



THE CITY OF SAN DIEGO

OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

Date Issued: September 7, 2007

IBA Report Number: 07-84

Docket Date: September 11, 2007

Housing Authority Item Number: 2, 4

Redevelopment Agency Item Number: 3

City Council Item Number: 331

Subject: 1. Sale/Purchase of a Housing Commission First Trust Deed Note, with an Option to Sell the Hotel Metro Site Located at 434 and 435 13th Street and;
2. Funding Plan for the Homeless Emergency Shelter Program

OVERVIEW

On September 11, 2007 multiple items related to the Homeless Emergency Shelter Program will be heard by the Housing Authority, Redevelopment Agency, and City Council. This report reviews the items in regard to *funding* the Homeless Emergency Shelter Program. It does not include a discussion on City Council Item 330 - Site Location of the Single Adult Shelter FY 2008 Homeless Emergency Winter Shelter Program.

City Council Policy 000-51 provides the general framework in regard to addressing homelessness in the City of San Diego. A key component of the policy is the Emergency Shelters & "Safe Havens" section which states:

9) A variety of emergency shelter and safe-haven options is necessary to serve the homeless who seek assistance and to stabilize individuals or families who have become chronically homeless. These forms of respite are essential to the process of exposing the many special homeless populations to the Continuum.

10) There is a need for temporary shelters to serve the homeless during extreme weather conditions. The City Manager will provide annual recommendations for the operation of a dispersed site, flexible homeless shelter program, which responds to weather criteria between November 1st through March 31st.

Office of Independent Budget Analyst

202 C Street, MS 3A • San Diego, CA 92101

Tel (619) 236-6555 Fax (619) 236-6556



In previous fiscal years, funding for the winter homeless program has been provided by a combination of Emergency Shelter Grant (ESG) Funds, the San Diego Housing Commission, and local non-profit organizations for in-kind services provided at the facilities. In years prior to Fiscal Year 2007, the Housing Commission used a segment of their Section 8 Housing and Urban Development (HUD) grants to fund the Homeless Emergency Winter Shelter Program. However, in Fiscal Year 2007, HUD regulations changed and the Housing Commission was unable to use these funds for the Program. As a short term funding solution for Fiscal Year 2007, the Housing Commission funded the program from their reserves. The use of the Housing Commission's reserves to fund the Program was a serious concern for the IBA as detailed in our October 23, 2006 Memorandum No. 06-27.

During the development of the Fiscal Year 2008 budget, the Housing Commission informed the Mayor that they would be unable to continue to fund the Winter Shelter Program. In May, the Mayor presented to the City Council a new allocation process for Community Development Block Grant (CDBG) funds and Social Services programs. Included in the Mayor's proposed Social Services allocation was funding for the Homeless Emergency Winter Shelter Program at the expense of other services.

At the **May 15, 2007** City Council meeting, the Council heard the Mayor's Fiscal Year 2008 Social Services Program funding proposal. During the meeting, a discussion occurred on funding options for the Fiscal Year 2008 Homeless Emergency Shelter Program. The City Council adopted a proposal to restore the Social Services Program to Fiscal Year 2007 levels which did not include funding for the Homeless Emergency Shelter Program. Additionally, they directed the San Diego Housing Commission and the Centre City Development Corporation to come back to the Council with a funding source for the Homeless Emergency Winter Shelter Program.

On **June 5th**, the San Diego Housing Commission presented the Housing Authority with options to fund the Homeless Emergency Shelter Program in FY 2008. One option included the sale of property located on 16th Street between "K" Street and Imperial Avenue from the Housing Commission to the Centre City Development Corporation (CCDC). The IBA expressed concerns about the utilization of one-time revenues (sale of asset) for recurring expenses (the Shelter).

After further discussions, it was determined that the 16th Street site was an unacceptable option, because revenues received would be restricted and unable to be utilized to fund the Homeless Emergency Shelter Program. The Housing Authority requested the Commission to further explore options and return on September 11. (While the agendas for September 11 for the Housing Authority (Item 3) and Redevelopment Agency (Item 2) carry forward the original items from June 5, it is our understanding that these items should be returned to staff.)

On **June 11th**, the City Council modified the Mayor's Proposed Fiscal Year 2008 Budget to include \$465,000 from the General Fund Reserves to pay for the Winter Shelter (Resolution 302734). This action was subsequently vetoed on June 13th by the Mayor and the Council did not override the Mayor's veto.

