



Memorandum

TO: PUBLIC SAFETY, FINANCE AND
STRATEGIC SUPPORT COMMITTEE

FROM: Nanci Klein
Anthony Mata
Jacky Morales-Ferrand

**SUBJECT: DOWNTOWN QUALITY OF LIFE
INITIATIVE STATUS REPORT**

DATE: March 3, 2023

Approved

Date

3/8/2023

RECOMMENDATION

Accept the status report on the Downtown Quality of Life Initiative, including efforts related to crime reduction, blight mitigation, social services coordination, quality of life metrics, and communication

BACKGROUND

At the March 29, 2022 City Council meeting, the Housing Department brought forward an agreement with People Assisting the Homeless (PATH) to establish a Downtown crisis response program. Now referred to as the Community Assessment, Rapid Engagement (CARE) program, its purpose is to establish a crisis response team that can be dispatched to support unsheltered individuals in the Downtown who are experiencing mental health crises. As part of this item, Councilmember Raul Peralez recommended and the City Council approved direction that staff return to the Public Safety, Finance and Strategic Support (PSFSS) Committee in one year with an update on the program. To ensure that the Committee has complete information, not only on the Downtown Crisis Response Program but on all efforts to address challenges Downtown, staff is bringing forward a comprehensive report on initiatives to improve Downtown quality of life.

Quality of life issues in Downtown caused increasing concern among residents and businesses over the course of the COVID-19 pandemic. The shift to hybrid work resulted in a lower employee population Downtown, impacting street vibrancy and hindering the recovery of small businesses. Concerns about crime and the perception of safety have also increased. Unhoused residents who live downtown, especially those who are impacted by mental health issues, require services and support. To address these and related issues, staff established an ad hoc working group in August 2022 comprised of City staff, County staff, and service providers. This working group has identified four work streams intended to improve conditions: crime reduction, blight mitigation, increased social services coordination, and quality of life metrics and communication. This memorandum provides updates on efforts in these four categories.

It's also important to note that during January and February 2023 the Downtown Vibrancy Mayoral Transition Committee met and developed recommendations to further improve and promote Downtown. These recommendations are being considered as part of the City Council Priority Setting process.

ANALYSIS

Crime Reduction

San José Police Department's current Downtown Safety Plan is to supplement our standard patrol division with additional services consisting of Downtown Foot Patrol (DFP), the Downtown Services Unit (DSU), and Community Policing Officers (CPO). This section provides an overview of these efforts.

Downtown Foot Patrol

The San José Police Department's goal is to build strong relationships through consistent and personal interactions with the community it serves. To that end, the Downtown Foot Patrol model features a three-prong approach, including (1) personal interaction with community members and businesses in the downtown area, (2) participation in criminal investigations leading to the arrest and citation of criminal offenders, and (3) providing a consistent and visible presence to help reduce crime. In addition, officers participate in education and outreach with community members via service-connected resources. They also liaison with city partners, non-profit organizations, and other partners to address the high needs areas. This model allows the officers to implement several key pillars outlined in the 2014 President's Task Force on 21st Century Policing, including Building Trust and Legitimacy, Community Policing and Crime Reduction, and Training and Education.

Through approval of the 2022-2023 Operating Budget, the City Council added sixteen ongoing police officer positions to provide foot patrols in the downtown area and other high-needs neighborhoods throughout the City. Four of these sixteen officers will be assigned to the Central Division, which includes downtown. In anticipation of the time and effort required to hire and train officers to fill the new positions, the City Council allocated funding to staff foot patrols on a voluntary overtime basis as an interim measure. The overtime funding supports foot patrols during normal business hours, Monday through Friday.

With the benefit of this overtime funding, the Downtown Foot Patrol walking beat began deployment on a full-time basis beginning on July 25, 2022. Patrol is provided Monday through Friday, 9:00 am to 5:00 pm (prior to July 2022, Downtown Foot Patrol was staffed on a part time basis). The positions are currently filled on a voluntary basis. They are staffed on overtime and roughly 80% of the spots are filled. The foot patrol has been well received by the community, business owners, and visitors. Furthermore, it provides increased visibility and presence to enhance pedestrians' feelings of safety and helps build relationships with residents, local

businesses, visitors, and downtown schools.

