



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jacky Morales-Ferrand

SUBJECT: SEE BELOW

DATE: August 19, 2019

Approved

D. D. Syl

Date

8/30/19

**SUBJECT: FUNDING AWARD WITH PATH TO CONTINUE IMPLEMENTING THE
OUTREACH FOR UNHOUSED INDIVIDUALS AND FAMILIES
PROGRAM**

RECOMMENDATION

Adopt a resolution authorizing the Director of Housing to negotiate and execute a Second Amendment to the grant agreement with People Assisting the Homeless (PATH) increasing the maximum total amount of compensation by \$935,000 from \$829,494 to \$1,764,494 to continue to implement the Outreach for Unhoused Individuals and Families Program through June 30, 2020.

OUTCOME

The City Council's approval of the recommendation will allow the continuation of the Outreach for Unhoused Populations Program (Outreach Program) to provide street-based targeted outreach, engagement and case management services to hundreds of unsheltered individuals and families, conduct assessments, and offer housing options. Council approval will allow for the purchase of a new vehicle for the Outreach Program, using one-time funds from the State of California.

BACKGROUND

The Housing Department manages the City's homeless concerns hotline, the central mechanism for receiving concerns related to homelessness and encampments throughout the City. In 2018-2019, the hotline received 6,498 reports. In response to concerns from the hotline, the Housing Department deploys street outreach teams. Additionally, street outreach teams are deployed to other known "hotspots" with homeless individuals such as libraries and community centers. Homeless street outreach is an important part of the overall coordinated system of homeless care. Outreach teams establish relationships, give people advice and support, and increase the

likelihood that homeless individuals will access necessary services that will help them move off the streets.

In March 2015 and April 2018, the Housing Department issued Request for Proposals for street-based outreach, shelter, rapid re-housing and supportive services for homeless persons. Each time, PATH was one of two organizations selected by a competitive process to administer an Outreach Program. Through the most recent 2018 competitive process, PATH scored the highest from five respondents and was selected to provide reactive, targeted, clinical, and intensive outreach to serve the diverse needs of homeless residents living throughout San José. On September 18, 2018, City Council approved the contract with PATH funded by the Emergency Services Grant from the Department of Housing and Urban Development and the local Housing Authority Litigation Award.

Since 2015, PATH has been under contract with the City of San José to provide street-based outreach, engagement, and case management services to homeless individuals and families. PATH has operated outreach teams in the downtown core, libraries, and other targeted areas throughout San José to engage and build relationships with homeless individuals to provide supportive services and housing placement. PATH provides outreach and mobile case management teams, conducts assessments to establish the geography and extent of homelessness in the outreach areas, engages local service providers and community stakeholders, and conducts permanent housing location, placement, and retention activities.

Also included in this contract amendment are funds to purchase a new vehicle for the Outreach Program. A recent one-time grant of \$11.4 million from the State of California (“State”), called the Homeless Emergency Aid Program (HEAP), provides an opportunity to fund homeless response strategies such as additional emergency shelter beds, rental subsidies, homeless prevention and essential services. HEAP funds must be expended by June 30, 2021 in order to avoid recapture by the State. On November 8, 2018, the Housing Department presented a HEAP preliminary expenditure plan to the Neighborhood Services and Education Committee. The Committee recommended the City prioritize HEAP spending on prevention, essential services and temporary shelter opportunities. Additionally, the committee recommended prioritization of programs that could quickly accommodate the greatest number of participants. Based on the feedback, the Housing Department developed a proposed expenditure plan for the HEAP funds that was approved by the City Council on November 27, 2018. The expenditure plan proposed using \$35,000 in HEAP funds to purchase a vehicle for the Outreach Program.

ANALYSIS

The administration is recommending an award of \$900,000 to extend PATH’s current contract for the Outreach Program and \$35,000 to purchase a vehicle for a total of \$935,000.

Outreach Program

The program provides a multi-disciplinary team of outreach workers and case managers who provide services to people experiencing homelessness in San José using a multi-pronged

approach, blending street outreach and case management with evidence-based approaches (peer support and harm reduction), alongside recovery principals, motivational interviewing, and kinship. Outreach and engagement is performed in targeted locations, including downtown San José, Martin Luther King and Tully Branch Libraries, the Coyote Creek Project Areas (as identified through the City's Direct Discharge Program), as well as any area hotspots identified by City staff. Additional activities include conducting thorough assessments to establish the geography and extent of homelessness in the outreach areas, engaging local service providers and community stakeholders, and conducting permanent housing location, placement, and retention activities. Since the program's inception in fiscal year 2015-2016, the program has assisted 1,315 homeless individuals, provided over 4,300 case management sessions and assisted 107 homeless individuals to secure permanent housing. It is anticipated that the funding will result in 270 unduplicated people receiving assistance, 3,000 outreach contacts and 1,200 individual mobile case management sessions.

New Vehicle

The HEAP funds will provide \$35,000 to pay for a new vehicle for the outreach and case management staff. This will allow for quicker responses to City and constituent referrals, as well as an additional resource to transport participants to appointments and housing options. In 2019-2020, PATH will continue to focus on targeted outreach as well as on-call mobile case management throughout San José. The vehicle will provide a resource for outreach workers and case managers to quickly respond to requests from the community, as well as transport participants to medical or potential housing appointments.

EVALUATION AND FOLLOW-UP

The results of the Outreach Program will be reported in the Housing Department's annual report on homeless programs.

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

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

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PUBLIC OUTREACH

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

COORDINATION

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

COMMISSION RECOMMENDATION/INPUT

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

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$935,000
2. SOURCE OF FUNDING:
 - Multi-Source Housing Fund (448) / Emergency Shelter Grant
 - Multi-Source Housing Fund (448) / Housing Authority Litigation Award Memo Fund (484)
 - Multi-Source Housing Fund (448) / Homeless Emergency Aid Program Memo Fund (497)
3. FISCAL IMPACT: The \$11,389,987 Homeless Emergency Aid Program block grant received from the State of California that enables local governments to respond to homelessness will fund \$35,000 in expenditures. The remaining expense is recommended to be funded by federal Emergency Shelter Grants (\$421,679) and Housing Authority Litigation Award settlement funds (\$478,321).

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BUDGET REFERENCE

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

Fund #	Appn #	Appn. Name	Total Appn	Amt. for Contract	2019-2020 Proposed Operating Budget Page*	Last Budget Action (Date, Ord. No.)
448	2236	Emergency Shelter Grants	\$882,266	\$421,679	X-67	6/18/2019, 30286
448	2062	Homeless Rapid Rehousing	\$500,000	\$478,321	X-67	6/18/2019, 30286
448	205Y	Crisis Response Interventions	\$3,289,987	\$35,000	X-67	6/18/2019, 30286

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

CEQA

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

/s/

JACKY MORALES-FERRAND
Director, Housing Department

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