



REPORT TO LAND USE & HOUSING

DATE ISSUED: May 5, 2012

REPORT NO: LUH12-002

ATTENTION: Chair and Members of the Land Use & Housing Committee
For the Agenda of June 13, 2012

SUBJECT: FY2013 Homeless Emergency Winter Shelter Program & Connections Housing

COUNCIL DISTRICT: 2, 8

REQUESTED ACTION:

Adopt the FY2013 Homeless Emergency Winter Shelter Program of the City of San Diego as described in this Report.

- 1) Adopt the San Diego Housing Commission's recommendations for operator and location for the FY2013 Homeless Veterans Emergency Winter Shelter as described in this Report.
- 2) Adopt the San Diego Housing Commission's recommendations for administering the City of San Diego's year-round homeless interim bed facility in the Connections Housing project.
- 3) Adopt the San Diego Housing Commission's recommendations contained in the Connections Housing contingency plan as described in this Report.
- 4) Authorize issuance of Request for Proposals for operators and authorize execution of contracts for such operators of the Homeless Veterans Emergency Winter Shelter and the contingent Single Adult Homeless Emergency Winter Shelter.

STAFF RECOMMENDATION:

That the City of San Diego Land Use & Housing Committee recommend approval to the Housing Authority of the City of San Diego ("Housing Authority") and San Diego City Council ("City Council") of the following actions:

- 1) Find that a significant number of persons within the City of San Diego ("City") are without the ability to obtain shelter and that the weather conditions during the cold weather season result in a threat to the health and safety of those persons.
- 2) Adopt the FY2013 Homeless Emergency Winter Shelter Program as described in this Report.
- 3) Designate the Navy-owned site located at 2801½ Sports Arena Boulevard for the FY2013 Homeless Veterans Emergency Winter Shelter and authorize the Mayor, or his designee, and the Housing Commission to prepare and execute documentation and to perform such acts as are necessary to proceed with implementation of the project. Authorize the President & Chief Executive Officer ("President & CEO"), or designee, of the Housing Commission to issue an expedited Request for Proposal ("RFP") and to select an operator[s] of the FY2013 Homeless Veterans Emergency Winter Shelter based upon the proposals, without further action by City and/or Housing Authority and/or the Board of the Housing Commission, and authorize the President & CEO, or designee, of the Housing Commission to enter into and execute agreements with the selected provider[s] in an

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amount not to exceed \$315,069, in a form as approved by General Counsel. Further authorize the President & CEO to enter into and execute agreements resulting in the set up and tear down of the Sprung facility in the amount not to exceed \$55,000, in a form approved by General Counsel.

- 4) Designate People Assisting the Homeless (“PATH”) as operator of the year-round homeless interim bed facility in the Connections Housing building located downtown at 1250 6th Avenue, and authorize the President & CEO, or designee, of the Housing Commission to enter into and execute agreements with PATH in an amount not to exceed \$442,000, in forms as approved by General Counsel, and to prepare documentation necessary to proceed with implementation of the project.
- 5) Authorize the President & CEO or designee of the Housing Commission to issue a “contingent” expedited Request for Proposal as defined in Recommendations 6 and 7, and, within this Report, and to select potential operator[s] of the Emergency Winter Shelter based upon the proposals, without further action by City and/or Housing Authority and/or the Board of the Housing Commission, and authorize the President & CEO, or designee, of the Housing Commission to enter into and execute agreements with the selected provider[s] in an amount not to exceed \$402,000, in a form approved by General Counsel. Further authorize the President & CEO to enter into and execute agreements resulting in the set up and tear down of the Sprung facility in the amount not to exceed \$55,000, in a form approved by General Counsel.
- 6) If it is determined by Housing Commission staff, in cooperation with the Connections Housing development team, that the year-round homeless interim bed facility in the Connections Housing building will not be complete and ready for occupancy by December 1, 2012, authorize the Housing Commission to implement the contingency plan described in this Report, and designate an operator procured under Recommendation 5, for the Single Adult Homeless Emergency Winter Shelter at the City-owned cul-de-sac located at 16th Street and Newton Avenue, and further authorize the President & CEO, or designee of the Housing Commission to enter into and execute agreements with the selected operator[s] in an amount not to exceed the amounts referenced within Recommendation 5 above.
- 7) If sufficient additional funding is identified, other than the Community Development Block Grant (“CDBG”) and Emergency Solutions Grant (“ESG”) funds already allocated for the 7-month operation of the homeless interim bed facility in the Connections Housing building, designate an operator for an additional Single Adult Homeless Emergency Winter Shelter at the City-owned cul-de-sac at 16th Street and Newton Avenue, and authorize the President & CEO of the Housing Commission, or designee, to enter into an agreement with the selected operator[s], in an amount not to exceed \$402,000, in a form approved by General Counsel, and to prepare documentation necessary to proceed with implementation of the project. Further authorize the President & CEO to enter into and execute agreements resulting in the set up and tear down of the Sprung facility in the amount not to exceed \$55,000, in a form approved by General Counsel.
- 8) Authorize the President & CEO of the Housing Commission, or designee, to execute agreements in a form or forms as approved by General Counsel, and to take such actions as are necessary to implement the approvals granted in connection with this Report.
- 9) Authorize the President & CEO or designee of the Housing Commission to adjust contract amounts by up to but not exceeding 10 percent of the proposed contract amounts referenced above, if