FISCAL/POLICY DISCUSSION

The items before the legislative bodies on September 11 provide recommendations on how to immediately fund the Homeless Emergency Shelter Program in Fiscal Year 2008 and how to support the operations of the Program in the long term.

Fiscal Year 2008 Funding

The proposed Fiscal Year 2008 Homeless Winter Shelter Program includes funding from the Emergency Shelter Grant (CDBG), a donation from the United Way, and proceeds from a proposed property transaction between CCDC and the Housing Commission:

Funding Source	Amount
Emergency Shelter Grant/CDBG	\$201,676
United Way	\$129,800
CCDC/SDHC property transaction	\$344,200
Total:	\$675,676

The proposed actions before the Housing Authority and the Redevelopment Agency are the sale and purchase of a First Trust Deed Note with the option to sell the Hotel Metro site located at 434 and 435 13th Street. The Hotel Metro is a single-room-occupancy (SRO) residential hotel that houses extremely low-income residents of Downtown San Diego. The Housing Commission currently owns the land and has provided three loans on the building. The proposed action would essentially transfer loan repayments from the Housing Commission to CCDC upon approval. CCDC would in turn make the principal payment of \$344,200 to the Housing Commission. The Housing Commission would then transfer these unrestricted funds to the City to fund the Homeless Emergency Shelter.

A Trust Deed is a common way to structure real estate purchases, where the title to a property is held in trust until the loan for the property is paid. A Trust Deed is placed in a specific position against any given property. The lien may be a "first trust deed, second trust deed, third trust deed," and so on. Each position greater than first puts that lien junior to that in front of it.

CCDC has commissioned a study on property management and potential rehabilitation of the Hotel Metro which will be completed in October 2007. Upon its completion, CCDC staff will review the findings and make a determination as to whether to buy the property and how that property would be used. Under the proposed action, exercising the option to purchase the site and the remaining loans and the determination of future use will be executed by the Corporation's Chief Executive Officer and the Housing Commission's

President. If this comes to fruition, these additional funds could be designated for shelter costs in the future.

This action is similar to the proposal in June in that one-time revenues are being proposed to fund a recurring expense. This new proposal differs in that the Housing Commission is not out right selling the site and the asset remains on their books at this time, though exercising of the option would change this. Nevertheless, one-time revenues are being utilized.

Long Term Funding Plan

The Housing Commission is proposing five actions that will provide a sustainable, multi-year funding plan for the Homeless Emergency Shelter Program:

1. **Continue to work with the County of San Diego.** The IBA is supportive of these efforts, but encourages discussions be expanded to include any other entities that may have a vested interest in this program, if not already doing so.
2. **Utilize the Housing Trust Fund for a portion of Cortez Hill transitional housing program budget.** The Cortez Hill Family Center receives \$635,000 from the City of San Diego CDBG Social Services Program allocation. Upon review by the Housing Commission it was determined that since Cortez Hill provides transitional housing, the Commission will be able to provide approximately \$200,000 in operating costs from the Housing Trust Fund, commencing in Fiscal Year 2009. This could free up \$200,000 in CDBG funds for the Homeless Shelter.
3. **Consider reducing grant funding for social services programs that use CDBG Social Services.** The Housing Commission recommends multiple methods in which the City could reduce allocations of CDBG Social Services funding along with pursuing alternative funding sources for these services to ensure no reductions are made. In conjunction with Councilmember Atkins previous declaration to docket the discussion of CDBG allocations at the Budget and Finance Committee in the fiscal year, the IBA agrees that a complete and thorough review of the allocations be studied to examine Councilmembers' priorities and whether other funding sources may exist that could enable CDBG funding to be reallocated to other programs.
4. **Commit City revenues freed up by items 2 and 3 for the Homeless Emergency Shelter Program.** The IBA is supportive of utilizing CDBG Social Services funding to provide a sustainable and long term solution for funding the Homeless Emergency Shelter Program. However, if any funds are available after the CDBG review, priorities will need to be identified and it is not certain that the Homeless Emergency Shelter Program will be allocated full funding.
5. **Explore establishing a Winter Shelter Reserve Fund in the Fiscal Year 2009 Housing Commission Budget.** The proposed action would utilize funds that would be received in the future if the Housing Commission's remaining Hotel Metro assets are sold to CCDC and a separate ground lease assignment action is

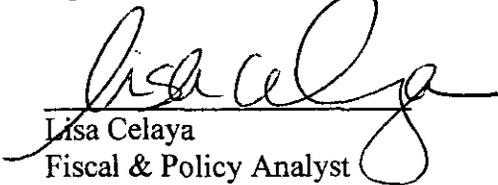
processed and approved. At the given time there is no certainty to these actions. However a further discussion on the best use of these proceeds, including all other Housing programs, should be explored.

