



**COUNCILMEMBER CHRISTOPHER WARD
THIRD COUNCIL DISTRICT**

M E M O R A N D U M

DATE: February 19, 2019

TO: Mayor Kevin Faulconer

FROM: Council President Pro Tem Barbara Bry
Councilmember Christopher Ward

Handwritten signatures in blue ink. The first signature is "Barbara Bry" and the second is "Chris Ward".

SUBJECT: Housing Navigation Center Update

On November 13, 2018, the San Diego City Council (Council) approved a Memorandum of Understanding (MOU) with the San Diego Housing Commission (SDHC) for administration of the Housing Navigation Center (Nav Center). Subsequently, the Council, as Housing Authority, approved a contract between the SDHC and Family Health Centers (FHC) to operate the Nav Center. At that time, Councilmembers raised concerns about the Nav Center's adequacy to meet need, to include the duplication of like-services within walking distance, the lack of housing resources, and the absence of co-located services that would indeed create the touted, "one-stop shop where homeless individuals can be connected to the most appropriate supportive services and housing solutions based on their specific circumstances."ⁱ The overall expense of this program and the uncertain actual benefit to homeless San Diegans remains a primary concern.

On Monday, February 11, staff presented the Fiscal Year 2019 Mid-Year Budget Monitoring Report (Report) to Council. The report included a Year-End Projection of \$28M for Homeless Services and Programs and \$3.7M for Staff Support to include Police overtime.ⁱⁱ We appreciate the inclusion of these expenditures. As we prepare for the Fiscal Year 2020 Budget process, with a projected \$42M deficit, we strive to be fiscally disciplined with our limited homeless funding while expeditiously connecting these dollars to our vulnerable population for maximum positive outcome. To this end, three months after approval of this contract, we are following up with questions to determine how these goals are being met.

- When is the projected Nav Center opening?
- When was the FHC contract executed?
- Have the planned tenant improvements begun? What is the timeline for these improvements?
- Is the final cost for tenant improvements within the \$300,000 budget? If not, please describe the difference?

- Does the City jeopardize the approximately \$1.5 million in Community Development Block Grants (CDBG) or Low and Moderate-Income Housing Funds (LMIHF) if the tenant improvements are incomplete and the operations are not in place by the end of June 30, 2019?
- If the Nav Center will not open in this Fiscal Year, is there a plan to deploy unused funding to programs that are currently underfunded or ready for launch but lacking in funds?
- Has the City expended any funds to date relating to the Nav Center, including increased security related to the facility? If so, what funds, at what level, and to what purpose(s)?
- Have other security services been researched to not to further stretch our San Diego Police Department (SDPD) resources including personnel and overtime? Have we considered a partnership with or expansion of Clean & Safe in the immediate vicinity or replicating the security services of the Downtown Library?
- Why was the expenditure request for SDPD overtime not incorporated into the original program budget when presented to the City Council?

The Housing Navigation Center building is an important City asset that we cannot allow to go unused indefinitely and the cost of waiting for the Nav Center to open far outweighs the future potential of this program. Delays in operation are taking money from populations in need and limiting our ability to maximize the use of public land. We look forward to working with you on alternative uses and assisting homeless San Diegans.

cc: Aimee Faucet, Chief of Staff
 Kris Michell, Chief Operating Officer
 Andrea Tevlin, Independent Budget Analyst
 Stacey LoMedico, Assistant Chief Operating Officer
 Bob Vacchi, Deputy Chief Operating Officer for Neighborhood Services
 Cybele Thompson, Director of Real Estate Assets
 Keely Halsey, Chief of Homelessness Strategies & Housing Liaison
 Jessica Lawrence, Director of Finance Policy and Council Affairs

ⁱ <https://www.sandiego.gov/mayor/news/releases/mayor-falconer-wins-city-council-approval-acquire-site-regions-first-housing-navigation>

ⁱⁱ https://onbase.sandiego.gov/OnBaseAgendaOnline/Documents/ViewDocument/FY19%20Mid-Year%20Budget%20Monitoring%20Report_w.attch.1-5.pdf.pdf?meetingId=1438&documentType=Agenda&itemId=33030&publishId=151584&isSection=false