



COUNCIL AGENDA: 5/9/2023
ITEM: 8.1
FILE NO: 23-677

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Toni J. Taber, CMC
City Clerk

SUBJECT: SEE BELOW

DATE: May 9, 2023

SUBJECT: City Initiatives Roadmap: Ending Homelessness Annual Report

Recommendation

As recommended by the Community and Economic Development Committee on April 24, 2023, accept the homelessness annual report for Fiscal Year 2021-2022.

CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action. (Housing)

[Community and Economic Development Committee referral 4/24/2023 - Item (d)5]



Memorandum

TO: COMMUNITY AND ECONOMIC
DEVELOPMENT COMMITTEE

FROM: Jacky Morales-Ferrand

**SUBJECT: HOMELESSNESS ANNUAL
REPORT**

DATE: March 16, 2023

Approved

Date

3/20/23

RECOMMENDATION

- (a) Accept the homelessness annual report for Fiscal Year 2021 – 2022
- (b) Cross reference this item to the May 9, 2023, City Council meeting

SUMMARY AND OUTCOME

The homelessness annual report provides a summary of the programs supported by the City's Housing Department between July 2021 and June 2022. The report has three primary purposes: 1) communicate the City's primary approaches to preventing and ending homelessness in San José; 2) state their alignment with the Five Year 2020-2025 Santa Clara County Community Plan to End Homelessness (Community Plan); and 3) provide performance data, and program costs. This report will also show how the City benefits from the regional coordination of care in Santa Clara County and provide a comparison to regionally developed performance outcomes.

In Fiscal Year 2021-2022, the Housing Department focused on housing solutions, crisis interventions, and systems support and initiatives. The Housing Department provided \$43.1 million in grants and loans (federal, state, and local funds) to 17 service providers and for 13 projects to respond to the homeless crisis. Through the efforts of multiple partners throughout the County of Santa Clara (County), 2,599 individuals experiencing homelessness were housed in San José. Of that number, 1,857 moved into permanent housing and 742 moved into interim housing while they continued searching for permanent housing. In addition, 189 families with young children were placed in hotels and motels while they looked for stable housing.

This memorandum also includes an update on the progress made on the regional Community Plan (**Attachment A**), a few stories of program participants who successfully exited to permanent housing (**Attachment B**), and a summary of the sources used by the Housing Department in Fiscal Year 2021-2022 to fund programs that supported individuals and families experiencing homelessness (**Attachment C**).

BACKGROUND

Homelessness in the County of Santa Clara (County)

Homelessness, as well as the lack of available affordable housing for extremely low-income populations, continues to be a pressing issue for the City of San José and the County. According to the U.S. Department of Housing and Urban Development's 2022 Annual Homeless Assessment Report, among the 48 Major City Continuums of Care, the County has:

1. The fourth largest homeless population;
2. The largest unsheltered homeless population;
3. The fourth largest veteran homeless population;
4. The third largest unaccompanied homeless youth (under 25) population; and
5. The largest population of unaccompanied homeless youth who are unsheltered.

According to the National Alliance to End Homelessness, the homeless and housing crisis in America is the result of decades of policy choices and disinvestment by federal and state governments. The root causes of homelessness lie in long-standing social inequities and structural problems in our society.

In the County, a few systemic factors push residents into homelessness every day. These include a lack of affordable housing, rising economic inequality, underinvestment in programs serving the most vulnerable, and systemic and structural racism.

The root cause of homelessness is a combination of systemic failures. Individual factors, such as addiction or mental health, intersect with homelessness but are not a cause. The single greatest systemic cause of homelessness is the lack of affordable housing. It is estimated that in the County, there are only 32 affordable and available rental units for every 100 extremely low-income households.¹

The February 2022 homeless census and survey counted 6,650 persons experiencing homelessness in San José. Of the 6,650 people counted, 4,975 were unsheltered. This means that 75% of San José's homeless population sleeps on the street, in parks, tents, encampments, vehicles, abandoned properties, and/or bus and train stations. A total of 10,028 individuals were counted as experiencing homelessness in the County of which 9,130 (83%) were unsheltered. The count in San José represents 66% of the total County homeless population. The most recent homeless census took place in January 2023; a full report is anticipated to be published in the fall of 2023.

¹ [The Gap: The Affordable Housing Gap Analysis 2022](#)

The Regional Response: Community Plan to End Homelessness

An end to homelessness means that every community will have a systemic response in place that ensures homelessness is prevented or is a rare, brief, and non-recurring experience. In August 2020, City Council adopted a resolution endorsing the comprehensive, regional response to homelessness through the [Community Plan](#). The Community Plan is a countywide roadmap guiding government, private sector, nonprofit organizations, and other community members as they make decisions about funding, priorities, and needs. The framework for the new Community Plan includes three strategies:

1. Addressing the root causes of homelessness through system and policy change
2. Expanding homelessness prevention and housing programs to meet the need
3. Improving the quality of life for unsheltered individuals and creating healthy neighborhoods for all

The first two strategies focus on ending and preventing homelessness and the third focuses on meeting the needs of unsheltered individuals.

ANALYSIS

Progress on the Community Plan

The Community Plan set targets to achieve by 2025. The City has been a leading contributor to achieving the goals. Countywide progress through June 30, 2022 is provided in Table A below.

Table A – Progress on Community Plan Goals

| Goal | Status |
|---|--|
| House 20,000 people through the supportive housing system | 7,853 people housed |
| Expand the Homelessness Prevention System and other early interventions to serve 2,500 people per year (baseline from 2019 was 1,540) | 2,161 people served per year |
| Double temporary housing and shelter capacity to reduce the number of people sleeping outside (baseline from 2019 was 1,882 beds; the goal is 3,764) | 2,193 beds |
| Achieve a 30% reduction in the annual inflow of people becoming homeless (baseline inflow of individuals in 2019 was 4,771; the goal is 3,340 annually) | FY 2021 – 2022 inflow was 3,118 people becoming homeless |

Continuum of Care Performance Outcomes

The Continuum of Care (CoC) is the local planning body responsible for coordinating the full range of homeless services in Santa Clara County. It is led by the County's Office of Supportive Housing. The Housing Director sits on the Board of the CoC and is a voting member. The City aligns contractual goals with the local CoC's systemwide performance outcomes or benchmarks. The Fiscal Year [2021-2022 CoC systemwide performance benchmarks](#) on exits to permanent housing are summarized below.

- 38% of individuals in street outreach will be successfully housed (includes permanent, temporary, foster care, long-term care, etc.)
- 30% of individuals in the emergency shelter will exit to permanent housing
- 80% of individuals in rapid rehousing will exit to permanent housing
- 98% of individuals in permanent supportive housing will exit to or retain permanent housing

Housing Department Efforts to Advance Strategies in the Community Plan

The Housing Department prioritized two approaches to address homelessness in San José, both of which align with the regional Community Plan. These include 1) housing solutions, which align with strategy 2 of the Community Plan, and 2) crisis interventions, which align with strategy 3 of the Community Plan. These approaches and an overview of each program are described below.

The Housing Department implemented policies to advance goals in strategies 1 and 2 that: a) ensured the development of more affordable housing; b) prioritized the development of housing for extremely low-income households; and c) strengthened tenant protections. Recent examples of work advanced by the Housing Department and other City departments are listed below.

- Supported the State eviction moratorium
- Developed the Eviction Diversion and Settlement Program
- Established a weekly unlawful detainer clinic
- Advanced the many strategies to aid housing production under the Housing Crisis Work Plan
- Developed a final affordable housing Siting Policy and obtained City Council's approval to further fair housing through the production of affordable homes
- Implemented the City Council's revised Measure E spending priorities
- Implemented the Affordable Housing Investment Plan's policy priorities and expenditures for deeply affordable housing creation
- Further implemented the Commercial Linkage Fee and made changes to generate more funds for affordable housing
- Established a seat on the City's Housing and Community Development Commission for a person with lived experience of homelessness

- Created a draft Community Opportunity to Purchase Program for City Council's consideration (in progress)
- Co-sponsored Senate Bill 649 (2022), which was signed into law, that helps to enable anti-displacement tenant preferences to be implemented in affordable rental properties
- Created a draft 2023-2031 Housing Element with a strategies work plan integrating all of this work and dozens of other strategies to aid affordable housing production, preservation, renter protections, and effective and equitable delivery of homelessness programs

Community Plan Strategy 2: Housing Solutions

With many COVID-19 pandemic-related programs and services winding down, the Housing Department's focus shifted back to helping the City's homeless residents secure housing opportunities.

