



# COUNTY OF SAN DIEGO

## AGENDA ITEM

### BOARD OF SUPERVISORS

GREG COX  
First District

DIANNE JACOB  
Second District

KRISTIN GASPAR  
Third District

NATHAN FLETCHER  
Fourth District

JIM DESMOND  
Fifth District

**DATE:** March 10, 2020

**05**

**TO:** Board of Supervisors

### **SUBJECT**

**AUTHORITY TO ENTER INTO A SINGLE SOURCE AGREEMENT WITH THE REGIONAL TASK FORCE ON THE HOMELESS FOR A FLEXIBLE HOUSING SUBSIDY POOL, AND AUTHORIZE ALLOCATION OF UP TO \$2,200,000 OF CALIFORNIA EMERGENCY SOLUTIONS AND HOUSING FUNDS FUNDING FOR USE IN THE POOL (DISTRICTS: ALL)**

### **OVERVIEW**

On November 19, 2019 (12), the San Diego County Board of Supervisors (Board) directed the Chief Administrative Officer to conduct a feasibility study on the implementation of a Flexible Funds for Housing Program also referred to as a “Flexible Housing Subsidy Pool (FHSP)” and report back in January 2020. On January 28, 2020 (2), staff returned to the Board to present the feasibility study which presented options for a County of San Diego (County) managed FHSP or a collaborative FHSP with the Regional Task Force on the Homeless (RTFH). At that time, the Board requested staff work with the RTFH to explore developing a regional, collaborative FHSP. In addition, the Board requested staff investigate sources for funding to allocate to the FHSP, prioritizing the unincorporated area, identifying time-limited assistance opportunities and protecting the General Fund. In addition, the Board requested staff develop guiding principles for future funding contributions. Today’s item requests authority to enter into a single source contract with the RTFH to administer a regional FHSP as RTFH provides a countywide approach based on unique knowledge and efficiencies, and leverages other funding sources.

These efforts align with the County of San Diego’s *Live Well San Diego* vision for a region that is healthy, safe and thriving by creating opportunities to further address the housing and service needs of people experiencing homelessness in San Diego County.

### **RECOMMENDATION(S)**

#### **CHIEF ADMINISTRATIVE OFFICER**

1. In accordance with Board Policy A-87, Competitive Procurement, approve and authorize the Director of the Department of Purchasing and Contracting to enter into negotiations with the Regional Task Force on the Homeless and subject to successful negotiations and a determination of a fair and reasonable price, award a contract for Flexible Housing Subsidy Pool implementation and administration for an initial term of up to one year, and

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up to four one-year option periods and up to an additional six months if needed, and to amend the contracts as needed to reflect changes to requirements and funding.

2. Approve the allocation of up to \$2,200,000 of California Emergency Solutions and Housing funds to the Flexible Housing Subsidy Pool
3. Approve the Guiding Principles related to future funding contributions to the FHSP found in Attachment A, which is on file with the Clerk of the Board.

### **FISCAL IMPACT**

Funds for this request are included in the Fiscal Year 2019-21 Operational Plan in the Health and Human Services Agency. If approved, depending on when implemented, this request will result in costs and revenue of approximately \$400,000 in Fiscal Year 2019-20, \$450,000 in Fiscal Year 2020-21, and \$450,000 in each Fiscal Year through 2023-24. The funding sources are \$800,000 from Round One and \$1,400,000 from Round Two awarded through the California Emergency Solutions and Housing grant. There will be no change in net General Fund cost and no additional staff years.

### **BUSINESS IMPACT STATEMENT**

N/A

### **ADVISORY BOARD STATEMENT**

N/A

### **BACKGROUND**

The San Diego County Board of Supervisors (Board) has demonstrated its commitment to innovative approaches to addressing the needs of people experiencing homelessness in San Diego County. Identification of available housing supply, administration of landlord incentives, and management of housing units are currently completed through multiple community-based organizations, County of San Diego (County) departments, and public housing authorities. On November 19, 2019 (12), the Board directed staff to conduct a Flexible Funds for Housing Program also referred to as a “Flexible Housing Subsidy Pool (FHSP)” feasibility study and report back in January 2020. On January 28, 2020 (2), the Board was presented with a feasibility study to consider whether the County of San Diego (County) should 1) develop and administer an independent FHSP, managed by a contracted administrator, 2) partner with the Regional Task Force on the Homeless (RTFH) to establish a FHSP, or 3) continue current practice by not establishing or participating in a FHSP.

The Board elected to move forward with considering a FHSP and directed staff to work with RTFH to explore options for a regional partnership to develop a FHSP. In addition, staff were directed to return to the Board with potential funding options, that included a priority for the unincorporated area, protected the General Fund, and identified time-limited funds. To ensure fidelity to the initial

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investment(s) into the FHSP, staff were further directed to establish guiding principles to be followed in the identification of future funding contributions from the County.

### **Regional Task Force on the Homeless**

Per Board direction, the County and RTFH explored a variety of options for administering and managing a regional FHSP. Administration and management of a FHSP includes aspects such as determining the use of non-categorical or designated funds that are contributed to a FHSP, managing the procurement and selection of the entity that will manage the FHSP fund, reviewing and approving the annual budget, reviewing and approving the use of funds, and monitoring the use of funds and conducting audits.

