



SAN DIEGO
HOUSING
COMMISSION

REPORT TO THE HOUSING AUTHORITY OF THE CITY OF SAN DIEGO

DATE ISSUED: June 8, 2023

REPORT NO: HAR23-014

ATTENTION: Chair and Members of the Housing Authority of the City of San Diego
For the Agenda of June 26, 2023

SUBJECT: Execution of Memorandum of Understanding Between the City of San Diego and the San Diego Housing Commission for the Administration of the City's Homelessness Services Programs

COUNCIL DISTRICT: Citywide

REQUESTED ACTION:

Authorize the execution of a Memorandum of Understanding between the San Diego Housing Commission and the City of San Diego (City) for the oversight and administration of the City's Homelessness Services Programs for an initial term effective July 1, 2023, through June 30, 2024, with three one-year options to renew.

STAFF RECOMMENDATION

That the Housing Authority of the City of San Diego (Housing Authority) take the following actions:

- 1) Authorize the San Diego Housing Commission (Housing Commission) to enter into a Memorandum of Understanding with the City of San Diego (City) for an initial term effective July 1, 2023, through June 30, 2024, with three one-year options to renew, for oversight and administration of the City's Homelessness Services Programs.
- 2) Authorize the Housing Commission's President and Chief Executive Officer (President and CEO), or designee, to execute all documents and instruments that are necessary and appropriate to implement these approvals, in a form and format approved by General Counsel, and to take such actions necessary and appropriate to implement these approvals. Housing Commission staff will notify the Housing Authority and the City Attorney's Office about any subsequent amendments or modifications to the documents, and other required documents, including amendments to any documents.

SUMMARY

The Housing Commission has administered homelessness services contracts on the behalf of the City based on a Memorandum of Understanding (Homelessness Shelters and Services MOU) that first took effect on July 1, 2010. The Homelessness Shelters and Services MOU details the roles and responsibilities of both the City and Housing Commission in the oversight and administration of programs funded through the City's Economic Development Department. The current Homelessness Shelters and Services MOU expires June 30, 2024.

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The Housing Commission and the City have subsequently entered into separate Memoranda of Understanding (MOUs) for the operation and administration of other programs that are funded by other City departments and not subject to the Homelessness Shelters and Services MOU. These MOUs include the City's Bridge Shelter Program, Transitional Storage Program, and Homelessness Response Center. These MOUs expire on June 30, 2023. Another MOU for the administration of a subset of the Homeless Housing, Assistance, and Prevention (HHAP) funding expires on June 30, 2025.

The City and the Housing Commission began exploring the viability of incorporating the existing MOUs into one comprehensive document to streamline the administrative processes associated with the MOUs. The City and the Housing Commission have worked together over the course of several months to finalize a draft MOU that will cover all programs the Housing Commission administers on behalf of the City. The proposed actions in this report will allow the Housing Commission to enter into a Master Memorandum of Understanding (Master MOU) with the City to administer homelessness services programs on behalf of the City.

The Master MOU 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. As the Master MOU authorizes the partnership between the City and the Housing Commission to administer homelessness services programs in San Diego, it is an important administrative instrument to enact the vision, principles, and strategies identified in the Action Plan.

OVERVIEW

The Master MOU consolidates the five existing MOUs between the Housing Commission and the City into one comprehensive MOU to ease the administration of the processes related to drafting, negotiating, approving, and executing five separate MOUs. The five MOUs include the Homelessness Shelters and Services MOU, Bridge Shelter MOU, Transitional Storage Center MOU, Homelessness Response Center MOU, and the Homeless Housing, Assistance, and Prevention (HHAP) MOU. Any program administered by the Housing Commission on behalf of the City must be governed by an MOU.

The Master MOU describes the responsibilities of both the City and the Housing Commission related to the operation of the various homelessness shelters, services, and programs described in the Action Plan and the Consolidated Plan, an annual plan that the City submits to the United States Department of Housing and Urban Development (HUD) and serves as the City's application to HUD for federal grant funds. The Master MOU will also serve as an overarching agreement between the City and Housing Commission to enter into program-specific agreements and administrative agreements detailed in separate Subrecipient Agreements, Scopes of Work, and Budget documents related to the programs described in the Action Plan and the Consolidated Plan.

The Housing Commission manages and oversees City programs that assist individuals and families experiencing homelessness or a housing crisis, including shelter, services system navigation, rapid rehousing, and other types of assistance to support individuals and families in accessing appropriate crisis response, supportive services and housing solutions.

The Housing Commission is responsible for the general management, administration, and oversight of the City's shelters and services for individuals and families experiencing homelessness, as detailed in the

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executed Subrecipient Agreements, the Annual Action Plans, and City Budget documents. The Housing Commission shall generally manage and oversee the City programs as follows:

1. Shelter and Related Services, including Crisis Response Services
 - a. Provision of beds and/or units, with supportive services, for individual adults, families and/or youth, including congregate bridge shelters and special populations shelters.
 - b. Provision of shelter beds and/or units for individual adults, including a certain number of beds for individuals with special needs, including substance use disorder.
 - c. Provision of beds and/or units for current and future City-funded diversion programs, including Homeless Outreach Team (HOT), and Serial Inebriate Program (SIP).
 - d. Provision of crisis response services, which may include outreach or other field-based services.
2. Day Facilities, Homelessness Response Center, and Related Services
 - a. Provision of a centralized access point for referral and walk-in services
 - b. Provision of services for basic needs
 - c. Provision of housing and system navigation
 - d. Transitional storage services
3. Homelessness Prevention Programs and Rapid Rehousing Assistance Program
 - a. Provision of Rapid Rehousing Assistance to assist families and individuals experiencing homelessness in exiting homeless situations (e.g., shelters and transitional housing programs) and secure permanent housing
 - b. Provision of Homelessness Diversion and Prevention Programs
 - c. Provision of Landlord Engagement Programs
 - d. Provision of Rapid Stabilization Programs
4. Other Programming and Services-related Workforce Capacity and Training

