



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

SUBJECT: SEE BELOW

FROM: Jacky Morales-Ferrand

DATE: April 20, 2020

Approved

Date

4/20/2020

**SUBJECT: ACTIONS RELATED TO TEMPORARY SHELTERING OPERATIONS
AND SERVICES FOR COVID-19 EMERGENCY RESPONSE**

RECOMMENDATION

Adopt a resolution authorizing the City Manager or designee to negotiate and execute the following agreements and amendments for increased or additional temporary sheltering operation services necessary for COVID-19 emergency response, with any necessary ancillary documents, retroactive to March 16, 2020:

- (a) Second Amendment to the Overnight Warming Location grant agreement with HomeFirst Services of Santa Clara County, adding locations, increasing hours and increasing the maximum amount of compensation by \$2,850,860 from \$1,484,180 to \$4,335,040 at the following City facilities:
 - (1) Bascom Community Center and Library, 1000 S. Bascom Avenue;
 - (2) South Hall, 435 S. Market Street;
 - (3) Parkside Hall, 180 Park Avenue; and
 - (4) Camden Community Center, 3369 Union Avenue.
- (b) First Amendment to the Bridge Housing Community grant agreement with HomeFirst Services of Santa Clara County in the amount of \$3,178,000, with no increase in funding, at the Maybury Road bridge housing site to allow emergency placement of vulnerable persons at the site during the COVID-19 emergency;
- (c) Third amendment to the lease between the City and Allied Housing, Inc. to allow up to 23 units, at the Plaza Hotel located at 96 S. Almaden Avenue, to be used for emergency placement of vulnerable persons during the COVID-19 emergency and making amendments to the method of compensation for the emergency placement, without adding funding; and
- (d) Third Amendment to the Rapid Rehousing grant agreement with The Health Trust in the amount of \$7,752,235, with no increase in funding, and make amendments as needed for subsidizing emergency placements and FEMA reimbursement.

OUTCOME

Approval of the amendments to the grant agreements with HomeFirst of Santa Clara County will provide funding for the agency to operate temporary shelters needed to serve vulnerable persons at multiple temporary shelter sites during the COVID-19 emergency. The lease agreement amendment with Allied Housing, Inc. will allow for emergency placement of vulnerable persons at the Plaza Hotel during the COVID-19 emergency. Similarly, the grant amendment with the Health Trust, as the rental subsidy administrator, will allow vulnerable persons under emergency placement to utilize subsidies administered under this agreement.

BACKGROUND

On March 4, 2020, California Governor Gavin Newsom declared a State of Emergency to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments, and help the state prepare for broader spread of COVID-19.

Need for Additional Temporary Shelter for Vulnerable Populations

The homeless population tends to have more underlying health conditions than the general public. Individuals without stable housing not only face greater difficulty taking preventative actions, but they are often in poorer health than other residents. As such, the population is highly vulnerable to the COVID-19 pandemic. Individuals that normally reside in encampments, will need to seek temporary shelter to avoid COVID-19 spread, and to isolate as a result of testing positive for the virus.

The City's nonprofit service partners have informed the City that the homeless shelters are at capacity (including overnight shelters, Overnight Warming Locations and safe parking) and they are seeing an increase in requests for shelter. In addition, U.S. Department of Housing and Urban Development and Centers for Disease Control and Prevention have provided guidance on shelter during pandemics such as COVID-19. This guidance calls for additional space separation for shelter beds. This reduces the number of individuals that can reside in existing shelter facilities. Unsheltered residents who want to protect themselves and others by sheltering in place are left with little to no options.

The City is working closely with the County Office of Supportive Housing, Destination: Home, Valley Homeless Healthcare Program, County Public Health Department, and Centers for Disease Control and Prevention, to develop a comprehensive shelter plan to address the needs of people experiencing homelessness. The initial plan is designed to address the needs of different populations requiring shelter. The County is leading the efforts to master lease hotels and motels to temporarily house at-risk individuals (older adults + who have three or more underlying health conditions) and those who need isolation or quarantine. This includes homeless individuals that have tested positive for the COVID-19 virus and need to be isolated from other individuals.

Plans are underway to provide additional hotel capacity for families with minor children and survivors of domestic violence. Finally, the plan includes an expansion of the homeless shelter system for both families and individuals.