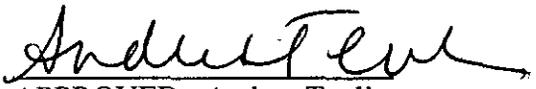
The IBA believes additional discussion and study are required to provide a sustainable source of funding for the Homeless Emergency Shelter Program.

CONCLUSION

Although the IBA is concerned about the practice of utilizing one-time revenues for recurring expenses, given the current fiscal climate and the identification of a solution that benefits the City, the Housing Commission, and CCDC, the IBA supports the Fiscal Year 2008 Funding Plan for the Homeless Emergency Shelter Program. As mentioned above, the IBA believes additional actions, including the review of CDBG allocations, need to occur before the City can say that a solution for long term funding has been identified.

A final issue that the IBA would like to raise is the difficulty the public may face in understanding this issue given three separate stand alone reports on three legislative agendas. When an item encompasses multiple legislative bodies, a joint consolidated report would be beneficial in order to facilitate understanding of this matter.


Lisa Celaya
Fiscal & Policy Analyst


APPROVED: Andrea Tevlin
Independent Budget Analyst



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9/11

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THE CITY OF SAN DIEGO
REPORT TO THE CITY COUNCIL

DATE ISSUED: Sept. 5, 2007 REPORT NO: 07-137
ATTENTION: Council President and City Council
Docket of Sept. 11, 2007
SUBJECT: FY 2008 Homeless Emergency Winter Shelter Program
REFERENCE: None

REQUESTED ACTIONS:

- Find that a significant number of persons within the City of San Diego 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.
- Declare a homeless shelter crisis to exist in the City of San Diego, in accordance with California Government Code section 8698.2(a)(1).
- Approve the FY 2008 Homeless Emergency Winter Shelter Program [Program] (known in FY 2007 as the Homeless Emergency Shelter Program, and prior to that as the Winter Shelter Program), as described in Report to the City Council No. _____, a copy of which is on file with the Office of the City Clerk as Document No. RR-_____, contingent upon certification of funds availability by the City Auditor and Comptroller.
- Authorize the Mayor (or his designee) to enter into a Memorandum of Understanding between the San Diego Housing Commission [SDHC] and the City of San Diego for FY 2008, under which the City shall receive a total of \$344,200 from the SDHC for the operation of the Program.
- Authorize the City Auditor and Comptroller to accept the \$344,200 from the SDHC, and to accept \$129,800 from the United Way of San Diego County [UWSDC], for the operation of the Program, contingent upon certification of funds availability by the City Auditor and Comptroller.
- Authorize the Mayor (or his designee) to negotiate and execute agreements, and any amendments thereto, to expend the \$344,200 from the SDHC and the \$129,800 from the UWSDC for the operation of the Program, contingent upon certification of funds availability by the City Auditor and Comptroller.

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- Authorize the City Auditor and Comptroller to appropriate and expend the \$344,200 from the SDHC and the \$129,800 from the UWSDC for the operation of the Program, contingent upon certification of funds availability by the City Auditor and Comptroller.
- Authorize the City Auditor and Comptroller to accept, appropriate, and expend any and all additional contributions, private donations, interest earnings, and other City funds associated with the Program, for the operation of the Program.
- Authorize the Mayor (or his designee) to negotiate and execute agreements, and any amendments thereto, to expend any and all additional contributions, private donations, interest earnings, and other City funds associated with the Program, for the operation of the Program, contingent upon certification of funds availability by the City Auditor and Comptroller.

STAFF RECOMMENDATIONS:

Adopt the requested actions.

SUMMARY:

City Council Policy 000-51, "Comprehensive Homeless Policy" (revised April 21, 2003), serves as the City's framework for addressing homeless issues. The policy supports the operation of an emergency shelter and the federal continuum of care model, whereby the City, in coordination with businesses, social service agencies, community groups, and other jurisdictions, assesses needs and promotes programs that restore people who are homeless to their optimum participation in the community.