Through the efforts of multiple partners throughout the County, 2,599 individuals experiencing homelessness were placed in housing in San José during Fiscal Year 2021-2022. Of that number, 1,857 moved into permanent housing, and 742 moved into interim housing while they continued searching for permanent housing. In addition, 189 families with young children were placed in hotels and motels while they looked for stable housing (these efforts will be discussed further in the report).

Housing solutions provided both interim and affordable permanent housing opportunities to individuals and families experiencing homelessness. Services for housing-based solutions included financial support to prevent households from becoming homeless (keeping households from entering the shelter system) and supportive services and/or rental subsidies to attain and maintain permanent housing. Additionally, the provision of interim housing offers safe and temporary options while searching for permanent housing. Table B describes the programs and the number of people served in Fiscal Year 2021-2022. Programs in Table B aligned with Strategy 2 (expand homelessness prevention and housing programs to meet the need) of the Community Plan.

Table B – Summary of Housing Solutions Programs

| Service | Provider | Brief Description | Individuals served |
|--|---|--|--------------------|
| Homelessness Prevention | Bill Wilson Center | Financial assistance, such as rent payments and flexible funds, to keep families and permanently housed | 41 |
| | Destination: Home | | 2,466 |
| Rapid Rehousing | HomeFirst, Life Moves, and Bill Wilson Center | Time-limited rental subsidies and supportive services for individuals and families experiencing homelessness | 373 |
| | County of Santa Clara | Time limited housing rental subsidies and supportive services for veterans | 35 |
| Supportive Services | County of Santa Clara | Intensive case management and support for chronically homeless persons in the Care Coordination Project, a countywide permanent supportive housing program | 209 |
| Interim Housing/ Non-Congregate Shelter | Abode Services | The Plaza Hotel provides non-congregate emergency shelter and supportive services to individuals experiencing homelessness | 46 |
| | Abode Services | The SureStay Hotel provides non-congregate emergency shelter and supportive services to individuals experiencing homelessness | 107 |
| | HomeFirst | Mabury Bridge Housing Community provides non-congregate emergency shelter and supportive services to individuals experiencing homelessness | 92 |
| | HomeFirst | Felipe Bridge Housing Community provides non-congregate emergency shelter and supportive services to individuals experiencing homelessness | 129 |
| | HomeFirst | Monterey/Bernal Emergency Interim Housing provides non-congregate emergency shelter and supportive services to individuals experiencing homelessness | 148 |
| | HomeFirst | Rue Ferrari Emergency Interim Housing provides non-congregate emergency shelter and supportive services to individuals experiencing homelessness | 169 |
| | PATH | Evans Lane Emergency Interim Housing provides non-congregate emergency shelter and supportive services to families experiencing homelessness | 221 |
| Total Individuals Served | | | 4,036 |

Homelessness Prevention

To reduce the annual inflow of people becoming homeless in the County, the Community Plan prioritizes expanding homelessness prevention programs. To end homelessness in our community, it is critical to prevent it before it begins. Homelessness prevention strategies reduce homelessness at a lower cost and with much less suffering than waiting to assist an individual after they become homeless. According to the recently released progress report of the Community Plan, for every single homeless individual connected to housing, less than two individuals experience homelessness for the first time. Prevention programs provide critical assistance to low-income households at imminent risk of becoming homeless thus lessening the inflow into homelessness.

Bill Wilson Center

The Housing Department continued to fund Bill Wilson Center to operate a Homeless Prevention Program. Using federal Emergency Solutions Grant (ESG) funds, the program provided 41 unduplicated at-risk participants (nine families) with relocation and rental assistance, intensive case management and stabilization services. One hundred percent (100%) of households remained stably housed while receiving assistance exceeding the goal set at 85%. The program expended a total of \$136,662.

Destination: Home

The Housing Department also continued to fund Destination: Home to operate the systemwide Homelessness Prevention System. The goal of the program is to provide financial assistance, and other needed services to prevent families countywide from being evicted, losing their homes, or becoming homeless. Using Measure E and State Homeless Housing Assistance and Prevention (HHAP) funds, the program provided 2,466 unduplicated at-risk individuals in San José (999 families) with relocation and rental assistance, intensive case management and stabilization services. Ninety-six percent (96%) of families remained stably housed while receiving assistance exceeding the goal set at 85%. The program expended a total of \$5,778,963.

Rapid Rehousing

Rapid rehousing is cited in the Community Plan as a key approach to help 20,000 people experiencing homelessness to secure stable, permanent housing. The Community Plan specifically targets 10,000 people housed through rapid rehousing programs providing time-limited or ongoing rental subsidies, coupled with varying levels of individualized supportive services. Rapid rehousing programs help households quickly exit homelessness and secure appropriate rental housing which is subsidized for a limited period while participants stabilize in permanent housing and eventually take over the cost of their rent.

The City's three rapid rehousing programs were supported with employment development services. These employment services included robust employment, training, and barrier-mitigating supportive services to increase earned income, succeed in work, and stabilize in housing following the end of the shared participant's rapid rehousing subsidy period. The rapid

rehousing and employment system offered rental subsidies, employment training and placement and individualized care, all with the goal of income and housing stability. The goal was for the five partner agencies—HomeFirst, LifeMoves, Bill Wilson Center, JobTrain, and International Rescue Committee—to work in coordination to serve more than 300 households at any given time.

HomeFirst, LifeMoves and Bill Wilson Center

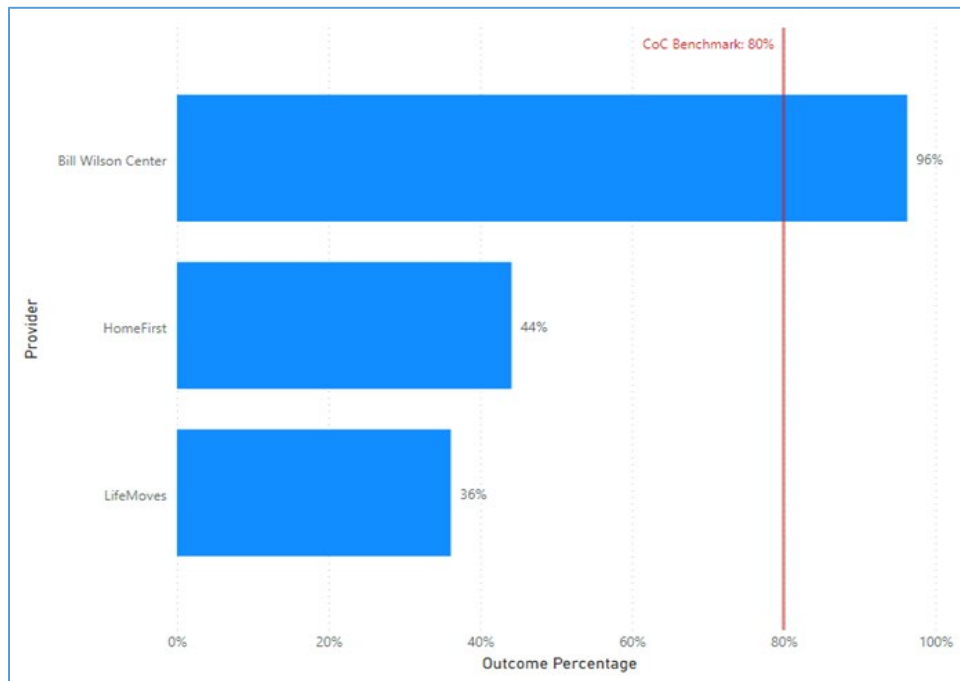
In FY 2021-2022, the Housing Department partnered with HomeFirst, LifeMoves, and Bill Wilson Center to operate rapid rehousing programs. The goal of rapid rehousing is to provide time-limited rental assistance and individualized supportive services for individuals, families, and youth experiencing homelessness as identified through the CoC coordinated entry system. Service components of the Rapid Rehousing program included: 1) housing search and placement; 2) time-limited decreasing rent subsidy; 3) other temporary financial assistance, and 4) time-limited individualized case management. The three organizations assisted with rent subsidies and case management until the households were able to independently maintain stable housing. In coordination with the County, all three organizations prioritized those living at the Guadalupe Gardens encampment for enrollment. Using funding from local Housing Authority Litigation Award (HALA) and the General Fund, the programs served a combined 373 individuals (263 households) with the shared goal of successfully exiting to permanent housing. Combined, 124 individuals exited the programs with 80 individuals exiting to permanent housing (65%). The programs did not meet the CoC performance benchmark that 80% of individuals in rapid rehousing will exit to permanent housing largely because of the prioritized target population being from demobilized encampments without being prepared to increase income and take over the rent on their own in the timeframe enrolled. Table C summarizes each rapid rehousing program.

