



EXECUTIVE SUMMARY

MEETING DATE: May 12, 2023

HCR23-048

SUBJECT: Approval of the Operating Agreement between the San Diego Housing Commission and Alpha Project for the Homeless to Operate the City of San Diego's Harm Reduction Interim Shelter Program

COUNCIL DISTRICT: Citywide

ORIGINATING DEPARTMENT: Strategic Initiatives and Homelessness Innovations

CONTACT/PHONE NUMBER: Lisa Jones (619) 578-7696

REQUESTED ACTION:

Authorize the San Diego Housing Commission to enter into an agreement with Alpha Project for the Homeless in the amount of \$1,979,237 for an initial term from July 1, 2023, through June 30, 2024, with two-one-year options for renewal, contingent on the City of San Diego making funds available through its annual fiscal year budgeting process and the continuance or extension of the Memorandum of Understanding (MOU) with the City of San Diego for oversight and administration of the City's Homeless Shelters and Services Programs (current term ends June 30, 2024), for the operation of the City of San Diego Harm Reduction Interim Shelter at 3220 Sports Arena Blvd., San Diego, 92110. The funding source for the initial operating term is the City of San Diego's General Fund.

EXECUTIVE SUMMARY OF KEY FACTORS:

- The San Diego Housing Commission (Housing Commission) administers the agreements for the City of San Diego's (City) Homeless Shelters and Services Programs.
- The proposed actions referenced in this report will allow the Housing Commission to enter into an agreement with Alpha Project for the Homeless (Alpha Project) in amounts referenced within this report to provide for the ongoing operation of the Harm Reduction Interim Shelter Program at 3220 Sports Arena Blvd., San Diego, 92110, for an initial term of July 1, 2023, through June 30, 2024, with two one-year options for renewal, contingent on funding availability.
- In conjunction with the County of San Diego's Behavioral Health Services, the Harm Reduction Interim Shelter Program will provide safe, low-barrier shelter, as well as specialized stabilization and supportive services for adults who are 18 years or older experiencing unsheltered homelessness in the City of San Diego who are also experiencing co-occurring substance use and mental health conditions. The Harm Reduction Interim Shelter Program operates 24 hours a day, seven days a week, for a maximum capacity of 44 persons at a time.
- Alpha Project will manage day-to-day shelter operations, including the provision of residential services, on-site security, ancillary facilities and site management.
- Alpha Project will also provide housing navigation services aimed at reducing the amount of time a person experiences homelessness by providing the necessary supports to exit the client to permanent or longer-term housing.
- Alpha Project for the Homeless was selected through a competitive Request for Proposal procurement process.



REPORT

DATE ISSUED: May 4, 2023

REPORT NO: HCR23-048

ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of May 12, 2023

SUBJECT: Approval of an Operating Agreement between the San Diego Housing Commission and Alpha Project for the Homeless to Operate the City of San Diego Harm Reduction Interim Shelter Program

COUNCIL DISTRICT: Citywide

Advance notice of San Diego Housing Commission hearing of the following matter has been provided to the Housing Authority Members pursuant to the provisions of San Diego Municipal Code Section 98.0301(e)(4)(A)-(B).

REQUESTED ACTION:

Authorize the San Diego Housing Commission to enter into an agreement with Alpha Project for the Homeless in the amount of \$1,979,237 for an initial term from July 1, 2023, through June 30, 2024, with two-one-year options for renewal, contingent on the City of San Diego making funds available through its annual fiscal year budgeting process and the continuance or extension of the Memorandum of Understanding (MOU) with the City of San Diego for oversight and administration of the City's Homeless Shelters and Services Programs (current term ends June 30, 2024), for the operation of the City of San Diego Harm Reduction Interim Shelter at 3220 Sports Arena Blvd., San Diego, 92110. The funding source for the initial operating term is the City of San Diego's General Fund.

