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Office of the City Auditor

Report to the City Council
City of San José

HOMELESSNESS COORDINATION: EXPANDING OUTREACH, STRENGTHENING GRANT OVERSIGHT, AND ALIGNING PERFORMANCE GOALS CAN IMPROVE THE CITY'S RESPONSE

Report 25-04
October 2025

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October 2, 2025

Honorable Mayor and Members
Of the City Council
200 East Santa Clara Street
San José, CA 95113

Homelessness Coordination: Expanding Outreach, Strengthening Grant Oversight, and Aligning Performance Goals Can Improve the City's Response

Homelessness continues to be a top concern for San José residents. In the City's annual Community Opinion Survey, respondents consistently have ranked addressing homelessness a top priority for making San José a better place to live. Based on the Housing Department's (Housing) estimates in early 2025, there were about 5,500 unsheltered residents in San José. Many departments are involved directly or indirectly with the City's homelessness response. The City and its regional partners, such as Santa Clara County, are challenged by limited resources across the housing continuum, from outreach workers to interim housing to affordable housing opportunities. Other benchmarked jurisdictions have generally adopted approaches consistent with the City's.

As directed by the City Council, the objective of this audit was to explore San José's internal departmental structure related to homelessness as well as assess coordination of activities across City departments, the County, and the City's service providers and benchmark how other jurisdictions and municipalities are addressing homelessness.

Finding 1: The City Can Improve Interdepartmental Coordination and Communication
Because of limited resources, the City prioritizes outreach in pre-selected areas through its Targeted Outreach and Engagement (TOEP) program. Other City staff also routinely engage with unhoused residents through various City programs. We found:

- At the time of the audit, Housing had only about 30 contracted and in-house outreach workers to connect San José's unsheltered residents with resources.

- As a result, unhoused residents outside TOEP areas have not been prioritized for interim housing or services—even when complying with the City's encampment policies.

- Housing also has not consistently responded to outreach requests submitted by City staff from other

> **Recommendations:** The Administration should:
>
> → Develop protocols to provide timely outreach for areas impacted by abatements and tow-away zones and reevaluate how outreach is prioritized in these areas
>
> → Develop guidelines around information provided to unhoused residents by non-Housing staff

departments or the public, and SJ311 data was not used to inform Housing's outreach strategy at the time of the audit.

- The City can better communicate expectations regarding its response to lived-in vehicles, including timelines for recovering personal belongings after towing.

→ Provide SJ311 complaint status updates to residents even when a response is not possible

→ Improve communication around lived-in vehicles

Finding 2: Improved Monitoring and Defined Responsibilities Can Strengthen Homelessness Service Delivery Based on a limited sample of homeless-related service agreements, outside service providers did not meet some performance goals. We found:

- Housing can strengthen its monitoring practices by developing clear protocols for site visits, desk reviews, and other grant oversight activities.

- Housing can also ensure consistent evaluation of service provider performance by aligning individual agreement expectations with broader program goals.

- Public Works provided maintenance at interim housing and safe parking sites, some of which may have been the responsibility of site operators.

Recommendations: The Housing Department should:

→ Update its grant oversight procedures to improve grant monitoring

→ Ensure consistency of performance targets in service provider agreements with City goals

→ Clarify maintenance responsibilities at the interim shelters and other facilities

This report has nine recommendations. We plan to present this report at the October 9, 2025, Neighborhood Services and Education Committee of the City Council. We would like to thank the Administration and City Attorney's Office for their time and insight during the process. The Administration has reviewed the information on this report, and their response is shown on the yellow pages.

Respectfully submitted,

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City Auditor

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Background

Preliminary results from the 2025 Point-in-Time (PIT) Count placed San José's total homeless population at 6,503, with 3,959 unsheltered. The Housing Department (Housing) notes that PIT counts likely underreport the true number of people experiencing homelessness, and in early 2025 estimated that there were approximately 5,500 unsheltered individuals on any given night in San José.

Homelessness continues to be a top concern for San José residents. Respondents to the City Auditor's annual Community Opinion Survey have consistently ranked addressing homelessness a top priority for making San José a better place to live.[1] The City Council has also made "Reducing Unsheltered Homelessness" one of its focus areas to bring greater organizational focus, resources, and governance-level goals to address the issue. With this focus, the Administration has prioritized response around the following areas:

- Increasing shelter production

- Maintaining high interim shelter utilization

- Abating and enforcing no encampment zones in waterways

- Reducing Tier 3 encampments[2]

- Managing oversized and lived-in vehicles

Many departments are involved directly or indirectly with the City's homelessness response. The objective of this audit, as directed by the City Council in June 2024, was to:

> *Explore San José's internal departmental structure related to homelessness response including but not limited to cleanups, abatements, lived-in vehicles, biowaste, jurisdictional issues pertaining to land ownership, access to County/State services, etc.*
>
> *Assess coordination of activities across City departments, the County, and the City's service providers*
>
> *Benchmark how other jurisdictions and municipalities are addressing homelessness outside of the housing first/permanent supportive housing models*

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[1] https://www.sanjoseca.gov/your-government/appointees/city-auditor/services-report

[2] BeautifySJ developed a tiered system to identify encampment needs, where Tier 3 encampments tend to be larger, have more encampments and people, and have complex service needs.

Homelessness Continues to be a Challenge

Though acknowledging the point-in-time count is imprecise, the 2025 point-in-time count showed a small increase in the homeless population from the 2023 count, as illustrated in Exhibit 1. However, the results indicate a far more significant rise over the past 10 years, rising from slightly more than 4,000 individuals in 2015 to more than 6,500 in 2025. Nonetheless, the number of unsheltered individuals declined for the third straight count.

Exhibit 1: Point-in-Time Counts for San José's Homeless Population
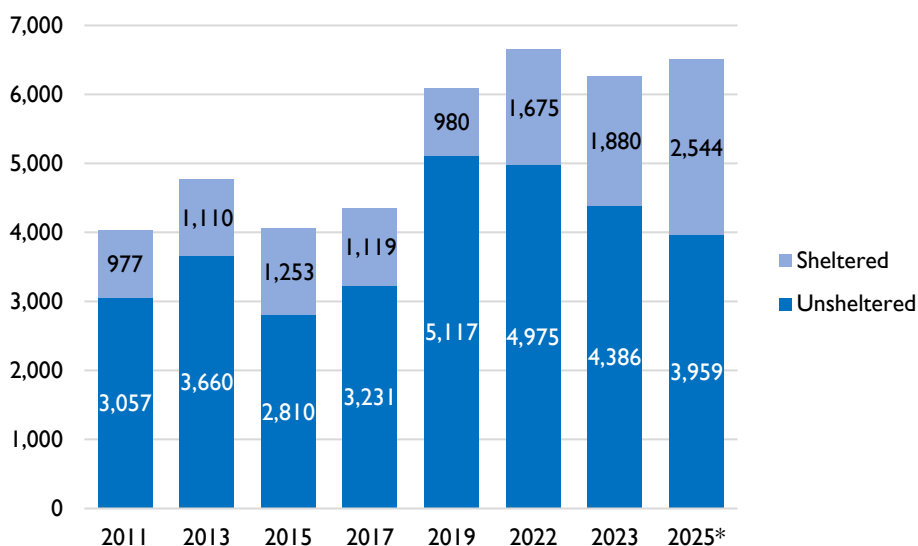
Source: Auditor summary of city point-in-time counts

*2025 point-in-time counts based on preliminary results

According to Santa Clara County, the trends in the total number of persons experiencing homelessness reflect what homelessness experts and Santa Clara County officials have observed in recent years: more people are entering homelessness than exiting. The County's Office of Supportive Housing identifies systemic factors—including a lack of affordable housing, wage gaps, and structural inequities—that have been exacerbated since the COVID-19 pandemic.

Lack of available shelter space also is a continued challenge. At the time of the audit, the City's interim housing and safe parking portfolio included 1,016 spaces or units.[3] Utilization rates show little available capacity for new residents. In 2025, Santa Clara County reported that it has a total of 3,697 temporary housing bed count in the County, about 2,000 of which are in San José.

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[3] Housing reported that three units were taken out of circulation to be used as office space, and that some units may be used to store participant belongings.

Continuum of Care and the Regional Response to Homelessness

The U.S. Department of Housing and Urban Development (HUD) recommends local jurisdictions coordinate homelessness services through a Continuum of Care (CoC). In Santa Clara County, the CoC is primarily administered by the County's Office of Supportive Housing, which provides connections to services such as healthcare, behavioral health, social services, and justice system support.

In 2015, the community came together to create a roadmap for ending homelessness in Santa Clara County centered around "a collective impact response and the proven Housing First model."[4] The Community Plan to End Homelessness set a goal to create 6,000 new housing opportunities and identified strategies and programs for reducing homelessness. The updated 2020–2025 Plan was organized around three main strategies: 1) addressing the root causes of homelessness through system and policy change, 2) expanding homelessness prevention and housing programs to meet the need, and 3) improving quality of life for unsheltered individuals and creating healthy neighborhoods for all.[5]
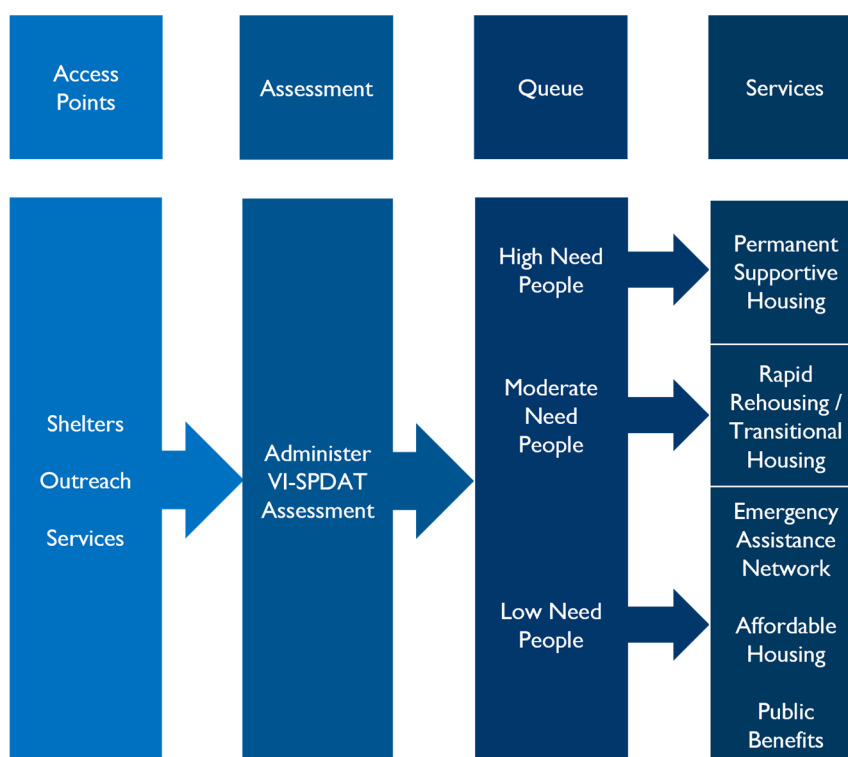
Access to housing through the County's Coordinated Assessment System begins with a needs assessment called the Vulnerability Index-Service Prioritization Decision Assistance Tool (more commonly known as the VI-SPDAT). Results from the VI-SPDAT determine an individual's or a household's placement in the community queue for permanent supportive housing, rapid rehousing, transitional housing, or referral to other services. The assessment can be administered by designated agencies and organizations.