Table C – Summary of Rapid Rehousing Programs

| Provider | Individuals Served | Individuals Exited | Exits to Permanent Housing | Program Expenditures |
|--------------------|---------------------------|---------------------------|-----------------------------------|-----------------------------|
| HomeFirst | 161 | 34 | 15 | \$1,173,088 |
| LifeMoves | 97 | 36 | 13 | \$825,034 |
| Bill Wilson Center | 115 | 54 | 52 | \$890,476 |
| Total | 373 | 124 | 80 | \$2,888,598 |

On the following page, Graph A summarizes how each City-funded rapid rehousing program performed against the systemwide CoC performance benchmark (80% of individuals in rapid rehousing will exit to permanent housing).

Graph A – Percentage of Individuals in Rapid Rehousing Exiting to Permanent Housing



JobTrain and International Rescue Committee

The Housing Department partnered with JobTrain and International Rescue Committee to create employment opportunities for individuals experiencing homelessness enrolled in rapid rehousing programs and other supportive housing programs. The goal was to gain skills through training to help participants attain fulltime and living wage employment while also developing relationships with local businesses for job placement. Using federal Community Development Block Grants (CDBG) funds, the employment development programs served a total of 175 individuals, of which 79 individuals were enrolled in City or County-funded rapid rehousing programs. Combined, both employment organizations were able to place 50 individuals to increase employment income. Individuals still employed in each program were continually offered access to services and job development support. Examples of types of employment to which participants were placed from both programs included medical assistant, logistics coordinator, junior buyer, certified nursing assistant, technician, security guard, and sales associate. Table D summarizes the employment development programs.

Table D – Summary of Employment Development Programs

| Provider | Individuals Served | Placed in Employment | Program Expenditures |
|--------------|--------------------|----------------------|----------------------|
| JobTrain | 113 | 23 | \$569,182 |
| IRC | 62 | 27 | \$185,628 |
| Total | 175 | 50 | \$754,810 |

Additionally, the Housing Department continued to partner with Destination: Home to implement an Employment Initiative, which was an employment engagement system focused on placing participants in countywide rapid rehousing programs into fulltime living wage jobs. The contracted service provider was JobTrain. The City supported personnel costs by contributing \$125,000 from the local Housing Trust Fund (HTF).

Housing for Homeless Veterans Program

The Housing Department contracted with the County to administer the Housing for Homeless Veterans Program. The Housing for Homeless Veterans Program provided housing placement services and rental subsidies for veterans with the goal to transition from the program into permanent housing without subsidies. Using the local Housing Authority Litigation Award (HALA) fund for case management and financial assistance, the program assisted 35 individuals (28 households). Eighty-five percent (85%) exited to permanent destinations (11 out of 13 households) upon program completion; the program met the goal set at 85%. The program expended a total of \$190,696.

Supportive Services

Care Coordination Project

In FY 2021-2022, the Housing Department continued to fund the County to administer the Care Coordination Project. The community-wide effort centralizing the care of the County's most vulnerable and long-term homeless residents brings together all services and benefits that participants need to obtain and maintain housing, including drug and alcohol rehabilitation, mental health services, government benefits and housing resources. Using local HALA and Low and Moderate Income Housing Asset (LMI) funds for intensive case manager salaries and related costs for supportive services, the program assisted 209 individuals (170 households). Ninety-five percent (95%) of the 170 households who were housed maintained their housing for at least 12 months, meeting the goal set in the contract, which was at 95%. The program did not meet the CoC benchmark that 98% of individuals in permanent supportive housing will exit to or retain permanent housing. The program expended a total of \$184,174.

Interim Housing/Non-Congregate Shelter

To double temporary housing and shelter capacity to reduce the number of people sleeping outside, as prioritized in the Community Plan, the City prioritizes building and operating interim housing programs. Interim housing and emergency shelter provide short-term places for individuals and families to stay temporarily, meet basic needs such as food, safety and hygiene, and work to obtain permanent housing. Interim housing typically includes intensive support services programming aimed at helping participants address a wide range of issues, such as employment, substance use, health, basic daily needs (food, clothing), and assistance to secure permanent or other temporary housing. Lengths of stay vary. There is a maximum length of stay on CalTrans leased sites of up to six months. City-owned sites provide greater flexibility to work with individuals and families to determine their maximum length of stay.

On September 29, 2021, the Rules and Open Government Committee² approved the *Bold Housing Solutions* memorandum from Mayor Sam Liccardo and Councilmembers Raul Peralez, Sergio Jimenez, Pam Foley, and Matt Mahan. In alignment with the Community Plan’s strategy to double shelter capacity by 2025, a goal was set that 1,000 interim housing units/beds be under construction or completed by December 2022. The City prioritized this goal and interim housing was one of the City’s Fiscal Year 2021-2022 Roadmap Priorities: Emergency Housing Construction and Operations.

The City operated seven programs that served as interim housing and non-congregate emergency shelter. In Fiscal Year 2021-2022, one site with 96 units was under construction near the Police Department headquarters. Table E provides information about the seven emergency interim housing programs in operation in Fiscal Year 2021-2022.

Table E – Summary of Interim Housing Programs

| Program | Council District | # of Units | # of Beds | Target Population |
|---|-------------------------|-------------------|------------------|--------------------------|
| Plaza Hotel | 3 | 43 | 43 | Individuals |
| SureStay Hotel | 6 | 73 | 73 | Individuals/Couples |
| Mabury Bridge Housing Community | 3 | 40 | 40 | Individuals |
| Felipe Bridge Housing Community | 7 | 40 | 40 | Individuals |
| Monterey/Bernal Emergency Interim Housing | 2 | 78 | 78 | Individuals |
| Rue Ferrari Emergency Interim Housing | 2 | 82 | 124 | Individuals/Couples |
| Evans Lane Emergency Interim Housing | 6 | 48 | 121 | Families |
| Total | | 404 | 519 | |

Plaza Hotel

The Housing Department continued to fund Abode Services to operate the Plaza Hotel. The Plaza Hotel, which opened in January 2018, is a 47-unit single room occupancy building in downtown San José. Due to the lack of space at the Plaza Hotel, several units were used for case management and storage leaving 43 private units for participants. Restrooms and showers were shared, and daily meals were provided by the City. The goal of the program was to provide non-congregate emergency shelter to individuals experiencing homelessness with the goal of transitioning to permanent housing. Focused on serving those vulnerable to COVID-19, referrals came from the City’s outreach and engagement programs and the countywide centralized shelter hotline. Using HHAP funds, the program served 46 individuals. Fourteen individuals exited the program, of which 5 individuals exited (36%) to permanent housing exceeding the CoC performance benchmark that 30% of individuals in emergency shelter would exit to permanent housing. The program expended a total of \$1,122,130.

² [Compassionate San Jose – Bold Housing Solutions, Rules and Open Government Committee, September 29, 2021](#)

SureStay Hotel

The Housing Department continued to fund Abode Services to operate the SureStay Hotel. The City acquired the SureStay Hotel in October 2020 with funds from the State's Project HomeKey. The SureStay Hotel has 76 units but due to the lack of space, several units were used for case management and storage leaving 73 private units, with restrooms and showers, for participants. Daily meals were provided by the City. The goal of the program was to provide non-congregate emergency shelter to individuals experiencing homelessness with the goal of transitioning to permanent housing. Focused on serving those vulnerable to COVID-19, referrals came from the countywide centralized shelter hotline. Using HHAP and Project HomeKey funds, the program served 107 individuals, or 95 households consisting of individuals and couples. Thirty-nine households exited the program, of which 16 households exited (41%) to permanent housing exceeding the CoC performance benchmark that 30% of individuals in emergency shelter would exit to permanent housing. The program expended a total of \$1,055,605.