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 Alpha Project for the Homeless in the amount of \$1,979,237 for an initial term of July 1, 2023, through June 30, 2024, with two one-year options for renewal, contingent upon funding being made available for that purpose and the continuance or extension of the Memorandum of Understanding (MOU) with the City of San Diego for oversight and administration of the City's Homeless Shelters and Services Programs (current term ends June 30, 2024), to provide interim shelter and services for persons experiencing homelessness at the City of San Diego's Harm Reduction Interim Shelter Program at 3220 Sports Arena Blvd., San Diego, 92110. The funding source for the initial operating term is the City of San Diego's General Fund.
- 2) Authorize the Housing Commission's President and Chief Executive Officer (President & CEO), or designee, to execute all documents and instruments that are necessary and/or appropriate to

May 4, 2023

Approval of the Contract between the San Diego Housing Commission and Alpha Project for the Homeless to operate the City of San Diego Harm Reduction Interim Shelter Program

Page 2

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, are submitted to each Housing Commissioner.

- 3) 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 of the City of San Diego, but only if and to the extent that funds are determined to be available for such purposes.

SUMMARY

The Housing Commission has administered the contract for the Harm Reduction Interim Shelter Program since October 1, 2021, based on a Memorandum of Understanding (MOU) between the Housing Commission and the City that first took effect on July 1, 2010. A third MOU between the City and the Housing Commission for the provision of Homeless Shelters and Services Programs, including the City's Interim Shelter Program, effective July 1, 2019, through June 30, 2024 (including options) was approved by the Housing Commission Board of Commissioners on May 3, 2019, and the Housing Authority on June 25, 2019 (Resolution No. HA-1821).

The proposed actions referenced in this report will allow the Housing Commission to enter into an agreement with Alpha Project for the Homeless (Alpha Project) in amounts referenced within this report to provide for the ongoing operation of the Harm Reduction Interim Shelter Program at 3220 Sports Arena Blvd., San Diego, 92110, for an initial term of July 1, 2023, through June 30, 2024, with two one-year options for renewal, contingent on funding availability.

During Fiscal Year 2022 (December 2021 through June 2022), the Harm Reduction Interim Shelter provided shelter and supportive services to 150 individuals, of whom 13% exited to permanent or other longer-term¹ housing. Year-to-date in Fiscal Year 2023 (July 2022 through February 2023), the Harm Reduction Interim Shelter has provided shelter and supportive services to 117 individuals, of whom 34% exited to permanent or other longer-term housing.

The Harm Reduction Interim Shelter Program supports the Community Action Plan on Homelessness for the City of San Diego (Action Plan), a comprehensive, 10-year plan that builds on recent progress, lays out short-term achievable goals and serves as a guide for long-term success in addressing homelessness. The Harm Reduction Interim Shelter Program is an important component to the vision, principles and strategies identified in the Action Plan.

PROGRAM OVERVIEW

In conjunction with the County of San Diego's Behavioral Health Services, the Harm Reduction Interim Shelter Program will provide safe, low-barrier shelter, as well as specialized stabilization and supportive

¹ "Other longer-term housing" includes the following destinations: transitional housing; staying or living with family or friends, temporary tenure; safe haven; host home (non-crisis); foster care home or group foster care home; substance abuse treatment facility or detox center; long-term care facility or nursing home; and residential project or halfway house with no homeless criteria.

May 4, 2023

Approval of the Contract between the San Diego Housing Commission and Alpha Project for the Homeless to operate the City of San Diego Harm Reduction Interim Shelter Program

Page 3

services for adults who are 18 years or older experiencing unsheltered homelessness in the City of San Diego who are also experiencing co-occurring substance use and mental health conditions. The Harm Reduction Interim Shelter Program operates 24 hours a day, seven days a week, for a maximum capacity of 44 persons at a time.

