



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Leslye Corsiglia

SUBJECT: SEE BELOW

DATE: August 18, 2014

Approved

Date

8/29/14

COUNCIL DISTRICT: 3

**SUBJECT: SECOND CONTINUATION TO THE AGREEMENT WITH HOMEFIRST
TO CONTINUE IMPLEMENTATION OF THE DOWNTOWN HOMELESS
OUTREACH AND ENGAGEMENT PROGRAM**

RECOMMENDATION

Approve the Second Continuation to the Grant Agreement with HomeFirst (formerly EHC LifeBuilders) to extend implementation of the San José Downtown Homeless Outreach and Engagement Program through June 30, 2015 and to add \$347,000 for a total contract amount not to exceed \$954,000.

OUTCOME

Approval of the Second Continuation to the agreement for HomeFirst's Downtown Homeless Outreach and Engagement Program from the Housing Trust Fund will enable this successful program to continue assisting homeless men and women to move off the streets and respond to the concerns of Downtown businesses and residents.

BACKGROUND

An increase in complaints over the last several years about homeless people impacting the Downtown business community highlighted the need for an outreach component to the City's homeless services system. At one time, the Housing Department had a staff person whose job description included providing outreach to homeless individuals on the street who were reported as needing assistance. During the same period, the Police Department had a liaison officer who was charged with addressing reported issues involving homeless individuals. Unfortunately, both positions were eliminated due to budgetary constraints.

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On January 25, 2011, the City Council approved the use of \$29,740 of reallocated federal Emergency Shelter Grant (ESG) funds and \$51,118 from the City's Housing Trust Fund to fund HomeFirst (formerly known as EHC Lifebuilders) for the administration of a five-month homeless outreach program targeted to individuals residing in or frequenting San José's downtown. The goal of this pilot program ("the Pilot") was to provide outreach to homeless individuals living in San José's downtown core and connect them with services and transportation. Additional components of the Pilot included a hotline for community members to request assistance for homeless individuals residing in the Downtown area and reserved shelter beds at HomeFirst's Boccardo Regional Reception Center. In August of 2011, the City Council supported the Housing Department's recommendation to fund the Pilot for an additional year, through June 30, 2012.

On July 24, 2012, the Housing Department released a Request for Proposals (RFP) for agencies interested in administering the Downtown Homeless Outreach and Engagement Program for the period October 1, 2012 - June 30, 2013. The three main purposes of the desired program were to:

- Provide a consistent presence on the streets, in illegal encampments, and other outdoor locations in San José's Downtown to build rapport and trust with unsheltered homeless individuals with the goal of moving them into and keeping them in permanent housing;
- Provide an avenue to alleviate resident and business concerns about homeless individuals living in San José's Downtown core; and
- Assess and engage homeless individuals and provide them with services and transportation to appropriate shelters or services. While the desired program would engage homeless individuals throughout the Downtown core, it would focus its efforts on the 15-20 homeless individuals that repeatedly receive the most complaints from area residents, businesses, and police officers ("Top 20" cases).

By the August 20, 2012 response due date, the City had received one response to this RFP from HomeFirst in partnership with the Downtown Streets Team. HomeFirst's proposed project in the amount of \$260,000 from October 1, 2012 through June 30, 2013 was recommended and approved by City Council. In August 2013, the City Council approved continued funding for FY 2013-2014 based on the recommendation from the Housing Department.

ANALYSIS

Since 2011, HomeFirst's Downtown Homeless Outreach and Engagement Program ("the Program") has provided a coordinated and concentrated approach to addressing homeless issues within San José's Downtown core, including:

- Providing presentations, meetings, and other communications with the Downtown Business Association, Downtown businesses, residents, and police officers to address concerns and provide updates on the Program's activities;