Under the Master MOU, the Housing Commission is further responsible for:

1. Coordinating access to City-owned or City-leased facilities and promptly informing the City of any issues and/or problems at the facilities
2. Ensuring that program operators input program data into the Homeless Management Information System
3. Maintaining general membership in the Regional Task Force on Homelessness
4. Procuring, managing and monitoring contracts with subcontracted service providers
5. Maintaining inventory of non-expendable property purchased with grant funds
6. Ensuring that program operators obtain all appropriate County or State agency permits to operate the program(s)
7. Ensuring compliance with Federal, State, and Local laws and regulations governing grant funds
8. Reporting and providing program data
9. Documenting performance metrics and outcomes
10. Coordinating regular meetings with City representatives
11. Coordinating with the City in advance of responding to media requests or attending public meetings

The City maintains responsibility for:

1. Drafting annual Subrecipient Agreements between the Housing Commission and the City to define the Scope of Services and annual Budgets by funding source and obtaining City Council approval
2. Obtaining all required City permits related to site location and improvements

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3. Covering ancillary costs related to the use of City-owned or leased properties, such as lighting, electricity, water, and maintenance, including unforeseen maintenance costs unless otherwise agreed upon in writing

The Master MOU further details funding sources and requirements, including Housing Commission contributions; the process for the Housing Commission to request reimbursement of funds; indemnification; insurance and noticing requirements; and other miscellaneous provisions.

FISCAL CONSIDERATIONS

Funding for programs administered under the Master MOU is contingent upon the City's annual budgeting process. Funding sources covered under the terms of the Master MOU, include, but are not limited to, the federal Community Development Block Grant; federal Emergency Solutions Grant; State of California Homeless Housing, Assistance, and Prevention funds; and City General Funds.

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.

AFFORDABLE HOUSING IMPACT

Homelessness remains a crisis in the City of San Diego, and homelessness services programs are critical to the well-being of persons experiencing homelessness. The programs the Housing Commission administers under the terms of the Master MOU provide a range of interventions to address the needs of this community.

EQUAL OPPORTUNITY CONTRACTING AND EQUITY ASSURANCE

The Housing Commission generally contracts with nonprofit service providers. Nonprofit agencies are not subject to the requirement to submit a Workforce Report. As part of the Housing Commission's request for proposal evaluation process, the Housing Commission reviews and assesses the agency's equity and inclusion policies and practices and requests the proposer to describe how they will address racial equity and inequities within the program and incorporate diversity into hiring practices and training.

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 June 15, 2023, the Housing Commission Board of Commissioners voted 4-0 to recommend that the Housing Authority and City Council authorize the execution of a Memorandum of Understanding between the Housing Commission and the City for an initial term effective July 1, 2023, through June 30, 2024, with three one-year options to renew, for oversight and administration of the City's Homelessness Services

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Programs.

On October 27, 2020, the Housing Authority approved entering into an MOU between the Housing Commission and the City for the administration and operation of the Homelessness Response Center for an initial eight-month term from November 1, 2020, through June 30, 2021, with two one-year options to renew (Resolution HA-1821) without further action from the Housing Authority or City Council. The City Council approved execution of the Homelessness Response Center MOU on October 30, 2020 (Resolution No. R-313275).

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) for a five-year term from July 1, 2020, through June 30, 2025, to renew annually until the expiration, without further action from the Housing Authority or City Council.

On June 16, 2020, the Housing Authority (Resolution HA-1859) and City Council (Resolution No. R-313111) authorized execution of the Bridge Shelter MOU with the Housing Commission for a one-year term from July 1, 2020, through June 30, 2021, with two one-year options to renew, to operate the City's Bridge Shelter Program without further action from the Housing Authority or City Council. The City Council approved the removal of references to Transitional Storage Center Program from the Bridge Shelter MOU (Resolution No. R-313112). The Housing Authority (Resolution HA-1862) approved a separate MOU between the Housing Commission and the City for an initial one-year term from July 1, 2020, through June 30, 2021, with two one-year options to renew, to operate the Transitional Storage Center Program without further action from the Housing Authority or City Council.

On June 25, 2019, the Housing Authority (Resolution HA-1821) authorized execution of a new Homeless Shelters and Services MOU for an initial one-year term from July 1, 2019, through June 30, 2020, with four one-year options to renew without further action from the Housing Authority or City Council. City Council adopted a resolution (Resolution No. R-312442) on April 26, 2019, authorizing the Mayor, or designee, to negotiate and enter into a new MOU with the Housing Commission.

On June 11, 2019, renewal of the Bridge Shelter MOU for oversight and administration of the Bridge Shelter Program and the Transitional Storage Program from July 1, 2019, through June 30, 2020, was approved by the Housing Authority (Resolution HA-1817) and City Council (Resolution No. R-312514).

On March 20, 2018, the first amendment to the Bridge Shelter MOU between the Housing Commission and the City was approved by the Housing Authority (Resolution No. HA-1777) and City Council (Resolution No. R-311627). The amendment incorporated references to the Transitional Storage Center Program into the Bridge Shelter MOU.

On November 14, 2017, the Housing Authority (Resolution HA-1755) and City Council (Resolution No. R-311427) authorized execution of an MOU (Bridge Shelter 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 without further action from the Housing Authority or City Council.

On April 28, 2015, the Housing Authority (Resolution HA-1659) and City Council (Resolution No. R-309666) approved a First Amendment to the MOU by adding a section to include the year-round Interim

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Housing Facility, approved by the Housing Authority on March 24, 2015, to replace sections referencing the City's Single Adult and Veterans Emergency Winter Shelters; and revising the language in the Permitting section regarding the Interim Housing modifies the use of the Community Development Block Grant (CDBG) funds for the Interim Housing activities.

On June 17, 2014, the Housing Authority (Resolution HA-1623) and City Council (Resolution No. R-309057) approved a restated Homeless Shelters and Services MOU to synthesize the previous MOU and its amendments into one MOU and further delineated Housing Commission and City responsibilities for these programs and their funding sources. The MOU included an initial one-year term from July 1, 2014, through June 30, 2015, with four options to renew without further action from the Housing Authority or City Council.

