



EXECUTIVE SUMMARY

MEETING DATE: May 10, 2024

HCR24-040

SUBJECT: Approval of the Operating Agreement between the San Diego Housing Commission and Father Joe's Villages to operate the City of San Diego's Day Center for Persons Experiencing Homelessness

COUNCIL DISTRICT: 3

ORIGINATING DEPARTMENT: Homelessness Innovations

CONTACT/PHONE NUMBER: Casey Snell (619) 578-7691

REQUESTED ACTION:

Authorize the execution of a competitively awarded contract with Father Joe's Village in an amount of \$914,235 for an initial 12-month term from July 1, 2024, to June 30, 2025, with two one-year options to renew, for the operation of the Day Center for Persons Experiencing Homelessness. The requested action is contingent on the City of San Diego making funds available through its annual fiscal year budgeting process and exercising the first of three one-year options to renew the Master Memorandum of Understanding between the City of San Diego and the Housing Commission for the administration of homelessness programs.

EXECUTIVE SUMMARY OF KEY FACTORS:

- The Day Center is operated at a City-owned facility in the East Village Neighborhood of Downtown San Diego at 299 17th St. The land is ground leased by the City from the State of California's Department of Transportation (Caltrans) for the specific purpose of operating a day center program for persons experiencing homelessness.
- The Day Center has been in operation since 1991 and offers services to approximately 6,000 unduplicated clients per year, including providing clients with access to restrooms, washing and laundry facilities, off-site showers, mail services, telephone access, computer access, connections to community resources, and a safe environment during the day.
- The Day Center is open seven days per week, Monday through Friday between the hours of 6 a.m. and 4 p.m., and on Saturday and Sunday between the hours of 6 a.m. and 2 p.m., including City holidays with the exception of December 25.
- On January 17, 2024, the Housing Commission issued a Request for Proposals (RFP) for the operation of the Day Center at 299 17th St.
- At the RFP closing on February 16, 2024, two proposals were received in response to the RFP. After a review of the Day Center RFP responses, Father Joe's Villages was selected to continue as the Day Center operator.
- Father Joe's Villages is one of the largest service providers addressing homelessness in San Diego, leveraging nearly 75 years of experience.
- The City of San Diego (City) is anticipated to commit \$914,235 annually for the operation of the Day Center from July 1, 2024, to June 30, 2025, to fund program operations and Housing Commission administrative costs. Future funding for option years is contingent on the City allocating funding for this purpose.
- Proposed funding reductions in the City's FY 2025 budget, if adopted, would require significant changes in operations, including reduced number of days open, limiting daily hours of operation and access to showers for unhoused San Diegans.



REPORT

DATE ISSUED: May 2, 2024

REPORT NO: HCR24-040

ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of May 10, 2024

SUBJECT: Approval of the Operating Agreement between the San Diego Housing Commission and Father Joe's Villages to operate the City of San Diego's Day Center for Persons Experiencing Homelessness

COUNCIL DISTRICT: 3

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 execution of a competitively awarded contract with Father Joe's Village in an amount of \$914,235 for an initial 12-month term from July 1, 2024, to June 30, 2025, with two one-year options to renew, for the operation of the Day Center for Persons Experiencing Homelessness.

STAFF RECOMMENDATION

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

- 1) Authorize the execution of a 12-month initial contract, with two one-year options to renew, with Father Joe's Villages in the amount of \$914,235 to operate the Day Center for Persons Experiencing Homelessness at 299 17th St., San Diego, 92101, for the term of July 1, 2024, to June 30, 2025. The requested action is contingent on the City of San Diego making funds available through its annual fiscal year budgeting process and exercising the first of three one-year options to renew the Master Memorandum of Understanding between the City of San Diego and the Housing Commission for the administration of homelessness 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/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, are submitted to each Housing Commissioner.
- 3) Authorize the Housing Commission's President and 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

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

SUMMARY

The Housing Commission and the City of San Diego consolidated and replaced five existing Memoranda of Understanding (MOUs), including the Day Center for Persons Experiencing Homelessness (Day Center), into a Master MOU for the administration of homelessness services programs, which the Housing Authority and City Council approved on June 26, 2023 (Housing Authority Resolution HA-1987 and City Council Resolution R-315018). If all three options are exercised, the MOU will end on June 30, 2027.

The proposed actions in this report will allow for the continued operation of the Day Center by Father Joe's Villages, which currently runs from July 1, 2023, through June 30, 2024. The time of performance for the competitively awarded contract will be an initial 12 -month term from July 1, 2024, through June 30, 2025, with two one-year options to renew.

