



EXECUTIVE SUMMARY

MEETING DATE: May 12, 2023

HCR23-057

SUBJECT: Approval of the Sole Source Justification and Operating Agreement between the San Diego Housing Commission and Alpha Project for the Homeless, to Operate the City of San Diego Bridge Shelter for Single Adults at 1535 Newton Avenue

COUNCIL DISTRICT: Citywide

ORIGINATING DEPARTMENT: Strategic Initiatives and Homelessness Innovations

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

REQUESTED ACTION:

Approve a non-competitive, sole source agreement under Procurement Policy Section 14.2 with Alpha Project for the Homeless in the amount of \$6,608,164 for a 12-month term from July 1, 2023, through June 30, 2024, with one one-year option for renewal, contingent on the City of San Diego making funds available through its annual fiscal year budgeting process and the approval of the Memorandum of Understanding (MOU) with the City of San Diego for oversight and administration of the City's Homeless Shelters and Services, for the operation of the City of San Diego Bridge Shelter for Single Adults at 1535 Newton Ave., San Diego, CA 92101. Funding in Fiscal Year 2024 is proposed to be state Homeless Housing, Assistance and Prevention (HHAP) Program funds.

EXECUTIVE SUMMARY OF KEY FACTORS:

- The San Diego Housing Commission (Housing Commission) and City of San Diego (City) entered into a Memorandum of Understanding (MOU) for the administration and operation of the City's Bridge Shelter Programs, which was approved by the Housing Commission Board on November 3, 2017, as well as the Housing Authority and City Council (City Council) on November 14, 2017 (Bridge Shelter MOU).
- The proposed actions referenced in this report will allow the Housing Commission to enter into an Agreement with Alpha Project in the amounts referenced within this report to provide for the ongoing operation of the Bridge Shelter Program (Program) at 1535 Newton Ave., San Diego, CA 92101, for a period of one year, with a one one-year options for renewal, contingent on funding be made for this purpose.
- The Program will provide shelter year-round, in alignment with Housing First principles, for up to 276 persons experiencing homelessness in the City. The Program will provide safe, low-barrier shelter, as well as stabilization and supportive services, to prepare persons experiencing homelessness for the most appropriate longer-term or permanent housing interventions, contributing to the regional goals of ensuring instances of homelessness are rare, brief, and non-recurring.
- 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 two meals per day, laundry, telephone, restrooms and showers; referrals to partner agencies for additional services; and assistance in obtaining permanent or longer-term housing interventions.
- A non-competitive procurement process under Procurement Policy Section 14.2.4 was utilized to procure the operator for the Program. Alpha Project has been operating the Program since its inception in July 2017, and a request for proposals process for this project would not be viable, as the Program is scheduled to relocate to a site to be determined, but anticipated to be sometime in the second quarter of fiscal year 2024. Continuity of care throughout the transition is also in the best interests of the clients.



REPORT

DATE ISSUED: May 4, 2023

REPORT NO: HAR23-057

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

SUBJECT: Approval of the Sole Source Justification and Operating Agreement between the San Diego Housing Commission and Alpha Project for the Homeless to Operate the City of San Diego Bridge Shelter for Single Adults at 1535 Newton Avenue

COUNCIL DISTRICT: Citywide

REQUESTED ACTION:

Approve a non-competitive, sole source agreement under Procurement Policy Section 14.2 with Alpha Project for the Homeless in the amount of \$6,608,164 for a 12-month term from July 1, 2023, through June 30, 2024, with one one-year option for renewal, contingent on the City of San Diego making funds available through its annual fiscal year budgeting process and the approval of the Memorandum of Understanding (MOU) with the City of San Diego for oversight and administration of the City's Homeless Shelters and Services, for the operation of the City of San Diego Bridge Shelter for Single Adults at 1535 Newton Ave., San Diego, CA 92101. Funding in Fiscal Year 2024 is proposed to be state 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 Housing Commission to enter into a non-competitive, sole source agreement under Procurement Policy Section 14.2 with Alpha Project for the Homeless (Alpha Project) in the amount of \$6,608,164 for a 12-month term from July 1, 2023, through June 30, 2024, with one one-year option for renewal, contingent on funding being available for that purpose and the approval of the Memorandum of Understanding (MOU) with the City of San Diego for oversight and administration of the City's Homeless Shelters and Services, to provide Bridge shelter and services for persons experiencing homelessness at the City of San Diego's Bridge Shelter at 1535 Newton Ave., San Diego, CA 92101. The funding source for the first operating term is expected to consist of 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.
- 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

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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 (Housing Authority), but only if and to the extent that funds are determined to be available for such purposes.

