



## EXECUTIVE SUMMARY

MEETING DATE: November 22, 2024

HCR24-081

SUBJECT: Approval of the Contract between the San Diego Housing Commission and TURN Behavioral Health Services to Operate the Interim Shelter Program at 4357 49th Street and 4450 Winona Avenue, San Diego, 92115

COUNCIL DISTRICT: 9

ORIGINATING DEPARTMENT: Homelessness Housing Innovations

CONTACT/PHONE NUMBER: Casey Snell, 619-578-7691

### REQUESTED ACTION:

Approve the agreement with TURN Behavioral Health Services to operate a 56-bed, non-congregate Interim Shelter through a non-competitive process for an initial six-month term from January 1, 2025, through June 30, 2025, with four one-year options to renew.

### EXECUTIVE SUMMARY OF KEY FACTORS:

- TURN BHS has been operating the Serial Inebriate Program (SIP) Transitional Housing program since January 2000.
- The County of San Diego (County) contracts with TURN BHS to fund SIP's outpatient program. The transitional housing component of SIP, funded through a contract the Housing Commission administers, consists of two apartment building with a total of 56 beds.
- Since 2000, TURN BHS has utilized the apartments as transitional housing for SIP participants through an agreement between TURN BHS and the buildings' owner.
- The County extended its outpatient contract with TURN BHS from June 30, 2024, to December 31, 2024, for a final six-month term. The Housing Commission entered the second and final option year with TURN BHS to operate the transitional housing component of SIP with a six-month term from July 1, 2024, to December 31, 2024, to align with the County's timeline.
- In September 2024, the County informed the Housing Commission of its intention to enter into a single-source agreement with TURN BHS to continue operating the outpatient program under the regulations of the Cal AIM Payment Reform initiative.
- The Housing Commission met with TURN BHS leadership in September 2024 to discuss the transition of the transitional housing beds to a 56-bed non-congregate interim shelter for adults with alcohol use as their primary condition. TURN BHS expressed its interest in the new program model. The program model was then presented to leadership at the City, and the City agreed to fund the new shelter program.
- Leveraging the services and resources provided through the County contract and TURN BHS's long-standing relationship with the property owner for the site of the 56 beds makes TURN BHS the only program operator suitable to run the interim shelter program.
- The County plans to rename its SIP contract to "Adult Substance Use Outpatient Program for Alcohol Use" and received approval to enter a new contract term with TURN BHS during the Board of Supervisors meeting on October 22, 2024. The new contract term between the County and TURN BHS will start January 1, 2025.
- If the recommended actions are approved, a contract will be executed with TURN BHS in an amount of \$356,305 for prorated compensation for the six-month time of performance to operate the program. The cost to operate the program for 12 months is \$712,610.



## REPORT

**DATE ISSUED:** November 15, 2024

**REPORT NO:** HCR24-081

**ATTENTION:** Chair and Members of the San Diego Housing Commission Board of Commissioners  
For the Agenda of November 22, 2024

**SUBJECT:** Approval of the Contract between the San Diego Housing Commission and TURN  
Behavioral Health Services to Operate the Interim Shelter Program at 4357 49<sup>th</sup> Street  
and 4450 Winona Avenue, San Diego, 92115

**COUNCIL DISTRICT:** 9

### **REQUESTED ACTION:**

Approve the agreement with TURN Behavioral Health Services to operate a 56-bed, non-congregate Interim Shelter through a non-competitive process for an initial six-month term from January 1, 2025, through June 30, 2025, with four one-year options to renew.

### **STAFF RECOMMENDATION**

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

- 1) Authorize the Housing Commission to enter into an agreement with TURN Behavioral Health Services (BHS) to operate a 56-bed, non-congregate Interim Shelter at 4357 49<sup>th</sup> Street and 4450 Winona Avenue, San Diego 92115, for an initial six-month term from January 1, 2025, through June 30, 2025, in the amount of \$356,305 with four one-year options to renew in the amount of \$712, 610 per year.
- 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, is 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 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**

TURN BHS, formally known as Mental Health Systems (MHS), has been operating the Serial Inebriate Program (SIP) Transitional Housing program since January 2000. SIP is a collaborative effort to reduce the number of people experiencing homelessness with chronic inebriation challenges who cycle in and out of

detoxification centers, county jails, and emergency rooms. The County of San Diego (County) contracts with TURN BHS to fund SIP's outpatient program. The transitional housing component of SIP, funded through a contract the Housing Commission administers, consists of two apartment buildings at 4357 49<sup>th</sup> Street and 4450 Winona Avenue, San Diego, 92115. The buildings are 0.2 of a mile apart. Each building has eight units, totaling 56 beds combined. Since 2000, TURN BHS has utilized the apartments as transitional housing for SIP participants through an agreement between TURN BHS and the buildings' owner.