On September 25, 2012, the Housing Authority (Resolution HA-1566) and City Council (Resolution No. R-307701) approved a third amendment to the MOU to set aside up to \$1,318,078 of federal Community Development Block Grant funds each year for certain homelessness programs as described in the MOU.

On July 31, 2012, the Housing Authority (Resolution HA-1564) and City Council (Resolution No. R-307656) approved a second amendment to the Homeless Shelters and Services MOU to extend the term until June 30, 2014.

On June 27, 2011, the Housing Authority (Resolution HA-1527) and City Council (Resolution No. R-306884) approved a first Amendment to the Homeless Shelters and Services MOU to extend the term until June 30, 2013.

On June 29, 2010, the Housing Authority (Resolution HA-1473) and City Council (Resolution No. R-305962) approved the initial Homeless Shelters and Services MOU between the City and the Housing Commission, transferring the administration of the City's Homeless Shelters and Services Programs to the Housing Commission.

KEY STAKEHOLDERS AND PROJECTED IMPACTS

Stakeholders for this project include persons experiencing homelessness and persons residing in the City of San Diego.

ENVIRONMENTAL REVIEW

This activity is not a project as defined in the California Environmental Quality Act (CEQA) Guidelines Section 15378 as it involves the execution of a Master Memorandum of Understanding (MOU) between the San Diego Housing Commission (Housing Commission) and the City of San Diego (City) for the oversight and administration of the City's Homelessness Services Programs and the execution of the MOU, on its own accord, does not have the potential to result in a direct or reasonably foreseeable indirect physical change in the environment. Thus, this activity is not subject to CEQA pursuant to CEQA Guidelines Section 15060(c)(3). As stated above, the Master MOU simply outlines the responsibilities of both the City and the Housing Commission related to the operation of the various homelessness shelters, services and programs in the City, and serves as an overarching agreement between the City and Housing Commission to enter into program-specific agreements and administrative agreements related to these programs. These program-specific and administrative agreements will be subject to environmental review at the appropriate

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future date in accordance with the City's Land Development Code and CEQA Guidelines Section 15004, which provides direction to lead agencies on the appropriate timing for environmental review.

A final reservation of federal funds shall occur only upon satisfactory completion of a National Environmental Policy Act (NEPA) review. A preliminary determination has defined the activities contemplated herein, including administrative and management activities to be categorically excluded from NEPA pursuant to Section 58.35(b)(2) and (3) and exempt per Section 58.35(a)(3) and (4) of Title 24 of the Code of Federal Regulations. The parties agree that the provision of any federal funds to the project is conditioned on the City of San Diego's final NEPA review and approval.

Respectfully submitted,



Lisa Jones

Executive Vice President, Strategic Initiatives
San Diego Housing Commission

Approved by,



Jeff Davis

Interim President & Chief Executive Officer
San Diego Housing Commission

Attachment: 1) Proposed Homelessness Services MOU

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.

**MASTER MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF SAN DIEGO
AND
THE SAN DIEGO HOUSING COMMISSION
FOR THE ADMINISTRATION OF HOMELESSNESS PROGRAMS**

This Master Memorandum of Understanding (MOU) between the SAN DIEGO HOUSING COMMISSION, a public agency (SDHC) and the CITY OF SAN DIEGO, a California municipal corporation (City), shall become effective July 1st, 2023 and upon signature of both Parties and the San Diego City Attorney pursuant to San Diego Charter section 40. SDHC and City are sometimes referred to in this MOU individually, as a Party, and collectively as the Parties.

RECITALS

- A. In 2019, the City adopted a Community Action Plan on Homelessness and a five-year consolidated plan for fiscal years 2020 to 2024 (“Consolidated Plan”), which outline the City’s goals to assist individuals and families to gain stable housing after experiencing homelessness or a housing crisis.
- B. The City and SDHC have entered into several previous memoranda of understanding governing the Parties’ relationship with respect to providing services, shelters, and grant-funded programming for persons experiencing homelessness in the City of San Diego.
- C. The City submits to the United States Department of Housing and Urban Development (HUD) an annual affordable housing fund action plan (Annual Action Plan) that serves as the City’s application to HUD for grant funds under four federal grant programs: (1) Community Development Block Grants (CDBG); (2) Emergency Solutions Grants (“ESG”); (3) HOME Investment Partnership Program (HOME); and (4) Housing Opportunities for Persons with AIDS (HOPWA). The Annual Action Plan outlines goals and objectives defined by the City’s Consolidated Plan that specify the federal entitlement grant program funds dedicated to specific programs and projects, and provide estimated project deliverables.
- D. The City is the recipient of funding from various federal, state, and county sources, which have been allocated SDHC for the administration of homeless shelters, services, and programs in the past, including CDBG, ESG, Coronavirus Aid, Relief, and Economic Security Act (CARES Act), American Rescue Plan Act (ARPA), and the Homeless Housing, Assistance and Prevention (HHAP) Grant Program awarded by the State of California (State).
- E. The City and SDHC now desire to enter into this MOU to govern the rights and responsibilities of the Parties related to operation of the various homeless shelters, services, and programs described in the Consolidated Plan and the Community Action Plan on Homelessness to assist individuals and families experiencing homelessness or a housing crisis (generally referenced herein as Programs), which may include new shelters, services, or programs approved and funded by the Council of the City of San Diego (City Council) and the Housing Authority of the City of San Diego (Housing Authority).

NOW, THEREFORE, the City and SDHC agree as follows:

1. Applicability.

This MOU serves as an overarching agreement between the Parties and allows the Parties to enter into program specific and administrative agreements detailed in separate Subrecipient Agreements or in specific Scopes of Work and Budget documents related to the specific programs described in or in support of the Consolidated Plan and Community Action Plan on Homelessness.