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necessary, based upon the results of the RFPs without further action by the City, Housing Authority, Board of Commissioners of the San Diego Housing Commission, but only if and to the extent that funds are determined to be available for such purposes.

SUMMARY:

Per the MOU between the City of San Diego and the San Diego Housing Commission effective July 1, 2010, the Housing Commission administers the contracts for the Homeless Emergency Winter Shelter Program. Historically, this program has included the siting of two Sprung structures to provide shelter for San Diego homeless individuals during the winter months. The Single Adult Emergency Homeless Shelter was historically operated by Alpha Project for the Homeless (“Alpha”) and located downtown or in East Village, while the Homeless Veterans Emergency Winter Shelter was operated by Veterans Village of San Diego (“VVSD”) and located in the Midway area.

Homeless Veterans Emergency Winter Shelter

The Housing Commission conducted a Request for Proposals (“RFP”) last year to solicit bids to site and operate a 150-bed Homeless Veterans Winter Shelter. VVSD was the sole respondent and was selected as operator. VVSD has successfully operated the program for the past several years and has proven to be a cost-effective and capable contractor for this service. The Housing Commission will issue an expedited Request for Proposals for an operator of the Homeless Veterans Emergency Winter Shelter and will select a responsive and responsible operator from the proposals received. The operator will be expected to provide access to programmatic services seven days a week, twenty-four hours a day at the Homeless Veterans Emergency Winter Shelter. The selected operator will be responsible for providing program operations, services, and gathering appropriate demographic and outcome data on all shelter participants. The program will operate for 120 days from December 2012 to April 2013. The selected operator will be awarded a one-year contract with four one-year options based upon availability of funding for the Homeless Veterans Emergency Winter Shelter.

The City and Navy contracted last year to site the Veterans Sprung shelter on Navy property at 2801½ Sports Arena Boulevard in the Midway area. Housing Commission staff is currently helping to facilitate a renewal of this agreement. The Housing Commission has subcontracted with VVSD in the past to construct and disassemble the Sprung winter shelter structures, but this year VVSD has indicated that they will be unavailable for this service. As a result, the Housing Commission is currently in the process of developing a competitive solicitation for the work.

Connections Housing

On March 1, 2011, the San Diego City Council approved the Disposition and Development Agreement with Connections Housing for the rehabilitation and operation of the World Trade Center building located at 1250 Sixth Avenue downtown as a homeless service center and housing facility.

On March 19, 2012, the City Council approved the Housing Commission’s CDBG application for the operation of the Connections Housing year-round homeless interim bed facility. This component of the Connections Housing project will become the new recipient of the CDBG, ESG and Housing Commission funds formerly allocated to the City’s Single Adult Homeless Emergency Winter Shelter.