As depicted in Exhibit 2, the assessment system coordinates intake, assessment, prioritization, and referrals to match people with the most appropriate housing resources.

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[4] Presidential Executive Order 14321, issued in July 2025, ordered, "to the extent permitted by law, ending support for "housing first" policies that deprioritize accountability and fail to promote treatment, recovery, and self-sufficiency; increasing competition among grantees through broadening the applicant pool; and holding grantees to higher standards of effectiveness in reducing homelessness and increasing public safety." While the full effect of the order is unclear, it could result in potentially significant changes to the federal government's approach to addressing homelessness.

[5] Housing reports that a new Community Plan to End Homelessness is currently in development.

Exhibit 2: Santa Clara County's Coordinated Assessment System

Access Points	Assessment	Queue	Services
Shelters Outreach Services	Administer VI-SPDAT Assessment	High Need People →	Permanent Supportive Housing
		Moderate Need People →	Rapid Rehousing / Transitional Housing
			Emergency Assistance Network
		Low Need People →	Affordable Housing
			Public Benefits

Source: Auditor summary of Santa Clara County's Coordinated Assessment System

Other Regional Partners

Santa Clara County's Office of Supportive Housing is responsible for prevention, temporary housing, and permanent housing solutions countywide. The Here4You hotline is a countywide hotline that centralizes referrals to shelter and community resources within Santa Clara County.

The City has agreements with the County to coordinate for encampment clean-ups and has had previous agreements that cover behavioral health services, rental assistance services, a transit pass program, the Homeless Point-in-Time Counts, and other programs. We should note that the City Administration continues to have ongoing discussions with the County to discuss how best to collaborate and respond to the homelessness crisis.

In Fiscal Year (FY) 2024-25, the City also maintained agreements with other regional partners, such as Santa Clara Valley Water District (Valley Water), Union Pacific, and the Valley Transportation Authority (VTA), to provide outreach, police patrols, or abatements in shared jurisdictions. For example:

- Valley Water's Collaborative Use Agreement with the City is for creating and operating an Interim Shelter/Housing Community (ISHC) on Valley Water property. Valley Water is responsible for maintaining the adjacent Guadalupe River and Guadalupe Percolation Ponds Groundwater

Recharge Area for flood risk reduction and water conservation purposes. A different agreement with Valley Water is to pay for Police Department personnel around local waterways within the city.

- The City's agreement with Union Pacific is to establish a cooperative process for removing trash, debris, illegal encampments, overgrown vegetation, and graffiti at Union Pacific and adjacent City property.[6] The agreement calls for one coordinated clean up per month.[7]

- The City has a Memorandum of Understanding with VTA to consult one another when identifying priority cleanup areas on VTA property. Cleanup crews from the City and VTA may also work together to remove trash, encampments, and graffiti on City property accessible through VTA.

- The City previously had an agreement with Caltrans to remove and discard litter and debris in pre-determined areas. This agreement expired in 2024.

At the time of the audit, the City did not have current formal contracts with Pacific Gas & Electric (PG&E) or Caltrans related to blight coordination. PRNS staff report that they meet or communicate regularly with these entities to discuss coordination around blight-related activities, including cleanups at encampments.

San José's Homelessness Strategy and Housing Continuum

The City's homelessness programs align with CoC priorities and aim to integrate housing placement with outreach and enforcement. The City's Implementation Plan establishes City-specific actions to move towards achieving regional goals in the Community Plan to End Homelessness.

A range of City departments are involved in addressing issues related to homelessness. Housing leads the City's efforts and works with other departments, the County, and partner agencies to combine shelter and housing services along a Housing Continuum (Exhibit 3).

The Continuum spans from homelessness prevention to achieving stable, permanent housing. In addition to City departments, the County provides services along the continuum, such as connecting individuals with permanent supportive housing.

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[6] Union Pacific owns and operates approximately thirty miles of railroad right-of-way, including trestles, overpasses, and other inactive or vacant lots.

[7] The agreement acknowledges that conditions may prevent the one monthly clean-up from occurring and allows for up to eight clean-ups per calendar year or as mutually agreed upon by all parties.

Exhibit 3: Housing Continuum
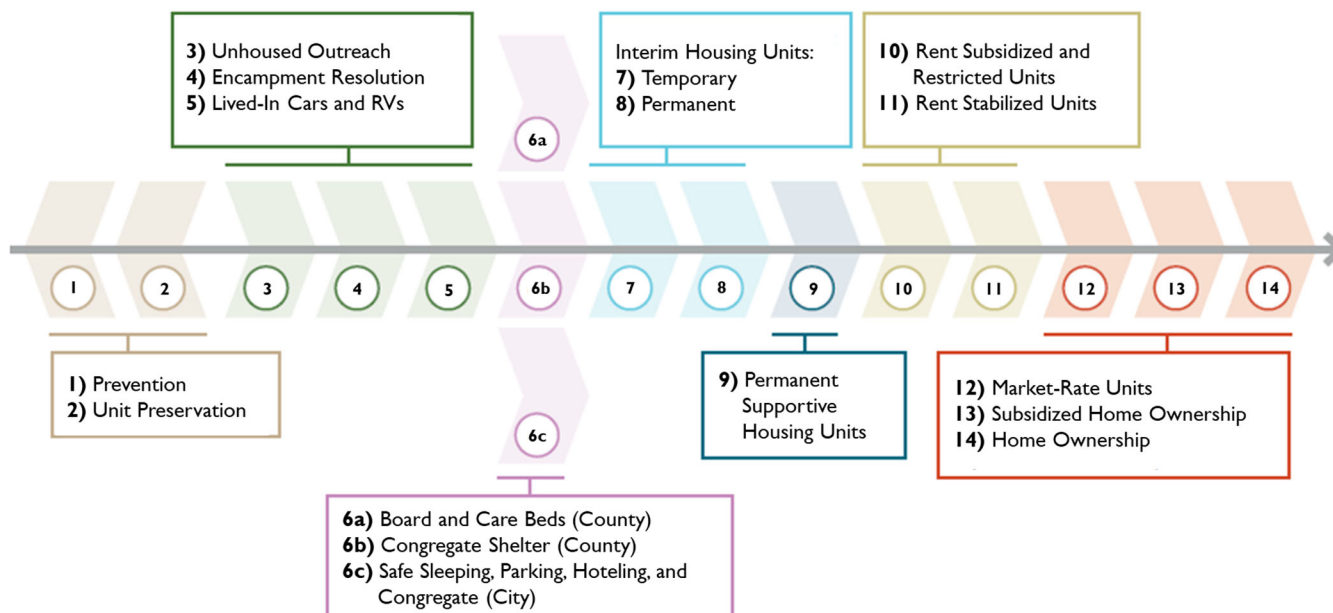
Source: City of San José's Consolidated Annual Homelessness Report and the April 2025 Consolidated Annual Homelessness Mid-Year Report

The number of unhoused individuals greatly exceeds available resources. These resource limitations exist across the continuum, including limited available affordable housing, interim shelter units, safe parking spaces, and permanent supportive housing. As we note in Finding 1, the number of outreach workers to assist unhoused individuals make connections to housing resources also does not meet the demand.

Departmental Roles in the City's Homelessness Response

While Housing is primarily responsible for responding to homelessness, various City departments have increased their involvement in responding to homelessness-related issues. Summarized below are several departments involved within the continuum.

- **Housing Department:** Housing is responsible for providing encampment outreach, temporary shelter, and homelessness prevention. Housing coordinates with non-profit providers to administer many of these programs, including managing interim shelters and safe parking facilities, providing outreach, and offering case management to unhoused individuals. Housing also manages an affordable housing loan portfolio to advance housing production.

- **PRNS:** PRNS is responsible for the encampment management program through BeautifySJ. Responsibilities include regular abatements of active encampments, enforcing No Encampment Zones, providing weekly trash services to active encampments and encampment service locations,

collecting biowaste from lived-in vehicles through its Recreational Vehicle Pollution Prevention Program (RVP3), and administering a Cash for Trash program. Some staff, such as therapeutic specialists and community activity specialists in PRNS, engage with residents before an encampment abatement. These staff send referrals to Housing, with the intent of connecting residents with outreach providers.

- **Department of Transportation (DOT):** DOT operates the Oversized and Lived-in Vehicle Enforcement Program (OLIVE). This program establishes parking restrictions to facilitate the clean-up of impacted areas, encourage vehicle circulation, and help mitigate the potential environmental and safety impacts posed by oversized and lived-in vehicles. Staff is also responsible for investigating complaints about parked vehicles (which can include lived-in vehicles) and conduct traffic safety outreach to unhoused residents.

- **Police Department:** The Police Department provides support to the encampment abatement and OLIVE programs. Additionally, staff may respond to requests for service from the community and City staff. The department also manages the City's agreements with tow operators.[8]

- **Public Works:** Public Works is responsible for building and providing some maintenance at the City-run interim housing sites and safe parking locations. Staff from Animal Care and Services may also provide support during abatements.

- **Fire Department:** The Fire Department responds to homelessness-related medical and fire calls for service.

- **Library Department:** Library staff support patrons experiencing homelessness by offering targeted programs, participating at job and resource fairs for unhoused and housing-insecure individuals, and providing information about community resources and City services. At the time of the audit, a contracted service provider utilized the Martin Luther King, Jr. Library as a location for regular case management. Both King and Tully libraries also have computer stations for the MyConnectSV portal that provides a secure connection to case managers in the Homeless Management Information System (discussed in the following section).

- **Information Technology (ITD):** ITD is collaborating on a Homelessness Data Consolidation Project to house relevant data from different departments and sources in a single location for future dashboards and reports.

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[8] The FY 2025-26 Adopted Operating Budget creates a Neighborhood Quality of Life Unit. The Unit will focus on "building strong relationships between law enforcement and local communities to address crime and quality-of-life issues [and] take enforcement action when law violations are committed and when appropriate, including actions to enforce the Responsibility to Shelter policy."

- **Environmental Services Department (ESD):** ESD is responsible on behalf of the City to ensure it meets compliance requirements in accordance with the City's Stormwater Permit.[9]   The department supports data collection from City departments to ensure that the City meets or exceeds the water quality requirements in the permit.

- **Planning, Building and Code Enforcement (PBCE):** PBCE provides a response at blighted privately-owned property and vacant lots and for abandoned shopping carts.

- **Office of Economic Development and Cultural Affairs (OEDCA):** OEDCA provides workforce development opportunities and secures properties for the various interim housing or temporary shelter sites.

Other City departments are involved in the City's homelessness response as well, which are acknowledged in the Administration's 2023-24 Consolidated Annual Homelessness Report and Implementation Plan Update.[10]

At the time of the audit, the City Manager's Office aimed to bring staff from the various departments together to collaborate on the City's homelessness response. The City Manager's Office held interdepartmental scrum meetings to coordinate and collaborate around the following areas: 1) increase supply 2) provide support, 3) manage impacts, 4) improve productivity and 5) lived-in vehicles. Department Directors from multiple departments were involved in this process. Coordinating these workstreams has since been consolidated into Housing.

Homelessness Data Management and Consolidation

The City uses various systems to collect and organize data for its homelessness response, including the Encampment Resource Coordination System (ERCS) and the Homeless Management Information System (HMIS).

- **Encampment Resource Coordination System (ERCS):** ERCS is a case intake and work order platform used by Housing and PRNS. The system collects incoming homelessness-related concerns submitted through SJ311 and the "Report an Encampment" form on the City's website. Because ERCS is linked to SJ311, staff from Housing, PRNS, and DOT can reassign cases around lived-in vehicle outreach and trash near vehicles to one another.

