, and cleaning supplies;
 - xi. Telephone access and message services;
 - xii. Mail services.

Operator Experience

VVSD is a nonprofit organization dedicated to serving veterans and their families. For more than 40 years, they have provided comprehensive support and services to thousands of veterans in San Diego County, helping them overcome challenges and regain their lives.

VVSD offers a variety of programs and services, including:

- Transitional and permanent housing options for veterans.
- Clinical services.
- Counseling
- Substance abuse treatment
- Employment services
- Educational opportunities
- Vocational training
- Transportation
- Food
- Legal services

Currently, VVSD has an agreement with the Housing Commission to serve veterans housed through the Housing Commission’s “Housing Our Heroes” veterans Sponsor-Based Subsidy by providing case management and supportive services to maintain a permanent housing placement. In addition, VVSD operated the City of San Diego Veterans Bridge Shelter Program from December 2017 through April 2020 in the Midway neighborhood and subsequently at the San Diego Convention Center during Operation Shelter to Home.

VVSD has received numerous awards and accolades for its innovative and effective programs. They are a nationally recognized leader in serving veterans experiencing homelessness and have helped thousands of veterans rebuild their lives and regain their independence.

FISCAL CONSIDERATIONS

The City of San Diego has committed \$632,312 in City General Funds for operating agreement for the initial term of December 1, 2024 - June 30,2025. In its approval of the City’s Fiscal Year (FY) 2025 budget, the City Council reappropriated \$4.2 million to the Housing Commission and the City’s Homelessness Strategies and Solutions Department to identify new and replacement shelter beds. These approved, reappropriated funds will be applied toward the cost of the license agreement and MOU for space at VVSD in the amount of \$125,273 per month, subject to approval through the City’s annual budgeting process. The current FY 2025 request and future proposed amounts include the costs for the license agreement and MOU within the operator agreement.

Fiscal Year 2025, Seven-Month Term

FUNDING SOURCE	FUNDING BY USE	FY2025
City General Fund	Operator Agreement	\$ 602,202
City General Fund	SDHC Administrative Costs	\$ 30,110
TOTAL		\$ 632,312

Fiscal Year 2026 through Fiscal Year 2029, Twelve-Month Term

FUNDING SOURCE	FUNDING BY USE	FY 2026 -FY2029
TBD*	Operator Agreement	\$ 1,032,346
TBD*	SDHC Administrative Costs	\$ 51,617
TOTAL		\$1,083,963

*Contingent upon funds being made available for this purpose during the City’s Annual Budgeting Process

HOUSING COMMISSION STRATEGIC PLAN

This item relates to Strategic Priority Area No. 4 in the Housing Commission’s Strategic Plan for Fiscal Year (FY) 2022 – 2024: Advancing Homelessness Solutions – Supporting the City of San Diego Community Action Plan on Homelessness. The Housing Commission is in the process of developing a new Strategic Plan.

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 program serves this purpose by providing shelter services and a pathway to housing to persons 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.

EQUAL OPPORTUNITY CONTRACTING AND EQUITY ASSURANCE

VVSD is committed to developing and maintaining a diverse organization that reflects, is responsive to, and embraces the diversity of the communities they serve. Their mission also includes continuously improving the cultural competence of VVSD, its staff, volunteers, and its services to clients of all racial, ethnic and social backgrounds.

AD HOC COMMITTEE ON HOMELESSNESS AMONG BLACK SAN DIEGANS ACTION PLAN

The Housing Commission supports and is committed to applying the action items identified in the regional Ad Hoc Committee on Homelessness Among Black San Diegans’ (Ad Hoc Committee) Action Plan. The staff-recommended actions proposed for Housing Commission Board consideration in this report relate to Ad Hoc Committee Action Item No. 2, Inclusive Procurement.

PREVIOUS COUNCIL and/or COMMITTEE ACTION

The Housing Commission and the City consolidated and replaced five existing Memoranda of Understanding (MOUs) into a Master MOU for the administration of homelessness services programs, which the Housing Authority and City Council approved on June 26, 2023 (Housing Authority Resolution HA-1987 and City Council Resolution R-315018). The Master MOU will end on June 30, 2027, if all three option years are exercised.

The City’s Homelessness Strategies and Solutions Department, in collaboration with the Housing Commission, developed a short-term action plan on homelessness to address the projected loss of 614 shelter beds by December 31, 2024. On October 1, 2024, the City Council approved the short-term plan, which set strategies to quickly add shelter beds to the homelessness response system (City Council Resolution R-315813).

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KEY STAKEHOLDERS and PROJECTED IMPACTS

Stakeholders for this project include veterans experiencing homelessness and VVSD as the subrecipient administering the program. The program is expected to have a positive impact on the community as it will provide shelter and services for up to 40 veterans experiencing unsheltered homelessness at any given time.

ENVIRONMENTAL REVIEW

Pursuant to Government Code Section 8698.4 - Declaration of Shelter Crisis, the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) shall not apply to actions taken by a state agency or a city, county, or city and county, to lease, convey, or encumber land owned by a city, county, or city and county, 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 constructed or allowed by this section. Additionally, these activities are categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to title 14 of the California Code of Regulations (CCR) section 15301 - Existing Facilities, which allows the operation, repair, maintenance permitting, leasing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use, and no exception to the exemption in Title 14 CCR section 15300.2 applies.

National Environmental Policy Act

National Environmental Policy Act (NEPA) review is not required because no federal funds are involved in these activities.

Respectfully submitted,



Casey Snell
Senior Vice President, Homelessness Innovations
San Diego Housing Commission

Approved by,



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.