Declaration of Homeless Shelter Crisis

As reported in the Federal Supportive Housing Program application, an estimated 3,485 homeless individuals were living in the City of San Diego in February 2007. Of those, approximately 2,000 were in year-round homeless shelters, and 520 were in the FY 2007 Homeless Emergency Shelter Program (which, at that time, included an additional 115 beds at St. Vincent de Paul Village). During the survey, volunteers counted 1,016 unsheltered homeless people on the streets. The shortage of shelter beds in the City is significant.

Added to the lack of available shelter beds are the weather conditions during the cold weather season that create the potential to adversely impact the health and safety of homeless individuals living outside on a long-term or constant basis. Given the existing shortage of available shelter beds, it is recommended that a homeless shelter crisis be declared in the City of San Diego and that the FY 2008 Homeless Emergency Winter Shelter Program [Program] be adopted to provide shelter services to approximately 400 homeless individuals.

Single Adult Shelter Program

Up to 200 single men and women will be housed in a sprung structure each night at a location to be determined. Shelter participants will have access to services seven days a week, twenty-four hours a day. The shelter has been operated by Alpha Project for the Homeless for the past four years, and will again be this fiscal year.

The City-funded portion of the Single Adult Shelter Program will be for 120 days (from December 5, 2007 through April 2, 2008). However, at the operator's request, the Single Adult Shelter Program will operate for a total of 154 days (from November 1, 2007 through April 2, 2008), the additional thirty-four days being provided at no cost to the City through the fund-raising efforts of the operator.

As a result of client healthcare issues identified at the shelter in FY 2006, St. Vincent de Paul Village and UCSD School of Medicine have again agreed to provide the leadership and support for a healthcare collaborative. The collaborative, which will operate five days a week, includes County medical, mental health, and case management contract agencies, and the Pt. Loma Nazarene University School of Nursing. Together, they will address the medical and mental health treatment needs (and crises, as identified), and provide basic screening, referral, and follow-up for clients participating in the program, which totaled more than 1,000 unduplicated individuals in FY 2007.

Veterans Shelter Program

Up to 150 homeless male veterans will be housed in a sprung structure each night at the SPAWAR location in the Midway area. Shelter participants will have access to programmatic services seven days a week, twenty-four hours a day. The operator at this site will be Veteran's Village of San Diego, who will be responsible for providing program operations and services, and for gathering appropriate information on shelter participants. The shelter will operate a total of 120 days (from December 5, 2007 through April 2, 2008).

Family Emergency Shelter Program

The Family Emergency Shelter Program will be provided through a City and County collaborative with the YWCA and the San Diego Rescue Mission [SDRM]. The designated funding to the County provides for hotel/motel vouchers and case management services. The SDRM will be the point of entry into the program. While at the SDRM, families will be assessed and assigned case managers. Using vouchers, families will be moved to a hotel or motel for up to thirty days and will continue case management services. Once families have completed their eligibility criteria, they will then be placed in the Cortez Hill Family Center, the City's year-round transitional housing program, or other suitable programs. For up to four months, while in *transitional housing*, families will work on issues and causal factors that contributed to their homelessness. Case management, enriched services, and other appropriate services will provide families a better chance to regain self-sufficiency and increase their ability to return to a mainstream lifestyle in permanent housing. This program provides case management for each family from the County's Family Self-Sufficiency Programs.

The SDRM emergency shelter hours are from 6:00 p.m. to 7:00 a.m., seven days a week. The hotel vouchers provide 24-hour housing, as does the Cortez Hill Family Center.

Program Partners

The City will contract with St. Vincent de Paul Village, who will act as the lead agency for the support services described above. In addition, Program partners include the San Diego Housing Commission, the County of San Diego's Health and Human Services Agency (health care workers and case managers at the Single Adult Shelter and Family Emergency Shelter Programs), Centre City Development Corporation, United Way of San Diego County, and various non-profit and veteran agencies, who will provide support services at no cost to the Program.

FISCAL IMPACT:

There is no impact to the General Fund from this action. This action accepts \$344,200 from the San Diego Housing Commission [SDHC] and \$129,800 from United Way of San Diego County [UWSDC] for the Program. An additional \$201,676 of Emergency Shelter Grant [ESG] funds was allocated to the Program by the City Council on May 15, 2007, as part of the FY 2008 Social Services Program budget (R-302639). The total budget of \$675,676 for the Program is detailed in Exhibit A.