- **Homeless Management Information System (HMIS):** HMIS is an online database that stores data on individuals experiencing homelessness in Santa Clara County. Through HMIS, participating agencies can

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[9] In accordance with the federal Clean Water Act, the City is required to comply with a Municipal Regional Stormwater Permit. The most recent permit mandates prioritization of housing for individuals living in waterways to address discharges (i.e., trash, biowaste) from unhoused residents living near waterways and lived-in vehicles near storm drains.

[10] https://sanjose.legistar.com/View.ashx?M=F&ID=13390329&GUID=34FBDEC4-1022-4F15-91EA-824070CBAB61

document services provided, share information about clients to coordinate client care, and generate reports for stakeholders.

In June 2025, the City publicly launched its Citywide Data Strategy,[11] a three-year plan to guide how the City collects, manages, and uses data. The City is implementing its Citywide Data Strategy by beginning to consolidate its homelessness-related data across departments. This project will ultimately feed into the Citywide Data Lakehouse, which is a central data platform intended to help the City move away from siloed, duplicate data sets. At the time of the audit, this work was underway.

The Cost to Respond to Homelessness is Substantial

In FY 2025-26, the City budgeted $151.5 million for homelessness programs, and an additional $5.6 million in unallocated or reserve funding designated for future years.[12] As shown in Exhibit 4, this is lower than the previous fiscal year, which had allocated around $220 million.

Exhibit 4: Homelessness Funding Allocations for FY 2024-25 and FY 2025-26
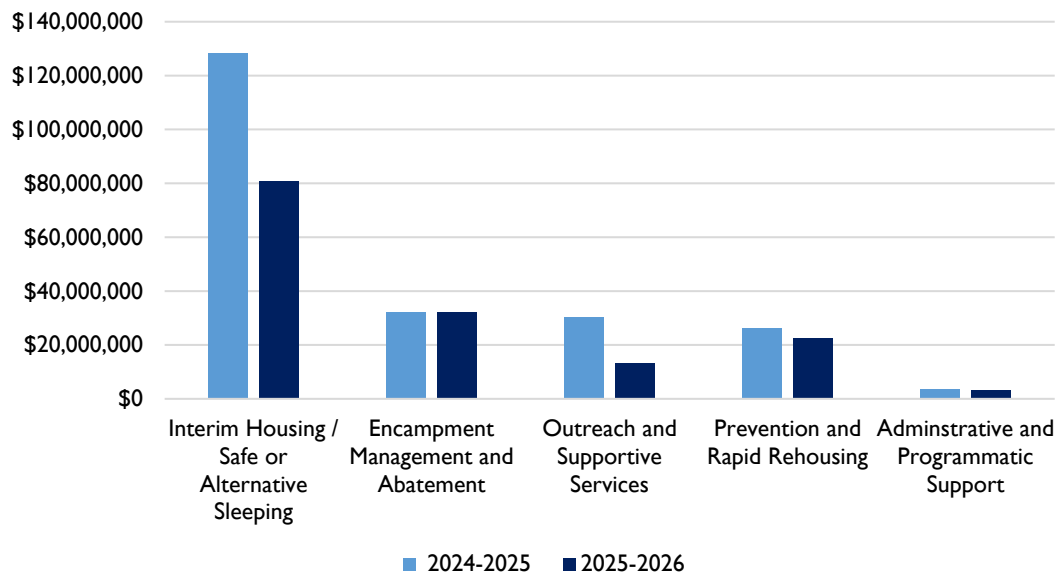
Source: Auditor summary of homelessness-related budget allocations for FY 2024-2025 and FY 2025-26. During FY 2024-25, the City constructed and opened three new sites for interim housing and safe parking. The figures do not include $20.1 million of unallocated or reserve funding in FY 2024-25, and $5.6 million in FY 2025-26.

There are additional costs that may not be reflected in this total. For example, we estimate that in FY 2024-25, the cost for Fire Department and Police Department

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[11] https://www.sanjoseca.gov/your-government/departments-offices/information-technology/data-governance

[12] In the FY 2025-26 Adopted Operating Budget, the City allocated 90 percent of Measure E funds to Homelessness Sheltering and Support and 10 percent to Homelessness Prevention.

responses for homelessness-related issues was approximately $39 million. The Police and Fire responses have included calls requesting responses for police emergencies and disturbances, and medical and fire-related emergencies.

Other Cities Follow a Similar Structure to Respond to Homelessness

The City's structure is similar to many other jurisdictions, with one central department/agency overseeing their homelessness response, and coordinating with other departments/agencies as appropriate. All jurisdictions reported following the Housing First Model, with most making investments in shorter-term housing like transitional housing and safe parking.

While all jurisdictions had a CoC, the organization structure differed. For example, the cities of Houston and San Antonio both had a non-profit lead agency to coordinate the homelessness response in their respective counties. The Local Homeless Coordinating Board in San Francisco serves as the CoC, with membership including agencies that respond to homelessness and an individual with lived experience. In San Diego, the Regional Task Force on Homelessness serves as the lead agency for the San Diego CoC, which includes a broad coalition of stakeholders working together to end homelessness across the San Diego region. Similarly, the Santa Clara County CoC includes local organizations, governments, and other agencies that serve veterans, and homeless and formerly unhoused individuals.

The following summarizes the approaches in the different jurisdictions we benchmarked:

- **City of San Diego:** The Homeless Strategies and Solutions Department is primarily responsible for the homelessness response, while San Diego's Environmental Services Department is responsible for encampment abatement. The Homeless Outreach Team within the San Diego Police Department provides community members experiencing homelessness a liaison to available social services. San Diego has been investing in safe parking sites, traditional shelter programs, supportive services, and housing navigation programs.

- **City of Oakland:** Oakland's Community Homelessness Services Division within the Human Services Department is primarily responsible for homelessness services. Oakland has invested in shorter-term crisis response programs such as community cabins, emergency shelters, transitional housing, and recreational vehicle (RV) safe parking programs.

- **City and County of San Francisco:** San Francisco's Homelessness and Supportive Housing Department is responsible for programs to prevent homelessness and provide services to the unhoused population. The department collaborates with other departments and offices, such as the Department of Public Health, the Human Services Agency, the Mayor's Office of Housing and Community Development, and the Department of

Children, Youth and their Families. San Francisco maintains navigation centers, emergency shelters, cabins, and transitional housing, and provides temporary hotel vouchers. San Francisco recently closed its vehicle triage center but has launched a new strategy to address vehicular homelessness, including specialized outreach, a large vehicle buyback program, and towaway enforcement for oversized, lived-in vehicles through two-hour parking restrictions.

- **City of Portland:** Portland Solutions is an intergovernmental agreement that blends the City of Portland and Multnomah County work into a combined homelessness response structure. Portland Solutions combines the Street Services Coordination Center, the Impact Reduction Program, and the Public Environment Management Office. At the time of the audit, Portland managed eight alternative and outdoor shelters. These included a temporary outdoor shelter and a navigation center with shelter beds.

- **City and County of Denver:** The Department of Housing Stability (HOST) is responsible for the city's homelessness response. The response is divided into four sections: Housing Opportunities, Housing Stability, Homelessness Resolution, and Operations. HOST partners with many agencies across Denver to provide shelter for people experiencing homelessness. These include day centers for individuals to access during daytime business hours. Staff from the Mayor's Office in Denver also reported conducting daily meetings with city agencies to coordinate areas such as street engagement and connections to housing.

- **City of San Antonio:** At the time of the audit, the Department of Human Services (DHS), in coordination with the non-profit Close to Home, led the implementation of strategic initiatives for people experiencing homelessness and housing instability.[13] DHS was also the primary department responsible for allocating and administering federal and state homelessness funding. The department coordinates management of low-barrier shelters and emergency shelters—with the most bed capacity in the city's Haven for Hope campus.[14] The City of San Antonio engages in the local homeless response system with other departments, including Neighborhood and Housing Services, Solid Waste Management, and Police.

- **City of Houston:** The Housing and Community Development Department is responsible for the management and administration of grant-funded city housing programs. Due to high rates of recidivism and

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[13] San Antonio is creating a new Homeless Services and Strategy Department, which staff report will be effective October 2025. The Homeless Services and Strategy Department is intended to focus on providing immediate help to unhoused individuals, maintain an existing low-barrier shelter, and clean up encampments. The staff and budget for this new department come out of the Department of Human Services.

[14] Haven for Hope, a 501(c)3 tax-exempt organization, is Bexar County's largest homelessness services and shelter provider. The campus is home to a multitude of services including emergency shelter, case management, assistance transitioning from homelessness to being housed, and street outreach.

individuals returning to homelessness after transitional housing, Houston reported converting its transitional housing into permanent supportive housing. Additionally, a Homeless Outreach Team is housed in the Houston Police Department. This team includes sworn officers and case managers and helps unhoused individuals with housing, shelter referrals, employment, mental health treatment, and obtaining key documents.

Code of Conduct for Encampments and Responsibility to Shelter

Through the 2025 March Budget Message, the City Council directed the City Attorney to work with the City Manager on proposing a "Responsibility to Shelter" policy to enforce expectations that unhoused residents accept offers of shelter or housing.

To address this, the City Administration updated the Code of Conduct for Encampments[15] to establish an expectation to accept shelter or housing offers. The Administration anticipates that it will create an Enhanced Engagement Program in Housing to "build sustained relationship-based outreach with residents of large or long-standing encampments."

Additionally, a Neighborhood Quality of Life Unit was created in the Police Department to enforce municipal code ordinances at encampments. The Administration proposed an implementation schedule and division of duties between Housing and the Police Department to carry out this work.

Other jurisdictions also have restrictions on camping in public and private spaces and, in some cases, associated penalties. For example:

- Denver bans unauthorized camping on public or private property but limits law enforcement citation authority to certain circumstances.

- San Diego's Unsafe Camping Ordinance, approved in June 2023, prohibits encampments on public property and codifies how, when, or where abatement or enforcement actions are to be taken. For example, officers may enforce violations of the ordinance if a person is camping on public property and shelter is available, or if they are camping within two blocks of a school, within two blocks of a shelter, or other designated areas.

- An ordinance in Portland restricts camping on public property for individuals that have access to reasonable alternative shelter. The regulations allow camping for individuals that do not have access to alternative shelter, but with some restrictions.[16] Violations may result in fines or imprisonment of up to seven days.

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[15] Before the update, the Code of Conduct for Encampments already set expectations around areas such as cleanliness and disposal of biowaste, acceptable behaviors, encampments around schools or playgrounds, and blocking the public right-of-way.

[16] Portland's regulations specify that a person may not camp if they: 1) obstruct access to a pedestrian-use zone (i.e., sidewalk) or private property or businesses adjacent to the public right-of-way, 2) start or maintain any fire or use a gas heater in or around a campsite, 3) assemble, disassemble, sell, offer to sell, distribute, offer to distribute, or store multiple bicycles or automobiles, 4) camp on property marked "no trespassing" by the city, 5) set up any type of permanent or temporary fixture or structure of any material(s) in or upon public property or public right-of-way, 6) dig soils, alter infrastructure, cause environmental damage, or damage trees, and 7) store personal belongings or other objects more than two feet outside the tent.

- Houston prohibits encampments in public places and allows law enforcement to issue citations in certain circumstances, which may result in a misdemeanor.