2. Term, Amendment, and Termination.

- 2.1. **Term.** The term of this MOU shall commence on July 1st 2023 and end on June 30, 2024, with three (3) additional one-year options to extend the term by three additional years. Only one option may be exercised at a time. If all three options are exercised, the MOU will end on June 30, 2027.
- 2.2. **Amendments to MOU.** SDHC's President and Chief Executive Officer or designee and the City's Mayor or designee shall have authority on behalf of their respective Parties to execute amendments to this MOU that do not otherwise require approval by the City Council or the Housing Authority. The Mayor and SDHC's CEO may amend Exhibit B and subsequent scopes of works and budgets approved pursuant thereto when new programs are funded and approved by the City Council or the Housing Authority. Any amendment to the MOU or revision to any Exhibit of this MOU shall be memorialized in a written instrument signed by the Parties. The Mayor, or designee shall notify, or shall request the SDHC President and CEO, or designee, notify the members of the City Council and Housing Authority, in writing, regarding the relocation of any shelter and the defunding of any program, service, or facility subject to this MOU within 10 business days of taking such action
- 2.3. **Termination.** Either Party may terminate this MOU for any reason by providing written notice to the other Party at least 60 days prior to the effective date of such termination.
- 2.4. **Status of Prior Memoranda of Understanding.** This MOU will terminate and supersede all previous agreements between the Parties relating to shelters, services, or programs provided to people experiencing homelessness including: the Memorandum of Understanding Between the City of San Diego and the San Diego Housing Commission for the Provision of Homeless Shelters and Services dated July 19, 2019; the Memorandum of Understanding Between the City of San Diego and the San Diego Housing Commission for the Provision of Bridge Shelters dated July 23, 2020; the Memorandum of Understanding Between the City of San Diego and the San Diego Housing Commission for the Homelessness Response Center dated January 4, 2021; the Memorandum of Understanding Between the City of San Diego and the San Diego Housing Commission for the Provision of Transitional Storage Centers last executed July 23, 2020; the Memorandum of Understanding Between the City of San Diego and the San Diego Housing Commission for the Provision of HHAP Block Grant Funded Programs dated July 23, 2020 (the "HHAP MOU"); and any and all amendments to any of the foregoing.

3. SDHC's Responsibilities.

- 3.1. **Program Administration.** SDHC shall be responsible for the general management, administration, and oversight of the programs identified under this MOU and further described in the applicable specific Scopes of the Work and Budget or specific Subrecipient Agreements for each of the Programs, once executed provided Council has made available sufficient funding. These programs may be intended to serve the general population of people experiencing homelessness or specific subcategories, including veterans experiencing homelessness, youth experiencing or at risk of experiencing homelessness, seniors experiencing or at risk of experiencing homelessness or families experiencing or at risk of experiencing homelessness.
- 3.2. **Care and Maintenance of City -Owned or City-Leased Facilities.** When a Program operates at a City-owned or City-leased property, SDHC shall be responsible for the following:

accordance with applicable law;

3.5.4. Ensuring compliance with the terms and conditions outlined in scope of work, budgets, any subrecipient agreements, and City operating manuals applicable to the Programs; and

3.5.5. Reviewing programmatic and cost data to assess outcomes and performance.

3.6. Oversight and Storage of Equipment. SDHC shall ensure any Program operator contracted with City funding shall maintain an inventory of all Non-Expendable Property (which is defined as tangible personal property having a useful life of more than one year and an acquisition cost more than \$5,000 cumulatively for similar or bulk purchased items, or \$5,000 per item) including dates of purchase and disposition. Inventory records on Non-Expendable Property shall be delivered to the City after completion of the Program operator's services.

For each Program SHDC will submit to the City for approval the Program operator's disposition plan for that particular Program for all Non-Expendable Property purchased by the Program operator. At minimum, each disposition plan shall ensure that Non-Expendable Property at the end of the contract shall have language that allows that the City to either: (1) allow the Program operator to retain the Non-Expendable Property provided that the Program operator submits to the City a written statement in the format directed by the City on how the Non-Expendable Property will be used for the public good; or (2) direct the Program operator to return the Non-Expendable Property to the City or any other party and location as directed by the City.

3.7. Permitting. SDHC shall be responsible for ensuring that each Program operator obtains all required permits from any County or State Agency to operate each Program. The City will cooperate with the SDHC or the Program operator to obtain such permits.

3.8. Compliance with Federal, State, and Local Laws and Regulations. To the extent SDHC is responsible, SDHC shall ensure compliance with CDBG, ESG, HHAP, and any other applicable federal, state, and local laws and regulations with regard to the administration and utilization of Funding sources allocated to the Programs and detailed in the Subrecipient Agreements and Scopes of Work. SDHC shall monitor and ensure the compliance of all Program operators and their subcontractors with such Funding Regulations.

3.9. Reporting and Provision of Data. SDHC shall submit timely, complete and accurate reports, in a form and format mutually agreed upon by SDHC and the City or as required for policy advocacy. The City will provide SDHC with adequate notice and instructions to assist with completion of forms when necessary.

3.10. Performance Metrics and Outcomes. SDHC shall document performance metrics and outcomes for each Program, as specified by each applicable subrecipient agreement or scope of work.

3.11. Regular Meetings with the City's Representative. SDHC and the City shall coordinate regular meetings between the SHDC and the City's Representative (as defined in Section 6), on a reasonable schedule to be determined by the Parties, to exchange information and provide informal reporting as to SDHC's activities related to this MOU.

3.12. Notice to the City's Representative. SDHC shall provide notice to the City's Representative of any public meetings and events regarding SDHC's activities related to this MOU, within a

reasonable time to allow the City's Representative to coordinate with City staff to appear on the City's behalf.

3.13. Communications with Media. SDHC shall coordinate with the City in advance of responding to any media requests for information or media communications related to this MOU or any Programs authorized by this MOU. SDHC shall ensure all subcontractors coordinate with SDHC and inform the City prior to responding to any media requests related to any Program authorized by this MOU.

4. City Responsibilities. The City shall provide funding and monitor SDHC's administration of the Programs under this MOU.

