CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Memorandum

TO:	HONORABLE MAYOR AND CITY COUNCIL	**FROM:**	Councilmember Don Rocha
SUBJECT:	**HOMELESS EMERGENCY AID PROGRAM**	**DATE:**	November 27, 2018

Approved Don Rocha SH Date 11/27/18

RECOMMENDATION

A. Update HEAP Expenditure Plan shifting $2.2 million currently allocated to a second Bridge Housing Community (BHC) site toward options under the 'Crisis Response Interventions' category (Motel Program, Safe Parking, and OWLs).

B. Direct city staff to use funding in current contracts to allow HomeFirst and LifeMoves to fund and execute OWL and Safe Parking program expansions earlier than HEAP funding would arrive (Expansion currently proposed would take place by March/April of 2019).

C. Accept recommendation 2 on 11/21 memo from Councilmember Peralez and Vice Mayor Carrasco to agendize CLF for City Council discussion before the end of calendar year 2018.

D. That city staff and representatives from Destination: Home be prepared to provide details regarding Homeless Prevention programs included in the proposed HEAP Expenditure Plan under the 'Housing Based Solutions' category (Homeless Prevention System Expansion and Youth Homeless Prevention System):

   a. History of programs (including past – if applicable – and current funding types from the City of San Jose) and any tangible results backed by data.

   b. Existing plans for a timely and effective use of these funds – Marketing and community education about the existence and utility of this program.

   c. Parameters used for selection of families and youth participating – What is selection process? What triggers eligibility?

E. That city staff and representatives from The Health Trust be prepared to provide details regarding the 'Landlord Incentive program' included in the proposed HEAP Expenditure plan with a $400,000 investment.

BACKGROUND

After much effort and advocacy from Senator Jim Beall and Mayor Sam Liccardo, Governor Brown signed Senate Bill 850 into law, effectively making available a $500 million one-time block grant known as the Homeless Emergency Aid Program (HEAP). As part of this program, funds have been allocated to the 'Big 11' cities in California as well as other 'Continuums of Care' most affected by the ongoing statewide homelessness crisis. The City of San Jose will receive $11.3 million in HEAP funding – an opportunity forthcoming at a time of great need for San Jose, which has seen its homeless population swell to 4,350 residents, 74% of whom are unsheltered.

The City of San Jose has employed a mix of strategies that each address different side effects of this massive homelessness and shelter availability crisis. In the long term, Mayor Liccardo and City Council have shown leadership by setting a goal of 10,000 affordable housing units built by 2022 to provide, among other kinds of affordable housing, permanent supportive housing to much of our current homeless population.

In the short term, the city has initiated several efforts to provide shelter when weather conditions are extreme and life threatening to unsheltered residents or when unsheltered residents fit certain criteria which make them especially vulnerable or otherwise viable for a timely return to permanent housing. For example, the city has recently contracted the nonprofit LifeMoves to operate its pilot Safe Parking program in the Seven Trees area of District 7, which will serve families and single parents with children.

Perhaps reflecting San Jose's overall approach to homelessness, city staff has recommended equally splitting HEAP funds with a focus on both interim housing strategies such as safe parking and/or OWLs as well as an equal focus on homeless prevention strategies such as rent subsidies for households facing eviction.

Via this memo I humbly recommend City Council take a very close look at the proposed HEAP Expenditure Plan, carefully considering each dollar spent and any associated impacts when all factors of our homelessness and shelter crisis are considered.

ANALYSIS

I want to take this opportunity to thank housing staff and Department Director Jacky Morales-Ferrand for their tireless work on this and many other housing items. I recognize the difficulty of tackling housing and homelessness in this moment and commend all involved for their dedication. Given the timing on this item, I did not have the opportunity to have more comprehensive conversations with staff at earlier stages of the process and so I am including several questions in my recommendations above. I apologize for this.

The life threatening nature of homelessness extends beyond the Winter months and its extreme weather conditions. Our homeless residents in San Jose face dangers unfamiliar to us even on the most temperate of nights. Homeless individuals, and especially unsheltered women, children, elderly and/or mentally ill persons, are susceptible to violence, rape, theft, drug dependence, vermin infestation, illness, and a variety of other life threatening challenges. Each case of an unsheltered resident is a humanitarian crisis

of major consequence. As of our last point-in-time count, over 3 thousand such humanitarian crises in San Jose play out every single night.

