



EXECUTIVE SUMMARY

MEETING DATE: May 12, 2023

HCR23-052

SUBJECT: Approval of an Amendment to the Operating Agreement between the San Diego Housing Commission and Urban Street Angels to Operate the City of San Diego Interim Shelter Bed Program for Transition-Age Youth

COUNCIL DISTRICT: Citywide

ORIGINATING DEPARTMENT: Strategic Initiatives and Homelessness Innovations

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

REQUESTED ACTION:

Authorize the amendment of the existing non-competitive agreement under Procurement Policy Section 14.2 with Urban Street Angels to expand shelter capacity from 19 beds to 52 beds at the City of San Diego Interim Shelter Bed Program for Transition-Age Youth from July 1, 2023, through June 30, 2024 (the first of four one-year options to renew). An additional allocation of \$1,714,000—\$1,593,727 for operations and \$120,273 for one-time start-up costs—is requested to support the expansion. The ongoing annualized budget is \$2,118,716. The funding source in Fiscal Year 2024 is the City of San Diego General Fund and Homeless Housing, Assistance and Prevention (HHAP) Program funds.

EXECUTIVE SUMMARY OF KEY FACTORS:

- The San Diego Housing Commission (Housing Commission) administers the contracts for the City of San Diego (City) Interim Shelter Bed Program for Transition-Age Youth (Program) based on a Memorandum of Understanding between the Housing Commission and the City for the administration and oversight of Homeless Housing, Assistance and Prevention (HHAP) funded homelessness programs.
- The proposed actions in this report will allow the Housing Commission to amend the current non-competitive agreement to increase the Program's capacity from 19 beds to 52 beds, an increase of 33 beds, to provide for the ongoing and expanded operations of the Program at 1404 5th Ave.
- The Program will provide service-enhanced interim housing 24 hours per day, seven days per week, in alignment with Housing First principles for a minimum of 52 transition-age youth experiencing homelessness in the City at any one time.
- The Program will provide safe, low-barrier, interim housing, as well as stabilization and supportive services, to prepare transition-age youth experiencing homelessness for the most appropriate longer-term or permanent housing intervention, contributing to the specific goal of reducing and ending youth homelessness as outlined in the Community Action Plan on Homelessness for the City of San Diego.
- Urban Street Angels (USA) has developed a program design that leverages privately raised funds and existing in-house supportive services to provide a comprehensive network of resources and service connections for the clients they serve at the Program.
- In Fiscal Year 2023, a non-competitive procurement process under Procurement Policy Section 14.2 was utilized to procure the Program operator. This Program leverages existing site resources controlled by USA as well as other cash and in-kind funds to support the Program. USA operated the Program since inception in January 2021, and a Request for Proposal process for this project would not be viable, as the Program utilizes a site that belongs to and is controlled by USA. In addition, a change in the operator would adversely impact Program operations and client stability.



REPORT

DATE ISSUED: May 4, 2023

REPORT NO: HCR23-052

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

SUBJECT: Approval of an Amendment to the Operating Agreement between the San Diego Housing Commission and Urban Street Angels to Operate the City of San Diego Interim Shelter Bed Program for Transition-Age Youth

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 amendment of the existing non-competitive agreement under Procurement Policy Section 14.2 with Urban Street Angels to expand shelter capacity from 19 beds to 52 beds at the City of San Diego Interim Shelter Bed Program for Transition-Age Youth from July 1, 2023, through June 30, 2024 (the first of four one-year options to renew). An additional allocation of \$1,714,000—\$1,593,727 for operations and \$120,273 for one-time start-up costs—is requested to support the expansion. The ongoing annualized budget is \$2,118,716. The funding source in Fiscal Year 2024 is the City of San Diego General Fund and Homeless Housing, Assistance and Prevention (HHAP) Program funds.