4.1. Subrecipient Agreements. The City shall draft one or more annual Subrecipient Agreements between the City and SDHC to define the scope of services and annual budgets for the Programs based upon each of the funding sources. The City may elect to draft a scope of work and Budget for a Program, instead of a Subrecipient Agreement, where a Subrecipient Agreement is not required by the funding source.

4.2. City Council Approval. Subrecipient agreements shall be subject to approval of the City Council through either the Annual Action Plan approval process (ESG and CDBG funds); the City's annual budget approval process (funds from the City's General Fund, Low-moderate Income Housing Fund) or any action taken by the City Council that approves a funding source, which may give the Mayor or the Mayor's designee the authority to enter into a contract or subrecipient agreement. The City and SDHC shall negotiate and execute subrecipient agreements and/or agreements regarding annual scopes of work and annual budgets, on or about July 1st of each year, to detail the dollar amounts available from the City Funds and the Programs to which they apply. The agreements will also outline the terms and conditions associated with SDHC's use of federal, State, or County funds granted or appropriated to SDHC by the City.

4.3. Permitting. The City shall be responsible for obtaining all required permits related to site location and use related to operations of contracted services. The SDHC and Program operator will cooperate with the City to obtain such permits. To the extent that facility modifications are required by the City during the course of permitting, the Parties shall determine responsibility for those costs by a separate agreement.

4.4. Ancillary Facilities Costs for City-Owned Property. The City shall cover any ancillary costs related to the use of City-owned or leased properties unless otherwise agreed by the Parties in writing. Ancillary costs include lighting, electricity, water, and facility-related maintenance on City-owned or leased properties. Ancillary costs do not include operational costs to be covered by Program operators including client services such as laundry, showers, restrooms, and other utilities, such as cable, internet, trash services, and on-site cleaning unless otherwise specified in writing or detailed in a program's scope of work.

4.5. Unforeseen Maintenance Costs for City-Owned or City-Leased Facilities. Subject to Section 4.3, the City is responsible for determining how unforeseen maintenance costs for City-owned or City-leased facilities will be funded and shall endeavor to provide additional funding for those costs.

5. Sources of Funds.

- 5.1. **Maintenance of Funds.** For each fiscal year this MOU is in effect, the City will endeavor to make funds available at a level no less than that of the previous fiscal year. In no event shall SDHC be required to provide the services referenced within this MOU or such other agreements without the appropriation of sufficient funding by the City, as approved by SDHC, in its reasonable discretion.
- 5.2. **ESG Funds.** To the extent that ESG funds are made available to the City by HUD each year, the City shall dedicate 100% of ESG funds received to the Programs that are eligible for that allocation. The specific dollar amount of the funds to be provided to SDHC will be determined subject to the annual approval process as described in Section 5.1 of this MOU.
- 5.3. **CDBG Funds.** To the extent that CDBG funds are made available to the City by HUD each year, the City shall set aside a portion of the CDBG funds allocated for public services to the Programs that are eligible for that allocation. All CDBG funding shall be contingent upon the approval of and at the discretion of the City Council each fiscal year in compliance with City Council Policy 700-02.

State Funding. The City is recipient of State funding, including HHAP funding, and may be eligible to receive other funds directly from the State for services to individuals and families experiencing homelessness. As these funds are awarded to eligible Programs approved by City Council, the City will revise the appropriate Subrecipient Agreements or Scopes of Work to detail the terms for administering and using the State funding.

- 5.4. **General Funds.** At its sole discretion, the City may dedicate and expend revenue from the City's General Fund as appropriated by the City Council for one or more of the Programs contingent upon the City's Chief Financial Officer certifying availability of such funds.
- 5.5. **SDHC's Contribution.** SDHC's financial contribution from sources other than the federal entitlement programs, State funded programs, and City General Funds mentioned herein for the programs and services covered by this MOU shall be subject to the Housing Authority's annual approval of a SDHC budget to allocate and appropriate such funds. Once the annual contribution is approved, SDHC shall provide the City with a description of the Programs that will receive SDHC's contribution, the designated purpose of the funds, and the total amounts to be contributed. The City and SDHC will collaborate in providing comprehensive financial and programmatic information as may be requested by City Council, the Housing Authority or the Independent Budget Analyst.
- 5.6. **Reimbursement of Funds.**
Funding made available to SDHC by the City is subject to the City's grant reimbursement process described in this Section.

Prior to July 1st of each year, the City will provide SDHC with an operating manual which will contain, at a minimum, a detailed description of the documentation required from SDHC and the Program operations and subcontractors for reimbursement of funds provided by the City.

SDHC shall submit monthly invoices and documentation for eligible reimbursement expenses no later than 30 days after the completion of the prior month's payment period (e.g., requests for reimbursement for expenses incurred by operators and reimbursed by SDHC in July shall be submitted to the City by August 30th).

The City agrees that reimbursement requests from SDHC will be paid within 30 days of receipt, provided that the required documentation is included with the reimbursement request and all expenditures are eligible based on the applicable Subrecipient Agreement, Scope of Services, and/or Budgets and that all other programmatic reporting and data has been submitted to the City in compliance with Section 3.9 and 3.10, for the same time period. The Parties acknowledge that applicable Subrecipient Agreements may establish additional procedures and requirements regarding reimbursement.

At the City's sole discretion, the City may transfer funds allocated to SDHC for start-up related costs before the actual cash disbursement for an activity has been made by SDHC. In such an event, SDHC must disburse the cash advance as expenses are incurred. Documentation of the eligible expenses shall be provided to the City as described in this Section. SDHC shall return any unused advanced funds to the City within forty-five (45) calendar days of the end of the fiscal year when it is determined that the cash advance resulted in more funds being transferred by the City than were required by SDHC's disbursement needs.