PROGRAM OVERVIEW

The Day Center is operated at a City-owned facility located in the East Village Neighborhood of Downtown San Diego at 299 17th St. The land is ground leased by the City from the State of California's Department of Transportation (Caltrans) for the specific purpose of operating a day center program for persons experiencing homelessness. The Day Center has been in operation since 1991 and offers services to approximately 6,000 unduplicated clients per year, including providing clients with access to restrooms, washing and laundry facilities, off-site showers, mail services, telephone access, computer access, connections to community resources, and a safe environment during the day.

The Day Center is open seven days per week, Monday through Friday between the hours of 6 a.m. and 4 p.m., and on Saturday and Sunday between the hours of 6 a.m. and 2 p.m., including City holidays with the exception of December 25. At the close of Fiscal Year 2023, the Day Center served 6,094 unduplicated clients. Clients are adults aged 18 or older who are experiencing homelessness or at-risk of experiencing homelessness. The Day Center provides a safe and welcoming drop-in center with access to a variety of critical services that meet the basic needs of the clients, as well as help maintain physical and emotional health, with a focus on fostering connection to community resources to address homelessness, including the City's shelter resources, the Homelessness Response Center, and other shelter and housing-related community resources.

Operator Experience

Father Joe's Villages is one of the largest service providers addressing homelessness in San Diego, leveraging nearly 75 years of experience. The agency provides a variety of comprehensive housing programs and supportive services that are tailored to the unique needs of each individual or family they serve. Father Joe's Villages main campus in the East Village neighborhood of San Diego spans over four city blocks and houses most of the agency's programs and services.

Program Design

Father Joe's Villages will operate the Day Center using an approach leveraging existing services available at their main campus, just a block south from the Day Center.

The Day Center provides access to the following critical basic needs services on-site:

- Mail services
- Cell phone charging stations
- Laundry facilities

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- Storage for personal belongings
- Connection to community resources and services
- On-site coordination of services including, but not limited to:
 - National Conflict Resolution Center (conflict resolution classes)
 - Uplift | Triple Cross (transportation to the DMV to obtain California ID)
 - Helen Woodward Animal Center (veterinary services)
 - Molina and United (Medi-Cal enrollment)
 - Vituity Cares (health exams, wound care, prescription refills, vaccinations, haircuts, clothing)

The Day Center provides access to the follow services to Day Center clients through Father Joe's Villages' main campus:

- Showers
- Telephones and message services
- Computers
- Employment and educational services, including the provision of professional clothing
- Public lunch line for nutritious meals
- Village Health Center
- Haircuts
- State-certified substance treatment center

General Standards

Father Joe's Villages will ensure:

- Alignment with Housing First principles with low barriers to entry and operations.
- Service delivery will be client-focused and incorporate best practices such as Harm Reduction, Motivational Interviewing, and Trauma Informed Care.
- Access to services and resources to meet basic needs.
- Adequate staffing levels are maintained, and staff receive appropriate ongoing training for service delivery.
- Leveraging of non-Housing Commission/City sources of funding.
- Security presence during hours of operation to ensure a safe environment.
- Maintaining a clean and safe environment
- Data entry, analysis, and reporting of all Day Center activities in the Homeless Management Information System.
- Community Engagement/Good Neighbor Plan for the surrounding area, including methods for community feedback.
- Collection and evaluation of feedback from Program Clients, including incorporating the feedback into service delivery and Program design.

CONTRACT SELECTION PROCESS

On January 17, 2024, the Housing Commission issued a Request for Proposals (RFP) for the operation of the Day Center at 299 17th St., seeking a contractor to operate the Day Center. The RFP was posted, and made available for download, on the PlanetBids website through the Housing Commission's and the City's portals. Through the PlanetBids system, 46 vendors were notified (19 from the Housing

Commission’s portal and 27 from the City’s portal). A pre-proposal meeting was held on January 29, 2024. Representatives from two agencies were in attendance at the meeting.

At the RFP closing on February 16, 2024, two proposals were received in response to the RFP. Subsequent to the closing, a responsiveness review was conducted, and both proposals were determined to be responsive. A source selection committee evaluated, scored, and ranked the proposals based on the following criteria: Community Considerations; Operations and Supportive Services; Project Readiness, Leveraging of Non-Housing Commission Sources of Funding; Organizational Experience and Capacity; Innovative Program Design; and Equity and Inclusion. After a review of the Day Center RFP responses, Father Joe’s Villages was selected to continue as the Day Center operator.

FISCAL CONSIDERATIONS

The City of San Diego (City) is anticipated to commit \$914,235 annually for the operation of the Day Center from July 1, 2024, to June 30, 2025, to fund program operations and Housing Commission administrative costs. Future funding for option years is contingent on the City allocating funding for this purpose.

| FUNDING BY USE | FY2025 | FY2026 | FY2027 |
|---------------------------|------------------|------------------|------------------|
| Operating Budget | \$870,700 | \$870,700 | \$870,700 |
| SDHC Administrative Costs | \$43,535 | \$43,535 | \$43,535 |
| TOTAL | \$914,235 | \$914,235 | \$914,235 |

Proposed funding reductions in the City’s FY 2025 budget, if adopted, would require significant changes in operations, including reduced number of days open, limiting daily hours of operation and access to showers for unhoused San Diegans.