City's Response to Meet the Need for Temporary Shelter

The City is taking the lead on increasing temporary shelter in the City of San José. The City Manager's report to City Council on March 24, 2020, discussed a number of actions intended to expand temporary shelter capacity. These include actions to use City facilities as temporary shelter sites, expand services at these locations, and maximize the use of existing homeless shelter sites. A summary of the facilities which will serve as temporary shelter sites, is provided in the following section.

ANALYSIS

A number of existing City facilities will begin providing new or enhanced shelter capacity as soon as possible. These sites, which are designated under the City Manager's shelter crisis declaration are listed below.

Facility	Capacity	Population
Bascom Community Center	No Increase, Change to 24/7 Operations	General Shelter
Southside Hall	283 new beds	General Shelter
Parkside Hall	75 new beds	General shelter
Camden Community Center	40 new beds	Families
Maybury Road BHC	13, change in population	Vulnerable from shelters
Plaza Hotel	23, change in population	Vulnerable from shelters

In coordination with Team San José and the City's Public Works Department, Parkside Hall and South Hall facilities have been upfitted to provide temporary bed capacity for vulnerable and general homeless populations. Parkside Hall (75 bed capacity) opened on April 1, 2020 and South Hall (283 bed capacity) opened April 15. Both facilities are following shelter guidelines and protocols provided by the Centers for Disease Control and Prevention and Public Health during this health crisis. In addition, the Housing Department is working with the Emergency Operation Center Safety Branch to implement regular safety audits to ensure these protocols are followed.

Additionally, the overnight warming location at the Bascom Community Center has switched to 24-hour operations. Although this will not increase the overall capacity at these locations, the extended operations will allow shelter guests to comply with the shelter in place order.

Additional shelter efforts include opening the Camden Community Center (40 bed capacity) as a temporary family shelter, using the Maybury Road Bridge Housing Community (13 bed capacity) and available capacity at the Plaza Hotel (23 bed capacity) for the emergency placement of vulnerable persons. The Roosevelt Overnight Warming Location closed and the 21 shelter guests were transferred to the Parkside temporary shelter, allowing for the HomeFirst staff to be redeployed to other temporary shelter sites.

Utilization of Existing Service Providers to Assist with Shelter Operations

The City will use experienced homeless service providers to help operate the temporary sites. HomeFirst is the largest provider of homeless services in San José. The agency was selected via competitive process in 2018 as the City's primary emergency shelter operator. The Administration is requesting that the City Council approve a Second Amendment to the Overnight Warming Location grant agreement with HomeFirst for shelter operations at the Bascom Community Center, Southside Hall, Parkside Hall, and the Camden Community Center.

Per the amended agreement, HomeFirst will provide a Site Manager and a Shelter Supervisor per shift at each site. HomeFirst personnel will serve as the main point of contact for the shelter, supervise and train redeployed City staff to ensure that clients' needs are being met, and ensure that all Centers for Disease Control and Prevention and public health protocols are being followed to ensure safety for shelter guests and employees. HomeFirst's Director of Emergency Services will allocate a portion of time to each emergency shelter to ensure safety protocols are being followed. While the City will be providing essential services, such as janitorial, maintenance, cots, and security, HomeFirst will provide all other miscellaneous program supplies needed to operate the shelter. HomeFirst will oversee client intake and survey participants to ensure high quality services and customer satisfaction at each site. The estimated cost for HomeFirst to provide these services at the four locations from March through June 30 is \$2,850,860. In addition, the Administration is requesting City Council to authorize the negotiation and execution of a First Amendment to the Bridge Housing Community grant agreement with HomeFirst Services, at the Maybury bridge housing site to allow emergency placement of vulnerable persons at the site during the COVID-19 emergency. This amendment will not increase the number of people at this location but will allow for a broadening of the population to include more vulnerable individuals. There is no increase in cost associated with this amendment.

Approval to negotiate and execute an amendment to the lease between the City and Allied Housing, Inc. is also being requested to allow up to 23 units at the Plaza Hotel to be used for emergency placement of vulnerable persons during the COVID-19 emergency and adjust the method of compensation to match the method of compensation for vacant units. Relatedly, the Administration is requesting authority to negotiate and execute an amendment to the Rapid Rehousing grant agreement with The Health Trust to make amendments for subsidizing emergency placements of vulnerable persons during the emergency and to meet federal

requirements for cost reimbursement. There is no increase in cost associated with these amendments.