The RTFH serves as San Diego's regional Continuum of Care (CoC) which plans and coordinates the local housing and supportive services system for homeless individuals and families. The mission of the CoC is to engage stakeholders in a community-based process that works to end homelessness for all individuals and families throughout San Diego County, including the 18 incorporated cities, and the unincorporated communities, to address the underlying causes of homelessness, and to lessen the negative impact of homelessness on individuals, families, and communities. The County has maintained extensive involvement in the leadership of RTFH, beginning in 2014. The County and RTFH work jointly to coordinate best practices in homeless outreach and monitor outcomes of the homeless system, among several other areas of ongoing collaboration.

With the regional momentum already taking place around the RTFH's FHSP, allocating contributions in the FHSP will enable the County to participate in a truly regional solution for managing limited housing resources for the homeless. The RTFH is uniquely positioned to oversee the administration of this FHSP because it is the only entity in the market with the advanced and specialized knowledge of how such a Flexible Pool operates. Further, its senior leadership bring State and National direct expertise to the complex issues unique to overseeing such a Flexible Pool, and there is not another entity with the same or similar blend of knowledge and expertise in this area. RTFH has identified \$1.8 million to contribute to the fund.

### **Funding Options**

Current revenue sources supporting efforts for people who are homeless were reviewed to determine those that may be appropriately allocated to the FHSP. Consistent with the Board's direction and established priorities, the California Emergency Solutions and Housing (CESH) funding through the California Department of Housing and Community Development (State HCD) best fit the requested criteria. CESH funding was established through the State and distributed in two rounds beginning in Fiscal Year 2018-19 to provide grants to local communities to develop programs that assist persons experiencing or at risk of homelessness. CESH requires that funds be spent throughout the county, including the unincorporated area, and can be utilized for the priorities identified by the Board without disrupting existing services or programs. In addition, the allowable uses for CESH include a variety of housing and support services - including allocating funds to a FHSP.

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The County received approximately \$3.9 million in CESH funds (October 9, 2018 (5) and April 30, 2019 (09)); of that, staff recommends that \$0.8 million of unallocated funds from Round One and \$1.4 million of unallocated funds from Round Two of the CESH funding be allocated to the FHSP. In addition, staff identified several potential funding options for future consideration; the details of which can be found in Attachment A. Staff will return to the Board for authorization when this funding becomes available and is identified as appropriate for the FHSP.

### **Guiding Principles**

The Board directed staff to propose guiding principles to be followed when considering the allocation of funds into the FHSP in the future. Attachment A, contains these principles, with a focus on funds meeting the requests related to:

- use of funds in the unincorporated area,
- time-limited assistance, and
- protecting the General Fund.

In addition, the Guiding Principles ensure adherence to funding source requirements and focus on previously identified values held by the Board such as landlord and tenant supports, and care coordination.

Today's action requests authorization to enter into a single source agreement with RTFH to contribute to a regional FHSP and approve the allocation of up to \$2.2 million of CESH funds. In addition, today's action requests Board approval for the proposed Guiding Principles for consideration of future funding contributions to the FHSP found in Attachment A.

### **LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN**

Today's proposed actions support the Building Better Health, Living Safely and Sustainable Environments/Thriving initiatives in the County of San Diego's 2020-2025 Strategic Plan by addressing housing needs for people experiencing homelessness.

Respectfully submitted,



HELEN N. ROBBINS-MEYER  
Chief Administrative Officer

### **ATTACHMENT(S)**

Attachment A: Guiding Principles and Funding Options

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**AGENDA ITEM INFORMATION SHEET**

**REQUIRES FOUR VOTES:**          Yes        No

**WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED**

   Yes        No

**PREVIOUS RELEVANT BOARD ACTIONS:**

February 11, 2020 (08), Authorization to submit an application for Homeless Housing, Assistance and Prevention; January 28, 2020 (02), Receive the Flexible Housing Pool Subsidy Feasibility Study; November 19, 2019 (12), Flexible Funds for Housing Programs; September 10, 2019 (07), Acceptance of Housing Funds for Whole Person Wellness; August 6, 2019 (08), A Resolution to Apply For, Accept and Administer Housing for a Healthy California Funds; April 30, 2019 (07), expanding the Innovative Housing Trust Fund; April 30 2019 (09), Authorization to Apply For, Accept and Administer California Emergency Solutions and Housing Program Funds (Round 2); October 9, 2018 (05), Authorization to Apply For, Accept and Administer California Emergency Solutions and Housing Program Funds (Round 1); October 10, 2017 (07), Adoption of Innovative Trust Fund Ordinance; September 12, 2017 (04), First reading of Innovative Trust Fund Ordinance; June 20, 2017 (21), Innovative Housing Initiative Tackling Homelessness and Affordability.

**BOARD POLICIES APPLICABLE:**

A-87: Competitive Procurement

**BOARD POLICY STATEMENTS:**

In accordance with Board Policy A-87, Competitive Procurement, Single Source procurements are allowable if the procurement is for services from a provider with unique knowledge, skill, or ability not available from other sources. The Regional Task Force on the Homeless, at the San Diego region’s Continuum of Care Lead entity, is uniquely qualified to administer and manage a regional Flexible Housing Subsidy Pool.

**MANDATORY COMPLIANCE:**

N/A

**ORACLE AWARD NUMBER(S) AND CONTRACT AND/OR REQUISITION NUMBER(S):**

N/A

**ORIGINATING DEPARTMENT:** Health and Human Services Agency

**OTHER CONCURRENCE(S):** Department of Purchasing and Contracting

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