Mabury Bridge Housing Community

The Housing Department continued to fund HomeFirst to operate the Mabury Bridge Housing Community (Mabury). Mabury, which opened in January 2020, operated as a non-congregate shelter featuring 40 private emergency sleeping cabins, with shared modular buildings for site amenities such as restrooms and showers, a kitchen, computer lab, laundry, and administrative offices. The goal of the program was to provide non-congregate emergency shelter to individuals experiencing homelessness with the goal of transitioning to permanent housing. Focused on serving those vulnerable to COVID-19, referrals came from the City's outreach and engagement programs (priority placements were given to individuals who stayed in encampments nearby) and the countywide centralized shelter hotline. Using federal Emergency Solutions Grant Program – Supplemental CARES Act Funding (ESG-CV) funds (rounds one and two), the program served 92 individuals. Seventy-five individuals exited the program, of which 34 individuals exited (45%) to permanent housing exceeding the CoC performance benchmark that 30% of individuals in emergency shelter would exit to permanent housing.

Felipe Bridge Housing Community

The Housing Department continued to fund HomeFirst to operate the Felipe Bridge Housing Community which opened in February 2021 on a site leased from Caltrans. This community operated as a non-congregate shelter featuring 40 private emergency sleeping cabins, with shared modular buildings for site amenities such as restrooms and showers, a kitchen, computer lab, laundry, and administrative offices. The goal of the program was to provide non-congregate emergency shelter to individuals experiencing homelessness with the goal of transitioning to permanent housing. Focused on serving those vulnerable to COVID-19, referrals came from the City's outreach and engagement programs (priority placements were given to individuals who stayed in encampments nearby) and the countywide centralized shelter hotline. Using federal ESG-CV and ESG-CV2 funds, the program served 129 individuals. Per the lease with Caltrans, individuals were not to exceed shelter at Felipe for more than 180 days. Due to the 180-day time limit, several individuals transferred to another non-congregate shelter to further advance their goal of moving into permanent housing. All 129 individuals exited the program, of which 40

individuals exited (31%) to permanent housing exceeding the CoC performance benchmark that 30% of individuals in emergency shelter would exit to permanent housing.

The contract with HomeFirst included both the Mabury and Felipe Bridge Housing Communities. Expenditures for both programs totaled \$3,263,257.

Monterey/Bernal Emergency Interim Housing

The Housing Department continued to fund HomeFirst to operate Monterey/Bernal Emergency Interim Housing. Monterey/Bernal, which opened in October 2020, operated as a non-congregate shelter featuring 78 private units, with restrooms and showers, in prefabricated modular containers. Shared modular buildings included site amenities such as laundry, kitchens, computer lab, and administrative offices. The goal of the program was to provide non-congregate emergency shelter to individuals experiencing homelessness with the goal of transitioning to permanent housing. Focused on serving those vulnerable to COVID-19, referrals came from the City's outreach and engagement programs (priority placements were given to individuals who stayed in encampments nearby) and the countywide centralized shelter hotline. Using ESG-CV and State COVID-19 funds, the program served 148 individuals. One hundred one individuals exited the program, of which 48 individuals exited (48%) to permanent housing exceeding the CoC performance benchmark that 30% of individuals in emergency shelter would exit to permanent housing. The program expended a total of \$2,631,281.

Rue Ferrari Emergency Interim Housing

The Housing Department continued to fund HomeFirst to operate the Rue Ferrari Emergency Interim Housing. Rue Ferrari, which opened in January 2021 on a site leased from Caltrans, operated as a non-congregate shelter featuring 82 private units (124 beds), with restrooms and showers, in prefabricated modular containers. Shared modular buildings included site amenities such as laundry, kitchens, computer lab, and administrative offices. The goal of the program was to provide non-congregate emergency shelter to individuals experiencing homelessness and couples with the goal of transitioning to permanent housing. Focused on serving those vulnerable to COVID-19, referrals came from the City's outreach and engagement programs (priority placements were given to individuals who stayed in encampments nearby) and the countywide centralized shelter hotline. Using ESG-CV and State COVID-19 funds, the program served 169 individuals. One hundred twenty-five individuals exited the program, of which 72 individuals exited (58%) to permanent housing exceeding the CoC performance benchmark that 30% of individuals in emergency shelter would exit to permanent housing. The program expended a total of \$3,413,708.

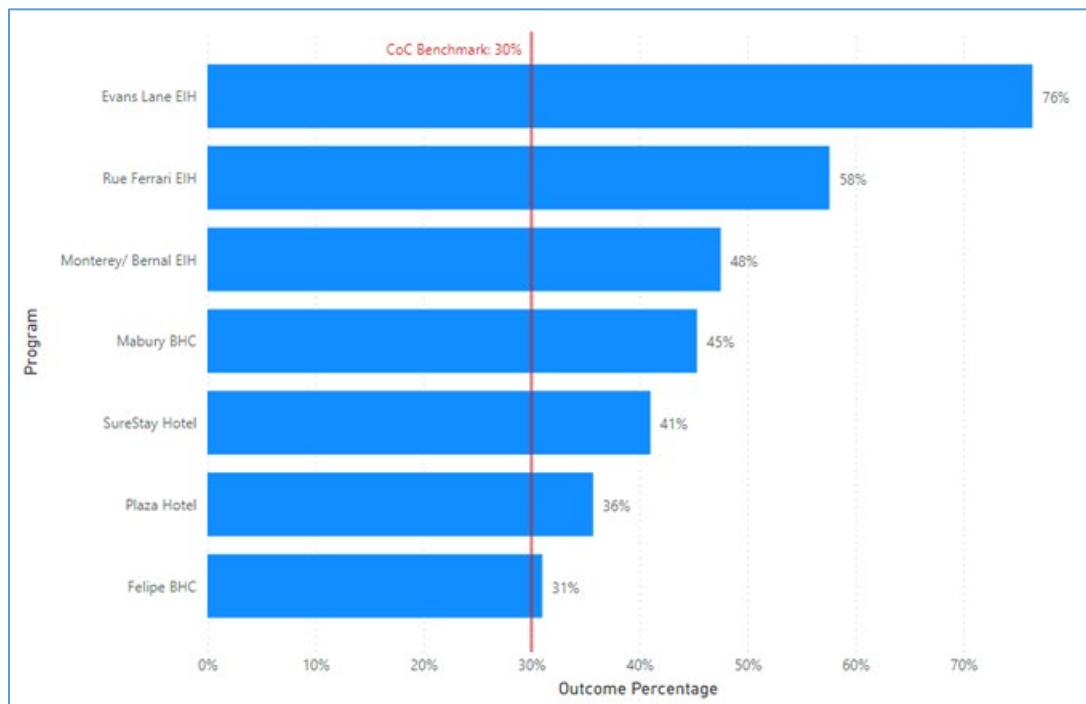
Evans Lane Emergency Interim Housing

The Housing Department continued to fund People Assisting the Homeless (PATH) to operate the Evans Lane Emergency Interim Housing. Evans Lane opened in May 2021 and operates as a non-congregate shelter featuring 48 private units (121 beds), with restrooms and showers, in prefabricated modular containers. Shared modular buildings included site amenities such as laundry, kitchens, computer lab, and administrative offices. Evans Lane also provides a small basketball court and play area for children. The goal of the program was to provide non-

congregate emergency shelter to homeless families with children under the age of 18 with the goal of transitioning to permanent housing. Referrals came from the City’s outreach and engagement programs and the Countywide centralized shelter hotline. Using ESG-CV funds, the program served 221 individuals, including 130 children, (52 households). One hundred forty-four individuals exited the program, of which 110 individuals exited (76%) to permanent housing exceeding the CoC performance benchmark that 30% of individuals in emergency shelter would exit to permanent housing. The program expended a total of \$2,613,315.

Graph B summarizes how each City-funded interim housing program performed against the systemwide CoC performance benchmark (30% of individuals in emergency shelter will exit to permanent housing).

Graph B – Percentage of Individuals in Emergency Shelter Exiting to Permanent Housing



Affordable Housing

Table F provides a description of the program and the number of housing units created from City-funded housing solutions in operation in Fiscal Year 2021-2022.

Table F – Summary of Permanent Affordable Housing Units

| Service | Brief Description | Housing Units |
|---------------------------------|--|----------------------|
| Affordable Housing Units | Total number of units in the Transition in Place Program | 174 |
| Affordable Housing Developments | Total number of rapid rehousing units | 276 |
| | Total number of permanent supportive housing units | 413 |
| Total | | 863 |

Affordable Housing Units - Transition in Place

The Housing Department continued to partner with various developers and property owners through the Transition in Place (TIP) program. TIP increases access to affordable apartments for households enrolled in rapid rehousing programs. The City uses a variety of strategies to create a dedicated pool of affordable apartments, including paying for rehabilitation costs on existing apartments, subsidizing the development costs of new construction, or incorporating the preference in deals as a consideration for renegotiation, re-syndication or refinancing. Eligible participants in rapid rehousing programs were referred to available affordable apartments and come with time-limited rental subsidies and supportive services. The goal of the Transition in Place program was for those referred to become self-sufficient within a short period of time. While staff has been able to negotiate units with developers, these are only available for referral when they become vacant. Table G displays the TIP partners in FY 2021-2022.