Encampment Residents

Despite all efforts to increase the shelter capacity County-wide there will still be a lack of shelter to meet the needs of the unhoused people in the City. The City has developed a strategy to serve the needs of homeless people who are still living outside. Strategy highlights include:

- Suspended all encampment abatements;
- The County and City are keeping restrooms open 24/7 at several parks;
- Hygiene facilities with hand stations have been placed at 14 large encampment sites in San Jose, four in Mountain View and three in Gilroy at locations with relatively large groups of unsheltered persons;
- Providing trash pickup at each of the 14 locations in San Jose to improve sanitation and deploying shower+laundry trucks to the sites to improve hygiene;
- The County has sent physicians to these locations to identify vulnerable individuals who are likely to have serious outcomes if they contract COVID-19. The physicians are screening people who are older and have three or more underlying health conditions that would make them particularly vulnerable. City and County are working jointly to place these vulnerable individuals in hotel or motels or temporary shelters;
- The County, City and partners have provided flyers and guidance in multiple languages as well as hand sanitizers and personal protective equipment to those in encampments;
- Outreach teams and advocates are also sharing information with individuals who remain outdoors to set up their tents/sleeping quarters 12 ft. by 12 ft. of space per individual;
- County Emergency Operations Center provided 200 solar phone chargers that were distributed with the help of street outreach teams, volunteers and nonprofits;
- Destination Home provided funding for tents, tarps and other supplies to assist those living in encampments to implement social distancing;
- Project WeHope, in partnership with the City of San Jose, launched “Hope Health Mobile.” The new mobile rest stop travels in conjunction with Dignity on Wheels shower and laundry trailers offering WiFi, charging stations, case management, and access to Stanford doctors virtually answering questions about COVID-19; and
- Weekly calls with homeless advocates are held to identify ongoing needs and solutions.

CONCLUSION

The City’s homeless residents tend to have more underlying health conditions than the general public. As such, the population is highly vulnerable to the COVID-19 pandemic. The City’s homeless shelters are full. Unsheltered individuals and families who desire shelter need additional options to avoid contracting COVID-19 and risk further spread of the virus. The

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actions recommended in memorandum will expand temporary shelter options for the City's most vulnerable residents.

EVALUATION AND FOLLOW-UP

The City is closely monitoring demand for additional temporary shelter capacity and has identified potential sites that could be activated should the need arise. The Administration will provide City Council with periodic updates regarding temporary shelter capacity and use.

CLIMATE SMART SAN JOSE

The recommendation in this memo has no effect on Climate Smart San José energy, water, or mobility goals.

PUBLIC OUTREACH

This item has been posted on the City's website for approval by the City Council on April 21, 2020.

COORDINATION

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

COMMISSION RECOMMENDATION/INPUT

Issues pertaining to homelessness are typically brought to the Housing and Community Development Commission for review and input prior to being brought to City Council for approval. Housing and Community Development Commission meetings have been cancelled due to COVID-19. The Housing Department will update the Commission on these actions when the Commission reconvenes.

COST IMPLICATION SUMMARY

The \$2,850,860 amendment to the agreement with HomeFirst Services of Silicon Valley for shelter operation services will be funded from a \$5,263,414 CARES Act grant to be recognized and appropriated in the Community Development Block Grant Fund (Fund 441) as part of the

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Substantial Amendments to the FY 2015-2020 Consolidated Plan and 2019-2020 Annual Action Plan action to be heard earlier on the April 21, 2020 City Council agenda.

BUDGET REFERENCE

The table below identifies the 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 Adopted Operating Budget Page	Last Budget Action (Date, Ord. No.)
441	New	CARES Act*	\$5,263,414	\$2,850,860	N/A	N/A

* Recommendations to recognize and appropriate \$5,263,414 in CARES Act funding is included in the memorandum, Substantial Amendments to the FY 2015-2020 Consolidated Plan and 2019-2020 Annual Action Plan, to be heard earlier on the April 21, 2020 City Council agenda.

CEQA

Statutorily Exempt, File No. ER20-081 CEQA Guidelines Section 15269, Emergency Projects, Section (c) Specific actions necessary to prevent or mitigate an emergency.

/s/

JACKY MORALES-FERRAND

Director, Housing Department

For questions, please contact Ragan Henninger, Deputy Director, at (408) 535-3854.