The following is a summary of the Downtown Foot Patrol statistics since full-time deployment began on July 25, 2022:

- 18 Arrests
- 37 Warrant Arrests
- 68 Criminal citations
- 14 Hazardous citations
- 141 Non-hazardous citations
- 2,645 Business contacts
- 211 Community service referrals

Downtown Services Unit

The Downtown Services Unit operates Tuesday through Friday, from 10:00 am to 8:00 pm, and is currently staffed with one sergeant and four officers. The Downtown Services Unit is a plain clothes unit and its goal is to provide a presence in the downtown area to discourage criminal activity. Additional duties include narcotic enforcement, handling quality of life issues, graffiti enforcement, cruise management, curfew management, and traffic diversion. The unit continues to walk the downtown area to engage with businesses and provide security and safety recommendations for restaurants and nightlife entertainment establishments. The following is a summary of the Downtown Services Unit statistics since they transitioned to Special Operations in September 2022.

- 58 Arrests, including the closure of an illegal Marijuana dispensary
- 88 Warrant Arrests
- 256 Criminal citations
- 119 Municipal Code citations

Community Policing Officers

Community policing activities are prioritized during any free patrol time. Additionally, one Community Policing Officer in collateral assignment from patrol is assigned to the entire Central Division on day shift, which stretches from 6:30 am to 4:30 pm, Friday through Monday. This officer regularly attends community engagement events and crime prevention presentations.

Arrest and Citation Statistics

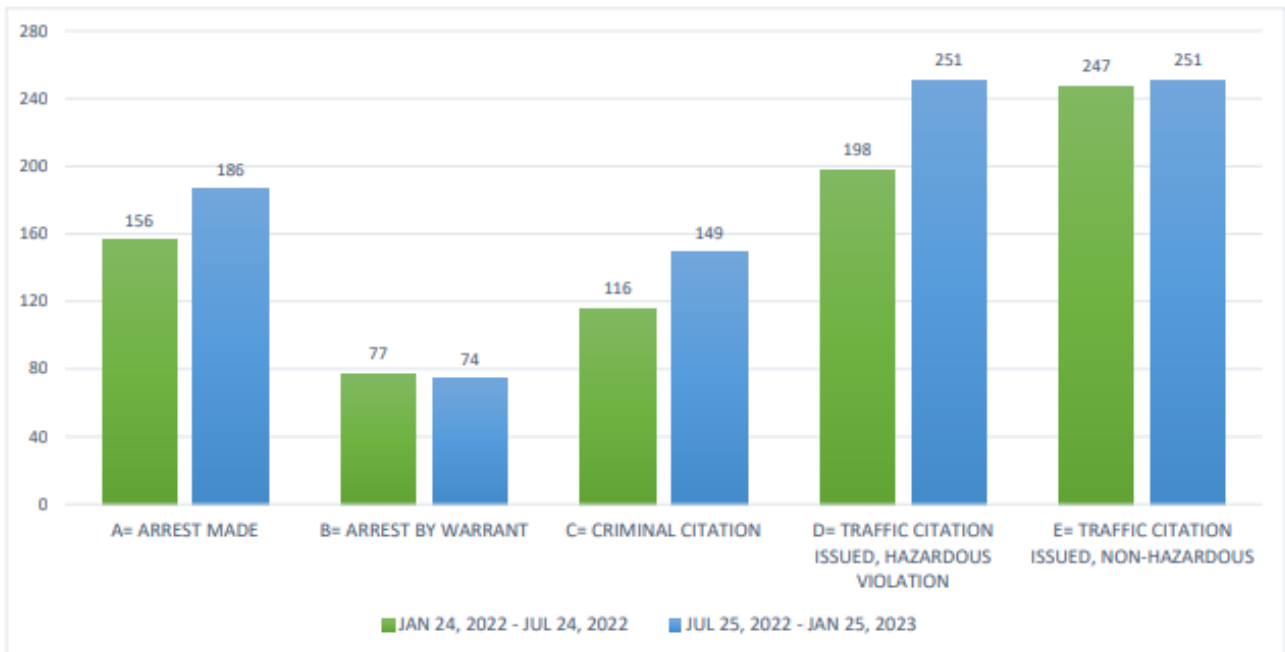
The below graph provides a comparison of arrests and citations from the Downtown Foot Patrol, Downtown Services Unit, and district officers for the previous six months, broken into two time periods: January 24, 2022 through July 24, 2022 (during the part-time deployment of the Downtown Foot Patrol) and July 25, 2022 through January 25, 2023 (during the full-time

March 3, 2023

Subject: Downtown Quality of Life Initiative Status Report

Page 4

deployment.)