It should be noted that the funds from the SDHC are contingent upon approvals by the Redevelopment Agency and the Housing Authority, that are scheduled on the same day as this action.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

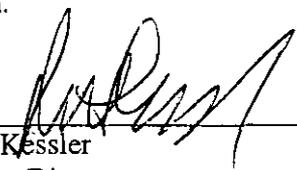
FY 2008 Social Services Program (R-302639)

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

None.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Residents and businesses in the vicinity of the shelters' locations will experience some impacts. The Veterans Shelter is in the Midway/Sports Arena area; however, the location of the Single Adult Shelter is not known at this time but will be determined by the City Council in a separate action.



Scott Kessler
Deputy Director
Economic Development Division



William Anderson
Acting Deputy Chief Operating Officer
Land Use and Economic Development

Attachment: Exhibit A – FY 2008 Homeless Emergency Winter Shelter Program Operational Budget

Exhibit A

**FY 2008 HOMELESS EMERGENCY WINTER SHELTER PROGRAM
OPERATIONAL BUDGET**

City Budget

	11/01/07-12/04/07 (34 Days) Single Adult Shelter	12/05/07-04/02/08 (120 Days) Single Adult Shelter Veterans Shelter Family Emergency	TOTAL
Single Adult Shelter (200 x \$12 = per diem)	\$0	\$288,000	\$288,000
Veterans Shelter (150 x \$12 = per diem)	N/A	\$216,000	\$216,000
Family Emergency Shelter	N/A	\$50,000	\$50,000
Healthcare Services @ Single Adult Shelter	\$5,000	\$38,376	\$43,376
Tent Set-Up/Tear Down	\$0	\$36,300	\$36,300
City Cost to Assemble & Dismantle Temp. Infrastructure	\$3,500	\$8,500	\$12,000
Utility Connect & Disconnect Fees	\$600	\$1,800	\$2,400
City Cost to Vacate Single Adult Site Streets	\$2,500	N/A	\$2,500
Utilities	\$0	\$16,000	\$16,000
Repairs/Incidental Costs	\$2,000	\$7,100	\$9,100
TOTAL OPERATIONS	\$13,600	\$662,076	\$675,676

Alpha Project for the Homeless Budget

	11/01/07-12/04/07 (34 Days) Single Adult Shelter	12/05/07-04/02/08 (120 Days) Single Adult Shelter Veterans Shelter Family Emergency	TOTAL
Single Adult Shelter (200 x \$12 = per diem)	\$81,600	\$0	\$81,600
Tent Set-Up/Tear Down	\$2,000	\$0	\$2,000
City Cost to Assemble & Dismantle Temp. Infrastructure	\$0	\$0	\$0
Utility Connect & Disconnect Fees	\$0	\$0	\$0
City Cost to Vacate Single Adult Site Streets	\$0	N/A	\$0
Utilities	\$2,300	\$0	\$2,300
Repairs/Incidental Costs	\$1,100	\$0	\$1,100
TOTAL OPERATIONS	\$ 87,000	\$0	\$87,000

000199

REQUEST FOR COUNCIL ACTION
CITY OF SAN DIEGO

1. CERTIFICATE NUMBER
(FOR AUDITOR'S USE ONLY)
T.A.

TO: CITY ATTORNEY

2. FROM (ORIGINATING DEPARTMENT):
CITY PLANNING AND COMMUNITY INVESTMENT

3. DATE:
8/28/2007

4. SUBJECT:
FISCAL YEAR 2008 HOMELESS EMERGENCY WINTER SHELTER PROGRAM

5. PRIMARY CONTACT (NAME, PHONE, & MAIL STA.)
Sharon Johnson MS 56D, 533-6525

6. SECONDARY CONTACT (NAME, PHONE, & MAIL STA.)
Liza Fune MS 56D, 236-6352

7. CHECK BOX IF REPORT TO COUNCIL IS ATTACHED

8. COMPLETE FOR ACCOUNTING PURPOSES

FUND	19654				9. ADDITIONAL INFORMATION / ESTIMATED COST: Fiscal Impact: There is no impact to the General Fund from this action. This action accepts a total of \$344,200 from the SDHC and \$129,800 from UWSDC. An additional \$201,676 of ESG funds was approved by the City Council on May 15, 2007 as part of the FY 2008 Social Services Program budget (R-302639). It should be noted that the funds from the SDHC are contingent upon approvals by the Redevelopment Agency and the Housing Authority.
DEPT.	19654				
ORGANIZATION					
OBJECT ACCOUNT					
JOB ORDER					
C.I.P. NUMBER					
AMOUNT	\$474,000				

