



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jacky Morales-Ferrand

SUBJECT: SEE BELOW

DATE: August 19, 2019

Approved

D. D. S. L.

Date

8/30/19

SUBJECT: FUNDING AWARD WITH PROJECT WEHOPE TO CONTINUE IMPLEMENTING THE DIGNITY ON WHEELS PROGRAM

RECOMMENDATION

Adopt a resolution authorizing the Director of Housing to negotiate and execute a Fifth Amendment to the grant agreement with Project WeHope increasing the maximum total amount of compensation by \$671,350 from \$594,000 to \$1,265,350 to continue to implement the Dignity on Wheels Program through June 30, 2020.

OUTCOME

The City Council's approval of the recommendation will allow the continuation and expansion of the Dignity on Wheels Program to serve thousands of unsheltered individuals with essential services, including but not limited to showers, laundry, restrooms, and case management. Council approval also adds a new service called a mobile rest stop.

BACKGROUND

Access to showers and laundry facilities is a growing and critical problem for the homeless. Showers and laundry facilities available to the homeless, such as drop in centers, are often too few and too distant for many homeless to travel. Lack of access to basic hygiene has many larger consequences, for example, it can be a key reason many do not seek employment or even access routine preventative medical care. Consequently, homeless people often segregate themselves from society, feeling marginalized and not wanting to access other critical supportive services. In recent years, mobile shower programs are an emerging service tackling this issue and often serving as an entry point to a continuum of services.

The Housing Department released a Request for Proposals (RFP) on December 1, 2015 for an Essential Services Program, which included a mobile hygiene program. As a result of the RFP,

the Housing Department has been in contract with Project WeHope to provide mobile hygiene services through the Dignity on Wheels Program since March 1, 2016. In Fiscal Year 2017-18, the program served 956 unduplicated individuals with 5,520 showers and 1,592 loads of laundry.

Dignity on Wheels provides mobile showers and laundry to unsheltered individuals up to six days per week at different locations throughout San José. Drop-in shower services for up to 30 individuals and drop-in laundry services that may provide up to 18 single loads of laundry are offered per daily six-hour session (two hours dedicated for set up and shut down) in either the morning or evening hours. Individuals also have the opportunity to meet with Dignity on Wheels staff to assess unmet needs and access community resources.

This contract amendment allows for expansion of the program with funds from the State of California ("State"). A recent one-time grant of \$11.4 million from the State, called the Homeless Emergency Aid Program (HEAP), provides an opportunity to fund homeless response strategies such as additional emergency shelter beds, rental subsidies, homeless prevention and essential services. HEAP funds must be expended by June 30, 2021 in order to avoid recapture by the State. On November 8, 2018, the Housing Department presented a HEAP preliminary expenditure plan to the Neighborhood Services and Education Committee. The Committee recommended the City prioritize HEAP spending on prevention, essential services and temporary shelter opportunities. Additionally, the committee recommended prioritization of programs that could quickly accommodate the greatest number of participants. Based on the feedback, the Housing Department developed a proposed expenditure plan for the HEAP funds that was approved by the City Council on November 27, 2018. The expenditure plan proposed using HEAP funds to expand the mobile hygiene program.

ANALYSIS

The Housing Department is proposing an award of \$371,350 to extend the contract with Project WeHope to operate the mobile shower program called Dignity on Wheels, and \$300,000 to purchase two new trailers for the program's expansion, for a total award of \$671,350.

The Housing Department identified existing programs that would accommodate the greatest number of participants and could utilize the HEAP funding to provide immediate emergency assistance to people experiencing homelessness. The Department also prioritized programming that does not require additional environmental review or a procurement process in order to implement strategies quickly. By utilizing HEAP funding to continue the contract for the Dignity on Wheels Program, thousands of individuals will be served through June 30, 2020.

The HEAP funds will be used to purchase a second shower and laundry trailer under the Dignity on Wheels Program and will provide up to 500 unduplicated unsheltered individuals accessing showers and laundry six days a week. The additional mobile hygiene trailer will also allow for more locations throughout San José to offer these services. Potential locations will be analyzed and identified by staff from the Housing Department and Dignity on Wheels. Over the past year, with the implementation of the Temporary and Incidental Shelter Program and the Safe Parking

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Pilot Program, the Housing Department has seen an increase in the demand for mobile hygiene services.

The second mobile trailer, also funded by HEAP, will add a new service, called a “mobile rest stop.” The Housing Department often hears from homeless individuals, service providers, and advocates that there are few places for unsheltered people to charge their phone, use the restroom, consult with a case manager, complete a resume, conduct a Vi-SPDAT assessment for housing programs, get a free haircut, or other essential services and basic needs. This second trailer, or “mobile rest stop” will provide these essential services for up five days a week. It is anticipated that 240 unduplicated people will benefit from these services.

Operations and services of both hygiene trailers and the mobile rest stop will be provided by staff from the Dignity on Wheels Program. Both programs will provide people with the opportunity to meet with Dignity on Wheels staff to assess unmet needs and access community resources.

EVALUATION AND FOLLOW-UP

The results of the mobile hygiene and mobile rest stop programs will be reported twice a year during a report on HEAP activities to the City's Neighborhood Services and Education Committee. Additionally, updates on both programs will be provide in the Housing Department's annual report on homeless programs.

Also, as a condition of receiving the State HEAP funds, the City is required to provide reports to the State regarding the number of people served and the types of services they received, until all funds have been expended by the June 30, 2021 deadline. These reports will be posted to the Department's website.

Finally, the Housing Department is in the planning and community engagement process for creation of both the Community Plan to End Homelessness and the Five Year Consolidated Plan. New RFP's for services will be released that align with those planning documents.

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the September 10, 2019 City Council Meeting.

COORDINATION

The memorandum was coordinated with the City Attorney's Office and the City Manager's Budget Office.

COMMISSION RECOMMENDATION/INPUT

The Housing and Community Development Commission's HEAP funding recommendations were reviewed by the City Council on November 27, 2018.

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$671,350
2. SOURCE OF FUNDING:
Housing Trust Fund (440)
Multi-Source Housing Fund (448) / Homeless Emergency Aid Program Memo Fund (497)
3. FISCAL IMPACT: The \$11,389,987 Homeless Emergency Aid Program block grant received from the State of California will fund \$300,000 in expenditures. The remaining \$371,350 recommended in this action is funded by the Housing and Homeless Project appropriation in the Housing Trust Fund.

BUDGET REFERENCE

The table below identifies fund and appropriations proposed to fund the actions recommended as part of this memorandum.

Fund #	Appn #	Appn. Name	Total Appn	Amt. for Contract	2019-2020 Proposed Operating Budget Page*	Last Budget Action (Date, Ord. No.)
440	2453	Housing and Homeless Projects	\$1,262,000	\$371,350	X-45	6/18/2019, 30285
448	205Y	Crisis Response Interventions	\$3,289,987	\$300,000	X-67	6/18/2019, 30286

*The 2019-2020 Proposed Operating Budget was adopted by City Council on June 18, 2019.

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CEQA

Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment, and File No. PP17-004, Government Funding Mechanism or Fiscal Activity with no commitment to a specific project which may result in a potentially significant physical impact on the environment.

/s/

JACKY MORALES-FERRAND

Director, Housing Department

For questions, please contact Kelly Hemphill, Homelessness Response Manager, at kelly.hemphill@sanjoseca.gov or (408) 975-4483.