Connections Housing is an integrated service and residential community designed to help local homeless individuals rebuild their lives and move into permanent housing. Currently under construction, the project is scheduled to open in December of 2012. The Housing Commission will contract with PATH,

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which will subcontract with Alpha as the provider for the interim beds facility. The interim bed floors will include separate men's and women's floors to help homeless individuals quickly move off the streets while working toward securing permanent housing and self-sufficiency. This program includes cost-free living connected with case management, supportive services and meals for 134 individuals. Although this project will operate year-round when it is complete, the operating funds being provided from the San Diego Housing Commission, ESG and CDBG will support operations this year for the period from December 1, 2012 through June 30, 2013.

Connections Housing Contingency Plan

The Housing Commission recognizes that Connections Housing will increase the availability of interim and permanent supportive housing for the homeless on a year-round basis. The Housing Commission understands the ongoing need and the tight timing between the scheduled completion of the Connections Housing building and the start of the traditional winter shelter season. The Housing Commission also acknowledges the need on the part of the developer to complete the rehabilitation of the building in a manner that will serve the community for years to come. Considering these factors, there is an obvious benefit to having an additional single adult winter shelter during this year of transition. As such, the Housing Commission is committed to working with the City Council to identify alternative funding for a "transition year" winter shelter. However, if sufficient funding is not identified to operate an additional single adult winter shelter downtown, and Connections Housing is unable to open by December 1, 2012, the date when the winter shelter period begins, the Housing Commission is responsible for seeking approval of a contingency plan.

This plan stipulates that if by September 1st, the Housing Commission, in cooperation with Connections Housing, determines that construction delays will cause the opening of the interim bed component of the Connections Housing Project to be postponed, the Housing Commission will prepare necessary documentation to contract for the operation of a single adult winter shelter. Under this plan, the Housing Commission will work with City Council in an effort to find an alternative funding source for the Sprung shelter to ensure that Connections retains the City-allocated Federal funding identified for the operation of their interim bed program. If successful, this would avoid the need to reallocate funds currently identified to Connections Housing to instead cover setup and operating costs for the adult winter shelter.

To that end, the Housing Commission will issue a contingent, expedited Request for Proposals for an operator of the Single Adult Homeless Emergency Shelter and will select a responsive and responsible operator from the proposals received. Award of a contract to the selected operator will be contingent on a determination that opening of the interim bed component of the Connection Housing Project will be postponed beyond the anticipated opening. The Housing Commission recommends locating the Sprung shelter for the contingent Single Adult Homeless Emergency Shelter at the City-owned cul-de-sac south of 16th Street and Newton Avenue. This site meets the minimum criteria for size, location, surrounding uses and transit availability. The Single Adult Shelter was located here from FY1999 through FY2007, and again in FY2012. The site supports approximately 200 single men and women and would be identical to FY2012's winter shelter program. The program would include health care, mental health and substance abuse counseling, senior services, and housing placement services on-site.

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Other Housing Commission Administered Contracts for the City -- Funded Year-Round Services for Homeless Individuals & Families

Cortez Hill Family Shelter

The YWCA operates Cortez Hill Family Shelter to provide a year-round 150-bed transitional housing facility while providing supportive services to families with children. Families access the program via the YWCA, San Diego Rescue Mission, Catholic Charities, Father Joe's Villages, and Jewish Family Services; the program operates at capacity with a waiting list.

Neil Good Day Center

Alpha Project operates the Neil Good Day Center to provide year-round daytime services for homeless individuals and families that include mail pickup, showers, laundry, employment and housing referrals, and medical services to approximately 250 adults on a daily basis.

FISCAL CONSIDERATIONS:

The funding sources and uses proposed to be drawn upon and expended if approved in this action were approved in the Proposed Fiscal Year 2013 Housing Commission Budget. Approving this action will not change the Fiscal Year 2013 Total Budget.

