



City of Oceanside

300 North Coast Highway,
Oceanside, California 92054

Staff Report

File #: 26-1515

Agenda Date: 6/17/2026

Agenda #: 26.

DATE: June 17, 2026

TO: Honorable Mayor and City Councilmembers

FROM: Housing and Neighborhood Services Department

TITLE: ACCEPTANCE OF A GRANT AWARD FROM THE SAN DIEGO HOUSING COMMISSION FOR THE DIVERSION COLLECTIVE PARTNERSHIP OPPORTUNITY PROGRAM

RECOMMENDATION

Staff recommends that the City Council:

1. Accept and appropriate the grant award from the San Diego Housing Commission (SDHC) for the Diversion Collective Partnership Opportunity Program in the amount of \$75,000;
2. Authorize the City Manager or Designee to execute all grant agreements, memoranda of understanding, professional services agreements, and all other documents necessary to implement the program, upon receipt of all supporting documentation; and
3. Authorize the Housing and Neighborhood Services Department to administer diversion and housing-focused problem-solving services in coordination with community-based service providers and regional partners.

BACKGROUND AND ANALYSIS

The San Diego Housing Commission (SDHC) launched its Homelessness Diversion Program in 2017 as part of the HOUSING FIRST - SAN DIEGO initiative to assist individuals and families experiencing homelessness or at risk of homelessness through housing-focused problem solving, short-term case management, and flexible financial assistance. The program was designed to help households avoid entering shelter systems and rapidly resolve housing crises through targeted interventions and stabilization assistance.

Building on the success of prior diversion initiatives and regional homelessness response efforts, SDHC recently established the Diversion Collective Partnership Opportunity Program ("Diversion Collective") to expand diversion services throughout San Diego County.

SDHC serves as the administrator of the countywide Diversion Collective program, which is supported through City of San Diego, County of San Diego, and philanthropic funding sources. Through this role, SDHC provides participating agencies with technical assistance, diversion training, case conferencing opportunities, monitoring support, and reimbursement administration.

The Housing & Neighborhood Services Department has been allocated \$75,000 in participant

funding through the Diversion Collective. The Housing and Neighborhood Services Department was one of the agencies selected based on its performance to receive additional funding to support housing and homelessness programs, inclusive of its ongoing Interfaith Community Services (ICS) contract for social workers/housing navigators working in collaboration with the Oceanside Housing Authority.

Housing and Neighborhood Services Department will serve as the fiscal agent and administrator of the funding, with local service providers serving as the participating providers. The proposed partnership would allow the Housing and Neighborhood Services Department to participate in the Diversion Collective and build on its existing diversion-focused homelessness response services for Oceanside residents funded through the Regional Taskforce on Homelessness (RTFH).

Diversion Collective Program

The Diversion Collective is intended to strengthen the regional housing safety net by partnering with local service providers already serving individuals experiencing homelessness and equipping them with resources to provide creative problem-solving, light-touch case management, mediation, housing navigation, and flexible financial assistance.

The Diversion Collective utilizes an evidence-based, low-barrier service model focused on rapidly resolving homelessness and reducing entries into the homeless response system. Eligible households must be residents of San Diego County, currently experiencing homelessness, able to pay their rent after short-term assistance is applied, and not receiving ongoing rental assistance from another program.

Under the Diversion Collective model, participating providers engage households in housing-focused problem-solving conversations and provide services that may include housing search assistance, advocacy and mediation with landlords, referrals to public benefits and community-based resources, short-term case management, and flexible financial assistance intended to rapidly resolve homelessness.

Funds may be used for eligible diversion-related expenses which may include rental assistance, security deposits, application fees, utility deposits, moving costs, temporary hotel or motel stays associated with permanent housing placement, transportation-related expenses, and other allowable stabilization activities consistent with program requirements. The Diversion Collective funding will be administered through the Housing and Neighborhood Services Department's existing RTFH Housing Social Worker program operations. This approach will allow the City to use the administrative infrastructure, service coordination processes, eligibility review procedures, documentation standards, and reimbursement controls already established for flexible housing stabilization assistance.

As part of the Diversion Collective, all participating agencies and providers are required to comply with regional Continuum of Care standards and maintain service delivery practices consistent with trauma-informed care, motivational interviewing, solutions-focused engagement strategies, fair housing requirements, and low-barrier program operations. Providers must also participate in the RTFH Homeless Management Information System (HMIS) and enter participant data into Clarity to

support regional reporting, performance tracking, and system coordination.

The Diversion Collective funding will be administered through the Housing and Neighborhood Services Department's existing housing-focused service delivery framework and will be operated by the Housing Social Worker providers that currently administers Resolution Strategies resources. This approach will allow the City to use existing program infrastructure, including established service coordination processes, eligibility review procedures, documentation standards, payment review protocols, and reimbursement controls for flexible housing stabilization assistance.

Acceptance of the grant award would provide the City with additional resources aimed at reducing homelessness through early intervention by strengthening housing stabilization efforts and supporting households in rapidly resolving housing crises before requiring more intensive homelessness interventions. Participation in the county-wide Diversion Collective would strengthen the coordinated regional collaboration on homelessness diversion strategies.

FISCAL IMPACT

The following grant amounts will be deposited and appropriated to the following accounts:

Description	Account No.	FY 2026-27
Resolution Strategies	836207225272.4376 (Revenue)	75,000
Materials and Supplies	836207225272.5355	75,000

COMMISSION OR COMMITTEE REPORT

On May 26, 2026, the Housing Commission discussed and approved staff's recommendation that the City Council accept the San Diego Housing Commission grant award and approve the associated actions.

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

Prepared by: Salvador Roman, Senior Management Analyst
Reviewed by: Leilani Hines, Housing and Neighborhood Services Director
Submitted by: Jonathan Borrego, City Manager

ATTACHMENTS:

1. San Diego Housing Commission Diversion Collective Agreement