



COUNCIL AGENDA: 11/30/2021
FILE: 21-2485
ITEM: 3.6

Memorandum

TO: CITY COUNCIL

FROM: Councilmember Sylvia Arenas

SUBJECT: SEE BELOW

DATE: November 29, 2021

Approved *Sylvia Arenas*

Date **11/29/21**

SUBJECT: COVID-19 PANDEMIC RESPONSE AND COMMUNITY AND ECONOMIC RECOVERY BUDGET ADJUSTMENTS

RECOMMENDATION:

1. Keep our funding commitment to San José children by adopting child care related ARPA funding proposals previously submitted in November 2nd memos by the Mayor, City Councilmembers and City Manager.
2. Direct the City Manager to continue to move forward the Child and Youth Master Plan work plan items and follow direction from the NSE Committee and the NSE/Committee of the Whole Joint Hearing regarding Child and Youth Strategy work plan priorities.
3. Direct the City Manager to allocate sufficient American Rescue Plan Act (ARPA) funds to expedite the development of a Promotora program now, with additional funding for the execution of the program to be allocated through the regular budget process.
4. Direct the City Manager to include homeless women and homeless women with children as priority categories for SJ Bridge Program participants and conduct outreach with agencies that serve these communities, such as: YWCA, Next Door, Somos Mayfair, Community Solutions.
5. Direct the City Manager return to Council with a comprehensive report regarding proposed changes to Measure E and the outcomes it would produce on all relevant city plans, as well as how it would change the demographics of those served by Measure E. Additionally:
 - a. Direct the City Manager to ensure that at least 30% of any Measure E funds shifted serve families with children, or enough funding to provide interim housing to all homeless children currently eligible in the continuum of care system database.

- b. Direct the City Manager to present a funding strategy for interim housing operations that preserves Measure E's ability to fund the construction of deed restricted affordable housing. The funding strategy should be approved by Council concurrently with any votes on reallocating Measure E.
 - c. Direct the City Manager to convene a joint meeting of the full City Council and the full Board of Supervisors on the subject of addressing homelessness in San José – with an agenda that includes child and youth homelessness, as well as county mental health support at interim housing sites.
6. Direct the City Manager to bring forward in the Mid-Year Budget technical corrections to the 2021/2022 budget of the Office of Equality Assurance to fund replacement software for processing verified payrolls – utilizing ARPA funds or General Funds, and refer future year funding needs to the budget process.

BACKGROUND

It can be easy to lose sight of those too vulnerable to raise their voices to be heard. That is particularly true of the women and children experiencing poverty in San José. This memo provides remedies that would re-center the programs proposed by the City Manager and the Mayor and Council on children and families as those are at most risk, in need, and negatively affected by the pandemic.

As a City Council, we face a difficult choice. With limited American Rescue Plan Act (ARPA) funds remaining, we must consider whether to invest federal COVID relief funds in children's programs now, or to hold off on this funding for another year. There is simply no time to spare. Youth programs are developed and launched based on the school year cycle. By the time the city budget is developed in June, plans for both summer and fall after school programs are well established. Waiting until June would mean that children's COVID relief programs would be put on hold until almost 2023 – an unacceptable delay.

The City of San José received more than \$200 million in ARPA funds this spring – yet we only pledged around a tenth of 1% of that enormous fund to support COVID impacted families with after school, preschool and summer camp programs that many utilize as an affordable childcare option.

At the June budget meeting, the Council and City Manager made a commitment to make a bigger investment for these programs this fall. Based on this council direction, I convened city, county, and education leaders from across our city and county in a joint committee hearing with the Board of Supervisors to develop a plan of action. This plan led to a proposed \$4 million investment from the City Manager. Yet we are now apparently going to back off from their commitment and their proposal.

City staff have not fully developed the details of these programs because the Council has never funded them. If the funding is put forward now, the programs can get developed in time and can happen. Failing means we will not be able to support COVID-impacted families with reliable programs that meet their needs.

We clearly face uncertainty. And some of our regular city funding sources have been really challenging to pin down. But the fact is, no group is more frequently asked to take the back seat than our kids. Programs that ensure that an elementary school aged child has a safe place to go afterschool, while her parents work, simply aren't being prioritized over more dollars to support businesses: \$14 million and counting, just this year.

Additionally, we – as a Council – must provide clear direction today that women with children will be given a real opportunity to participate in two key proposals today to address homelessness: the SJ Bridge Program and the emergency housing sites. Without clear direction to staff, the result will be continued exclusion or marginalization from the program.

The current proposal to shift Measure E funding from permanent affordable housing to emergency housing sites creates a serious risk that we are also shifting our funding from programs that benefit families to ones that explicitly exclude. If this shift happens, we will continue to have limited solutions for families – in fact we will have made a challenging situation even worse. As we consider this shift, it's absolutely vital that we take proactive steps to make sure that we are not doing this at the expense of vulnerable children.

We must also stop beating around the bush and finally launch a Promotora program. Our city departments need new tools to reach the most vulnerable families during this pandemic. They want to succeed in serving those in need, but we have not given them the correct tools. This is a proven tool for just this kind of public administration need. And it puts back to work people who have been deeply affected by the pandemic. It's a win-win-win, and it shouldn't require another council meeting to get off the ground.

Last, we have seen the pandemic – and our emergency housing sites in particular – exacerbate a shocking level of wage theft on city projects. It's past time the Council takes decisive action to address this. Today, I propose we take the most basic of steps: we finally commit to funding verified payroll software that works. This was a key audit recommendation in early 2017, and yet, four years later this most basic step hasn't happened. Letting this go any longer – particularly on a day that we dedicate more funds to the same kind of construction projects where wage theft is rampant would be shockingly negligent. Let's act today.