As part of the collaboration, the County of San Diego will provide a diverse portfolio of supportive services, utilizing practices aligned with harm reduction and trauma-informed principles, including but not limited to case management, care coordination, peer support services, substance abuse treatment, medication-assisted treatment, mental health services and access to public benefits.

Alpha Project will manage day-to-day shelter operations, including the provision of residential services, on-site security, ancillary facilities and site management.

Alpha Project will also provide housing navigation services aimed at reducing the amount of time a person experiences homelessness by providing the necessary supports to exit the client to permanent or longer-term housing.

Program Components:

- a. Housing First program with low barriers to entry and operations;
- b. 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 assessment;
 - iii. Development of housing plan, including stabilization strategies and housing goals and objectives;
 - iv. Coordination with and referrals to County, State, 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 as established by Regional Task Force on Homelessness (RTFH) community standards and policies; and
 - vii. Assistance with housing applications and supportive and subsidized housing paperwork
- c. Basic shelter services, including but not limited to:
 - i. Appropriate 24-hour residential services and staffing;
 - ii. A maximum of 44 beds and other residential furnishings;
 - iii. A minimum of two meals per day in compliance with all applicable health and safety regulations;

May 4, 2023

Approval of the Contract between the San Diego Housing Commission and Alpha Project for the Homeless to operate the City of San Diego Harm Reduction Interim Shelter Program

Page 4

- iv. Showers, wash stations, restrooms, laundry facilities and/or laundry services, and belongings storage for Program Clients;
- v. Routine operating and client supplies, including but not limited to hygiene products, basic first aid supplies, and cleaning supplies;
- vi. Telephone access and message services;
- vii. Regularly laundered linens; and
- viii. Mail services.

Operator Experience

Alpha Project has extensive experience operating shelter programs, permanent supportive housing projects and residential treatment programs for individuals and families experiencing homelessness. The organization provides services for more than 4,000 men, women and children per day with assistance in breaking the cycle of homelessness through its various shelter, rapid rehousing, permanent supportive housing programs, and other supportive service programs.

Alpha Project operates Casa Raphael, a state-licensed and certified residential treatment program for men in recovery from substance abuse. The program offers an intensive 12-week environment in which residents participate in an evidence-based practice curriculum. The program provides housing, food, recovery workshops, case management, mental health counseling, access to healthcare, work, financial assistance, and other support services. The program is primarily supported by the County of San Diego, as well as private donations, including new and gently used clothing for men.

In addition to the more than 20 years of experience working directly with persons experiencing homelessness, Alpha Project has operated one or more of the City's Bridge Shelter Programs since the programs' inception in 2017, providing shelter and supportive services to successfully transition clients to both permanent and longer-term housing options.

CONTRACTOR SELECTION PROCESS

On March 15, 2023, the Housing Commission issued a Request for Proposal (RFP) seeking to identify a service provider for the ongoing operations of the Harm Reduction Interim Shelter Program.

The RFP was posted and made available for download on the PlanetBids website through both the Housing Commission's and the City of San Diego's portals. More than 2,000 notifications were sent through the PlanetBids system. Twenty-two potential bidders downloaded the solicitation.

At the RFP closing on April 12, 2023, Alpha Project was the sole respondent. A source selection committee evaluated and scored the response based on the following criteria: Program Operations, Client & Residential Services and Care Coordination, Equity & Inclusion, Community Considerations, Cost Proposal, and Organizational Experience & Capacity. The Respondent's proposal was determined to be advantageous to the Housing Commission based on the response to the evaluation criteria outlined in the RFP. The proposal submitted by Alpha Project demonstrated the capacity and qualifications necessary to operate the program.

May 4, 2023

Approval of the Contract between the San Diego Housing Commission and Alpha Project for the Homeless to operate the City of San Diego Harm Reduction Interim Shelter Program

Page 5

FISCAL CONSIDERATIONS

The Housing Commission is proposing to allocate \$1,979,237 to this program for operations in Fiscal Year 2024. The funding source is the City’s General Fund and is contingent on funding being approved for this purpose during the City’s annual budgeting process.