10. ROUTING AND APPROVALS

ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED	ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED
1	DEPUTY DIRECTOR	SCOTT KESSLER <i>[Signature]</i>	8/28/07	8	DEPUTY CHIEF	WILLIAM ANDERSON <i>[Signature]</i>	8/28/07
2	DEPT DIRECTOR	WILLIAM ANDERSON <i>[Signature]</i>	8/28/07	9	COO	JAY GOLDSTONE <i>[Signature]</i>	8/28/07
3	AUDITOR	FAYE HOWARD-HALL <i>[Signature]</i>	8/28/07	10	CITY ATTORNEY	MICHAEL NEUMEYER <i>[Signature]</i>	8/28/07
4	CFO	<i>[Signature]</i>	8/28/07	11	ORIG. DEPT	SCOTT KESSLER <i>[Signature]</i>	8/28/07
5	ENVIRONMENTAL REVIEW	MARTHA BLAKE <i>[Signature]</i>	8/28/07	DOCKET COORD: _____ COUNCIL LIAISON: _____			
6	EOCP	CELIA GRIFFIN <i>[Signature]</i>	8/28/07	<input checked="" type="checkbox"/> COUNCIL PRESIDENT <input type="checkbox"/> SPOB <input type="checkbox"/> CONSENT <input checked="" type="checkbox"/> ADOPTION <input type="checkbox"/> REFER TO: _____ COUNCIL DATE: 9/11/07			
7							

11. PREPARATION OF: RESOLUTIONS ORDINANCE(S) AGREEMENT(S) DEED(S)

See ATTACHMENT A.

11A. STAFF RECOMMENDATIONS:
Adopt the resolutions.

12. SPECIAL CONDITIONS (REFER TO A.R. 3.20 FOR INFORMATION ON COMPLETING THIS SECTION.)

COUNCIL DISTRICT(S): CITYWIDE

COMMUNITY AREA(S): CITYWIDE

ENVIRONMENTAL IMPACT: This activity is exempt from CEQA pursuant to Section 15060(c) (3) of the State CEQA Guidelines. (This activity is not a project as defined in section 15378)

HOUSING IMPACT: NONE

OTHER ISSUES: NONE

ATTACHMENT A
(Continued from Box 11)

1. Find that a significant number of persons within the City of San Diego 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. Declare a homeless shelter crisis to exist in the City of San Diego, in accordance with California Government Code section 8698.2(a)(1).
3. Approve the FY 2008 Homeless Emergency Winter Shelter Program [Program] (known in FY 2007 as the Homeless Emergency Shelter Program, and prior to that as the Winter Shelter Program), as described in Report to the City Council No. _____, a copy of which is on file with the Office of the City Clerk as Document No. RR-_____, contingent upon certification of funds availability by the City Auditor and Comptroller.
4. Authorize the Mayor (or his designee) to enter into a Memorandum of Understanding between the San Diego Housing Commission [SDHC] and the City of San Diego for FY 2008, under which the City shall receive a total of \$344,200 from the SDHC for the operation of the Program.
5. Authorize the City Auditor and Comptroller to accept the \$344,200 from the SDHC, and to accept \$129,800 from the United Way of San Diego County [UWSDC], for the operation of the Program, contingent upon certification of funds availability by the City Auditor and Comptroller.
6. Authorize the Mayor (or his designee) to negotiate and execute agreements, and any amendments thereto, to expend the \$344,200 from the SDHC and the \$129,800 from the UWSDC for the operation of the Program, contingent upon certification of funds availability by the City Auditor and Comptroller.
7. Authorize the City Auditor and Comptroller to appropriate and expend the \$344,200 from the SDHC and the \$129,800 from the UWSDC for the operation of the Program, contingent upon certification of funds availability by the City Auditor and Comptroller.
8. Authorize the City Auditor and Comptroller to accept, appropriate, and expend any and all additional contributions, private donations, interest earnings, and other City funds associated with the Program, for the operation of the Program.
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000201