6. **The City's Representative.** The person specified in Exhibit A attached to this MOU as the City's notice recipient shall be the City's representative for all purposes of this MOU (the "City's Representative"). The City's Representative shall communicate with SDHC on all matters related to the administration of this MOU and SDHC's performance under this MOU. When this MOU refers to communications to or with the City, those communications shall be with the City's Representative, unless this MOU or the City's Representative (in writing) specifies otherwise. When this MOU refers to an act or approval to be performed by the City, that act or approval shall be performed by the City's Representative, unless this MOU or applicable law requires otherwise. The City may change the identity of the City Representative at any time by notice to SDHC at least 10 days in advance of the effective date of such change.
7. **SDHC's Representative.** The person identified in Exhibit A attached to this MOU as SDHC's notice recipient is SDHC's representative for all purposes of this MOU ("SDHC's Representative"). SDHC's Representative shall communicate with the City on all matters related to this MOU. When this MOU refers to any act or approval to be performed by SDHC, that act or approval shall be performed by SDHC's Representative unless this MOU or applicable law requires otherwise. SDHC may change the identity of SDHC's Representative at any time by notice to City at least 10 days in advance of the effective date of such change.
8. **Indemnification.** To the fullest extent permitted by law, City and SDHC agree to indemnify, protect, and hold harmless one another, and their elected officials, officers, agents, representatives, employees, departments, and subcontractors from and against any and all claims, demands, actions, proceedings, liabilities, damages, costs (including reasonable attorneys' fees) or expenses for, including damage to property, the loss of use thereof, or injury or death to any person, caused by, arising out of, or related to the performance of services under this MOU by City or SDHC, their elected officials, officers, agents, representatives, departments, subcontractors and employees. The City's and SDHC's duty to defend, indemnify, protect and hold harmless shall not include any claims or liabilities arising from the sole negligence or willful misconduct of the other, or the other's elected officials, officers, agents, representatives, departments, subcontractors and employees.
9. **Insurance.** City certifies that it is self-insured and will maintain the level of insurance throughout the duration of this MOU. SDHC certifies it has obtained a single-limit general liability insurance policy in the minimum amount of at least One Million Dollars (\$1,000,000) and an automobile liability

insurance in the minimum amount of at least One Million -Dollars (\$1,000,000.00). This coverage is in addition to workers' compensation insurance and other insurance coverages required by law. SDHC's policies shall provide that coverage on all policies may not be canceled, amended, terminated, or otherwise modified without advance written notice to the City no less than 30 days prior thereto.

10. Notice. Unless otherwise specified in a subrecipient agreement or scope of work applicable to a Program, in all cases where notice is required under this MOU, notice shall be in writing and transmitted to the address of the Party as appropriate and as designated in Exhibit A, by one or more of the following methods: (a) electronic mail; (b) messenger for immediate personal delivery; (c) a nationally recognized one-business-day delivery service (e.g., Federal Express, United Parcel Service, etc.); or (d) registered or certified mail, postage prepaid, return receipt requested, through the United States Postal Service. Notice may be sent in the same manner to such other addresses as either Party may from time to time designate by notice, in accordance with this Section 11. Notice shall be deemed received by the addressee on the date sent by electronic mail, if sent before 3:00 p.m. Pacific Time, and otherwise on the following day, the date the notice is delivered by personal delivery, the date the notice is delivered (or the date of the second attempted delivery, as set forth in a written statement of the delivery service) by a nationally recognized overnight delivery service, or three calendar days after the notice is deposited with the United States Postal Service as provided in this Section 11. Rejection, other refusal to accept, or the inability to deliver a notice because of a changed address of which no notice was given in accordance with this Section 11 shall be deemed receipt of the notice. Either Party may change its notice address by written notice delivered in accordance with this Section 11.

11. Miscellaneous Provisions.

11.1. Governing Law. The terms and conditions of this MOU shall be construed and interpreted in accordance with the laws of the State of California.

11.2. Jurisdiction and Venue. The Parties agree to submit to the personal jurisdiction of, and that venue shall be in, any State of California court within the City of San Diego, State of California, for any dispute, claim, or matter arising out of, or related to, this MOU.

11.3. Integration and Amendment. This MOU and the exhibits attached to this MOU fully express all understandings of the Parties concerning the matters covered in this MOU. No change, alteration, amendment, or modification of the terms or conditions of this MOU, and no verbal understanding of the Parties, their officers, agents, or employees shall be valid, unless made in the form of a written amendment to this MOU signed by both Parties. The Parties agree to enter into any and all amendments to this MOU that are necessary to comply with any new or modified federal, state, or local laws or regulations applicable to this MOU.

11.4. No Waiver. No failure of either Party to insist upon the strict performance by the other Party of any term, covenant, or condition of this MOU, nor any failure to exercise any right or remedy consequent upon a breach of any term, covenant, or condition of this MOU, shall constitute a waiver of any such breach or the requirement to comply with such term, covenant, or condition. No waiver of any breach shall affect or alter this MOU, and each and every term, covenant, and condition in this MOU shall continue in full force and effect regarding any existing or subsequent breach.

11.5. Successors in Interest. This MOU and all rights, obligations, or duties under this MOU, shall be in full force and effect, whether or not any Party to this MOU has been succeeded by another entity, and all rights, obligations, or duties under this MOU shall be vested and binding on any Party's successor in interest, subject to the limitations in this MOU on assignment of this MOU.