SUMMARY

The Housing Commission administers some agreements for the City of San Diego's (City) Homeless Shelters and Services Programs based on a Memorandum of Understanding (MOU) between the Housing Commission and the City that first took effect on July 1, 2010, and has been updated from time to time (Homeless Services MOU). The Housing Commission and the City have subsequently entered into separate MOUs for the operation and administration of other programs that are not the subject of the Homeless Services MOU. The Housing Commission and City entered into a separate MOU for the administration and operation of the City's Bridge Shelter Programs, which was approved by the Housing Commission Board on November 3, 2017, as well as the Housing Authority and City Council (City Council) on November 14, 2017 (Bridge Shelter MOU).

The current Bridge Shelter MOU, inclusive of options years, will expire on June 30, 2023. The City and the Housing Commission are currently finalizing a single MOU that will cover all programs the Housing Commission administers on behalf of the City. Staff will present this to the Housing Commission Board in June 2023 for consideration.

The proposed actions referenced in this report will allow the Housing Commission to enter into an Agreement with Alpha Project in the amounts referenced within this report to provide for the ongoing operation of the Bridge Shelter Program (Program) at 1535 Newton Ave., San Diego, CA 92101, for a period of one year, with a one one-year option for renewal, contingent on funding be made for this purpose. A non-competitive procurement process under Procurement Policy Section 14.2 was utilized to procure the operator for the Program. Alpha Project has been operating the Program since its inception in July 2017, and a request for proposals process for this project would not be viable, as the Program is scheduled to relocate to a site to be determined, but anticipated to be some time in the second quarter of fiscal year 2024. Continuity of care throughout the transition is also in the best interests of the clients who will relocate. The Housing Commission and City are committed to accommodating all Program residents at the time of relocation and will work closely with Alpha Project to minimize disruption for Program clients.

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.

In Fiscal Year 2022, the Program served 1,059 individuals, of whom 63 individuals successfully exited to permanent housing and 32 individuals existed to other longer-term housing. In Fiscal Year 2023,

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through the month of March, the Program has served 536 individuals, of whom 35 individuals successfully exited to permanent housing and 32 individuals exited to other longer-term housing.¹

PROGRAM OVERVIEW

The Program will provide shelter year-round, in alignment with Housing First principles, for up to 276 persons experiencing homelessness in the City. The Program will provide safe, low-barrier shelter, as well as stabilization and supportive services, to prepare persons experiencing homelessness for the most appropriate longer-term or permanent housing interventions, contributing to the regional goals of ensuring instances of homelessness are rare, brief, and non-recurring.

The Program will prioritize the most vulnerable individuals living in the City, including individuals 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 provided by the program. 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 two meals per day, laundry, telephone, restrooms and showers; referrals to partner agencies for additional services; and assistance in obtaining permanent or longer-term housing interventions.

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 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 Regional Task Force on Homelessness (RTFH) community standards and policies;

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.

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- vii. Assistance with housing applications and supportive and subsidized housing paperwork; and
- d. Basic shelter services, including but not limited to:
 - i. Appropriate 24-hour residential services and staffing;
 - ii. A maximum of 276 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;
 - 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 is a well-established homelessness service provider with more than 30 years of experience meeting the needs of individuals and families experiencing homelessness. Through its array of housing and supportive services, Alpha Project serves more than 4,000 men, women and children annually. The organization follows a Housing First model, which recognizes the need to provide housing and shelter without preconditions, in conjunction with the provision of supportive services. Alpha Project has been serving families experiencing homelessness since 1995 through permanent supportive housing programs, and in the past several years, through federally funded Rapid Rehousing programs.