Approving this action will result in the use of \$562,176 of CDBG, \$251,340 of ESG and \$80,000 of unrestricted local SDHC funding, totaling \$ 893,516, for subcontract expenses payable to VVSD, PATH, and other subcontractors yet to be determined for the assembly and disassembly of the Sprung winter shelter structure(s). The ESG grant has a dollar to dollar match requirement totaling \$251,340 that will be satisfied by the expenditures of CDBG grant funds in the amount of \$562,176. The funding information is provided in Attachment 1 of this Report.

Approval of this action will produce four months of housing for a minimum of 150 Veterans and seven months of interim housing for a minimum of 134 Connections Housing participants.

Approving this action will further give the President & CEO, or his designee, the authority to substitute the above funding sources with other funding sources available, should the operational need arise or should such action be to the benefit of the San Diego Housing Commission and its mission. Funding substitutions will be ratified in an Informational Report at the next Housing Commission Board Meeting.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

This item was heard at the regular Housing Commission meeting of June 8, 2012.

COMMUNITY PARTICIPATION and PUBLIC OUTREACH EFFORTS:

If approved by the Land Use & Housing Committee, these recommendations will advance to the Housing Authority and City Council for additional public comment. Simultaneously, Housing Commission staff is attending several neighborhood and stakeholder meetings to inform other interested parties.

KEY STAKEHOLDERS and PROJECTED IMPACTS:

Key stakeholders include residents and businesses from the downtown and Midway areas, homeless individuals, numerous social service providers, PATH, Affirmed Housing, Family Health Centers of San

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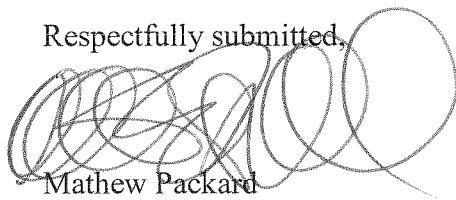
Diego, Alpha Project and VVSD. Program partners include the County of San Diego's Health and Human Services Department, Mental Health Services health care workers and case managers, and several non-profit and Veteran agencies that provide support services to the City's Homeless Shelter Program. The most significant projected impact of the Winter Shelter program and the Connections Housing project will be a significant decrease in the number of persons living without shelter beginning in the late winter months of 2012, and continuing throughout 2013.

ENVIRONMENTAL REVIEW:

This activity is not a project as defined in the California Environmental Quality Act ("CEQA") and, therefore, is not subject to CEQA pursuant to Section 15060 (c)(3) of the State CEQA Guidelines. In addition, this activity is exempt under the National Environmental Policy Act pursuant to 24 CFR Part 58.34 (a)(4) and categorically excluded pursuant to Part 58.35 (b)(2) and (3).

In addition, in connection with the rehabilitation and conversion of the Connections Housing building located at 1250 6th Avenue, a Finding of No Significant Impact was completed and approved on October 14, 2011, by the City of San Diego, as the responsible entity, pursuant to 24 CFR Part 58.40 of the National Environmental Policy Act. On October 26, 2011, authority to use federal CDBG funds was granted by the U.S. Department of Housing and Urban Development for this project.

Respectfully submitted,



Mathew Packard
Vice President
Housing Innovations Department

Approved by,



Richard C. Gentry
President & Chief Executive Officer
San Diego Housing Commission

Attachments: 1- Funding Information

Hard copies are available for review during business hours in the main lobby of the San Diego Housing Commission offices at 1122 Broadway, San Diego, CA 92101 and at the Office of the San Diego City Clerk, 202 C Street, San Diego, CA 92101. You may also review complete docket materials on the San Diego Housing Commission website at www.sdhc.org.

FY2013 Connections Interim Bed & Homeless Vets Winter Shelter
FUNDING INFORMATION

PROGRAM	SERVES	ESG	CDBG	SDHC	TOTAL
Veterans Shelter	Veterans	80,000	235,069	-	315,069
Connections Interim	Adults	126,000	276,000	-	402,000
Tent(s)	-	30,000	-	80,000	110,000
Up/Down/Util					
Admin.	-	15,340 (6.5%)	51,107 (10%)	-	66,447
TOTAL:		\$251,340	\$562,176	\$80,000	\$893,516