Table G – Summary of TIP Partners

| Developer/ Owner | Property | Number of TIP Units |
|---|-------------------------|----------------------------|
| First Community Housing | Creekview Inn | 10 |
| Abode/Housing for Independent People | Scattered sites | 31 |
| Arbor Park Community | Arbor Park | 7 |
| Affirmed Housing Group | Fairways at San Antonio | 9 |
| Eden Housing | Eden Palms | 8 |
| Village at Willow Glen Housing Partners | Willow Glen Senior | 13 |
| Charities Housing | Metropolitan South | 9 |
| Charities Housing | Sunset Square | 10 |
| EAH | Palm Court | 6 |
| EAH | Vista Park Senior | 8 |
| FPI Management | Lenzen Square | 9 |
| AMC-CA, Inc. | Vintage Tower | 6 |

| Developer/ Owner | Property | Number of TIP Units |
|---|-------------------|----------------------------|
| FPI Management | El Rancho Verde | 21 |
| First Community Housing | Craig Gardens | 9 |
| First Community Housing | El Paseo Studios | 10 |
| First Community Housing | Betty Ann Gardens | 8 |
| Total Affordable Housing Opportunities | | 174 |

Affordable Housing Developments

Permanent supportive housing is the proven, cost-effective solution to ending homelessness. Given the priority to house individuals experiencing homelessness, the Housing Department worked with developers to ensure that City-funded projects included supportive housing opportunities for both chronically and non-chronically homeless individuals. On the following page, Table H summarizes the status, funding, and supportive housing capacity of developments completed, under construction or in predevelopment in Fiscal Year 2021-2022 with units set aside for permanent supportive housing (PSH) and rapid rehousing (RRH). Additionally, Table H includes developments that did not receive a City commitment because they were funded by other agencies such as the County or the Santa Clara County Housing Authority.

March 16, 2023

Subject: Homelessness Annual Report

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Table H – Summary of New Affordable Housing Developments

| Developer/ Owner | Council District | Property | PSH | RRH | City Funding | Affordable Housing Expense FY21-22 | Timeframe |
|---|---------------------|-----------------------------------|-----|-----|--------------|---|-----------|
| Affirmed Housing Group | 5 | Alum Rock Family Housing | 29 | 14 | \$9,350,000 | \$2,033,605 | Completed |
| Charities Housing Development | 2 | Blossom Hill Senior | 49 | 0 | \$18,375,000 | \$1,679,342 | 2023 |
| Charities Housing Development | 6 | Page Street | 27 | 0 | \$8,611,968 | \$1,547,561 | 2023 |
| Affirmed Housing Group | 9 | Vitalia | 0 | 23 | \$0 | \$0 | 2023 |
| Danco Communities | 6 | Mariposa Place | 40 | 0 | \$9,875,000 | \$680,871 | 2023 |
| First Community Housing | 3 | Roosevelt | 0 | 40 | \$11,623,320 | \$295,933 | 2023 |
| MidPen Housing | 6 | Immanuel Sobrato | 106 | 0 | \$10,200,000 | \$2,200,527 | 2024 |
| Danco Communities | 6 | 777 West San Carlos | 0 | 51 | \$19,125,000 | \$0 | 2025 |
| Core Communities | 3 | Tamien Station Affordable | 0 | 67 | \$17,250,000 | \$0 | 2025 |
| Charities Housing | 3 | The Charles | 0 | 49 | \$9,675,885 | \$0 | 2025 |
| Charities Housing | 5 | 1860 Alum Rock | 0 | 30 | \$7,500,000 | \$0 | 2025 |
| Reed Community/ Allied Housing | 3 | The Algarve | 46 | 0 | \$10,500,000 | \$0 | 2025 |

| Developer/ Owner | Council District | Property | PSH | RRH | City Funding | Affordable Housing Expense FY21-22 | Timeframe |
|--|-----------------------------|-----------------------------|------------|------------|-----------------------|---|------------------|
| Resources for Community Development (RCD) | 5 | Quetzal Garden | 28 | 1 | \$9,984,212 | \$201,867 | Completed |
| First Community Housing (FCH) | 3 | Second Street Studios | 134 | 1 | \$24,415,713 | \$281,253 | Completed |
| Total Housing Opportunities | | | 413 | 276 | \$155,986,098, | \$8,920,959 | |

Community Plan Strategy 3: Crisis Interventions

Crisis response interventions are essential needs services offered directly to the unsheltered population. Seventy-five percent of individuals experiencing homelessness in San José are unsheltered. The overall goal of the crisis interventions programs is to ensure engagement and assessments to connect people to the most appropriate housing opportunities. Table I provides an overview of the City-funded crisis interventions that were operational in Fiscal Year 2021-2022. All the programs below aligned with Strategy 3 (improve quality of life for unsheltered individuals and creating healthy neighborhoods for all) of the Community Plan.

Table I – Summary of Crisis Interventions Programs

| Service | Provider | Brief Description | Individuals served |
|----------------------------|-----------------|---|-------------------------------|
| Outreach and Engagement | PATH | Targeted street outreach, engagement, and housing assessment in downtown San José and in City libraries | 366 |
| | HomeFirst | Citywide street and encampment outreach, engagement, and housing assessment throughout San José, including direct deployment from the Homeless Concerns Hotline | 885 |
| | PATH | Services Outreach Assistance and Resources program provides enhanced outreach services in targeted encampments | 138 |

| Service | Provider | Brief Description | Individuals served |
|---------------------------------|--------------------|--|---------------------------|
| | HomeFirst | Services Outreach Assistance and Resources program provides enhanced outreach services in targeted encampments | 802 |
| Congregate Shelter | HomeFirst | Overnight Warming Locations in two City-owned facilities during cold weather season | 242 |
| Mobile Hygiene | WeHope | Dignity on Wheels provides mobile showers and laundry six days per week throughout San José | 1,040 |
| Motel Programs | LifeMoves | Temporary motel stays and supportive services for families with minor children | 427 |
| | Bill Wilson Center | Homeless Student Housing provides overnights stays and supportive services for young adults in college | 24 |
| | YWCA | Women in Supportive Housing program provides motel stays for survivors of gender-based violence | 74 |
| Total Individuals Served | | | 3,998 |

Outreach and Engagement

Homeless outreach and engagement teams operate as the first responders to San José's unsheltered homeless population. The Housing Department funds 33 outreach workers that are deployed in teams with a minimum number of two people per team. The size of the team is dependent on the needs and size of the encampment where services and support are being offered. Outreach teams may include case managers, outreach specialists, housing/benefits specialist, clinical case managers and program managers. The overall goal of outreach, consistent throughout the local CoC, was to build trust, meet basic needs, refer people to emergency shelter, and conduct Vulnerability Index- Service Prioritization Decision Assistance Tool assessments. The assessments are used to populate the Homeless Management Information System (HMIS) so that unsheltered persons had access to housing programs and options. Outreach teams usually made the first contact with the most vulnerable people living outside and entered the assessments into HMIS. To support these efforts, the Housing Department contributed \$150,000 from the federal ESG fund to the County to support HMIS user training, data quality monitoring, maintenance, and reporting.

The City supported various types of outreach programs. First, the Housing Department continued to fund two coordinated Outreach and Engagement Programs that focused on high-impact areas of San José and responded to inquiries to the City's Homeless Concerns Hotline. Second, the Housing Department continued to fund two Services Outreach Assistance and Resources (SOAR) programs designed on guidance from the Centers for Disease Control and Prevention (CDC). During the COVID-19 emergency, the CDC recommended that if individual housing options were not available, people who were living unsheltered or in encampments should

remain where they are. The CDC further recommended that community coalitions should work to improve sanitation in encampments. SOAR provided hygiene and infection control, trash services, comprehensive street-based outreach and support services, and housing and shelter referrals for encampment residents. SOAR was one of the City's Fiscal Year 2021-2022 Roadmap Priorities: Sheltering and Enhanced Encampment Management Services.