FUNDING SOURCE	FUNDING BY USE	FY 2024	FY2025*	FY2026*
General Fund	Alpha Project for the Homeless Operating Contract	\$1,979,237	\$1,979,237	\$1,979,237
General Fund	SDHC Administrative Costs	\$170,000	\$170,000	\$170,000
TOTAL		\$2,149,237	\$2,149,237	\$2,149,237

**Contingent upon funds available for this purpose*

HOUSING COMMISSION STRATEGIC PLAN

This item relates to Strategic Priority Area No. 4 of 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.

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 Harm Reduction Interim Shelter Program serves this purpose by providing shelter services and a pathway to housing to persons experiencing homelessness. Individuals participating 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

Alpha Project is a local nonprofit organization and as such, exempt from the requirement to submit a Workforce Report. The Housing Commission included a requirement in the RFP for prospective firms to include a description of how they would address racial equity and inequities for the target population(s), including any local disproportionate impact of homelessness by race and other protected classes. The requirement was a part of the scored evaluation criteria.

Alpha Project does not discriminate based on race, color, religion, national origin, ancestry, gender, age, medical condition, sexual orientation, marital status, domestic partnership status, physical or mental disabilities, veterans, or any other consideration made unlawful by federal, state, or local laws.

Alpha Project employs a diverse staff that includes bilingual and ethnically, culturally and racially diverse individuals. Alpha Project has a long history of employing individuals throughout the agency who previously experienced homelessness, from direct line staff to directors, and understands the value of having a diverse staff reflective of the population being served. Alpha Project is committed to fostering and preserving a culture of equity and inclusion.

May 4, 2023

Approval of the Contract between the San Diego Housing Commission and Alpha Project for the Homeless to operate the City of San Diego Harm Reduction Interim Shelter Program

Page 6

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. The Housing Commission included a requirement in the RFP for prospective firms to include a description of how they would address racial equity and inequities for the target population(s), including any local disproportionate impact of homelessness by race and other protected classes. The requirement was a part of the scored evaluation criteria. The proposed staff-recommended actions also relate to Ad Hoc Committee Action Item No. 6, Transform the Crisis Response System, by increasing availability of shelter and other basic survival needs and increasing access to mainstream systems identified as having barriers.

PREVIOUS COUNCIL and/or COMMITTEE ACTION

On June 25, 2019, the Housing Authority approved entering into an MOU between the Housing Commission and the City for the administration and provision of homeless shelters and services (Housing Authority Resolution No. HA-1821). The current MOU became effective July 1, 2019, and expires June 30, 2024 (including renewal options).

On October 28, 2021, the Housing Commission approved an operating agreement with Alpha Project for the operation of the City of San Diego Harm Reduction Interim Shelter Program (Report No. HCR21-090). The agreement included one option for renewal and will expire on June 30, 2023.

KEY STAKEHOLDERS and PROJECTED IMPACTS

Stakeholders for this project include shelter residents, the County of San Diego, and Alpha Project as the sub-recipient administering the program. The program is expected to have a positive impact on the community as it will provide shelter and services for 44 single adults nightly who would otherwise be experiencing unsheltered homelessness.

ENVIRONMENTAL REVIEW

The proposed activities are categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to 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. The Harm Reduction Interim Shelter Program will operate at an existing facility and there will be no change or expansion in use. Processing under the National Environmental Policy Act is not required as no federal funds are involved in this action.

May 4, 2023

Approval of the Contract between the San Diego Housing Commission and Alpha Project for the Homeless to operate the City of San Diego Harm Reduction Interim Shelter Program

Page 7

Respectfully submitted,

Lisa Jones

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Executive Vice President

Strategic Initiatives and Homelessness Innovations

San Diego Housing Commission

Approved by,

Jeff Davis

Jeff Davis

Interim President and 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.