Alpha Project has successfully operated several shelters, including two of the City's Bridge Shelter Programs, as well as the inclement weather shelter and the temporary campground that was opened during the fall of 2017 in response to the Hepatitis A outbreak. In addition to its portfolio of interim shelters, rapid rehousing and permanent supportive housing programs, Alpha Project coordinates a variety of services for its clients, including substance abuse treatment, employment readiness and placement, transportation assistance and healthcare, and has developed innovative programs that support persons with lived experience to engage with the local community and provide peer-to-peer outreach through their Wheels of Change and Take Back the Streets programs. Alpha Project operates the City's first Harm Reduction Shelter in collaboration with the County of San Diego to serve adults experiencing homelessness and substance use or co-occurring conditions. Alpha Project was recently selected to operate the City's Rosecrans Shelter in collaboration with Vista Hill in an effort to bring mental health, substance use and physical health services to clients within the shelter and focus on high utilizers of homeless services.

CONTRACTOR SELECTION PROCESS

A non-competitive procurement process under Procurement Policy 14.2 was utilized to procure the operator for the Program. Alpha Project has been operating the Program since its inception in July 2017, and a request for proposals process for this project would not be viable, as the Program is scheduled to

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relocate to a site to be determined in the second quarter of 2024. Continuity of care throughout the transition is also in the best interests of the clients who will relocate. The Housing Commission and City are committed to accommodating all Program residents at the time of relocation and will work closely with Alpha Project to minimize disruption for Program clients.

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 Bridge 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.

FISCAL CONSIDERATIONS

The City of San Diego has committed \$6,938,572 in HHAP 4.0 funds for operations in Fiscal Year 2024. The funding includes \$6,608,164 for the operator agreement and \$330,408 for Housing Commission administrative costs. The future option year will be contingent upon the City making funding available for this purpose.

FUNDING SOURCE	FUNDING BY USE	FY 2024	FY2025
HHAP	Operator Agreement	\$6,608,164	\$6,608,164
HHAP	SDHC Administrative Costs	\$330,408	\$330,408
TOTAL		\$6,938,572	\$6,938,572

**Option year 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.

EQUAL OPPORTUNITY CONTRACTING AND EQUITY ASSURANCE

Alpha Project is a local nonprofit organization. As a nonprofit, Alpha Project is exempt from the requirement to submit a Workforce Report.

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 formerly homeless individuals throughout the agency, 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, which is reflected in its hiring practices.

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AD HOC COMMITTEE ON HOMELESSNESS AMONG BLACK SAN DIEGAS 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 June 16, 2020, the City Council approved an MOU with the Housing Commission regarding the administration of Homeless Housing, Assistance, and Prevention (HHAP) program funding (Resolution No. R-313113). A portion of HHAP funds is allocated to fund the operation of the City's Bridge Shelter Program.

On June 16, 2020, the Housing Authority authorized execution of agreements with Alpha Project, Father Joe's Villages, and Veterans Village of San Diego to operate the City's Bridge Shelters during Fiscal Year 2021. (Resolution No. HA-1859).

On June 16, 2020, the City Council approved Resolution No. R-313111, authorizing execution of an MOU with the Housing Commission for a one-year term with two one-year option to renew to operate the City's Bridge Shelter Program. City Council also approved Resolution No. R-313112 to remove references to the provision of Transitional Storage Center Services and bifurcate the MOUs. Housing Authority Resolution HA-1859 also authorized the execution of the MOU for the Bridge Shelter Program.

On June 11, 2019, the Housing Authority approved the execution of operating agreements with Alpha Project, Veterans Village of San Diego, and Father Joe's Villages for the operation of the three City of San Diego Bridge Shelters for a 12-month term, from July 1, 2019, to June 30, 2020 (Resolution No. HA-1817).

In addition, on June 11, 2019, the City Council approved an MOU with the Housing Commission regarding the administration of Homeless Emergency Aid Program (HEAP) block grant funding (Resolution No. R-312516).

On December 5, 2017, the Housing Commission Board authorized the execution of an agreement with Alpha Project to operate the Bridge Shelter for the initial one-year term from December 1, 2017, through June 30, 2018, with two one-year options.

KEY STAKEHOLDERS and PROJECTED IMPACTS

Stakeholders for this project include Community stakeholders 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 to approximately 1,000 otherwise homeless individuals annually.

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,

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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 bridge shelter is an existing facility and there will be no expansion or change of use. Processing under the National Environmental Policy Act (NEPA) is not required because no federal funds are involved in the proposed activities.

Respectfully submitted,

Lisa Jones

Lisa Jones

Executive Vice President Strategic Initiatives

Strategic Initiatives and Homelessness

Innovations Division

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