Targeted Outreach

The Housing Department continued to fund PATH to operate the Targeted Outreach to Unsheltered Populations program. The PATH outreach teams in Downtown and in City libraries consisted of two teams totaling four staff. PATH outreach teams operated in the Downtown and City libraries to offer basic needs resources, case management, clinical services, transportation, housing assessments and shelter referrals. While the goal is placements in successful housing, the role of outreach is to begin the process of exiting homelessness through community engagement, housing assessments and initial engagement. Using federal ESG funds and local HALA funds, the program served 366 unsheltered individuals with basic needs and case management. One hundred sixty-six individuals exited the program, of which 43 individuals exited to permanent housing and two individuals exited to temporary housing destinations. PATH successfully exited 27% of the enrolled participants, which did not meet the CoC performance benchmark that 38% of individuals in street outreach will be successfully housed (includes permanent, temporary, foster care, long-term care, etc.). The program expended a total of \$827,278.

Citywide Outreach

The Housing Department continued to fund HomeFirst to operate the Citywide Outreach and Engagement program. The HomeFirst outreach teams consist of two teams totaling five staff. HomeFirst outreach teams primarily responded to inquiries to the City's Homeless Concerns Hotline of which there were 5,686 calls and emails outside of the Downtown; these teams also support the BeautifySJ abatement program. When the Housing Department received a call through the Homeless Concerns Hotline (408-975-1440) or email (homelessconcerns@sanjoseca.gov), a team of outreach workers and/or case managers were deployed to the location of concern to connect the individuals experiencing homelessness to assess the site and its occupants, offer emergency shelter, transportation, and other comprehensive support services. Every visit was recorded in a database which helped the Housing Department understand how many encampments are in San José and which ones get the most complaints. While the goal of outreach is placements in successful housing in order to decrease unsheltered homelessness, the role of the Citywide Homeless Outreach and Engagement program was to begin the process of exiting homelessness through assessments and initial engagement. Using federal CDBG funds and local HALA funds, HomeFirst served 885 unsheltered individuals with basic needs and case management. Seven hundred eighty-eight individuals exited the program, of which 31 individuals exited to permanent housing and 87 individuals exited to temporary housing destinations. HomeFirst successfully exited 15% of the enrolled participants, which did not meet the CoC performance benchmark that 38% of individuals in street outreach will be successfully housed (includes permanent, temporary, foster care, long-term care, etc.). The program was designed to respond to community concerns; thus, it

consistently underperforms against the CoC benchmark because it is reactive and does not allow for the outreach teams to develop meaningful rapport with individuals. To improve the performance, more outreach teams are needed to meet the demand. Five outreach workers are not enough resources to adequately respond to the number of calls and requests. The program expended a total of \$908,351.

Services Outreach Assistance and Resources (SOAR)

Unsheltered individuals tend to fall under the higher risk category for developing severe COVID-19 disease from infection, because they are more likely to be older, with many medical comorbidities, and— under pre-COVID-19 conditions— were 10 times more likely to die than the general population.³ Those living unsheltered were often unable to follow the recommendations by the CDC because they have limited access to hygiene and Personal Protective Equipment (PPE), are more prone to illnesses, and lack spaces to shelter indoors. Pandemic-related shelter-in-place measures caused a sudden disruption in access to public spaces, restrooms, water, food and other resources that individuals experiencing homelessness typically rely on to meet basic needs. After learning that people faced barriers accessing basic needs due to closures of community centers, libraries, churches, meal programs, and restaurants, the Housing Department developed a new program called Services Outreach Assistance and Resources (SOAR) designed on guidance from the CDC. During the COVID-19 emergency, the CDC recommended that if individual housing options were not available, people who were living unsheltered or in encampments should remain where they are. The CDC further recommended that community coalitions should work to improve sanitation in encampments. SOAR provided hygiene and infection control, trash services, comprehensive street-based outreach and support services, and housing and shelter referrals for encampment residents. The Housing Department assessed homeless encampments throughout San José to identify SOAR sites for targeted services. Sixteen of the City’s largest encampments were selected based on the number of people (25+) living in them.

The SOAR teams engaged with encampment residents by providing basic needs, such as water, clothing, food, blankets, hygiene supplies, garbage bags, solar phone chargers, PPE, tents, and tarps. Outreach teams assessed individuals for shelter and housing needs and provided access to behavioral health services and medical care. Immediate shelter was available through reserved shelter beds, and emergency stays at motels for families, and access to non-congregate shelter for medically vulnerable individuals was also available. A lesson learned from SOAR is that it is important that the sites be on City-controlled land, particularly if the goal of the SOAR program is to manage an encampment, build trust with the occupants, and is a low priority for abatement. Some SOAR sites not on City property were abated making it difficult for outreach teams to provide services. Further, critical services of the SOAR program include onsite portable restrooms, handwashing stations, waste management services, and dumpsters. An encampment must have accessible areas to place equipment and be serviced regularly by trucks.

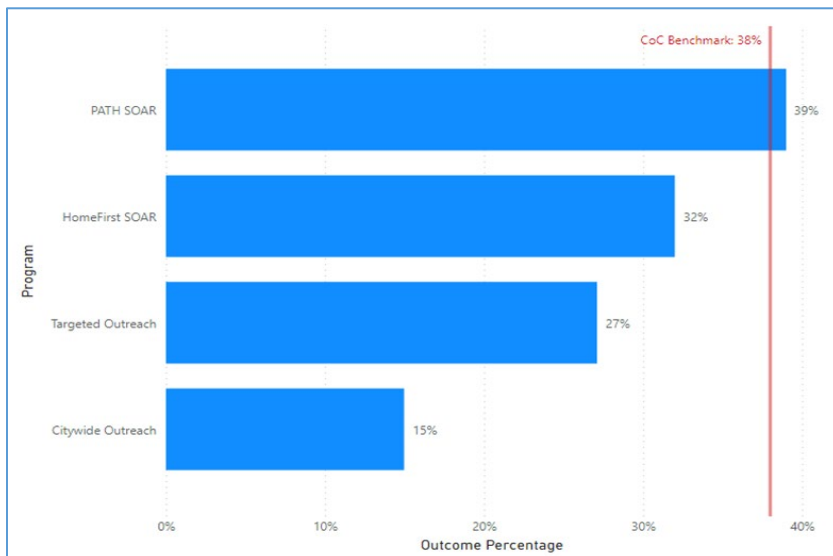
³ [Center for Disease Control: Interim Guidance on People Experiencing Unsheltered Homelessness, Updated February 2022](#)

The Housing Department contracted with PATH to provide 11 outreach workers to target services at seven SOAR sites. Using federal ESG-CV2 funds, PATH assisted 138 unsheltered individuals. While the goal was always placements to housing, SOAR focused on encampment management and relationship building. Ninety-five individuals exited the program, of which 35 individuals exited to permanent housing and two individuals exited to temporary housing destinations. PATH successfully exited 39% of the enrolled participants, which exceeded the CoC performance benchmark that 38% of individuals in street outreach will be successfully housed (includes permanent, temporary, foster care, long-term care, etc.) The program expended a total of \$646,908.

The Housing Department contracted with HomeFirst to provide 12 outreach workers to target outreach and housing services to individuals residing in ten encampments. Using federal ESG-CV2 funds, HomeFirst assisted 802 unsheltered individuals. While the goal was always placements to housing, SOAR focused on encampment management and relationship building. Six hundred forty-five individuals exited the program, of which 25 individuals exited to permanent housing and 185 individuals exited to temporary housing destinations. HomeFirst successfully exited 32% of the enrolled participants, which did not meet the CoC performance benchmark that 38% of individuals in street outreach will be successfully housed (includes permanent, temporary, foster care, long-term care, etc.). The program expended a total of \$860,484.

Graph C summarizes how each City-funded homeless outreach program performed against the systemwide CoC performance benchmark (38% of individuals in street outreach will be successfully housed (includes permanent, temporary, foster care, long-term care, etc.)). The Citywide Outreach team, which is the most under-resourced of the four programs, had the least successful results.

Graph C – Percentage of Individuals in Outreach Exiting to Successful Housing Options



Congregate Shelter

To double temporary housing and shelter capacity to reduce the number of people sleeping outside, as prioritized in the Community Plan, the City prioritizes expanding interim housing and non-congregate shelter beds, as well as congregate shelter beds. On any given night, there are 2,074 shelter beds countywide, of which 1,582 (76%) of those beds are located in San José. However, over 5,000 homeless people remain unsheltered. Although the 2022 homeless census and survey show there was a two percent decrease in the unsheltered homeless population, there is a significant shortage of available shelter beds in comparison to the total number of unsheltered people. During the cold weather season each year, the City coordinates with the County to increase the number of emergency shelter beds available in San José. Since 2015, the Housing Department has worked with HomeFirst to operate pop-up shelters in six Council districts. The need for emergency shelter during the cold weather months each year, from December through April, is more critical for the most vulnerable individuals residing outdoors.