- 11.6. No Assignment.** Neither Party may assign any rights or obligations under this MOU without the prior written consent of the other Party.
- 11.7. Severability.** The unenforceability, invalidity, or illegality of any provision of this MOU shall not render any other provision of this MOU unenforceable, invalid, or illegal.
- 11.8. Conflicts Between Terms.** If an apparent conflict or inconsistency exists between the main body of this MOU and any exhibit, the main body of this MOU shall control. If a conflict exists between an applicable law, rule, regulation, order, or code and this MOU, then the law, rule, regulation, order, or code shall control. Varying degrees of stringency among the main body of this MOU, the exhibits, and laws, rules, regulations, orders, or codes are not deemed conflicts, and the most stringent requirement shall control. Each Party shall notify the other in writing promptly upon the identification of any apparent conflict or inconsistency concerning this MOU.
- 11.9. Principles of Interpretation.** No inference in favor of or against either Party shall be drawn from the fact that such Party has drafted any part of this MOU. The Parties have both participated substantially in the negotiation, drafting, and revision of this MOU, with advice from legal and other counsel and advisers of their own selection. A word, term or phrase defined in this MOU may be used in the singular, plural, past tense, or future tense, regardless of how it is defined, all in accordance with ordinary principles of English grammar, which shall govern all language in this MOU. The words “include” and “including” in this MOU shall be construed to be followed by the words “without limitation.” Each collective noun in this MOU shall be interpreted as if followed by the words “(or any part of it),” except where the context clearly requires otherwise. Every reference to any document, including this MOU, refers to such document as modified from time to time (excepting any modification that violates this MOU), and includes all exhibits, schedules, addenda, and riders to such document. The word “or” in this MOU includes the word “and,” except where the context requires otherwise. Every reference to a law, statute, regulation, order, form or similar governmental requirement in this MOU refers to each such requirement as amended, modified, renumbered, superseded, or succeeded, from time to time.
- 11.10. Counterparts.** This MOU may be signed in multiple counterparts, which, when taken together, shall constitute a single signed original, as though all Parties had signed the same instrument.
- 11.11. Headings.** All headings in this MOU are for convenience of reference only and shall not affect the interpretation of this MOU.
- 11.12. Exhibits Incorporated.** All exhibits referenced in or attached to this MOU are incorporated into this MOU.
- 11.13. Survival of Obligations.** All representations, indemnifications, warranties, and guarantees made in, required by, or given in accordance with this MOU, and all continuing obligations set forth in this MOU, shall survive expiration or earlier termination of this MOU.
- 11.14. Incorporation of Recitals.** The Recitals preceding this MOU are true and correct and are incorporated into and made a part of this MOU.
- 11.15. Time of Essence.** Time is of the essence of each provision of this MOU, unless otherwise specified in this MOU.

**SIGNATURE PAGE
TO
MASTER MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF SAN DIEGO
AND THE SAN DIEGO HOUSING COMMISSION FOR THE ADMINISTRATION OF
HOMELESSNESS PROGRAMS**

IN WITNESS WHEREOF, the City and SDHC sign and enter into this MOU, by and through the signatures of their respective authorized representatives, as follows:

CITY:

SDHC:

The City of San Diego, a municipal corporation

San Diego Housing Commission, a public agency

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

MARA W. ELLIOTT

CHRISTENSEN & SPATH LLP

City Attorney

A California Limited Liability Partnership

By: _____

By: _____

Heather Ferbert
Chief Deputy City Attorney

Charles B. Christensen
General Counsel

EXHIBIT A

Notice Addresses

City:

Sarah Jarman
Director, Homelessness Strategies & Solutions Department
202 C St MS8
San Diego, California 92101

SDHC:

Lisa Jones
Executive Vice President, Strategic Initiatives
San Diego Housing Commission
1122 Broadway, Suite 300
San Diego, California 92101

EXHIBIT B

As of the date of execution of this MOU, SDHC shall be responsible for general management, administration, and oversight of the following Programs:

Programs Under SDHC Administration

The SDHC shall manage and oversee those City programs that provide shelter, services and assistance to individuals and families to stabilize in permanent housing after experiencing a housing crisis or homelessness by providing client appropriate housing and supportive services solutions, provided that sufficient funding is appropriated by the City Council annually to fund these services. Each City program covered under this MOU that shall also fall under a subrecipient agreement, shall state in its subrecipient agreement that it is covered a City Program and incorporate the terms of the MOU by reference. The SDHC shall be responsible for the general management, administration, and oversight of the City's shelters and services for homeless individuals and families, as detailed stated in the executed subrecipient agreements, the Annual Actual Plans, or Scopes and City budget documents. SDHC shall generally manage and oversee the City programs as follows:

1.1. Shelters and Related Services, including Crisis Response Services

1.1.1. Provision of beds and/or units, with supportive services, for individual adults, families and/ or youth, including bridge shelters and special populations shelters.

1.1.2. Provision of shelter beds and/or units for individual adults, including a certain number of beds for individuals with special needs including substance use disorder; and

1.1.3. Provision of beds and/or units for current and future City-funded diversion programs, including Homeless Outreach Team ("HOT"), and Serial Inebriate Program ("SIP").

1.1.4. Provision of crisis response services, which may include outreach or other field based services.

1.2. Day Facilities, and System Navigation Services

1.2.1. Provision of a centralized access point for referral and walk-in services; and

1.2.2. Provision of services for basic needs.

1.2.3. Provision of housing and system navigation

1.2.4. Transitional storage services

1.3. Homelessness Prevention Programs and Rapid Rehousing Assistance Program.

1.3.1. Provision of Rapid Rehousing Assistance to assist homeless families and individuals in exiting homeless situations (e.g., shelters and transitional housing programs) and secure permanent housing)

1.3.2. Provision of Homelessness Diversion, Prevention Programs,

1.3.3. Provision of Landlord Engagement Programs and

1.3.4. Provision of shallow subsidies and housing stabilization services.

1.4. Other Programming & Services Related Workforce Capacity and Training

**Office of
The City Attorney
City of San Diego**

**MEMORANDUM
MS 59**

(619) 533-5800

DATE: June 22, 2023
TO: Council President Sean Elo-Rivera
FROM: Justin R. Bargar, Deputy City Attorney
SUBJECT: Housing Authority Item 2 – Correction on Resolution HA-2023-15 for the Housing Authority Meeting of June 26, 2023

We are submitting a corrected copy of Resolution HA-2023-15 for Housing Authority Item 2 – Execution of Memorandum of Understanding Between the City of San Diego and the San Diego Housing Commission for the Administration of the City’s Homelessness Services Programs, for the Housing Authority meeting of June 26, 2023, to reflect the deletion of the following language:

“categorically exempt pursuant to title 14 of the California Code of Regulations (CCR) sections 15301 – Existing Facilities, 15304(e) – Minor Alternations to Land, and 15311(c) – Accessory Structures, and that no exception to the exemption in title 14 CCR section 15300.2 applies; and”
No other changes were made to the resolution.