EXECUTIVE SUMMARY SHEET
CITY OF SAN DIEGO

DATE ISSUED: Sept. 5, 2007 REPORT NO: 07-137
ATTENTION: Council President and City Council
ORIGINATING DEPARTMENT: City Planning and Community Investment
SUBJECT: FY 2008 Homeless Emergency Winter Shelter Program
COUNCIL DISTRICT(S): Citywide
CONTACT/PHONE NUMBER: Sharon Johnson - (619)533-6525

REQUESTED ACTIONS:

- Find that a significant number of persons within the City of San Diego 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.
- Declare a homeless shelter crisis to exist in the City of San Diego.
- Approve the FY 2008 Homeless Emergency Winter Shelter Program [Program].
- Authorize the Mayor (or his designee) to enter into a Memorandum of Understanding between the San Diego Housing Commission [SDHC] and the City of San Diego for FY 2008, under which the City shall receive a total of \$344,200 from the SDHC for the operation of the Program.
- Authorize the City Auditor and Comptroller to accept the \$344,200 from the SDHC, and to accept \$129,800 from the United Way of San Diego County [UWSDC], for the operation of the Program.
- Authorize the Mayor (or his designee) to negotiate and execute agreements to expend these funds for the operation of the Program.
- Authorize the City Auditor and Comptroller to appropriate and expend these funds for the operation of the Program.
- Authorize the City Auditor and Comptroller to accept, appropriate, and expend any and all additional contributions, private donations, interest earnings, and other City funds associated with the Program, for the operation of the Program.
- Authorize the Mayor (or his designee) to negotiate and execute agreements to expend any and all such funds for the operation of the Program.

STAFF RECOMMENDATIONS:

Adopt the requested actions.

SUMMARY:

As reported in the Federal Supportive Housing Program application, an estimated 3,485 homeless individuals were living in the City of San Diego in February 2007. Of those, approximately 2,000

were in year-round homeless shelters, and 520 were in the FY 2007 Homeless Emergency Shelter Program (which, at that time, included an additional 115 beds at St. Vincent de Paul Village). During the survey, volunteers counted 1,016 unsheltered homeless people on the streets. The shortage of shelter beds in the City is significant.

Added to the lack of available shelter beds are the weather conditions during the cold weather season that create the potential to adversely impact the health and safety of homeless individuals living outside on a long-term or constant basis. Given the existing shortage of available shelter beds, it is recommended that a homeless shelter crisis be declared in the City of San Diego and that the FY 2008 Homeless Emergency Winter Shelter Program [Program] be adopted to provide shelter services to approximately 400 homeless individuals.

The Program consists of three separate programs: Single Adult Shelter, operated by Alpha Project for the Homeless; Veterans Shelter, operated by Veteran's Village of San Diego; and Family Emergency Shelter, administered by the County of San Diego. The City-funded portion of the Program will be for 120 days (from December 5, 2007 through April 2, 2008). However, at the operator's request, the Single Adult Shelter will operate for a total of 154 days (from November 1, 2007 through April 2, 2008), the additional thirty-four days being provided at no cost to the City through the fund-raising efforts of the operator.

FISCAL IMPACT:

There is no impact to the General Fund from this action. This action accepts \$344,200 from the SDHC and \$129,800 from the UWSDC for the Program. An additional \$201,676 of Emergency Shelter Grant [ESG] funds was allocated to the Program by the City Council on May 15, 2007, as part of the FY 2008 Social Services Program budget (R-302639). It should be noted that the funds from the SDHC are contingent upon approvals by the Redevelopment Agency and the Housing Authority, that are scheduled on the same day as this action.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

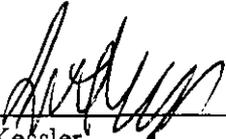
FY 2008 Social Services Program (R-302639)

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

None.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Residents and businesses in the vicinity of the shelters' locations will experience some impacts. The Veterans Shelter is in the Midway/Sports Arena area; however, the location of the Single Adult Shelter is not known at this time but will be determined by the City Council in a separate action.



 Scott Kessler
 Deputy Director
 Economic Development Division



 William Anderson
 Acting Deputy Chief Operating Officer
 Land Use and Economic Development

000203

RESOLUTION NUMBER R-_____

DATE OF FINAL PASSAGE _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN
DIEGO REGARDING THE FY 2008 HOMELESS EMERGENCY
WINTER SHELTER PROGRAM.