Overnight Warming Locations

The Housing Department continued to fund HomeFirst to operate the Overnight Warming Locations (OWLs). The program uses existing City facilities to provide nightly shelter for individuals experiencing homelessness during the cold weather months each year. The goal of the congregate shelter is to offer low-barrier services and basic needs, including a warm space to sleep, meals, storage, and transportation. The Housing Department, in partnership with the Department of Parks, Recreation and Neighborhood Services and the San José Public Library, selected the Evergreen Branch Library and Leininger Center as OWLs. Referrals came from the City's outreach and engagement programs (priority placements were given to individuals who stayed in encampments nearby). Using federal ESG-CV funding, the OWLs served a combined 242 individuals (Evergreen served 120 individuals and Leininger served 122 individuals). All 242 individuals exited the OWLs upon demobilization in April 2022. Between the two sites, 12 individuals exited to permanent housing (5%), and 44 individuals transitioned to another temporary shelter option. While the OWLs did not meet the CoC performance benchmark that 30% of individuals in emergency shelter would exit to permanent housing, the programs served their intended purpose of providing safe and warm places to sleep during the cold weather months. The program expended a total of \$1,129,157.

Mobile Hygiene

In line with the Community Plan's strategy to improve quality of life for unsheltered individuals, bringing basic needs services, such as showers, restrooms, and laundry, to those residing outdoors is a priority for the City.

Dignity on Wheels

The Housing Department continued to fund WeHOPE to operate Dignity on Wheels, which provided mobile shower and laundry facilities and a mobile rest stop. Dignity on Wheels provided two trailers of mobile showers and laundry six days per week at different locations throughout the City. The mobile rest stop, "Hope Health Mobile," provided WiFi, charging

stations, case management, and virtual access to doctors who answer questions about COVID-19. The locations were selected in coordination with several partners, including the County and providers within the crisis interventions programs with the intent to leverage and enhance each other's services. Using local HTF funding, Dignity on Wheels served 1,040 unsheltered individuals. Dignity on Wheels provided 9,804 showers and 2,953 loads of laundry. The program expended a total of \$425,324.

Motel Programs

Motels provide vulnerable unsheltered populations, including families, youth, and survivors of gender-based violence, safe and private temporary shelter.

Motel Voucher Program

The City continued to partner with LifeMoves to serve families and survivors of gender-based violence in the Motel Voucher Program. The program provided temporary motel stays and individualized support with the goal of transitioning to either permanent or other temporary housing options. Most motels were pre-selected through relationships built with owners in which several rooms were master leased or reserved for the program. Some motels were selected based on specific needs of the participants, including location. Focused on serving those vulnerable to COVID-19, referrals came from the City's outreach and engagement programs and the countywide centralized shelter hotline. Using a variety of funding sources, including Emergency Solutions Grant-Corona Virus (CV) and CDBG-CV, the Motel Voucher Program served a total of 427 individuals (with 180 children under the age of 18) in 189 households. Two hundred eighty-six individuals (121 households) exited, of which 224 individuals exited (78%) to temporary or permanent housing opportunities. Typically, motel programs operate as emergency shelters thus the program exceeded the CoC performance benchmark that 30% of individuals in emergency shelter would exit to permanent housing. The program expended a total of \$4,232,005.

Homeless Student Housing

In FY 2021-2022, the Housing Department contracted with the Bill Wilson Center to pay temporary housing costs for homeless students through an agreement with AirBnB using local Measure E funds. The program provided 48 students with temporary housing and supportive services. All 48 students exited the program, of which 33 exited (69%) to permanent housing, exceeding the goal of 50%. The program expended a total of \$73,891.

Women in Supported Housing

In FY 2021 – 2022, the City continued to partner with YWCA to serve survivors of gender-based violence in the Women in Supported Housing (WISH) program. The program provided temporary motel stays, basic needs assistance, financial assistance, and individualized support with the goal of transitioning to either permanent or other temporary housing options. Referrals came from a variety of confidential crisis support sources. Using several sources, including federal CDBG, local General Fund, local HTF, and local HALA funding, WISH served 74 households. Seventy-three households exited, of which 24 households exited (33%) to temporary

or permanent housing opportunities. Typically, motel programs operate as emergency shelters thus the program exceeded the CoC performance benchmark that 30% of individuals in emergency shelter would exit to permanent housing. The program expended a total of \$84,379.

Systems Support and Initiatives

United Pass for Life Improvement from Transportation (UPLIFT)

The Housing Department continued to support the County to administer the UPLIFT Transit Pass Program. UPLIFT provided free transportation to case managed homeless adults, on any standard Valley Transportation Authority (VTA) bus and light rail lines. Participants must meet with a case manager at one of the participating agencies at least once a month to qualify for the program. Countywide, 2,793 participants received 9,524 UPLIFT transit passes. Using local HTF funds, the program expended a total of \$100,000.

Homeless Management Information System (HMIS)

The Housing Department continued to support the County to fund HMIS, City staff access, user training, data quality monitoring, maintenance, and reporting. Every agency that receives funding from the County or any city (who has adopted the plan) must enter data into the HMIS system on the services they provide to people experiencing homelessness. The Housing Department will continue to work with the County to develop reports that better meet the reporting and transparency needs of the administration and the City Council. Using federal ESG funds, the program expended a total of \$150,000.

2022 Homeless Census and Survey

The Housing Department partnered with the County to fund the 2022 Homeless Census and Survey, which occurred in early February 2022. Every two years, usually during the month of January, communities across the country conduct comprehensive counts of their homeless populations to measure the prevalence of homelessness in their communities. Communities collect information on individuals and families sleeping in emergency shelters and transitional housing, as well as people sleeping on the streets, in cars, in abandoned properties, or in other places not meant for human habitation. The County worked with a subcontractor to develop a comprehensive report on the results of the effort. The 2022 homeless census and survey counted 6,650 persons experiencing homelessness in San José. The Census and Survey was originally scheduled for 2021 but was rescheduled due to COVID-19. The County led another census in January 2023 to get the region back on a biennial track. Using local HTF funding, the program expended a total of \$100,000.

Centralized Shelter Hotline

The Housing Department partnered with the County to fund a regional centralized shelter hotline for direct referrals to emergency shelters and motels. Implemented by the County during the COVID-19 pandemic to quickly place those most vulnerable to the virus, the hotline provided a valuable service to unsheltered individuals and families: rather than calling multiple locations seeking a shelter bed, an individual could call a central number for live countywide shelter bed availability. On a daily basis, the County collects data on available shelter beds County-wide and

works to fill beds throughout the day and evening. Serving as part of the coordinated entry system of the CoC, the City and County decided to continue this service beyond the COVID-19 response with additional improvements such as providing transportation to the shelter. The Here4You County-wide centralized shelter hotline launched on October 15, 2021; the hotline received 103,407 calls by June 30, 2022 for shelter placement, of which most of the calls came from individuals experiencing homelessness in San José. Countywide emergency shelter utilization was at 86%. The hotline was jointly funded with the County using HHAP funding. The contract was executed in January 2022; between January 2022 and June 2022, the program expended \$467,474.

Participant Evaluation and Feedback

The Housing Department partnered with Pulse for Good to implement a participant evaluation and feedback tool at ten sites that served homeless or formerly homeless. The self-service kiosks in emergency shelters, interim housing sites, and permanent supportive housing developments provided an opportunity to engage with participants and gain feedback on services through City-developed pre-loaded surveys. Participants provided recommendations and information about their experience at any time and results went directly to the Homelessness Response Team and the provider of the program. Feedback included the need for more education on existing services, expansion of on-site skill building services such as cooking classes, and increased access to transportation. The customized reports informed the City and their partners on how to make improvements. Using HTF funding, the program expended a total of \$42,000.

Expenditures for Homeless Programs

In Fiscal Year 2021-2022, the Housing Department expended \$45.2 million to address homelessness in San José. Table J provides a summary of the Fiscal Year 2021-2022 expenditures for homelessness response programs in the Housing Department and illustrates how funding was prioritized.