The total number of arrests and citation events increased 15% during July 25, 2022 through January 25, 2023 (with a total of 911 events) compared to January 24, 2022 through July 24, 2022 (a total of 794 events). Overall, during July 25, 2022 through January 25, 2023, criminal citations increased 28% and arrests 19%. This increased activity may be due in part to the increased service level enabled by the full-time deployment of Downtown Foot Patrol, as well as the increased engagement with businesses that the full-time deployment makes possible.

Blight Mitigation

Several programs exist to help address blight in downtown. Below is a summary of each program.

Neglected Vacant Building/Storefronts Program

The Neglected Vacant Building/Storefronts Downtown Mandatory Registration Program is managed by the City's Code Enforcement Division. The purpose of this program is to ensure that vacant buildings and storefronts in the Downtown are not blighted and are maintained in accordance with the Municipal Code. All buildings or storefronts within the Downtown that are vacant for more than 30 days must be registered as part of this program, and the responsible property owner must pay a fee of \$217 per registered building on a quarterly basis. Fee revenue is used to fund quarterly inspections of registered properties by Code Enforcement personnel to ensure that they are maintained in good condition, have adequate lighting, and are in compliance with the Municipal Code.

If a vacant property included in the registry is found to be in violation of the Municipal Code and remains in violation for 30 days or more, Code Enforcement inspections increase in frequency to once per month and the property owner must pay an increased fee amount of \$572 per quarter to fund the more frequent inspections, in addition to any fines assessed for the violations. If the violations are corrected and the property remains free of further violations for six months, Code Enforcement inspections may revert to a quarterly cadence and the property owner may pay the lower fee amount.

There are three ways a property owner can be exempt from mandatory registration of their Downtown vacant building or storefront. The first is if the property owner provides satisfactory proof to the City that they are actively offering the building/storefront for sale, lease, or rent. The second is satisfactory proof of physical occupancy of a tenant, and the third is if there are open and active building permits on the property address. To have “an open and active” building permit, a property owner or tenant must have at least one building inspection every six months, meaning there is active progress toward the completion of repairs or improvements to the space in question, in theory toward having a tenant occupy the space.

Currently, a total of four properties Downtown are enrolled in the Downtown Mandatory Registration Program requiring inspection on a quarterly basis, and an additional six properties are considered neglected due to a Municipal Code violation and require inspection on a monthly basis. A total of 64 vacant properties downtown are being actively marketed for sale, lease, or rent, and are thus exempt from registration in the program.

Storefronts Activation Grants

The Storefronts Activation Grants Program helps small, ground-floor businesses with grants to activate vacant storefronts and/or enhance their exteriors. Through approval of the 2022-2023 Operating Budget, the City Council allocated \$500,000 in one-time funding for this program. Due to extensive outreach and engagement in the affected zip codes recovering from the COVID-19 pandemic, demand has been vigorous. To meet this demand, the COVID-19 Recovery Task Force recommended and the City Council approved the allocation of an additional \$300,000 in one-time funding for this program in December 2022. All funds are anticipated to be allocated by April 2023.

In FY 2022-23, three out of 13 Storefronts Activation Grants were given to businesses moving into vacant commercial spaces in the downtown totaling \$45,000, and an additional 10 out of 36 grants are being awarded to downtown businesses seeking exterior enhancements totaling \$100,000. Storefronts Activation Grants help to revitalize commercial areas in two ways: through Exterior Improvements grants of \$10,000 and Vacant Storefront grants of \$15,000. Exterior Improvement grants can include funding new or updated business signage, outdoor seating, exterior plantings, and paint or do other improvements to the exterior of a business façade to increase a business’s visibility and attract new customers. Vacant Storefronts grants assist business owners to establish themselves in previously vacant storefronts. Grant funds can be used to cover permit fees, interior tenant improvements, and operational start-up costs.

Property Based Improvement District (PBID)

The PBID is a special benefit assessment district that provides enhanced maintenance, public safety, beautification, and economic development programs above and beyond those provided by the City. Key programs include Groundwerx cleaning and ambassador programs, tree-trimming and care, homeless assistance, business development, and street life projects such as wall murals, crosswalk decor, and decorative lighting. The goal of PBID services is to improve the overall viability of business districts resulting in high property values and sales and tax revenues. The City's current total contribution to the PBID is \$1,290,582; the total PBID budget is \$5,480,000.