STAFF RECOMMENDATION

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

- 1) Authorize the amendment of the existing non-competitive agreement under Procurement Policy 14.2 with Urban Street Angels to expand shelter capacity from 19 beds to 52 beds at the City of San Diego Interim Shelter Bed Program for Transition-Age Youth from July 1, 2023, through June 30, 2024, which will coincide with the execution of the first of the four one-year options to renew the agreement previously approved by the Housing Commission Board on September 20, 2022 (Report No. HCR22-107) . The agreement requires an additional allocation of \$1,714,000, consisting of \$1,593,727 for operations and \$120,273 for one-time start-up costs to support the expansion. The ongoing annualized budget is \$2,118,716. The funding source in Fiscal Year 2024 is the City of San Diego General Fund and Homeless Housing, Assistance and Prevention (HHAP) Program funds.
- 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 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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- 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, but only if and to the extent that funds are determined to be available for such purposes.

SUMMARY

The Housing Commission administers the contracts for the City of San Diego (City) Interim Shelter Bed Program for Transition-Age Youth (Program) based on a Memorandum of Understanding between the Housing Commission and the City for the administration and oversight of HHAP-funded homelessness programs, which first took effect on June 16, 2020.

The proposed actions in this report will allow the Housing Commission to amend the current non-competitive agreement to increase the Program's capacity from 19 beds to 52 beds, an increase of 33 beds, to provide for the ongoing and expanded operations of the Program at 1404 5th Ave.

The 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 Program is an important component to the vision, principles and strategies identified in the Action Plan.

PROGRAM OVERVIEW

The Program will provide service-enhanced interim housing 24 hours per day, seven days per week, in alignment with Housing First principles for a minimum of 52 transition-age youth experiencing homelessness in the City at any one time. The Program will provide safe, low-barrier, interim housing, as well as stabilization and supportive services, to prepare transition-age youth experiencing homelessness for the most appropriate longer-term or permanent housing intervention, contributing to the specific goal of reducing and ending youth homelessness as outlined in the Action Plan.

The Program will prioritize and focus on the most vulnerable transition-age youth experiencing homelessness in the City, including transition-age youth who would be forced to live in places not intended for human habitation (vehicles, parks, abandoned buildings, sidewalks, streets, etc.) were it not for the shelter and services the Program provides. Services to be provided include, but are not limited to: safe, stable housing; a safe, secure and supportive environment; access to case management and supportive services; at least two meals per day, seven days per week; outside agency referrals; on-site and off-site counseling services; and assistance in obtaining permanent supportive housing, permanent affordable housing or longer-term housing.

Urban Street Angels (USA) has developed a program design that leverages privately raised funds and existing in-house supportive services to provide a comprehensive network of resources and service connections for the clients they serve at the Program.

The service model will be delivered in a housing-focused environment that leverages a variety of resources to facilitate successful exits to permanent and longer-term housing. This design includes, but is not limited to:

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- Outreach and Engagement
- Housing Focused Case Management
- Mental Health Care
- Life Skills
- Employment Services
- Transportation Assistance
- Peer Mentorships

Program Components

- a. Housing First program with low barriers to entry and operations;
- b. A formal shelter intake and move-in process, in a welcoming and solutions-focused environment, to include a review of required intake documents, terms of service, and guidelines for community living.
- c. Housing-focused program which 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 client housing plan, including stabilization strategies and client 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 the San Diego Regional Task Force on Homelessness (RTFH) community standards and policies;
 - vii. Assistance with housing applications and supportive and subsidized housing paperwork;
 - viii. Advocacy for clients with prospective landlords;
- d. Basic shelter services, including but not limited to:
 - i. Appropriate residential services and staffing;
 - ii. A maximum of 19 beds and other residential furnishings;
 - iii. A minimum of two meals per day in compliance with all applicable health and safety regulations;
 - iv. Showers, wash stations, restrooms, laundry facilities and/or laundry services, and belongings storage for Program clients;

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- 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.
- e. Coordination to support testing and vaccinations for communicable diseases.