The County extended its outpatient contract with TURN BHS from June 30, 2024, to December 31, 2024, for a final six-month term. The Housing Commission entered the second and final option year with TURN BHS to operate the transitional housing component of SIP with a six-month term from July 1, 2024, to December 31, 2024, to align with the County's timeline.

In September 2024, the County informed the Housing Commission of its intention to enter into a single-source agreement with TURN BHS to continue operating the outpatient program under the regulations of the Cal AIM Payment Reform initiative. TURN BHS has the experience and unique skill set of providing alcohol use treatment services to adults experiencing homelessness. Leveraging the services and resources provided through the County contract and TURN BHS's long-standing relationship with the property owner for the site of the 56 beds makes TURN BHS the only program operator suitable to run the interim shelter program.

The County plans to rename its SIP contract to "Adult Substance Use Outpatient Program for Alcohol Use" and received approval to enter a new contract term with TURN BHS during the Board of Supervisors meeting on October 22, 2024. The new contract term between the County and TURN BHS will start January 1, 2025.

The City of San Diego (City), in collaboration with the Housing Commission, has developed a short-term action plan on homelessness informed by stakeholder feedback from persons with lived experience, living experience, front-line staff from shelters and outreach, and shelter operator leadership to address the projected loss of 614 shelter beds by December 31, 2024. A consistent theme in the feedback was the importance of offering options that include programs directed at special populations or persons with special needs and shelter that offered a variety of settings, including non-congregate. It was also noted that smaller programs are preferred across all stakeholder groups, and that co-located services are necessary.

The Housing Commission has been discussing with several partner agencies the feasibility of expanding shelter beds at current sites. The Housing Commission met with TURN BHS leadership in September 2024 to discuss the transition of the transitional housing beds to a 56-bed non-congregate interim shelter for adults with alcohol use as their primary condition. TURN BHS expressed its interest in the new program model. The program model was then presented to leadership at the City, and the City agreed to fund the new shelter program.

The proposed action will allow the Housing Commission to award the six-month initial term agreement for the operation of a 56-bed non-congregate Interim Shelter through the non-competitive process to TURN BHS for the timeframe of January 1, 2025, to June 30, 2025, with four one-year options to renew. If this recommendation is approved, a contract will be executed with TURN BHS in an amount of \$356,305 for prorated compensation for the six-month time of performance to operate the program. The cost to operate the program for 12 months is \$712,610.

The TURN BHS Interim Shelter program will support the Community Action Plan on Homelessness for the City of San Diego (Action Plan). This comprehensive, 10-year plan builds on recent progress and lays out

short-term achievable goals while serving as a guide for long-term success in addressing homelessness. According to the updated Action Plan released in fall 2023, the crisis response system needs an estimated 410-820 beds in addition to any shelter replacement beds bought online to address closing of shelter programs for unsheltered individuals.

### **PROGRAM OVERVIEW**

The TURN BHS Interim Shelter will provide safe, low-barrier, non-congregate shelter units for adult individuals with an alcohol use condition and experiencing unsheltered homelessness in the City. The program will provide stabilization and supportive services to connect individuals with 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 currently operates 16 fully furnished one- and two-bedroom apartment units totaling 56 beds. The program will receive referrals through the County Behavioral Health System's department for clients who are experiencing homelessness in the City and who have an alcohol use disorder as their primary condition. The program will continue to collaborate with the San Diego Police Department to receive direct referrals as an alternative to incarceration for adults experiencing homelessness in the City. Due to the specific eligibility criteria, and the partnership with the County and SDPD, referrals will not be made through the Coordinated Shelter Intake Program (CSIP).

### **Program Components**

The County's contract with TURN BHS provides outpatient substance use treatment, recovery, and ancillary services to adults over the age of 18 with a primary alcohol-use condition. Services provided under the County's contract include:

- Screenings and assessments.
- Substance-use group and individual counseling.
- Intensive case management.
- Peer support.
- Recovery services specific for alcohol use disorders.
- Referrals to partner agencies for additional services.

The Housing Commission-administered contract will provide funding for shelter operations. Shelter services will include, but will not be limited to:

- Basic shelter services, such as appropriate residential services and staffing.
- Fully furnished units with kitchens for meal preparation and full-sized bathrooms, including showers.
- Access to on-site laundry facilities, mail, telephone, and message services.
- Housing-focused case management.
- Assistance in obtaining permanent or longer term-housing interventions.