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Finding 1   The City Can Improve Interdepartmental Coordination and Communication

Summary

The City has limited outreach resources, with about 30 outreach workers to support an estimated 5,500 unsheltered residents. As a result, the City primarily prioritizes outreach efforts through its Targeted Outreach and Engagement Program (TOEP), which focuses on designated areas. Individuals outside TOEP areas are not prioritized for interim housing or services—even when complying with the City's encampment policies. Housing has also not consistently responded to outreach requests from other City staff before encampment abatements or towaway enforcement actions. The Administration should reevaluate how outreach is prioritized to incorporate areas impacted by these activities, as well as provide standardized guidance for non-Housing staff who regularly interact with unhoused residents. Additionally, Housing is generally unable to assign outreach staff to individual SJ311 requests from the public. Nonetheless, "complaints from the community" is one of the criteria for TOEP site selection. The Administration can use SJ311 data to identify areas of concern and inform the City's outreach strategy, while better communicating case statuses to reporting parties. Finally, the City can improve communication around responses to lived-in vehicles, including timelines for recovering personal belongings after towing.

The City Uses Targeted Outreach to Balance Staff Capacity and Services Offered to Unhoused Individuals

At the time of the audit, Housing had about 30 contracted and in-house outreach workers to connect unhoused individuals with services, shelter, and housing. Housing estimates that the unsheltered homeless population in San José is roughly 5,500 individuals. Using this estimate, this equates to over 180 unsheltered residents per outreach worker. Such a caseload greatly exceeds the National Alliance to End Homelessness's recommendation to maintain 10 to 14 individuals per street outreach worker.

Because of this, the City has prioritized most of its outreach in pre-determined areas in San José through a Targeted Outreach and Engagement Program (TOEP).[17] According to Housing's TOEP framework, TOEP sites are selected based on criteria such as:

- Number of encampment structures in an area,

- Proximity to waterways, City shelters, and development projects,

- Multiple complaints from the community, and

- Supporting the City's goals of downtown vibrancy and compliance with Stormwater Permit requirements.

> **Targeted Outreach and Engagement Program**
>
> Housing uses a Targeted Outreach and Engagement Program (TOEP) to deploy outreach. TOEP is intended to **concentrate** consistent and **proactive outreach**, which includes access to basic needs and placement into housing.

TOEP areas have also been influenced by City Council direction to prioritize offering placement to unhoused individuals near emergency interim housing and supportive parking sites. Prioritizing referrals from TOEP areas are reflected in the site operators' participant selection or referral processes. It should be noted that the Oversized and Lived-In Vehicle Enforcement (OLIVE) Program was not in place when the TOEP framework was developed.

Unhoused Individuals May Not Receive Outreach Services, Including Those Subject to Abatements and Other Enforcement Actions

While TOEP has helped prioritize the City's limited outreach services, it has left gaps in coverage citywide. Individuals live in encampments and lived-in vehicles across the city. At the time of the audit, unhoused residents outside TOEP areas—including individuals impacted by abatements or OLIVE actions—generally did not receive outreach from the City or its contracted workers. Consequently, they may not have received connections to the City's housing resources.

Exhibit 5 shows the location of encampments and OLIVE sites along with the TOEP sites as of July 2025. Compared to residents living in TOEP sites, unhoused individuals living outside of TOEP sites may receive limited case management, supportive services, and access to the City's interim shelters.

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[17] While TOEP is the City's primary outreach model, the City also has a contract for reactive, citywide outreach. Per the contract, the service provider is expected to provide light-touch outreach and case management and respond to outreach requests throughout San José. At the time of the audit, about five staff were designated to carry out this work. Housing reported that due to the volume of incoming requests, staff stopped assigning cases to the contracted reactive outreach team during the audit. The Department has since revised its intake mechanism to identify and assign requests from City departments and neighboring agencies.

Exhibit 5: Encampments and Lived-In Vehicle Hotspots Exist Throughout San Jose, but Outreach Services Were Concentrated in Certain Areas in the City, Leaving Gaps in Coverage (as of July 2025)

Active Encampments and
OLIVE Sites

TOEP, Interim Housing,
and Safe Parking Sites
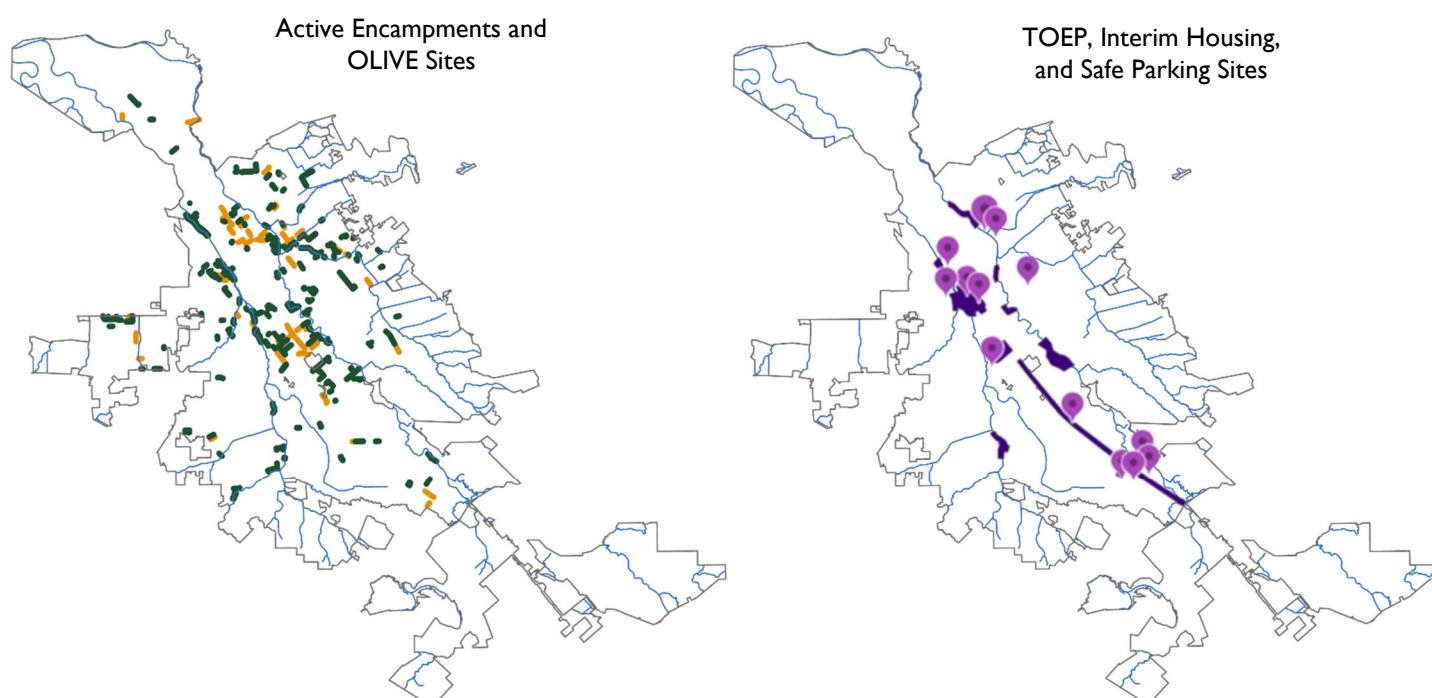
Legend:

- ■ Oversized and Lived-in Vehicle Enforcement and Towing Sites (DOT)
- ■ Active Encampments* (PRNS)
- ■ Rivers/Creeks
- ● Interim Housing** and Safe Parking Sites (HSG)
- ■ Targeted Outreach and Engagement Program Sites (HSG)
- ■ City Boundary

Source: Auditor analysis of departmental geospatial data and interim housing locations using ArcGIS and Google Earth

*An active encampment is an encampment where BeautifySJ provides routine trash or cleanup services.

**Interim housing includes emergency interim housing (EIH) and hotel/motels.

Qualifying encampments are subject to be abated, while vehicles at OLIVE sites are at risk of being towed. Some of these encampments and OLIVE sites fall outside of TOEP areas. At the time of the audit, staff in PRNS were not aware that sites outside of TOEP areas may not receive outreach. PRNS submitted outreach requests to Housing in advance of abatements or OLIVE actions, and reported informing unhoused individuals that Housing staff would follow up with outreach. However, Housing did not consistently assign outreach workers, nor inform PRNS that they could not fulfill the requests.

Housing reported that it forwards PRNS' weekly email of pre-abatement outreach requests to outreach providers, but Housing did not request they visit these encampments prior to an abatement. Additionally, in a sample of ERCS outreach cases submitted by PRNS before an abatement or OLIVE activation, some requests were closed without an outreach assignment or close-out reason, while others were left without action from Housing for months.

Individuals residing outside designated TOEP areas were not prioritized for placement in the City's interim housing or access to supportive services, even if they comply with the City's encampment management policy (the Good Neighbor Policy).

> **University of California at San Francisco Encampment Resolution Guide**
>
> "In any resource-constrained system, some actions will need to be prioritized, and, as a result, some actions will be delayed… Still, they [communities] should rely on skilled housing-focused outreach services that can assist people in resolving their episodes of homelessness even if the encampment they live in is not currently receiving the systemwide resource dedication that a resolution brings."

These are missed opportunities to engage with unhoused residents and may undermine trust in the City. Additionally, TOEP sites may create unintended incentives for unhoused individuals to move into these areas to access housing referrals and supportive services, whereas the City is actively trying to reduce the impacts of homelessness in these locations.

Many of the City's interim housing sites are filled by residents who receive offers from TOEP teams, though TOEP teams can also connect an individual with County shelters and housing. Shortages in both outreach personnel and available housing challenge the City's ability to offer shelter or housing. However, unhoused individuals may still benefit from consistent engagement to build trust with outreach providers, a VI-SPDAT assessment or update, or support in collecting necessary documentation for housing—even when immediate housing is unavailable.

Community-Submitted Concerns Can Inform Outreach Strategies

"Complaints from the community" is one of the criteria for TOEP site selection; however, at the time of the audit, SJ311 data was not being used to inform its outreach strategy. Although Housing is generally unable to assign outreach staff to individual SJ311 requests submitted by the public, these reports contain valuable, time-stamped location data that can help identify areas of concern or emerging hotspots.

Other City departments use SJ311 data to support broader service strategies rather than treating each report as a standalone investigation. For example, DOT

aggregates illegal parking complaints to guide enforcement patrols, and the Administration uses a similar approach to target areas with frequent reports of illegal fireworks. Housing could adopt a comparable approach by using SJ311 data to inform future outreach planning.

Recommendation:

1:     **To ensure that unhoused residents citywide are appropriately considered in outreach efforts, the Administration should, in the context of limited outreach resources:**

    a.   **Develop protocols to provide timely outreach in advance of encampment abatements and Oversized and Lived-in Vehicle Enforcement activations, and**

    b.   **Reevaluate how outreach is prioritized to incorporate areas affected by imminent encampment abatements and tow-away zones, and the frequency of community submitted concerns.**

Housing's Targeted Engagement Can be Supplemented by Departments Already Interacting with Unhoused Residents

As noted in the Background, City staff from departments beyond Housing routinely engage with unhoused individuals as part of their regular duties, such as PRNS and DOT. These interactions represent an opportunity to supplement outreach by providing information on services that residents may not otherwise seek or access.

At the time of the audit, we noted that staff did not provide consistent information to unhoused residents. In some cases, staff may have submitted an outreach request to Housing or directly contacted someone in Housing; in other cases, they provided information on the Here4You hotline; and in others, they provided contact information to other service organizations.