Because of our current condition, we must find or produce the shelter space we need as immediately as is feasible. The stories our homeless residents tell are a heartbreaking reminder that currently we do not have an adequate social safety net that will both prevent further displacement and provide sufficient shelter.

All the same, I hold on to the hope that my colleagues will see and feel the depth of my alarm on this issue. To be sure, when the next Point-in-Time Homeless Census is conducted and results are made public in 2019, we will reckon with the reality of a homeless crisis that has grown exponentially and affected a frightening number of residents across gender, race, age, and sexual orientation. I do not mean to be officious in making these assertions – I only feel too intensely the weight of our condition and wish my colleagues will approach the matter with the appropriate urgency in 2019 and beyond.

To avert an even worst outcome, we need all the help available to us from both the Federal and State governments. Thankfully, new help is coming from the State of California as a result of Senator Jim Beall and Mayor Liccardo's great efforts in the form of $11 million from the Homeless Emergency Aid Program (HEAP) fund. This money has been conferred on to the City of San Jose and other jurisdictions as an opportunity to fund crisis response strategies such as interim shelter beds and preventative programs such as rent subsidies. We would be wise to carefully consider how each dollar is spent toward correcting our condition.

It is this last sentiment that guides my recommendations and questions on this memo. We can all see $11 million is a significant amount of money but ultimately just a portion of what would be needed to fully address our current condition. Because of this fact, it is important that HEAP money is used on strategies that address the more urgent aspects of the homeless and shelter availability crisis ergo I am not comfortable with the proposed $2.2 million HEAP investment towards a second Bridge Housing Community (BHC).

Bridge Housing Communities would be a solution which would offer both shelter and dignity to those who benefit from it. While it may well be a great model in the long term, I have concerns about the speed with which a BHC could be up and running in San Jose given the time limits on HEAP funds which must be spent by 2021. Indeed, it has been well over a year since the site selection process for the construction of the first BHC started in August of 2017. I believe we should press on with the current BHC but we would also be wise to see the current process through before we commit to a second site.

To this end, I believe the correct course of action would be to reallocate the $2.2 million being proposed for the development of a second BHC to instead fund immediate shelter options such as safe parking, OWLs, and the motel program. These alternatives would provide more shelter opportunities and would be ready for use earlier. Affordability and expeditiousness make the combination that may ultimately help us solve this crisis. In the end, a focus on providing a large quantity of shelter beds and other individual options (parking spaces, for example) at a faster pace may save us money we are currently spending on encampment sweeps, emergency room visits, and significant staff time.

We all see that speed is of the essence when it comes to our homelessness crisis. Every winter night we do not have enough available shelter options, we expose San Jose residents to untold dangers and indignities. I believe we should direct housing staff to amend existing contracts with Homefirst and LifeMoves to expand current Safe Parking and OWL programs as soon as possible and well before the end of Winter. HEAP funds will only be available for the city to transfer over in March or April; To bridge this gap, I ask that my colleagues vote to shift existing moneys associated with current contracts to the front end in order to fund expansion efforts as early as possible and before HEAP funds kick in.

Lastly, I am happy to see the State of California stepping up to the plate to fund solutions to this crisis. As I stated earlier, $11 million is by no means a small amount of money and we should take care that it is all used with effectiveness and purpose. Still, $11 million is not nearly enough given the magnitude of our condition. Because of this reality, we should not cease to look for alternative ways by which we could fund our ultimate strategy: building permanent supportive and affordable housing. This is why I am recommending that my colleagues pass Councilmember Peralez's recommendation that we reagendize the matter of Commercial Linkage Fee (CLF) for discussion on the December 11 City Council meeting.

Again, I would like to thank city staff for their outstanding efforts. I also thank my colleagues in advance for what I am sure will be a thoughtful and nuanced conversation. I am hopeful that we will be moving in the right direction with an eye toward a San Jose where all can count on a bed to rest and a roof over their heads.