### **Transition Plan**

The current clients enrolled in the program will continue their stay in the program and will not be affected by the change in the program type. The Housing Commission's Homelessness Housing Innovations Division is facilitating the transition from transitional housing to an Interim Shelter program model with existing TURN BHS staff. Client intakes into the transitional housing program will be suspended temporarily to allow for the program census to reduce through natural attrition. This transition time will allow for new shelter client enrollments as the transitional housing beds become available.

The transition plan includes:

- A plan for recruiting, onboarding, and training new staff for any new positions specific to shelter

operations.

- A plan for providing appropriate residential services.
- A plan for rapid approval and execution of an agreement with the Housing Commission to ensure the timely addition of 56 shelter beds.
- Updated program details and services in the 2-1-1 San Diego database.
- Project setup in the Homelessness Management Information System (HMIS).
- Procedures for data entry, analysis, and reporting in compliance with HMIS policies and procedure.
- A plan for program alignment to the Universal Shelter Terms of Service, Termination, Suspension and Appeals policies and procedures.
- A plan for implementing a formal shelter intake and move-in process, including screening current residents at City-funded shelters coming off-line in December 2024, to determine eligibility and client interest.
- A plan for engaging with the current transitional housing clients to inform them of the program model transition, including educating clients on the shelter terms of service and facilitating referrals to community programs and services similar to the transitional housing program model, if they choose to exit the program.

**FISCAL CONSIDERATIONS**

The City of San Diego has committed \$374,120 (\$748,240 annually) in City General funds for operations in the remainder of FY 2025 from January 1, 2025, to June 30, 2025.

**Fiscal Year 2025, Six-Month Term**

<b>FUNDING SOURCE</b>	<b>FUNDING BY USE</b>	<b>FY2025</b>
City General Fund	Operator Agreement	\$356,305
City General Fund	SDHC Administrative Costs	\$17,815
<b>TOTAL</b>		<b>\$374,120</b>

**Fiscal Year 2026 through Fiscal Year 2029, Twelve-Month Term**

<b>FUNDING SOURCE</b>	<b>FUNDING BY USE</b>	<b>FY 2026</b>
City General Fund*	Operator Agreement	\$712,610
City General Fund*	SDHC Administrative Costs	\$35,630
<b>TOTAL</b>		<b>\$748,240</b>

\*Funding Source(s) for Fiscal Years 2026 through 2029 will be determined during the City’s annual budgeting process and may increase to support Living Wage or Cost of Living Adjustments, increased bed-night rates, and inflation.

**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. The Housing Commission is in the process of developing a new Strategic Plan.

### **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 shelter services and a pathway to housing for single adults experiencing homelessness.

### **EQUAL OPPORTUNITY CONTRACTING AND EQUITY ASSURANCE**

TURN BHS is a local nonprofit organization. As a nonprofit, it is exempt from the requirement to submit a Workforce Report. TURN BHS considers itself an industry leader with a diverse workforce and culturally competent programs that embody its core values of integrity, diversity and inclusion. Its commitment to prioritizing diversity and cultural competence is demonstrated in its Diversity and Cultural Competency Plan, which also includes the agency’s Mission, Vision, and Core Values.

### **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 ACTION**

The Housing Commission and the City consolidated and replaced five existing Memoranda of Understanding (MOUs) 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). The Master MOU will end on June 30, 2027, if all three option years are exercised.

### **KEY STAKEHOLDERS and PROJECTED IMPACTS**

Stakeholders for this project include San Diegans experiencing homelessness, current program participants, and TURN BHS as the subrecipient administering the program. The program is expected to have a positive impact on the community as it will provide shelter and services for up to 56 individuals experiencing unsheltered homelessness at any given time.

### **ENVIRONMENTAL REVIEW**

#### **California Environmental Quality Act**

Pursuant to Government Code Section 8698.4 - Declaration of Shelter Crisis, the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) shall not apply to actions taken by a state agency or a city, county, or city and county, to lease, convey, or encumber land owned by a city, county, or city and county, or to facilitate the lease, conveyance, or encumbrance of land owned by the local government for, or to provide financial assistance to, a homeless shelter constructed or allowed by this section. Additionally, these activities are categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to title 14 of the California Code of Regulations (CCR) 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, and no exception to the exemption in Title 14 CCR section 15300.2 applies.

#### **National Environmental Policy Act**

Processing under the National Environmental Policy Act (NEPA) is not required because no federal funds are involved in these activities.

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Approval of the Operating Agreement with TURN BHS for the Operation of Interim Shelter

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Respectfully submitted,

*Casey Snell*

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Senior Vice President of Homelessness Housing Innovations

San Diego Housing Commission

Approved by,

*Jeff Davis*

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](http://www.sdhc.org).