While staff outside of Housing would not be expected to provide the same level of service as outreach workers, these encounters are opportunities to provide information about shelter and supportive services. This aligns with the City's "One Team" approach and can improve overall access to information.

City Programs That Regularly Engage with Unhoused Residents Do Not Have Clear Guidance for Referring Individuals to Housing

Despite frequent contact with unhoused individuals in encampments and lived-in vehicles, programs across the City did not have consistent procedures for connecting residents to housing or supportive services. For example, the OLIVE program currently does not have formal guidance on how to engage with unhoused individuals living in vehicles, who to contact within Housing, or how to

request outreach. Additionally, while some BeautifySJ programs refer to Housing in their procedures, existing guidance could be strengthened.

- **BeautifySJ abatement procedures** direct PRNS staff to email Housing for weekly outreach requests prior to abatements. However, they do not capture therapeutic specialists' current practice of sending requests to Housing through ERCS.

- **RV Pollution Prevention Program procedures** include general directives to coordinate with Housing and to offer resources to residents in lived-in vehicles, but do not clarify when or how coordination with Housing should occur.

- **Cash for Trash procedures** do not include any guidance on responding to inquiries about shelter or services.

- Staff in BeautifySJ also noted that they often distribute the **Good Neighbor Policy** flyer to residents, yet, as shown in Exhibit 6, this flyer contains no information on housing or supportive resources.

Exhibit 6: Good Neighbor Policy

Source: BeautifySJ website

Other departments—such as the Police Department and Fire Department—shared that they may reach out to Housing staff when interacting with unhoused residents interested in housing.

Enhancing the materials mentioned previously and providing clear referral protocols for non-Housing staff would help ensure consistent and effective communication with unhoused residents across the different City programs.

The Interagency Council of Homelessness notes that a core element of effective street outreach includes coordinating street outreach efforts with "staff who are likely to encounter individuals experiencing unsheltered homelessness, but whose regular focus is broader than homelessness."

Although not all City departments have a mission focused on reducing unsheltered homelessness, many still interact regularly

> **National Alliance to End Homelessness**
>
> "Street outreach programs may not be the first touchpoint for many—often people experiencing unsheltered homelessness are identified first by others in the community," including library, emergency medical services, law enforcement, or sanitation staff.

with unhoused individuals. The Administration has repeatedly emphasized that addressing homelessness requires a multi-department response. As departments become more involved in the City's homelessness efforts, aligning the information they share with unhoused residents—where feasible—can help present a unified, coordinated approach and improve service connections across programs.

Recommendation:

2:    **To ensure City staff across departments can provide consistent information to unhoused residents, the Housing Department should develop and distribute guidelines around interactions with unhoused residents, including:**

   a. **Providing handouts with information about available resources and contact information, and**

   b. **When staff should refer outreach requests from unhoused residents to the Housing Department.**

The City Should Provide Clearer Information Around Differences Between Encampments and Lived-In Vehicles

Solutions to vehicular homelessness require many of the strategies used to respond to unsheltered homelessness broadly. Nonetheless, managing lived-in vehicles has been a persistent concern in San José—particularly around encouraging vehicle circulation, mitigating environmental impacts, and responding to lived-in vehicle complaints from the community. Benchmarked jurisdictions such as San Francisco, Oakland, San Diego, and Portland reported facing similar challenges with lived-in vehicles.

The City's response to lived-in vehicles varies from its response to encampments in a few areas. This is partly due to operations falling under different authoritative

guidelines. The City responds to lived-in vehicles within the framework of the State Vehicle Code and City Municipal Code. Meanwhile, the City refers to guidance such as court rulings, state executive orders, and Council direction when carrying out encampment abatements.

	Built Encampments	Lived-In Vehicles
Personal belongings after an abatement or tow	An unhoused individual has **90 days** to retrieve their personal property from a City facility after an abatement. 90 days meets the timeframe suggested in California Executive Order N-1-24.[18]	Per the State Vehicle Code, depending on the condition of a towed vehicle, an unhoused individual has **15 to 30 days** to retrieve their belongings from their towed vehicle.
No Encampment Zones[19]	Per City policy, encampments are prohibited in No Encampment Zones and may be abated immediately.	Lived-in vehicles are not prohibited from parking at No Encampment Zones, due to lack of explicit authority in the State Vehicle Code.
Concerns submitted by members of the public	Members of the public can submit encampment concerns using the "report an encampment" form. PRNS is responsible for reviewing and responding to cases for encampment trash, while Housing is responsible for cases regarding individuals experiencing homelessness.[20]	Members of the public can submit vehicle concerns through SJ311. While DOT monitors abandoned vehicle and illegal parking cases, cases regarding lived-in vehicles are routed to Housing.

The Administration Can Improve Communication Around Lived-In Vehicle Concerns

In FY 2024-25, members of the public submitted about 4,600 requests related to lived-in vehicles through SJ311. As of August 2025, Housing had not investigated or assigned outreach to nearly 2,900 of these requests. Housing's limited response is due, in part, to staffing constraints and their current focus on outreach at TOEP areas. However, the Administration also did not reply to these requests, either by providing an update on when action would occur or by informing the reporting party they would be unable to investigate the request. Some of these cases have been outstanding for months.

The City can better educate community members about enforcement and outreach limitations for lived-in vehicles. Specifically:

- The SJ311 form can be updated to indicate that outreach teams are currently providing minimal on-demand service to investigate and provide support for lived-in vehicles. Other departments and programs disclose when they are unable to act on all complaints:

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[18] CA Executive Order N-1-24 encourages local governments to store belongings for at least 60 days after an abatement.

[19] A "No Encampment Zone" is an area where encampments are subject to immediate abatement, such as near waterways and interim housing communities.

[20] The option to report a concern around "individual(s) experiencing homelessness in need of assistance" was removed for part of the audit.

- o SJ311 already informs reporting parties that the City does not investigate illegal parking cases individually but uses the information to inform proactive patrols. Similar messaging is included when reporting illegal fireworks through SJ311.

- o DOT's vehicle abatement page also states that they are unable to act on all vehicle concerns reported through SJ311, but that the department uses the data to understand what services to prioritize.

- Some community concerns are related to vehicles parked at No Encampment Zones. Currently, the SJ311 form does not clarify to reporting parties that No Encampment Zone restrictions do not apply to vehicles.

Transparent communication about case status is critical. According to City Administrative Policy 1.2.9, responsive and courteous customer service includes helping the public understand City processes and providing useful information. Providing updates—even when no immediate action is possible—can help maintain public trust and manage expectations.

The City Should Communicate Timeframes to Retrieve Personal Belongings for Towed Vehicles

An unhoused resident generally has less time to recover their personal belongings from a towed vehicle than from an abated encampment. During FY 2024-25, OLIVE enforcement resulted in 60 towed vehicles, some of which may be lived-in vehicles.

Depending on a vehicle's condition, residents may have as little as 15 days to retrieve their belongings from a tow operator's facility after their vehicle is towed. This timeframe is not included on OLIVE flyers distributed by City staff to residents before an OLIVE enforcement action. In contrast, BeautifySJ discloses on its abatement notices that a resident has 90 days to retrieve their belongings from a City facility.

**Exhibit 7: OLIVE's Brochure Does Not Disclose a
Timeframe to Retrieve a Person's
Vehicle or Belongings**

What do I do if my vehicle is towed?

If you think your vehicle may have been towed, call the San Jose Police Department Vehicle Records Assistance Line (Auto Desk) at 408-277-4263. This line is answered 24/7 except between the hours of 12:00 noon to 2:00 pm. Have your case number, vehicle license plate, or VIN number ready.

You can also visit the Auto Desk in person, between 8 am and 4 pm:

201 W. Mission Street
San Jose, CA 95110

To retrieve your vehicle, you will need:
• A valid photo ID.
• Proof of ownership (e.g., registration or title).
• Payment for towing and storage fees.

How can I recover my other belongings?

Any belongings inside of a vehicle that has been towed will remain inside the vehicle. The vehicle owner can coordinate with the tow company to gain access and retrieve their belongings while the vehicle is in an impound yard.

Any items left in the street or sidewalk will be subject to disposal.

Source: Section of OLIVE brochure distributed by DOT

Ensuring someone knows how many days their belongings will be held before disposal is essential, particularly if they are at risk of losing their identification, medication, tax or medical records, or other valuables in their towed vehicle. Given the City's increasing focus on addressing lived-in vehicles, it should establish clear communication for retrieving personal belongings from those vehicles if towed.

Recommendations:

3: **To improve transparency of how SJ311 complaints from the public around lived-in vehicles are managed, the Administration should:**

    a. **Set expectations for the public when immediate enforcement or response is not possible or if the case relates to a vehicle at a No Encampment Zone, and**

    b. **Provide a timely reply to the public about actions taken.**

4: **To improve communication around retrieving personal belongings from towed vehicles through the Oversized and Lived-in Vehicle Enforcement (OLIVE) program, the Department of Transportation should include timeframes for how long belongings will be held by tow companies in its OLIVE program flyers.**

Finding 2   Improved Monitoring and Defined Responsibilities Can Strengthen Homelessness Service Delivery

Summary

Based on a limited sample of homeless-related service agreements, providers did not meet some performance goals, including those related to housing referrals, outreach, housing search assistance, and other support services. Housing can strengthen its monitoring practices by developing clear protocols for site visits, desk reviews, and other grant oversight activities. It can also ensure consistent evaluation of service providers' performance by aligning individual agreement expectations with broader program goals. Additionally, the Public Works Department provided over $400,000 in maintenance at interim housing and safe parking sites, some of which included small repairs, pest control, and other services that may have been the responsibility of site operators. Housing is evaluating changes to how maintenance is delivered across sites. Clearly defining responsibilities between the City and its service providers will be essential.

Gaps in Housing Agreement Management Limits Oversight and Accountability

In a review of four Housing grant agreements with service providers totaling more than $14 million,[21] service providers did not consistently meet all their performance targets or reporting requirements. Examples of areas where performance did not meet expectations include:

- One site operator, citing limited staff and challenges in engaging with participants, did not meet goals for various services, including coordinated service sessions or providing self-sufficiency workshops for multiple quarters.

- Another site operator, citing challenges in hiring staff and engaging with participants and individuals on their waitlist, consistently did not meet goals around waitlist management and case management services.

- An outreach provider repeatedly did not meet quarterly targets for housing referrals, outreach encounters, or transitions into housing, citing staff vacancies and reprioritizing efforts to job placements.

Additionally, although some agreements require service providers ensure participants have housing plans to transition into permanent housing, Housing staff acknowledged this was not actively monitored at the time of the audit. Some

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[21] The agreements were for the rapid re-housing program, targeted outreach and engagement, and operation of emergency interim housing and safe parking sites.

interim housing agreements did not include this requirement, despite the role housing plans can play in preparing participants for permanent housing and helping Housing meet its transition goals.[22] The goal of a housing plan is to create a path to transition from interim housing to permanent housing. According to Housing staff, a housing plan can include steps a participant can take to achieve their goals, such as building self-sufficiency skills, connecting to support systems, and applying for affordable housing. Even with limited affordable housing, ensuring that participants are preparing towards this goal is important.

We should note that though Housing grant analysts documented service provider shortcomings in quarterly reports, none were placed on corrective action plans. The service providers' work was generally assessed as adequate despite these performance issues. In one instance, the work was assessed as "inadequate," but a corrective action plan[23] was not required.