If you have additional questions, please do not hesitate to contact our office.

JRB:cw

Doc. No. 3338590

Cc: Luz Anaya Luna, LANayaLuna@sandiego.gov

HOUSING AUTHORITY OF
THE CITY OF SAN DIEGO

RESOLUTION NUMBER HA- _____

DATE OF FINAL PASSAGE _____

A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SAN DIEGO AUTHORIZING THE SAN DIEGO HOUSING COMMISSION TO EXECUTE A MEMORANDUM OF UNDERSTANDING WITH THE CITY OF SAN DIEGO FOR THE ADMINISTRATION OF THE CITY'S HOMELESSNESS SERVICES PROGRAMS.

WHEREAS, in 2019, the City of San Diego (City) adopted a Community Action Plan on Homelessness and a Consolidated Plan for fiscal years 2020 to 2024 (Consolidated Plan), which outlines the City's goals to assist individuals and families to gain stable housing after experiencing homelessness or a housing crisis; and

WHEREAS, each fiscal year, the City submits to the United States Department of Housing and Urban Development (HUD) an annual affordable housing fund action plan (Annual Action Plan) that serves as the City's application to HUD for grant funds under four federal grant programs, including: Community Development Block Grants (CDBG), Emergency Solutions Grants (ESG), HOME Investment Partnership Program (HOME), and Housing Opportunities for Persons with AIDS (HOPWA); and

WHEREAS, the Annual Action Plan outlines goals and objectives defined by the City's Consolidated Plan that specify the federal entitlement grant program funds dedicated to specific programs and projects, and provide estimated project deliverables; and

WHEREAS, the City and the San Diego Housing Commission (Housing Commission) have previously entered into several memoranda of understanding governing the provision of

services, shelters, and grant-funded programming for persons experiencing homelessness in the City; and

WHEREAS, since 2010, the Housing Commission has administered homelessness services contracts on behalf of the City based on these several memoranda of understanding; and

WHEREAS, the City and Housing Commission now desire to enter into a master memorandum of understanding for the administration of the City's homelessness services programs (MOU) that governs the City's and the Housing Commission's rights and responsibilities related to operation of the various homeless shelters, services, and programs described in the Community Action Plan on Homelessness and Consolidated Plan to assist individuals and families experiencing homelessness or a housing crisis; and

WHEREAS, upon its commencement date, this MOU will terminate and supersede all previous agreements between the City and Housing Commission relating to shelters, services, or programs provided to people experiencing homelessness, including: (1) the Memorandum of Understanding for the Provision of Homeless Shelters and Services dated July 19, 2019; (2) the Memorandum of Understanding for the Provision of Bridge Shelters dated July 23, 2020; (3) the Memorandum of Understanding for the Homelessness Response Center dated January 4, 2021; (4) the Memorandum of Understanding for the Provision of Transitional Storage Centers last executed July 23, 2020; and (5) the Memorandum of Understanding for the Provision of Homeless Housing, Assistance, and Prevention Block Grant Funded Programs dated July 23, 2020; and any and all amendments to any of the foregoing; and

WHEREAS, on June 15, 2023, the Housing Commission's Board of Housing Commissioners recommended that the Housing Authority of the City of San Diego authorize the Housing Commission to enter into the MOU; and

WHEREAS, Housing Commission staff determined the authorization to enter the MOU is not a project as defined in California Environmental Quality Act (CEQA) section 15378 and, therefore, not subject to CEQA pursuant to CEQA Guidelines section 15060(c)(3); and

WHEREAS, Housing Commission staff preliminarily determined the authorization to enter into the MOU is administrative and management activities that are categorically excluded from National Environmental Policy Act (NEPA) review pursuant title 24 of the Code of Federal Regulations sections 58035(b)(2) and (3) and exempt pursuant to sections 58.35(a)(3) and (4);

WHEREAS, the City and Housing Commission agree that any reservation of federal funds for homeless shelters, services, and programs pursuant to this MOU shall only occur upon satisfactory completion of a NEPA review; and

WHEREAS, the Office of the City Attorney has drafted this resolution based on the information provided by Housing Commission staff, and verified by the Housing Commission's General Counsel, with the understanding that this information is sufficient to allow for a proper and complete analysis of this matter; NOW, THEREFORE,

BE IT RESOLVED, by the Housing Authority of the City of San Diego, as follows:

1. The San Diego Housing Commission is authorized to enter into a Memorandum of Understanding with the City of San Diego (City) for an initial one-year term, from July 1, 2023, through June 30, 2024, with three one-year options to renew, for the oversight and administration of the City's Homelessness Services Programs (MOU).

2. The San Diego Housing Commission's President and Chief Executive Officer, or designee, is authorized to execute all documents and instruments that are necessary and appropriate to implement this Resolution, in a form and format approved by General Counsel, and to take such actions necessary and appropriate to implement these approvals.

3. San Diego Housing Commission staff will notify the Housing Authority of the City of San Diego and the San Diego City Attorney's Office about any subsequent amendments or modifications to the MOU and other required documents, including amendment to any documents.

APPROVED: MARA W. ELLIOTT, General Counsel

By _____
Justin R. Bargar
Deputy General Counsel

JRB:cw
06/12/2023
06/22/2023 COR. COPY
Or. Dept: SDHC
Doc. No. 3338536



The City of San Diego
Item Approvals

Item Subject: Execution of Memorandum of Understanding Between the City of San Diego and the San Diego Housing Commission for the Administration of the City's Homelessness Services Programs

Contributing Department	Approval Date
DOCKET OFFICE	06/09/2023
ENVIRONMENTAL ANALYSIS	06/13/2023

Approving Authority	Approver	Approval Date
HOUSING COMMISSION FINAL DEPARTMENT APPROVER	MARSHALL, SCOTT	06/08/2023
EXECUTIVE VICE PRESIDENT	DAVIS, JEFF	06/13/2023
CITY ATTORNEY	BARGAR, JUSTIN	06/13/2023