Table J – Summary of Expenditures for Fiscal Year 2021-2022

| Priority/Approach | Actual Expenditures |
|---|----------------------------|
| Housing Solutions (53.37%) | \$24,158,199 |
| Affordable Housing (PSH/RRH) (19.71%) | \$8,920,959 |
| Crisis Interventions (20.30%) | \$9,187,777 |
| Systems Support and Initiatives (1.90%) | \$859,474 |
| Administration (4.72%) | \$2,138,524 |
| Total | \$45,265,933 |

Racial Equity Impact Analysis

The Housing Department's programmatic and policy work primarily focuses on ending and preventing homeless and affordable housing for low-income populations. Because of this focus, much of the Housing Departments activities greatly benefit low-income and homeless

communities and in turn, communities of color and women-headed households, who are disproportionately low-income. However, the current resources do not meet the total outstanding need for affordable housing and services for low-income residents. Individuals experiencing homelessness and low-income residents who are unable to access affordable housing and services are burdened by this ongoing underinvestment.

In January 2020, Destination: Home released a report on [Race and Homelessness in Santa Clara County](#), which studied and analyzed the intersection between race and homelessness in Santa Clara County. The Housing Department participated in a study that examined the entire delivery system as it is coordinated through the CoC with data tracked in HMIS. The findings provided information that has been instrumental to the Housing Department's approach to strengthen existing programs and create new ones in ways that promote racial and gender equity. The report guided the region on evaluating policies and programs to deeper understand disproportionate impacts. The report identified three guiding values for racial equity efforts:

- Integrate people of color with lived experience of homelessness in all program, policy, and funding decisions;
- Align racial equity work in the homelessness sector with other racial equity initiatives in Santa Clara County; and
- Use a racial equity lens and data-driven decision making in the homelessness system and across other systems.

The guiding values from the Race and Homelessness report were pivotal in developing the Community Plan. The Community Plan called for bold strategies and partnerships to meet the scale of the homelessness crisis and racial equity in our region. The Community Plan specifically included a commitment to “address the racial inequities present among unhoused people and families and track progress toward reducing disparities.” The Housing Department is committed to ensuring racial and gender equity in service delivery, housing placements, housing retention, changes in procurement, and/or other means of affirming racial and ethnic groups that are overrepresented among residents experiencing homelessness.

Within the Housing Department, there are several specific actions that are in motion to ensure the Department is focused on ensuring racial and gender equity across policies, procedures, and service delivery, including the following:

- Provide funding to compensate Lived Experience Advisory Board (LEAB), a leadership development body consisting of members with current or past experience of homelessness. Members use this platform to learn about and evaluate the system of care, make recommendations for improvement on program design and operations, participate in procurement and staff interview panels, committees, and advisory groups, as well as convene meetings with policy makers and those with lived experience of homelessness.
- Create a lived experience member seat on the Housing and Community Development Commission (HCDC). HCDC's role is to review and recommend to the City Council

funding proposals for programs that are designed to reduce or end homelessness in San José. New guidelines and resources for onboarding lived experience HCDC members were implemented that focused on equitable access to participation using technology, connectivity, information, and training.

- Launch Open House Quarterly Convenings, which is a broad base of community stakeholders committed to racial equity in a regular roundtable meeting. This meeting will amplify the voices of Black, Indigenous, Latinx, AAPI, and People of Color, Women, LGBTQ, disabled community members and community members with lived experience of homelessness to provide feedback on Housing Department policies, procedures, and funding priorities. This meeting is also intended to act as a system of reputation accountability to ensure the Department centers equity in its work. The Open House is also a space for cross-collaboration amongst groups and can inspire organizing efforts that affect racial equity, housing, and homelessness in San José.
- Contract with C4 Innovations (formerly Center for Social Innovation) to conduct a multi-phase project to support the Housing Department's racial equity, diversity, and inclusion work. C4 Innovations is a values and mission-driven, woman-owned small business that promotes recovery, wellness, and housing stability for people who are systematically marginalized. C4 Innovations supports local, state, and federal housing and homelessness agencies to facilitate inclusion, integration, and collaboration across initiatives and engagements. Building on more than a decade of experience leading research, assessments, training, and consultation efforts to advance best practices and social change in homeless services and behavioral health settings, C4 Innovations supports agencies, systems, and communities across the U.S. to understand and document disparities and identify and implement equitable strategies. C4 Innovations supports the Housing Department to:
 - Conduct a diversity, equity, and inclusion (DEI) assessment of the Department;
 - Facilitate development of a new Department vision, mission, and values statement and policy affirming the priority of racial equity;
 - Provide equitable results accountability and root cause analysis training;
 - Facilitate the development of the Department's first racial equity action plan; and
 - Provide coaching or consulting hours to advise on racial equity for Department projects related to human resources, strategic communications, community development policies, and community engagement.

EVALUATION AND FOLLOW-UP

This memorandum will be cross-referenced to the May 9, 2023, City Council meeting.

Interim Housing and Outreach Redesign

Both interim housing and outreach were prioritized in the City's 2021-2022 Roadmap Initiatives, thus prompting the Housing Department to analyze existing models and strategically propose a restructure of both priorities for effectiveness and standardization. Both strategies will be restructured, and new contracts will come to City Council for approval in winter 2023 with subsequent implementation in January 2024.

Emergency Housing Construction and Operations (Interim Housing)

The Housing Department currently operates five interim housing facilities and all five, including others in the construction pipeline or near completion, are currently being analyzed for a strategic, standardized, and holistic operations redesign. On November 29, 2022,⁴ the City Council discussed expanding the interim housing system. There were several recommended considerations in future projects, and the Housing Department had the opportunity to discuss steps taken to seek community input through a study.

The San Francisco Foundation, in partnership with the Housing Department, is working with Homebase on a comprehensive financial sustainability study of the City's interim housing programs. Homebase is a collective of legal, policy, and subject matter experts who consult on data systems, provide skilled facilitation, and strategic planning focusing on addressing homelessness and its root causes. Homebase is working directly with City staff, community partners, and interim housing participants to identify improvements to services and operations. More specifically, Homebase will identify proven local and national best practices for interim housing, including:

- Models of services and operations that reduce operations and service costs;
- Service and operational models that engage residents in the governance and operations of their own community; and
- Service and support models that move participants to permanent housing.

The results of the study will be presented to City Council in May 2023. Incorporating the recommendations from the study and in additional interviews with partners, including individuals with lived experience of homelessness, as well as direction from City Council, the Housing Department plans to release a Request for Proposals (RFP) for homeless outreach and engagement in summer of 2023 that will result in new contracts beginning in January 2024. The new contracts will also include new performance metrics that will help to better understand the efficiency and effectiveness of the sites.

Sheltering and Enhanced Encampment Management Services (Outreach)

The Housing Department currently operates six different homeless outreach and engagement programs that meet general and specific demands of the community, and all six are currently being analyzed for a strategic and holistic outreach redesign. The potential redesign and

⁴ [City Initiatives Roadmap - Emergency Housing System Expansion: Quick-Build Emergency Interim Housing](#)

restructure of outreach efforts is based on several factors, including performance against systemwide CoC performance benchmarks, impact and effectiveness, data reporting and tracking, resource consolidation, and provider and stakeholder feedback. The redesign process will involve various listening sessions and interviews with stakeholders, including individuals with lived experience of homelessness, and data analysis and evaluation.

The Housing Department plans to release an RFP for homeless outreach and engagement in the summer of 2023 which will result in new contracts beginning in January 2024. The RFP will incorporate specific outreach needs and priorities in San José, a consolidation of funding and staffing sources, national best practices, and new technologies to improve outcomes.

COST SUMMARY/IMPLICATIONS

This memorandum does not commit the City to any expenditures. As specific agreements become ready for funding commitments from the City, they will be brought forward to the City Council for approval and appropriation action on an individual basis.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office and the City Manager's Budget Office.

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the May 9, 2023, City Council meeting.

COMMISSION RECOMMENDATION AND INPUT

This item was presented to the Housing and Community Development Commission on March 9, 2023.

CEQA

Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action.

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/

JACKY MORALES-FERRAND

Director of Housing

The principal author of this memorandum is Kelly Hemphill, Division Manager. For questions, please contact kelly.hemphill@sanjoseca.gov or (408) 975-4483.

ATTACHMENTS:

Attachment A: Progress Towards Community Plan to End Homelessness Benchmarks

Attachment B: Success Stories

Attachment C: Housing Department Funding Sources in FY 2021 – 2022