Although documentation was uploaded into the City's WebGrants system, there was little evidence of follow-up or enforcement when agreement requirements were not met or when reports were delayed. At the time of the audit, Housing's grant staff did not conduct site visits or desk reviews during the agreement terms, limiting their ability to verify compliance or assess performance.[24] In addition, a service provider consistently submitted reports late or some reports were incomplete in some areas.

Housing's oversight was inconsistent with its *Grants Monitoring Policies and Procedures Manual.* As described in Housing's grants policy, desk reviews and site visits are used to assess a grantee's compliance with administrative, fiscal, and programmatic requirements.

- Desk reviews focus on reviewing documentation to ensure proper internal controls, and verify that expenditures are allowable, properly allocated, and supported.

- Site visits involve on-site evaluations to assess program implementation, adherence to guidelines, progress toward grant objectives, and to provide technical assistance as needed.

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[22] When interim housing sites first opened, the City operated them under Municipal Code Chapter 5.09, which included a requirement for housing plans. The term for Chapter 5.09 ended January 2025. Municipal Code Chapter 5.12 now governs the City's interim housing sites but does not explicitly include a requirement for housing plans.

[23] A corrective action plan is a plan submitted by a grantee to address compliance issues that may have been identified in a review. Per Housing's policies, grantees have three months to implement corrective actions to maintain funding eligibility.

[24] To enhance its grant monitoring capacity, Housing reported it has contracted with a vendor to monitor and ensure compliance through training, risk assessment, ongoing oversight, reporting, and technical assistance.

Housing Should Update Its Internal Procedures Manual

Housing's current grant monitoring procedures were last updated during the COVID-19 pandemic. Some elements of the procedures are specific to health and safety precautions put in place for the pandemic (e.g., remote desk reviews, extensions to submit quarterly reports). Other aspects of Housing's current grant monitoring, such as cross-checking grantee-submitted data with information in HMIS, were put in place after the most recent update and are not included in the procedures.

Three different groups within Housing are involved in monitoring and tracking service provider performance, which could present challenges in general oversight.

- **The grants team**: monitors documents submitted by grantees, such as financial workbooks and quarterly reports

- **The homelessness response division**: monitors quarterly performance on grant activities and outcomes

- **The data team**: spot checks grantee-submitted quarterly data with information submitted by the grantees in HMIS

Ensuring work is coordinated and responsibilities are defined with up-to-date procedures will help Housing achieve its oversight goals.

While Housing has conducted trainings on how to submit grant documents or what is included in quarterly reports, the trainings have been irregular and did not cover how to review service provider performance, or what to do when they do not meet performance goals. Housing provided training videos that were conducted October and November 2024, which was before three interim housing and safe parking sites opened. Staff explained that training videos can cover topics such as agreement negotiations, which is different than monitoring agreements and evaluating performance.

Grant Oversight Has Been a Persistent Challenge

Multiple reports over the years have emphasized the need for improved oversight for Housing's service providers. In 2024, a California State Auditor's report made observations on the insufficiency of Housing's oversight of grant agreements and grantee performance, recommending improvements in grant monitoring and tracking.[25]

Housing has contracted with a consultant since February 2022 to provide grant monitoring oversight and recommend improvements. The consultant reviewed grants from FY 2021-22, which were selected due to the high distribution of funds as a part of the COVID-19 pandemic response. The consultant noted deficiencies

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[25] https://www.auditor.ca.gov/reports/

in grantee performance and lack of oversight. The Department reported that it plans to renew that agreement, with an intent to address gaps in grant monitoring processes.

Recommendations:

5:    **To better monitor grant performance, the Housing Department should update its grant oversight procedures to:**

  a. **Clarify staff and supervisory responsibilities across the different work groups involved in monitoring and tracking service provider performance,**

  b. **Include additional current oversight activities, such as reconciling service provider data with Homeless Management Information System data or other activities, and**

  c. **Clarify relevance of COVID-19 protocols to current environment.**

6:    **To enhance grant oversight, the Housing Department should implement regular trainings, at least annually, for staff responsible for monitoring and reviewing grants. These trainings should cover aspects of the grant oversight procedures including:**

  a. **Expectations for monitoring service delivery around contract terms and deliverables,**

  b. **Identification of potential risks of noncompliance, and**

  c. **Documentation of grantee service delivery.**

7:    **To track progress toward case management goals and support successful transitions from interim housing, the Administration and Housing Department should require housing plans in future agreements and amend current agreements as needed.**

Better Alignment of Performance Targets Can Support the City's Efforts to Reduce Unsheltered Homelessness

Performance expectations for contracted service providers have not consistently aligned with program performance measures included in the City's Adopted Operating Budget or reported in public dashboards. This inconsistency makes it difficult to evaluate program outcomes and compare results across the City's homelessness response system. Housing staff reported that they are currently reviewing and aligning performance measures across all aspects of the City's homelessness response. At the time of the audit, this work was still underway.

Outreach Agreements Reflected a Focus on Activity Volume Over Outcomes

Performance measures in the City's Operating Budget for FYs 2024-25 and 2025-26 include clear outcome-based goals for outreach and placement into shelter or housing. These include:

- 45 percent of individuals enrolled in an outreach or supportive services program move into sheltered homelessness

- 17 percent of clients in outreach programs transition to sheltered homelessness

- 95 percent of individuals engaging in outreach exit to shelter or permanent supportive housing

However, contracted outreach providers were not evaluated using these same measures. The closest (but not identical) measure by which outreach grantees were evaluated was "45 percent of clients transitioning from outreach to permanent or temporary housing."

Other performance goals in outreach agreements focused primarily on the volume of activities (e.g., number of encounters or case management sessions) rather than on the results of those efforts. For example, Housing evaluated grantees' performance based on the number of engagements (which are also reported in the Adopted Operating Budget) but does not assess the percentage of encounters that directly contributed to a participant's transition to housing.

Interim Housing Performance Expectations Also Varied

Similarly, interim housing agreements did not always align with performance measures in the City's Adopted Operating Budget or Housing's online dashboards. Budgeted measures included average length of stay, unit occupancy rates, client exits from shelter programs, and others. The dashboards further reported on metrics such as average days of vacancy and unit inactivity.

Despite these metrics, expectations for shelter operators did not consistently reflect these performance aspects in some key areas.

- **Unit occupancy goals** for interim housing and safe parking sites are inconsistent across the City's Operating Budget, service provider agreements, and Housing's public dashboards. For FY 2024-25, the budget set occupancy goals at 90 percent for interim housing and 95 percent for safe parking. However, the Emergency Interim Housing Dashboard listed a 95 percent target for both, and some service provider agreements did not include occupancy as a required performance goal.

- **Unit turnaround times** are also inconsistent. Some agreements set a goal of filling vacant units within 10 days, while the dashboard listed a three-day target. The Budget did not include a target. For units under

maintenance, the informal turnaround goal was 14 days, but this was not reflected in the dashboard or Budget. Some agreements expected services providers to track maintenance in the dashboard, but did not formalize the 14-day expectation.

- Goals for **client exits to permanent housing** in service provider agreements have not always aligned with targets in the City's Adopted Operating Budget. The FY 2024-25 goal in the Operating Budget was 35 percent, whereas an agreement covering the first half of the fiscal year was 37 percent. Agreements covering the second half of the fiscal year included a 41 percent goal, which was reflected in the FY 2025-26 Adopted Operating Budget.

Alignment of Procedures and Performance Measures Can Help Housing Better Assess Overall Program Performance

According to the National Alliance to End Homelessness, street outreach should **balance immediate crisis response with long-term, housing-focused goals**, emphasize the procurement of necessary housing documents, and employ housing-focused problem-solving strategies.

In addition to aligning performance measures and targets for contracted service providers, performance expectations should be aligned across all service providers and internal staff. At the time of the audit, it was not clear whether performance goals for internal outreach staff were aligned with expectations for contract staff. Housing staff reported that the internal outreach team began outreach around March 2025, and that there was flexibility on where the teams could be directed to.

The National Alliance to End Homelessness notes that there are several overarching goals that outreach should meet to be effective. These include system-level coordination, integration with coordinated entry systems, exploration of options and resources, cultural humility, resource equipping, utilization of data, effective engagement, and prioritization and time allocation. By aligning goals with the in-house outreach team and service providers, Housing can better meet its goals around homelessness.

Recommendations:

8: **To ensure consistent evaluation of outreach and interim housing performance and outcomes, the Housing Department should align performance targets across service provider agreements, reported measures on internal dashboards and the Adopted Operating Budget for outreach activities, client exits, occupancy rates, and other key metrics.**

Defining Maintenance Responsibilities Can Improve Efficiency in Interim Housing Operations

Since 2020, the City has added ten shelter and hotel conversions and two safe parking sites. As the program continues to expand, clearly defining maintenance responsibilities between site operators, Housing, and Public Works will be essential.

Maintenance Responsibilities Between Service Providers and Public Works Need to be Clarified

Service provider agreements generally assign routine maintenance responsibilities—such as maintaining common areas, performing regular pest control, and managing landscaping—to the service provider. Meanwhile, Public Works is responsible for larger repairs, such as water damage remediation, subfloor and flooring replacement, and plumbing work. However, Public Works also performs many routine maintenance tasks that should fall under the service provider's scope.[26]

Public Works has used its vendors to provide maintenance at several sites. In FY 2024-25, Public Works spent $415,550 on various maintenance activities, including small repairs and pest control. In March 2023, the Department had three assigned staff members to maintenance, which has since increased to five staff members.

The process for submitting maintenance requests to Public Works is also inconsistent. Maintenance requests are submitted by phone or email, and some units remained offline while awaiting repairs or updated status information. At the time of the audit, Public Works did not track these requests in its internal facilities maintenance tracking system and instead relied on an internal tracking document.

Unexpected site conditions have also increased workload volatility. For example, the Santa Teresa Safe Parking site lacks a permanent electrical connection, requiring Public Works staff to provide ongoing support—such as regularly replacing propane tanks for a generator to supply electricity.

Service Provider Responsibilities Are Outlined in Agreements

Site operators have budgeted maintenance amounts in their agreements. For example, for a combined term covering FY 2024-25, Bernal EIH and Rue Ferrari EIH had a total budget of more than $1 million for building repairs and maintenance, cleaning, janitorial services, landscaping, and pest control.

In some cases, service providers adjusted their budgeted maintenance allocations after agreements were finalized. For example, for FY 2024-25, Mabury EIH and

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[26] Since September 2024, Public Works responded to more than 70 maintenance requests. Public Works staff reported that not all minor repairs were included in their records.

Felipe EIH had a combined budget of nearly $777,400 for maintenance-related costs, but financial workbooks showed these were modified to about $552,650. Housing staff reported that budget line items are estimates and may change after discussions with service providers.

Clarifying and accurately tracking expected workloads can support more effective maintenance planning and help determine appropriate Public Works maintenance staffing levels and expenditures. At the time of the audit, the City was moving toward contracting with one vendor to handle maintenance across all City interim housing and safe parking sites.

Clearly defining maintenance responsibilities between service providers and Public Works is essential to minimizing unit downtime and using City resources efficiently. Without clear expectations, Public Works may take on work outside its intended role, leading to higher costs, delayed responses, and reduced capacity to address priority repairs. Aligning responsibilities, improving communication, and accurately tracking workloads can help the City maintain safe, functional interim housing while planning for the long-term sustainability of its operations.

