



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Erik L. Soliván

SUBJECT: See Below

DATE: October 27, 2025

Approved

Date:

10/28/25

COUNCIL DISTRICTS: 3, 8

SUBJECT: Amendment to the Grant Agreement with HomeFirst Services of Santa Clara County for City Designated Overnight Warming Locations

RECOMMENDATION

Adopt a resolution authorizing the Housing Director, or his designee, to negotiate and execute the First Amendment to the grant agreement with HomeFirst Services of Santa Clara County for the continued operation of the Overnight Warming Locations Program at two City designated sites: Roosevelt Community Center (901 E. Santa Clara Street, San José, CA 95116); and Evergreen Branch Library (2635 Aborn Road, San José, CA 95121) in an amount not to exceed \$1,220,000, retroactive from the period of October 1, 2025, through June 30, 2026.

SUMMARY AND OUTCOME

Approval of the amendment to the grant agreement with HomeFirst Services of Santa Clara County will allow for the continued operation of the Overnight Warming Locations (OWL) Program during the 2025-2026 winter season, with the potential to extend through June 2026 to provide additional emergency shelter during the 2026 sporting events. The OWL Program provides temporary overnight shelter for unsheltered residents during periods of inclement and cold weather, offering a safe, warm environment along with access to supportive services.

BACKGROUND

The OWL Program provides emergency overnight shelter and supportive services for unsheltered residents during the coldest and wettest months of the year, typically operating from late November through April. It serves as a seasonal safety net for

individuals who may not have access to traditional shelters but remain highly vulnerable to extreme weather conditions.

During the Fiscal Year 2024-2025 season, the OWL Program operated at the Roosevelt Community Center and the Dr. Roberto Cruz Alum Rock Branch Library. These sites offered safe overnight accommodations, meals, showers, laundry services, and light-touch case management. A total of 330 clients participated.

OWL staff worked closely with participants to connect them to ongoing support, and by the program's conclusion, 91 participants had transitioned to more stable living arrangements. This included 30 individuals successfully exiting and transitioning to the Via Del Oro Emergency Interim Housing site, which opened as the cold weather season ended in 2025, and the remaining finding rental subsidy, transitional shelter, and longer-term sheltering outside the City's Emergency Interim Housing solutions. These results highlight the OWL Program's function, not only as a short-term response to inclement weather but also as an important entry point into the larger system of care.

ANALYSIS

The OWL Program is a seasonal, short-term shelter model that consistently provides a reliable touchpoint for unsheltered residents to engage with services they may otherwise avoid or lack access to. Meeting with case managers, connecting to supportive services, and having basic needs addressed in a dignified environment creates a pathway to long-term stability.

The 91 successful placements from last season illustrate how the OWL Program serves both as a response to inclement weather and a bridge to the City's broader housing and supportive service system. These outcomes show that even within a temporary structure, the OWL Program is highly effective at fostering engagement, reducing harm, and creating housing opportunities for some of San José's most vulnerable residents.

EVALUATION AND FOLLOW-UP

The City will monitor program performance on a quarterly basis to ensure that contracted goals and outcomes are being met. As part of this oversight, contracted service providers will be required to submit quarterly reports detailing progress. These reports will inform ongoing contract monitoring and allow the City to evaluate the effectiveness of the OWL Program, make data-informed adjustments as needed, and ensure accountability.

COST SUMMARY/IMPLICATIONS

The action recommended in this memorandum allows for the execution of an agreement with HomeFirst Services of Santa Clara County in the amount of \$1,220,000 for the continued operation of the Overnight Warming Locations Program through June 30, 2026.

Funding for this agreement will be provided through a combination of savings from funds previously encumbered for the OWL Program of \$697,302 and current year appropriations of \$522,698 for a total of \$1,220,000. The sources of funding are the Homeless Housing, Assistance, and Prevention Fund (Fund 454) of \$178,761, Real Property Transfer Tax Fund or Measure E (Fund 404) of \$93,100, General Fund (Fund 001) of \$511,688, Multi-Source Housing Fund (Fund 448) of \$66,639, and Housing Trust Fund (Fund 440) of \$369,812.

The use of previously encumbered funds or savings from previous OWL contracts of \$697,302 will allow the Housing Department to maximize the use of prior year appropriations and ensure continuity of contracted services without requiring full funding from current year resources. The remaining \$522,698 will be funded from current year appropriations. The total cost of the agreement is \$1,220,000.

BUDGET REFERENCE

Fund #	Appn. #	Appropriation Name	Prior Year Encumbrance	Total Appropriation	Amount for Contract	2025-2026 Proposed Operating Budget Page*	Last Budget Action (Date, Ord. No)
454	209X	Emergency Shelters	\$178,760	\$7,146,171	\$178,761	899	10/21/2025 31252
404	227M	Measure E - Supportive Services - Overnight Warming Locations (15% HSP)	\$82,090	\$11,010	\$93,100	N/A	10/21/2025 31252
001	2062	Homeless Rapid Rehousing	\$0	\$2,586,722	\$511,688	N/A	10/21/2025 31252

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Fund #	Appn. #	Appropriation Name	Prior Year Encumbrance	Total Appropriation	Amount for Contract	2025-2026 Proposed Operating Budget Page*	Last Budget Action (Date, Ord. No)
448	231B	Encampment Resolution Funding Grant Round 3	\$66,639	\$2,445,199	\$66,639	922	10/21/2025 31252
440	2453	Housing and Homeless Projects	\$369,813	\$1,281,860	\$369,812	900	10/21/2025 31252

** The 2025-2026 Adopted Operating Budget was approved on June 10, 2025 and adopted on June 17, 2025 by the City Council.*

COORDINATION

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

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the November 18, 2025 meeting.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

CEQA

Categorically Exempt, File No. ER22-243, CEQA Guidelines Sections 15269, Emergency Projects and 15301, Existing Facilities.

HONORABLE MAYOR AND CITY COUNCIL

October 27, 2025

Subject: Amendment to the Grant Agreement with HomeFirst Services of Santa Clara County for City Designated Overnight Warming Locations

Page 5

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/

Erik L. Soliván

Director, Housing Department

For questions, please contact Cupid Alexander, Deputy Director, Housing Department, at cupid.alexander@sanjoseca.gov.

The principal author of this memorandum is Juan Villalobos, Development Officer, Housing Department. For questions, please contact juan.villalobos@sanjoseca.gov.