In the fourth quarter of 2022, Groundwerx collected 189,600 pounds of trash, removed 4,316 items of graffiti, conducted 1,859 pressure washing hours, logged a total of 2,846 safety ambassador hours, and provided 1,345 directions to downtown patrons.

Increased Social Service Coordination

Downtown Social Service Coordination Working Group

A working group comprised of representatives from the Office of Economic Development and Cultural Affairs, Housing Department, San José Downtown Association (SJDA), Santa Clara County Assisted Outpatient Therapy Program and City contractor PATH have been meeting on a bi-weekly basis since August 2022. The group is focused on (1) establishing a coordinated plan for downtown's most vulnerable unhoused residents, (2) establishing a ground floor case management storefront and (3) vetting the feasibility of creating one phone number to call for downtown non-emergency quality of life-related incidents.

As a first step to establishing an even more coordinated approach to the delivery of social services in Downtown, the partners have identified approximately 20 of the most vulnerable unhoused residents in Downtown to which to prioritize outreach services. The goal of outreach is to build trust, meet basic needs, refer people to emergency shelter, and conduct Vulnerability Index Service Prioritization Decision Assistance Tool (VI-SPDAT) assessments in order to populate the Homeless Management Information System (HMIS) so that unsheltered persons have access to housing programs and options. Entering the data into HMIS allows the County of Santa Clara to coordinate a single point of entry into housing programs that are the best fit for their situation. Outreach teams usually make the first contact with the most vulnerable people living outside, complete and enter their assessment into HMIS. PATH will engage the collectively identified individuals with the goal of enrolling them in the program and ultimately connecting them to the most appropriate services and housing options. These efforts will be supported by the SJDA Social Impact Team and the City's Housing Department and all three entities, including staff at the County, have agreed to participate in regular case conferences for those individuals on the most vulnerable list.

The partners are also seeking to establish a ground-floor case management storefront. The goal for the space would be to provide a location for various providers (PATH, Groundwerx Social

Impact Team, Santa Clara County Behavioral Health) to meet with individuals in a private space, off the street, which creates a more conducive environment for conversation and building trust. A potential location for this storefront has been identified and staff is currently working on securing a cost estimate for necessary improvements to the space and determining next steps in the feasibility assessment of the initiative.

Finally, the partners are seeking to establish a single phone number that members of the public can call for Downtown non-emergency social service crisis response and related quality-of-life incidents. Downtown stakeholders would like to have an alternative to 911 when they encounter an individual that needs assistance. For example, if a business owner is faced with an individual in need of mental health services who is not a danger to themselves or others, they would be able to call this number to request a behavioral health services response.

This project has proved challenging due to the fact that no service provider can guarantee an immediate response. The call would be triaged like any other call and a response may occur up to a day later, if at all. City staff is continuing to work with the partners on solutions. Ultimately, it may come down to providing a couple of contact numbers, paired with a clear communication campaign to downtown stakeholders about how to effectively use the numbers, how the County's behavioral system works, and setting appropriate expectations. In the interim, the City has built response capacity through the CARE program, as discussed in the next section.

CARE Program

The City partners with PATH to operate the CARE program, which provides street outreach, case management, clinical services, placements in temporary and permanent housing, and basic needs to unsheltered individuals in Downtown. At the March 29, 2022 City Council meeting, the Council approved an agreement with PATH to operate this program, funded by \$1,200,000 in American Rescue Plan Act funds. The contract with PATH was executed on April 25, 2022, staff were hired and trained in May and June 2022, and the program began operation on July 1, 2022. While the program is in operation, it should be noted that hiring for clinical positions has been a challenge for PATH (there are currently three vacant clinical positions). A countywide shortage of clinicians contributes to this challenge.

The CARE hotline receives calls requesting rapid outreach support. PATH has the tools to rapidly deploy crisis dispatch clinicians to provide trauma-informed care, culturally competent de-escalation and crisis intervention, and intensive case management services, as needed. Support to individuals depends on the need, which can range from physical health, mental health, or mediation support. Most often, however, calls to the CARE hotline were to request a welfare check or to request support through services and housing options. Once an immediate crisis is addressed, outreach case managers and peer support specialists transition participants to ongoing, housing-focused case management.

PATH provides quarterly reports on outcomes for this program. During the first six months of operation in 2022-2023 (July to December 2022), PATH served 703 unduplicated individuals.