Recommendation:

9: **To improve coordination and accountability for interim housing maintenance, the Housing Department should work with service providers and the Public Works Department to clearly define maintenance responsibilities, align ongoing maintenance plans, and establish a streamlined process for submitting, communicating, and tracking work orders. This may require amending service agreements with site operators.**

Conclusion

The City has taken measures to address unsheltered homelessness, but there are opportunities to further improve its approach. Enhancing coordination and communication between departments can help create a more unified effort. Similarly, clearer monitoring and defined responsibilities may support more consistent and effective service delivery. By focusing on these areas, the City can continue to build on its progress toward reducing homelessness.

RECOMMENDATIONS

Finding 1: The City Can Improve Interdepartmental Coordination and Communication

Recommendation #1: To ensure that unhoused residents citywide are appropriately considered in outreach efforts, the Administration should, in the context of limited outreach resources:

a. Develop protocols to provide timely outreach in advance of encampment abatements and Oversized and Lived-in Vehicle Enforcement activations, and

b. Reevaluate how outreach is prioritized to incorporate areas affected by imminent encampment abatements and tow-away zones, and the frequency of community submitted concerns.

Recommendation #2: To ensure City staff across departments can provide consistent information to unhoused residents, the Housing Department should develop and distribute guidelines around interactions with unhoused residents, including:

a. Providing handouts with information about available resources and contact information, and

b. When staff should refer outreach requests from unhoused residents to the Housing Department.

Recommendation #3: To improve transparency of how SJ311 complaints from the public around lived-in vehicles are managed, the Administration should:

a. Set expectations for the public when immediate enforcement or response is not possible or if the case relates to a vehicle at a No Encampment Zone, and

b. Provide a timely reply to the public about actions taken.

Recommendation #4: To improve communication around retrieving personal belongings from towed vehicles through the Oversized and Lived-in Vehicle Enforcement (OLIVE) program, the Department of Transportation should include timeframes for how long belongings will be held by tow companies in its OLIVE program flyers.

Finding 2: Improved Monitoring and Defined Responsibilities Can Strengthen Homelessness Service Delivery

Recommendation #5: To better monitor grant performance, the Housing Department should update its grant oversight procedures to:

a. Clarify staff and supervisory responsibilities across the different work groups involved in monitoring and tracking service provider performance,

b. Include additional current oversight activities, such as reconciling service provider data with Homeless Management Information System data or other activities, and

c. Clarify relevance of COVID-19 protocols to current environment.

Recommendation #6: To enhance grant oversight, the Housing Department should implement regular trainings, at least annually, for staff responsible for monitoring and reviewing grants. These trainings should cover aspects of the grant oversight procedures including:

a. Expectations for monitoring service delivery around contract terms and deliverables,

b. Identification of potential risks of noncompliance, and

c. Documentation of grantee service delivery.

Recommendation #7: To track progress toward case management goals and support successful transitions from interim housing, the Administration and Housing Department should require housing plans in future agreements and amend current agreements as needed.

Recommendation #8: To ensure consistent evaluation of outreach and interim housing performance and outcomes, the Housing Department should align performance targets across service provider agreements, reported measures on internal dashboards and the Adopted Operating Budget for outreach activities, client exits, occupancy rates, and other key metrics.

Recommendation #9: To improve coordination and accountability for interim housing maintenance, the Housing Department should work with service providers and the Public Works Department to clearly define maintenance responsibilities, align ongoing maintenance plans, and establish a streamlined process for submitting, communicating, and tracking work orders. This may require amending service agreements with site operators.

APPENDIX A
Audit Objective, Scope, and Methodology

The mission of the City Auditor's Office is to identify ways to increase the economy, efficiency, effectiveness, equity, and accountability of City government by assessing and reporting City operations and services. The audit function is an essential element of San José's public accountability and our audits provide independent analysis, reliable information, and recommendations for improvement to the City Council, City Administration, and the public. In accordance with the City Auditor's Fiscal Year (FY) 2025-26 Audit Work Plan, we have completed an audit of homelessness coordination. The audit was conducted in response to a June 2024 direction from the City Council.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The objective of this audit was to explore the City's internal department structure related to homelessness response, including assessing coordination of activities and benchmarking with other jurisdictions. We sought to understand the relevant internal controls over the City's coordination of homelessness response, and have performed the following to achieve the audit objective:

- To understand laws, regulations, and City policies relevant to the audit objectives, we reviewed:
    - Relevant sections of the San José Municipal Code, California Vehicle Code, and the California Government Code
    - *City of Grant's Pass v. Johnson* Supreme Court decision
    - 2020-2025 Santa Clara County Community Plan to End Homelessness
    - 2023-24 Consolidated Annual Homelessness Report and Implementation Plan Update
    - Council memorandums of department actions related to homelessness
    - Direct Discharge Trash Control Program Plan

- To understand the City's interdepartmental coordination response, we conducted over 60 interviews with staff from the following City departments and offices:
    - Housing Department
    - Parks, Recreation and Neighborhood Services
    - Public Works Department
    - Department of Transportation
    - Police Department
    - Fire Department
    - Planning, Building and Code Enforcement
    - Library Department
    - Information Technology Department

- o Environmental Services Department

- o Office of Economic Development and Cultural Affairs

- o City Manager's Office

- To observe discussion between active department stakeholders for Citywide homelessness projects, we attended scrum meetings led by the City Manager's Office.

- To identify targets around reducing unsheltered homelessness, we reviewed the City's Operating Budget, City Focus Areas, and agreements with outreach and interim housing providers.

- We estimated Citywide costs associated with homelessness using the City's Adopted Operating Budget and homelessness-related calls responded to by the Fire Department and Police Department.

- To assess the Housing Department's grant monitoring process:

  - o Reviewed a sample of grant agreements, including HomeFirst (site operator for Bernal and Rue Ferrari), LifeMoves (site operator for Santa Teresa Safe Parking), PATH (unhoused outreach), and Bill Wilson Center (rapid rehousing). We selected agreements based on funding amount, the length of the service provider's relationship with the City as indicated by the oldest active agreement, and the type of services provided.

  - o Compared staff's review files, grantee-submitted documentation in WebGrants, and agreement requirements

  - o Reviewed grant monitoring guidance provided by Housing staff

  - o Interviewed HomeFirst and PATH staff to understand the oversight and communication between grantees and the Housing Department

- Reviewed procedures and other materials from the Housing Department and PRNS, outreach provider agreements, and interim housing site operator agreements to understand:

  - o The Targeted Outreach and Engagement Program framework

  - o Scopes of work and expectations for outreach and interim housing providers

  - o Encampment abatement and management processes

- Reviewed Housing Department interim housing and safe parking data and Public Works work order data to identify:

  - o The number of spaces or units in the Housing Department's interim housing and safe parking inventory

  - o Maintenance work at interim housing sites completed by Public Works

- Analyzed data and a judgmental sample of cases from SJ311 and Encampment Resource Coordination System (ERCS) to evaluate the City's response to homelessness concerns from the community and internal City staff

- Collected and mapped location data on Targeted Outreach and Engagement Program sites, encampments, and Oversized and Lived-In Vehicle Enforcement sites

- We benchmarked the following jurisdictions to understand their coordination and approach to homelessness: the cities of San Diego, San Antonio, Houston, Portland, and Oakland; the City and County of San Francisco; and the City and County of Denver

- Reviewed industry guidance on outreach from the University of California San Francisco – Benioff Homelessness & Housing Initiative, United States Interagency Council on Homelessness, and National Alliance to End Homelessness

- To understand coordination with the County and regional partners:
    - Reviewed online information on the County's Coordinated Entry System
    - Interviewed City staff responding to homelessness to identify touchpoints with County services and regional partners
    - Reviewed agreements and memorandums of understanding between the City and the County of Santa Clara, Santra Clara Valley Water District, Union Pacific, and Valley Transportation Authority

We would like to thank the Housing Department, Parks, Recreation and Neighborhood Services Department, Department of Transportation, Environmental Services Department, Public Works Department, Police Department, Fire Department, Information Technology Department, Library, City Manager's Office, and City Attorney's Office for their time and insight during the audit process.

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TO: JOSEPH ROIS
CITY AUDITOR

FROM: Erik L. Soliván

SUBJECT: See Below

DATE: September 30, 2025

Approved		Date: 10/1/2025

SUBJECT: **Response to the City Auditor on the Audit of Homelessness Coordination: Expanding Outreach, Strengthening Grant Oversight, and Aligning Performance Goals Can Improve the City's Response**

BACKGROUND

The City of San José has made significant investments in developing and operating interim housing programs as part of its strategy to reduce unsheltered homelessness and provide safer, more stable living environments for unsheltered residents. These programs are critical to supporting residents' transition from unsheltered conditions to permanent housing, and their success depends not only on effective case management and supportive services but also on the safe and reliable upkeep of the interim housing facilities themselves.

This audit highlights the need for continued improvement or establishment of protocols for homelessness outreach, abatement of lived-in vehicles, communications with the broader community of residents and contract performance management. The report notes improved coordination by the Administration across departments in addressing homelessness and states recommendations that would strengthen oversight and management of homelessness coordination.

Over the past year, the Administration as a whole and the Housing Department specifically has implemented numerous operational improvements to homelessness coordination, including data driven homelessness outreach, encampment and vehicle abatements, interim housing management, and monitoring performance of the supportive service providers contracts. The Administration, and specifically the Housing Department, is committed to further implementing the recommendations to continue improvements to the cross-departmental homelessness coordination.

Of these findings, the City acknowledges and accepts that:

1. The City is on a continuous path of improvement through interdepartmental coordination and communication.
2. The City will continue to improve monitoring and clearly define responsibilities to strengthen homelessness service delivery.

RECOMMENDATIONS AND ADMINISTRATION'S RESPONSE

Recommendation #1: **1:** To ensure that unhoused residents citywide are appropriately considered in outreach efforts, the Administration should, in the context of limited outreach resources: **a.** Develop protocols to provide timely outreach in advance of encampment abatements and Oversized and Lived-in Vehicle Enforcement activations, and **b.** Reevaluate how outreach is prioritized to incorporate areas affected by imminent encampment abatements and tow-away zones, and the frequency of community submitted concerns

Administration Response 1: The Administration continues to improve service delivery and management of coordinated homeless outreach efforts and reiterates the resource limitations for homeless outreach as a primary driver for targeted outreach and engagement rather than reactive outreach and engagement with individuals experiencing unsheltered homelessness.

Response to Recommendation 1a-b: Protocols for Timely Outreach in Advance of Encampment Abatements and Vehicle Enforcement Actions

1a) The Administration agrees with the recommendation, subject to resource limitations. Homeless outreach should be more consistent and better coordinated prior to encampment abatement and Oversized and Lived-In Vehicle Enforcement (OLIVE) actions and the Housing Department will:

- Collaborate with Parks, Recreation and Neighborhood Services (PRNS) Department, Department of Transportation (DOT), and the Police Department, to develop and implement a written protocol.
- The protocol will include a timeline for contact before enforcement action and establish minimum standards for outreach engagement and define when outreach cannot be conducted in order to manage expectations of unsheltered residents.

1b) The Administration partially agrees with this recommendation. While the Targeted Outreach and Engagement Program (TOEP) has been necessary to concentrate scarce resources where encampments pose the most significant environmental and community impacts, we acknowledge that the current framework leaves coverage gaps. Specifically, unhoused residents outside of TOEP areas—including those impacted by abatements and vehicle tows, may not receive adequate engagement. The Housing Department will:

- Expand prioritization criteria to explicitly include areas subject to imminent abatement and OLIVE actions, ensuring that these locations receive targeted outreach before enforcement.
- Incorporate data analysis of SJ311 data into targeted outreach planning to better identify emerging hotspots and areas of recurring concern from the community.
- Continue to balance this expanded framework with existing TOEP priorities, recognizing that resources remain constrained.