Operator Experience

USA is a nonprofit agency with extensive experience serving transition-age youth, providing case management and supportive services in line with subpopulation-specific best practices. Since 2013, USA has served transition-age youth through short-term bridge housing, employment readiness programs and three independent living facilities, totaling 71 beds. In Fiscal Year 2022, USA Interim Shelter Bed Program served 95 clients, of whom 23 clients (24%) exited to Permanent or Other Longer-Term Housing. From July 1, 2022, to April 26, 2023, the Program served 68 clients, of whom 24 clients (35%) exited to Permanent or Other Longer-Term Housing.

CONTRACTOR SELECTION PROCESS

In Fiscal Year 2023, a non-competitive procurement process under Procurement Policy Section 14.2 was utilized to procure the Program operator. This Program leverages existing site resources controlled by USA as well as other cash and in-kind funds to support the Program. USA operated the Program since inception in January 2021, and a Request for Proposal process for this project would not be viable, as the Program utilizes a site that belongs to and is controlled by USA. In addition, a change in the operator would adversely impact Program operations and client stability.

Housing Commission staff recommends amending the agreement with USA through the non-competitive process to address the need for more shelter beds for transition-age youth in the community. USA is a nonprofit agency, has extensive experience with transition-age youth and delivers case management and supportive services according to a model developed specifically for transition-age youth. Existing case management services and shelter beds in the community provided by other service providers to the single adult population are not geared to address the unique circumstances, experiences and needs of transition-age youth.

FISCAL CONSIDERATIONS

The City of San Diego has made available \$524,989 in City General Funds and \$1,852,199 of HHAP funds to support the continued operation of the Program in Fiscal Year 2024. This includes funding for start-up costs to expand bed capacity and Housing Commission administration expenses.

FUNDING BY SOURCE	FY2024	FY2025	FY2026	FY2027
General Fund	\$524,989	\$524,989	\$524,989	\$524,989
HHAP	\$1,852,199	\$1,725,912	\$1,725,912	\$1,725,912
TOTAL	\$2,377,188	\$2,250,901	\$2,250,901	\$2,250,901

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FUNDING BY USE	FY2024	FY2025	FY2026	FY2027
Operations	\$2,118,716	\$2,118,716	\$2,118,716	\$2,118,716
Start-Up Expense	\$120,273	NA	NA	NA
Housing Commission Admin	\$138,199	\$132,185	\$132,185	\$132,185
TOTAL	\$2,377,188	\$2,250,901	\$2,250,901	\$2,250,901

**Option years will be exercised contingent upon the appropriation of said funds by the City for that 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 Program serves this purpose by providing interim housing services to transition-age youth 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 income.

EQUAL OPPORTUNITY CONTRACTING AND EQUITY ASSURANCE

USA is a local nonprofit. As a nonprofit, USA is not subject to the requirement to submit a Workforce Report. USA 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.

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 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 September 20, 2022, the Housing Commission Board approved the contract between the Housing Commission and Urban Street Angels for the operation of the City of San Diego Interim Shelter Bed Program for Transition-Age Youth for an initial term of October 1, 2022, through June 30, 2023, with four one-year options for renewal (Report No. HCR22-107).

On June 16, 2020, the City Council approved an MOU with the Housing Commission regarding the administration of HHAP program funding (R-313113). A portion of HHAP funds is allocated to fund the operation of this Program. The current MOU expires on June 30, 2025.

KEY STAKEHOLDERS and PROJECTED IMPACTS

Stakeholders for this Program include community stakeholders and Urban Street Angels as the sub-recipient administering the program. The Program is expected to have a positive impact on the community as it will

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provide shelter and services to 52 transition-age youth experiencing homelessness.

ENVIRONMENTAL REVIEW

These activities are exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines 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 Interim Shelter Bed Program for Transition-Age Youth will operate using existing facilities and there will be no change or expansion of use. Processing under the National Environmental Policy Act is not required as no federal funds are involved in these activities.

Respectfully submitted,

Lisa Jones

Lisa Jones
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