WHEREAS, on June 12, 1995, the City Council adopted City Council Policy 000-51, "Comprehensive Homeless Policy" (revised April 21, 2003), which has served as the City's framework for addressing homeless issues; and

WHEREAS, City Council Policy 000-51 supports the operation of emergency shelters and the federal Continuum of Care model, whereby the City, in coordination with businesses, social service agencies, community groups, and other jurisdictions, assess needs and promotes programs that restore homeless persons to their optimum participation in the community; and

WHEREAS, in February 2007, there was an estimated 3,485 homeless individuals living in the City of San Diego, and of those, approximately 2,000 are sheltered year-round and 520 were in the FY 2007 Homeless Emergency Shelter Program (which, at that time, included an additional 115 beds at St. Vincent de Paul Village); and

WHEREAS, in February 2007, volunteers counted 1,016 unsheltered homeless people on the streets in the City of San Diego; and

WHEREAS, the weather conditions during the cold weather season create the potential to adversely impact the health and safety of homeless individuals living outside on a long-term or constant basis; and

000204

WHEREAS, the City of San Diego and others desire to respond to the needs of the homeless during the cold weather season of 2007-2008 by providing funding to initiate programs and services; and

WHEREAS, on May 15, 2007, the City Council adopted Resolution No. R-302639, in which the City Council approved, among other things, the allocation of \$201,676 in Emergency Shelter Grant funds for the operation of the FY 2008 Homeless Emergency Winter Shelter Program [Program] (known in FY 2007 as the Homeless Emergency Shelter Program, and prior to that as the Winter Shelter Program); and

WHEREAS, the Program will serve approximately 400 persons each day, providing the participants (staying at the Single Adult, Veteran, and Family Emergency Shelters) access to programmatic services 7 days a week; NOW, THEREFORE,

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

1. That the City Council hereby finds that a significant number of persons within the City of San Diego 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. That a homeless shelter crisis is declared to exist in the City of San Diego, in accordance with California Government Code section 8698.2(a)(1).
3. That the FY 2008 Homeless Emergency Winter Shelter Program [Program] (known in FY 2007 as the Homeless Emergency Shelter Program, and prior to that as the Winter Shelter Program), as described in Report to the City Council No. _____, a copy of which is on file with the Office of the City Clerk as Document No. RR-_____, is

000205

hereby approved, contingent upon certification of funds availability by the City Auditor and Comptroller.

4. That the Mayor (or his designee) is authorized to enter into a Memorandum of Understanding between the San Diego Housing Commission [SDHC] and the City of San Diego for FY 2008, under which the City shall receive a total of \$344,200 from the SDHC for the operation of the Program.

5. That the City Auditor and Comptroller is authorized to accept the \$344,200 from the SDHC, and to accept \$129,800 from the United Way of San Diego County [UWSDC], for the operation of the Program, contingent upon certification of funds availability by the City Auditor and Comptroller.

6. That the Mayor (or his designee) is authorized to negotiate and execute agreements, and any amendments thereto, to expend the \$344,200 from the SDHC and the \$129,800 from the UWSDC for the operation of the Program, contingent upon certification of funds availability by the City Auditor and Comptroller.

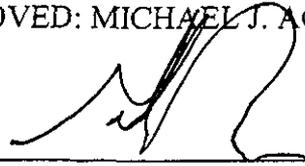
7. That the City Auditor and Comptroller is authorized to appropriate and expend the \$344,200 from the SDHC and the \$129,800 from the UWSDC for the operation of the Program, contingent upon certification of funds availability by the City Auditor and Comptroller.

8. That the City Auditor and Comptroller is authorized to accept, appropriate, and expend any and all additional contributions, private donations, interest earnings, and other City funds associated with the Program, for the operation of the Program.

000206

9. That the Mayor (or his designee) is authorized to negotiate and execute agreements, and any amendments thereto, to expend any and all additional contributions, private donations, interest earnings, and other City funds associated with the Program, for the operation of the Program, contingent upon certification of funds availability by the City Auditor and Comptroller.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By 
Michael D. Neumeyer
Deputy City Attorney

MDN:nda
08/28/07
Or.Dept: City Planning and Comm. Invest.
R-2008-168
MMS#5242
Comp. R-2008-169

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of _____.

ELIZABETH S. MALAND
City Clerk

By _____
Deputy City Clerk

Approved: _____
(date)

JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor