



COUNCIL AGENDA: 11/2/2021
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ITEM: 3.3

Memorandum

TO: CITY COUNCIL

FROM: Councilmember Sylvia Arenas
Councilmember Maya Esparza

SUBJECT: SEE BELOW

DATE: October 29, 2021

Approved

Date

Sylvia Arenas *Maya Esparza*

10/29/2021

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

RECOMMENDATION

Child and Youth Program Support

1. Increase the budget adjustment for the Child and Youth Services by up to \$3 million, to allow for place-based scholarship strategy of R.O.C.K afterschool programs in COVID-19 impacted communities, and development of a Children and Youth Master Plan.
 - a. Report back to the Neighborhood Services & Education (NSE) Committee on the appropriation of ARP funds for Child and Youth Services under the Family Friendly Initiative Workplan Status Report and coordinate with the Deputy City Manager overseeing neighborhood services.
 - b. Direct the City Manager to bring to NSE, and then Council, recommendations for 2022-2023 ARP allocations to continue prioritizing Child and Youth Services based on Children and Youth Master Plan.
2. Direct the City Manager to allocate up to \$500k to support child emotional wellness with nonprofits, such as but not limited to, the Healthier Kids Foundation.

Workforce Development

3. Explore paths to incorporate the Learning Resilience Corps program into R.O.C.K sites in the hardest hit neighborhoods to address learning loss.
 - a. Set a target of assigning one Resilience Corps Associate to every R.O.C.K site that serves a neighborhood that is among those hardest hit by COVID-19.
4. Explore a plan to make Resilience Corps programs more accessible and open to workers of all ages and backgrounds, including undocumented residents and laid off workers in sectors hardest hit by COVID-19.

5. Approve an additional \$1 million for the San Jose Bridge program, and defer the remaining \$3.5 million funding recommendation until a comprehensive report of the success of the program is brought to the NSE Committee.

Community Engagement

6. Increase Community Engagement funding by \$570,000 to align with MBA #8's estimated costs for Promotores Concept 1, as recommended by Council in the June Budget and commit a 2-year investment.

Housing Support

7. Direct the City Manager to return to Council with a plan to use ARP funds for a Tenant Right to Counsel Program, as well as possible rental assistance site expansions.

Strategic Support

8. Direct the City Manager to allocate \$1.5 million to license a proven software solution for Office of Equity Assurance (OEA)'s verified payroll reviews, as well as exploring a pilot for collaboration between OEA and Santa Clara County's Office of Labor Standards Enforcement to enhance awareness of and compliance with basic workplace protections, including funding an additional analyst at OEA.
9. Direct the City Manager to allocate up to \$100,000 in order to address capacity issues that the city continues to face in implementing the City Roadmap priorities, such as conducting a staffing analysis, including a market equity analysis on pay and benefits packages.

BACKGROUND

In March of 2020, the world changed for everyone. Since then, millions of people have grappled with the rippling effects of a global pandemic that has laid bare the manifestations of structural inequality. The harm is not shouldered equally, but rather disproportionately by historically marginalized groups. At the intersection of gender, race/ethnicity, class, age, sexuality, geography, disability/ability and more lie different levels of vulnerability which we, as policymakers, have a responsibility to address through the implementation of equitable strategies for pandemic recovery.

In East San José, families of color are more likely to have experienced food insecurity, a loss of job or income, and housing instability. While children in those households may be resilient when facing a singular or time-limited exposure to hardship, experiencing multiple, simultaneous, or long-lasting hardships can potentially overwhelm a child's stress response system and lead to challenges in learning, behavior, and health¹. If we do not invest in the well-being of our children now, at the magnitude this moment calls for, we will carry the consequences of our inaction for

¹ "The 2021 Santa Clara County Children's Data Book."

<https://testkidsincommon.files.wordpress.com/2021/04/childrens-data-book-2021-v2.pdf>

generations to come. Our community has been loud and clear on what their needs are. We need to heed those calls.