These efforts resulted in 209 new or updated housing assessments in HMIS. PATH's outreach and case management efforts resulted in the placement of 27 individuals in shelter or temporary housing and 11 individuals in permanent housing.

Supporting unsheltered individuals experiencing crisis and aiding them in securing housing is an important component of the City's efforts to address homelessness and of efforts to improve the quality of life downtown. With current funding, this program is anticipated to operate through June 30, 2023. However, the Housing Department is exploring options to continue the program, or a similar model, in the Downtown.

Quality of Life Metrics and Communication

Downtown Quality of Life Metrics

Based on stakeholder feedback, the Downtown Social Service Working Group has developed a list of baseline metrics to be tracked on a quarterly basis in the hopes of gauging improvement in the four areas covered in this memorandum. The current list of baseline metrics being recorded may evolve as the focus and the work of the Working Group evolves and as it receives additional stakeholder feedback. Quality of Life metrics may be adjusted, removed, or added. Below is the summary of the baseline downtown quality of life metrics currently being tracked as part of this initiative as they relate to Q4 (October – December) 2022:

Downtown Quality of Life Metrics - Baseline Reporting Q4 2022



Downtown Vibrancy

- Total residents: **21,385**
- Total jobs: **33,730**
- Commercial vacancy rate: **20.50%**
- Commercial SF:
 - Entitled: **875,530**
 - Under construction: **~3,611,310**
 - Completed: **0**
- Residential Units
 - Entitled: **2,438**
 - Under construction: **558**
 - Completed: **135**
- Business openings: **9**
- Business closures: **6**
- Interim parklets: **16**
- Number of murals: **125**
- Protected bikeways: **3.8 miles**
- Bike lanes: **5 miles**
- Bike boulevards: **3.9 miles**

* 0.75 mile radius from 1st and Santa Clara

**Total hours available = ~1,560

*** Vacant and Neglected property counts are for Downtown only.

**** Assisted Outpatient Treatment



Crime Reduction *

- Total calls for service (911): **3,472**
- Total violent crimes: **89**
- Total property crimes: **299**
- Overtime Foot Patrol hours: **1,248****
 - Percentage of shifts filled: **~80%**



Blight Mitigation ***

- Vacant storefronts: **64**
- Neglected properties on City registry: **6**
- Vacant properties on City registry: **4**
- Groundwerx Statistics:
 - **189,600** lbs of trash removed
 - **4,316** graffiti tags removed
 - **1,859** pressure washing hours
 - **2,849** Safety Ambassador hours
 - **1.345** directions given



Social Service Coordination

- PATH Street-based contacts (individuals served): **403**
- PATH new/updated referrals to service: **100**
- PATH Placements to temporary/permanent housing: **28**
- County AOT**** referrals received: **11**
- AOT Referrals to outside provider: **2**

March 3, 2023

Subject: Downtown Quality of Life Initiative Status Report

Page 9

Communication

In addition to capturing and monitoring the metrics, the partners are focused on increasing and streamlining communication between their respective organizations and with other key downtown stakeholders. The establishment of the Downtown Social Service Working Group has already created an open line of communication and has resulted in the creation of a more efficient and effective way of assisting our most vulnerable residents downtown. For example, the idea of dedicating beds at the downtown Plaza Hotel specifically for the downtown homeless population resulted from one of the weekly meetings of the Working Group. Staff has also been regularly communicating via email with stakeholders regarding progress on the four workstreams outlined in this memorandum and will continue to do so.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office, the City Manager's Budget Office, and the Department of Planning, Building and Code Enforcement.

/s/
NANCI KLEIN
Director, Office of Economic
Development and Cultural
Affairs

/s/
ANTHONY MATA
Chief of Police

/s/
JACKY MORALES-FERRAND
Director, Housing Department

For questions related to the Office of Economic Development and Cultural Affairs efforts, please contact Blage Zelalich, Deputy Director, at blage.zelalich@sanjoseca.gov or (408) 535-8172.

For questions related to Police Department efforts, please contact Captain Carlos Acosta, at carlos.acosta@sanjoseca.gov or (408) 277-4631, or Lieutenant Paul Hamblin, at paul.hamblin@sanjoseca.gov or (408) 277-5200.

For questions related to Housing Department efforts, please contact Kelly Hemphill, Division Manager, at kelly.hemphill@sanjoseca.gov or (408) 975-4483.