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

The City continues to experience a homelessness crisis, so the need for services that can provide quality basic needs resources and services to individuals experiencing homelessness is critical to the well-being of the community. The Day Center serves this purpose by providing for basic needs of individuals experiencing homelessness while assisting with identifying appropriate resources for their clients during the journey to permanent housing. Clients participating in Day Center activities represent some of San Diego’s most vulnerable citizens.

EQUAL OPPORTUNITY CONTRACTING AND EQUITY ASSURANCE

Father Joe’s Villages is a local nonprofit organization and as such, not subject to the requirement to submit a Workforce Report. The Housing Commission included a requirement in the RFP for prospective firms to include a description of how they would address racial equity and inequities for the target population(s), including any local disproportionate impact of homelessness by race and other protected classes. The requirement was a part of the scored evaluation criteria. Father Joe’s Villages

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submitted an acceptable plan. Staff is proactively working with Father Joe's Villages to assist with continuous process improvement in their equity and inclusion efforts.

AD HOC COMMITTEE ON HOMELESSNESS AMONG BLACK SAN DIEGANS ACTION PLAN

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

PREVIOUS COUNCIL and/or COMMITTEE ACTIONS

The execution of a Master MOU between the Housing Commission and the City for the provision of homelessness services programs from July 1, 2023, through June 30, 2024, with three additional one-year options to extend, was approved by the Housing Commission Board on June 15, 2023, and by the Housing Authority on June 26, 2023 (Resolution HA-1987).

On July 25, 2023, the Housing Commission elected to exercise the second of two options, with the term of July 1, 2023, through June 30, 2024.

On December 21, 2022, the Housing Commission elected to exercise the first of two options, with the term of July 1, 2022, through June 30, 2023.

On November 12, 2021, the Housing Commission Board approved the execution of a competitively awarded contract with Father Joe's Villages for an initial six-month term from January 1, 2022, through June 30, 2022, with two one-year options to renew.

On July 9, 2021, the Housing Commission Board approved the utilization of a sole-source procurement process to enter into a contract with Father Joe's Villages to operate the Day Center from July 1, 2021, through December 31, 2021.

On November 13, 2020, the Housing Commission Board approved the utilization of a sole-source procurement process to enter into a contract with Father Joe's Villages to operate the Day Center from January 1, 2021, to June 30, 2021.

On September 29, 2019, the Housing Commission elected to exercise the fourth of four options for a term from September 29, 2019, through June 30, 2020.

On August 1, 2019, the Housing Commission extended the term of the Agreement for an additional 90 days to provide a continuation of services under the Agreement's scope of services (90-Day Extension).

On September 17, 2018, the Housing Commission and Subrecipient exercised the third of four one-year options, with a term of July 1, 2018, through June 30, 2019.

On June 26, 2017, the Housing Commission and Subrecipient exercised the second of four one-year options, with a term of July 1, 2017, through June 30, 2018.

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On October 26, 2016, the Housing Commission and Subrecipient exercised the first of four one-year options with a term of July 1, 2016, through June 30, 2017.

On March 19, 2015, the Housing Commission Board approved the award of the Day Center contract to Father Joe's Villages. The Initial term was June 29, 2015, through June 30, 2016, and included four additional option years.

KEY STAKEHOLDERS and PROJECTED IMPACTS

Stakeholders for this project include Day Center clients, residents and business owners in the East Village neighborhood, residents of the City, and Father Joe's Villages as the sub-recipient administering the program. The Day Center is expected to have a positive impact on the community because it will provide for the basic needs of clients while they receive social services. The Day Center will support persons experiencing homelessness and in need of these services.

ENVIRONMENTAL REVIEW

The proposed activities are categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15301 (Existing Facilities), which allows the operation, repair, maintenance permitting, leasing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use. The Day Center is an existing facility and there will be no change or expansion in use. Processing under the National Environmental Policy Act (NEPA) is not required because federal funds are not involved in the proposed activities.

Respectfully submitted,



Casey Snell

Interim Senior Vice President of Homelessness Innovations
San Diego Housing Commission

Approved by,



Jeff Davis

Deputy Chief Executive Officer
San Diego Housing Commission

Hard copies are available for review during business hours at the information desk in the main lobby of the San Diego Housing Commission offices at 1122 Broadway, San Diego, CA 92101. Docket materials are also available in the "Governance & Legislative Affairs" section of the San Diego Housing Commission website at www.sdhc.org.