These needs are tied into the needs of our working mothers as well. Women have left the workforce in droves during the pandemic, with some 1.8 million exiting in the past 18 months. Lower wages and societal expectations have contributed to this exodus. For women who want to remain in or rejoin the workforce, access to affordable childcare is essential.

The Joint Special Meeting on Child Well-Being held on September 9, 2021², brought together elected officials, nonprofit partners, and members of our community to discuss the needs, gaps and opportunities that exist in strengthening children and youth programming in San José. The themes that emerged were a need for affordable childcare programs that are flexible and responsive to the non-traditional schedules of working-class families (late evening, weekend hours, etc.) and the need to increase the childcare system's capacity so that it can serve more children, which can be achieved through investments in workforce, City facilities, and services. Members of our community also uplifted the value that free and affordable enrichment programs at/near school sites have on the social-emotional health of children.

The Childcare and Equity Infrastructure and Investment Needs Assessment for the City of San José, which was conducted in partnership with the University of North Carolina at Greensborough, aligns directly with those suggestions and findings. The barriers that exist for San José families in accessing childcare include inaccessible hours, limited program capacity, and locations that are not where families live and work. A comprehensive place-based strategy for the expansion of programs and scholarships will improve outcomes for children in impoverished communities, creating a lifetime of opportunity for young people and lasting change for the neighborhoods they reside in.

Child emotional wellness has been profoundly impacted by the long-term effects of the pandemic, and 47% of 5th graders screened by the Healthier Kids foundation for socio-emotional and behavioral issues showed borderline or imminent needs for mental health services. The pandemic, disruption of normal routines, and economic hardships faced by families have all contributed to an extraordinarily traumatic experience for countless children. The Healthier Kids Foundation provides preventative physical and mental health screenings for thousands of children across the city each year, and has developed strong partnerships with our school districts and County services. We have the opportunity to leverage those partnerships to ensure that more of our children receive the mental and behavioral health support that they desperately need.

Connecting the Resilience Corps Learning Pathway to R.O.C.K sites in hard-hit neighborhoods will magnify the impact of both programs by connecting young children to adults that share their background, stories, and struggles. Additionally, ensuring that the Resilience Corps program is more accessible and open to workers of different ages and backgrounds, including undocumented residents, can help create job opportunities for folks who may otherwise be excluded from this career pathway and its earning capabilities.

² <https://sanjose.legistar.com/MeetingDetail.aspx?ID=885035&GUID=A31F1080-4951-4B39-B043-EB9589A7A1B2&Search=>

The San Jose Bridge program, launched in 2018, provides a critical pathway to employment and services for our unhoused residents to become self-sustaining, while also providing much needed support to clean our City. As stated in the Cleaner San Jose memorandum approved by the Rules and Open Government Committee on September 29th, 2021³, the San Jose Bridge program has the potential to expand allowing for more unhoused residents to receive valuable job training and transition into a career.

Since its launch, the San Jose Bridge program's funding has expanded starting with \$200,000 in 2018-2019, \$865,000 in 2019-2020, and \$500,000 in 2020-2021 with carry over funding from the previous fiscal year. The additional \$4.5 million funding recommendation would greatly expand the San Jose Bridge program, and while early metrics of the program is promising, the City Council has not received a comprehensive report of the success of the program. Following the principle #3 of the Mayor's June Budget Message⁴, we recommend allocating an additional \$1 million in funding given the program's early success, and deferring the additional \$3.5 million in funding until the City Council has the opportunity to evaluate the success of the program and its scalability.

Career pathways like *Promotores*, who are highly trained leaders (often women of color) from the communities where they live and experts about local resources and the issues their neighborhoods face, can also serve to improve conditions and health outcomes for hard-to-reach communities. *Promotores* are able to reduce barriers to health education and resources (like rental assistance, food programs, etc.) that are common for immigrant communities because they share the same culture, language, and ethnicity. Building and maintaining relationships of trust and respect within their communities is integral to their work, and a short-term investment will threaten their success and impact. At minimum, a two-year funding commitment is required to manage, train and coach multilingual resident leaders in proven community-driven outreach and education strategies.