This adjustment will require close coordination with outreach providers, PRNS, and the City Manager's office to align operational planning with available capacity.

Targeted Date for Completion 1a-b: The timeline for completion for this work will be set for 3 months, with completion by January 30, 2026.

Recommendation #2:
To ensure City staff across departments can provide consistent information to unhoused residents, the Housing Department should develop and distribute guidelines around interactions with unhoused residents, including:
a. Providing handouts with information about available resources and contact information, and
b. When staff should refer outreach requests from unhoused residents to the Housing Department.

Administrative Response 2: The Administration agrees with the recommendation and will develop guidelines to better equip non-housing staff who frequently engage with unhoused community members to ensure accurate information is conveyed and appropriate referrals are delivered.

Response to Recommendation 2a-b: Resource Handouts for Unhoused Residents and Guidance on Referrals to the Housing Department

The Housing Department will provide protocols to standardize response to unsheltered residents and when and how to refer unhoused residents to Housing Department for additional services. The Housing Department will:

- Consolidate a standard package of information on available resources and contact information for all other Departments engaging with unsheltered residents.
- Ensure the information packages are updated regularly to reflect current services and capacity, in collaboration with the County and community-based service providers.
- Translate handouts into multiple languages commonly spoken in San Jose to ensure accessibility for diverse populations
- Detail the process for making referrals to the Housing Department for additional contact and services.

The package of information will be available in print and digital formats and distributed to all City departments with direct-facing roles, including PRNS, DOT, Police, and Fire.

Target Date for Completion 2: January 30th, 2026

Recommendation #3:

To improve transparency of how SJ311 complaints from the public around lived-in vehicles are managed, the Administration should:

a. Set expectations for the public when immediate enforcement or response is not possible or if the case relates to a vehicle at a No Encampment Zone, and

b. Provide a timely reply to the public about actions taken.

Administrative Response 3: The high volume of SJ311 complaints regarding homelessness and lived-in vehicles is vast and the information provided is rarely actionable. The Administration agrees that the current SJ311-compliant process does not sufficiently set expectations for the public or consistently provide follow-up regarding submitted requests. The Administration will triage and prioritize complaints that advance inter-jurisdictional collaborations and communicate a clearer response to public complaints, thereby better managing expectations for possible service responses.

Response to Recommendation 3a-b: Setting Public Expectation and Timely Replies to the Public

The high volume of SJ311 complaints regarding homelessness and lived-in vehicles and lack of actionable details far exceeds the City's current outreach and enforcement capacity, leading to delays in responding to citizen complaints and requiring the triaging and prioritizing complaints. The Administration will:

- Communicate a clearer response to all complaints to better manage expectations for service delivery.
- Triage and prioritize complaints that advance interjurisdictional collaborations

- Clarify to the public that No Encampment Zone restrictions apply only to built encampments and do not extend to lived-in vehicles, due to restrictions set forth in the California Vehicle Code.

While limited resources prevent outreach or enforcement actions for every SJ311 request submitted, we recognize the importance of transparency and responsiveness while managing the public's expectations as best as reasonably possible

Target Date for Completion 3a-b: December 30, 2026

Recommendation #4:
To improve communication around retrieving personal belongings from towed vehicles through the Oversized and Lived-in Vehicle Enforcement (OLIVE) program, the Department of Transportation should include timeframes for how long belongings will be held by tow companies in its OLIVE program flyers.

Administrative Response 4: The Administration agrees with this recommendation.

Response to Recommendation 4: Timeframes for Recovering Belongings

The Department of Transportation will:

- Update the Oversized and Lived-in Vehicle Enforcement (OLIVE) informational flyer to provide specific timelines outlining how long towed vehicles and their contents will be held at tow yards and available for recovery by vehicle owners.
- The flyer will continue to be available in multiple languages.
- This update will further improve program transparency and help prevent the unintentional loss of personal belongings from vehicles that have been towed for violating parking violations on City of San José streets.

Target date for Completion 4: December 31, 2025

Recommendation #5:
To better monitor grant performance, the Housing Department should update its grant oversight procedures to:

a. Clarify staff and supervisory responsibilities across the different work groups involved in monitoring and tracking service provider performance,

b. Include additional current oversight activities, such as reconciling service provider data with Homeless Management Information System data or other activities, and

c. Clarify relevance of COVID-19 protocols to current environment.

Administrative Response 5: The Administration agrees with the recommendation, and recognizes that clearer roles, consistent practices, and updated protocols are essential to ensuring service provider accountability and effective service delivery.

Response to Recommendation 5a-b: Clarifying Staff and Supervisory Responsibilities

5a) Oversight of homelessness-related grants involves multiple work groups, including program staff, fiscal staff, and compliance teams. The Housing Department will:

- Continue to update internal procedures to clearly define the roles and responsibilities of each work group and supervisory chain in monitoring provider performance.
- Establish clear escalation and communication pathways when performance issues or compliance concerns are identified.
- Provide training for staff and supervisors to ensure consistent application of these roles and procedures.
- Establish a compliance team to expand communications, training and coordination with the grant recipients.

5b) The Homeless Management Information System (HMIS) has over 400 users, approximately 200 users within the City of San Jose, and is a County-run system. The Housing Department will:

- Establish procedures to improve service provider data integrity for those providers under city contracts
- Document data reconciliation practices with HMIS data to confirm service levels and outcomes.
- Strengthen monitoring of data inputs for city contracted HMIS users to ensure data integrity and incorporate spot audits of data inputted.

Target Date for Completion 5: September 30, 2026.

5c) The Department will eliminate COVID-19 protocols.

Target Date for Completion 5: December 30, 2025.

Recommendation #6:

To enhance grant oversight, the Housing Department should implement regular trainings, at least annually, for staff responsible for monitoring and reviewing grants. These trainings should cover aspects of the grant oversight procedures including:

a. Expectations for monitoring service delivery around contract terms and deliverables,

b. Identification of potential risks of noncompliance, and

c. Documentation of grantee service delivery.

Administrative Response 6: The Administration agrees with the recommendation to implement regular training for staff responsible for monitoring and reviewing grants, and the Housing Department is establishing a grant Compliance Team in response the prior state audit homelessness grants.

Response to Recommendation 6a-c: Monitoring Service Delivery Contract Terms and Deliverables, Identifying Risks of Noncompliance and Documenting Grantee Service Delivery

The Housing Department will:

6a) Establish annual staff training to reinforce expectations for active grantee monitoring of performance against established contract terms, deliverables, and outcomes. The training will include practical examples and case studies to strengthen staff's ability to identify and address performance gaps.

6b) Training will also focus on identifying early warning signs of non-compliance, such as inconsistent data reporting, financial irregularities, or service delivery shortfalls and when and how to escalate concerns to supervisors, the compliance team, or legal staff to ensure timely intervention.

6c) Training will also reinforce documentation standards, including requirements for site visit notes, data reconciliation records, and close-out reports.

Target Date for Completion 6: June 30, 2026

Recommendation 7:

The Administration and Housing Department should require housing plans in future agreements and amend current agreements as needed to track progress toward case management goals and support successful transitions from interim housing.

Administrative Response 7: The Administration agrees with the recommendation to strengthen case management practices by requiring individualized housing plans for supportive services contracts and tenant agreements for all 2,151 beds in the shelter system.

Response to Recommendation 7: Requiring Housing Plans

The Housing Department will:

- Include requirements for individualized housing plans in all interim housing tenant agreements.
- Document steps toward housing readiness, including gathering documentation, connecting to supportive services, and identifying permanent housing options.
- Track throughput performance from shelter to permanent housing while acknowledging the persistent limitations on permanent housing unit availability.

Target Date for Completion 7: December 30, 2026

Recommendation 8:
To ensure consistent evaluation of outreach and interim housing performance and outcomes, the Housing Department should align performance targets across service provider agreements, reported measures on internal dashboards and the Adopted Operating Budget for outreach activities, client exits, occupancy rates, and other key metrics.

Administrative Response 8: The Administration agrees with the recommendation and is already aligning performance and outcomes across all service provider agreements and aligning the Reducing Unsheltered Homelessness Focus Area goals and objectives with the annual operating budget performance metrics.

Response to Recommendation 8: Aligning Performance Targets

The Housing Department will:

- Continue updating and standardizing the performance targets and measures across all interim housing and outreach service provider agreements.

- Standardize core metrics—such as occupancy rates, average length of stay, successful housing exits, and outreach contacts—so they are consistently applied in contracts, dashboards, and the Adopted Operating Budget.
- Ensure operating budget documents reflect the consistent set of performance measures and targets.
- Provide training and technical assistance to service providers to ensure accurate and consistent reporting on the updated measures.

Target Date for Completion 8: January 30, 2026

Recommendation 9:
To improve coordination and accountability for interim housing maintenance, the Housing Department should work with service providers and the Public Works Department to clearly define maintenance responsibilities, align ongoing maintenance plans, and establish a streamlined process for submitting, communicating, and tracking work orders. This may require amending service agreements with site operators.

Administrative Response 9:

The Administration agrees with the recommendation. Strengthening coordination and accountability for interim housing maintenance has been and will continue to be an operational target for the entire portfolio of 23 sites comprising 1,840 units and spaces. The Housing Department has already planned to centrally procure property maintenance contracts to streamline administration between Housing Department and the Department of Public Works thereby removing service provider responsibilities, and achieve targeted costs reductions.

Response to Recommendation 9: Clarifying Roles and Responsibilities
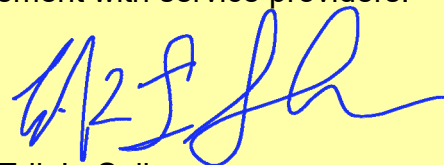
The Housing Department will:

- Centralize the contracts for property maintenance to gain direct control over these services and reduce or eliminate the role of supportive service providers.
- Continue collaborating with Public Works and service providers to clearly define a protocol for maintenance roles and responsibilities, distinguishing between day-to-day upkeep, minor repairs, and major facility work and work order processing.
- Standardize property maintenance plans all 23 sites in the shelter system.

Target Date for Completion 9: January 30, 2026

CONCLUSION

The Administration recognizes the importance of continuing to improve our coordinated response to homelessness is transparent, well managed, and synchronized across the multiple departments within well know budget constraints. The large scale of the shelter system at 1,840 units/spaces and 2,151 beds/spaces requires a proactive, effective and efficient management that remains focused on throughput for residents into permanent housing. The recommendations outlined in this report provide meaningful opportunities to continue to strengthen our policies, procedures, and cross-departmental coordination, while also reinforcing our commitment to high-quality service delivery for our unhoused residents. As reflected in our responses, the Administration and the Housing Department are committed to implementing improvements across key areas, including enhancing grant oversight, aligning performance measures, strengthening outreach protocols, clarifying property maintenance responsibilities, and improving communication with both residents and the public. Several of these efforts build upon improvements already underway, and others will require new procedures, collaboration with partner departments, and continued engagement with service providers.

Erik L. Solivan
Director, Housing Department

For questions, please contact Erik L. Soliván, Director of the Housing Department, at Erik.Solivan@sanjoseca.gov or (408) 535-3855.