The hardest hit neighborhoods are also the same residents facing threat of eviction and risk of homelessness without support and investment from the Council. On September 28, 2021, facing the end of the state's Eviction Moratorium, Council directed staff to develop a Tenant Right to Counsel Program Workplan for low-income residents facing eviction and explore opening a third permanent Rental Assistance/Eviction Help Center office in East San José, and to coordinate with Council Offices on additional pop up sites in communities of high need. At that time, only \$1.2 billion of the \$5.2 billion in total statewide rental relief had been paid out or allocated. The need in our most vulnerable communities continues to be extremely high, particularly in the hardest hit ZIP codes including 95122, 95127, 95116, and 95111. This assistance is absolutely critical if we are to keep thousands of our most vulnerable families housed over the coming months. The average assistance per household in 2021 is a staggering \$10,075, with 2,801 households served this year. Beyond the development of a workplan, we must also strategically leverage ARP funds to compliment and uplift the critical recovery services to ensure this overwhelming need is met.

³ Rules and Open Government Committee Meeting on September 29, 2021, Item G.3:

<https://sanjose.legistar.com/LegislationDetail.aspx?ID=5146170&GUID=8B75785C-8336-485D-BDFE-713C44D351D8>

⁴ <https://www.sanjoseca.gov/home/showdocument?id=74429&t=637587454786824477>

Staff notes in their memorandum the limits of organizational capacity in taking on new or expanding workstreams in taking on the work outlined in the City Roadmap. We know that the City has faced capacity challenges related to staffing long before Covid, with a 2015 audit finding that 60% of staff would be retirement eligible by 2024. San Jose already budgets only 6.3 full time equivalent staff for every 1,000 residents, a lower rate than any other major city in the state. Departments such as PBCE face vacancy rates of 15-20%, and the hundreds of vacant positions throughout the city severely hinder our ability to deliver services to our residents. With the impact of COVID-19, these vacancies have a direct impact on the health and safety of our residents, and our ability to prioritize our economic recovery. Current staff are stretched to their limit, filling multiple roles and facing burnout.

That is why we recommend an allocation of up to \$100,000 of ARP funding to conduct thorough analysis of our staffing, that includes a market equity analysis of pay and benefits packages, with a focus on classifications with turnover or vacancy rates above 10%, or which face continual recruitments or high proportions of current employees reaching retirement age. Our ability to recover from the ongoing effects of this pandemic is inextricably tied to our ability to recruit and retain a world-class workforce.

In March of 2017, the City Auditor reported out an unacceptable level of inefficiency in the Office of Equality Assurance's review of verified payrolls – gravely limiting their ability to prevent wage theft on city projects. The Auditor recommended a simple solution – which is standard in other cities – electronic submission of payroll to a standard software solution. Instead of taking that route, years were wasted on trying to develop our own proprietary software. This has failed. It is time to move on. It's time to stop pushing paper, and to start protecting workers.

At the same time, we have seen a notable uptick in wage theft on city projects, as well as broad continued abuse of immigrant workers and workers of color. It's vital that we make investments now to bring software solutions to bear, free up staff to make more worksite visits, and enhance awareness and compliance with basic workplace protections. A pilot collaboration with Santa Clara County's Office of Labor Standards Enforcement (OLSE), focusing on one or more industries or occupations that have low wages and are disproportionately performed by workers of color and immigrant workers could provide a key opportunity to finally give marginalized workers the protection of the law. This pilot should include funding an additional analyst at OEA to support quick and successful software adoption, lead the collaboration with OLSE, develop and oversee the pilot, and report on outcomes and potential next steps.

The signers of this memorandum have not had, and will not have, any private conversation with any other member of the City Council, or that member's staff concerning any action discussed in the memorandum, and that each signer's staff members have not had, and have been instructed not to have, any such conversation with any other member of the City Council or that member's staff.