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- Deploying two trained staff in San José's Downtown to provide 30 hours of street-based outreach per week; with 2,396 duplicated contacts made in FY 2013-2014;
- Conducting outreach and various levels of engagement to homeless individuals who were identified as receiving the most complaints from businesses, area residents, libraries, and police officers;
- Coordinating outreach efforts prior to clean ups Citywide as well as in the Downtown core;
- Connecting homeless individuals frequenting the Downtown to other agencies for services and housing opportunities;
- Providing intensive case management to 57 unduplicated homeless individuals in FY 2013-2014;
- Providing 20 dedicated shelter beds and related services to homeless individuals interested in coming off the streets;
- Providing outreach support in the implementation of St. James Park Pilot Project targeting services chronically homeless individuals with substance abuse issues, which resulted in 15 households enrolled in the program;
- Providing outreach support in the implementation of the County/City Reintegration and High Custody Users Project. This project focuses on up to 40 Downtown homeless individuals (a subset of the Top 20) with criminal records by providing intensive case management, rental subsidies to reduce recidivism and negative impact in the Downtown core (leveraging \$518,000 of County funds for the homeless in the Downtown core); and
- Participating in the Care Coordination Project (Housing 1000 campaign) which resulted in six individuals in the Downtown Core being enrolled in the CCP.

More specifically, from July 2013 to June 2014, the Program's activities directly resulted in housing 237 homeless individuals. Additionally, the Program supported the placement of 95 people into housing through surveying and referrals.

Based on HomeFirst's success over the past year, it is recommended that the nonprofit be awarded an amount not to exceed \$347,000 so it can continue the Program and its efforts to engage homeless individuals living on the streets and in encampments in the Downtown area through FY 2014-2015. Extension of this funding contract will allow:

- Two peer outreach workers to continue to engage with homeless people. The workers have regular routes to make return visits to people in order to build rapport and engage them in services. The peer outreach workers have access to all available shelter and case management services. In addition, they will support the efforts of the Central County Reintegration Project by aiding in locating these individuals to engage in services. They will also respond to those identified through the homeless help-line. The peer outreach workers offer basic needs items, build relationships with individuals, and encourage them to access shelter beds and appropriate supportive services.
- Two intensive case managers will continue to provide individualized supportive services to 20 homeless households from the Downtown core. Case managers will select participants for

the City's Tenant Based Rental Assistance (TBRA) coupons based on consistent engagement, employability and utilization of shelter beds. Case managers can provide financial assistance for homeless individuals to help them attain and maintain their housing.

It should be noted that the scope of services for this agreement has been modified slightly from the original agreement. The vocational services formally to be subcontracted to another agency will now be completed HomeFirst. The performance measures stated in the agreement have also been modified. In the prior agreement, a target was set for "58% of clients who are enrolled in case management for at least thirty (30) days will attain permanent housing." As part of the implementation of the Hearth Act, community wide outcomes are being developed. The proposed community-wide outcome of attaining permanent housing as result of street based outreach and case management is proposed at 10%. This revised target recognizes the difficulty of having outreach workers perform a full range of homeless services – including providing permanent housing.

The agreement will be retroactive to July 1, 2014 to ensure that HomeFirst will be paid for services provided since the beginning of the fiscal year.

EVALUATION AND FOLLOW-UP

HomeFirst's Downtown Outreach and Engagement Program will be evaluated on the following:

- Its ability to engage with the Top 20 homeless individuals as identified by the Downtown police, businesses, and residents, and connect them with services (Reintegration Contract Services);
- Its coordination and communication with the Downtown Business Association, area businesses, residents, and police officers;
- Its general ability to provide outreach and engagement activities to homeless individuals frequenting the Downtown area with the goal of helping them access services, housing, and other resources that will assist them to end their homeless situation; and
- Implementation of the TBRA program targeting employable homeless adults.

POLICY ALTERNATIVES

In reaching the recommendation described above, the following alternative was also considered:

Alternative #1: The City could choose not to fund the proposed program.

Pros: The City could provide the funds for alternative uses.

Cons: San José's homeless individuals would not have access to the services they need to end their homelessness and the City's Downtown businesses and residents would not have a venue to voice their concerns and receive timely response to complaints.

Reason for not recommending: The program supports the City's and Destination: Home's goals of ending homelessness.

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PUBLIC OUTREACH

- Criterion 1:** Requires Council action on the use of public funds equal to \$1,000,000 or greater. (Required: Website Posting)
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. (Required: E-mail and Website Posting)
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. (Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)

The recommended action for this memorandum does not meet any of the criteria above; however, this memorandum will be posted on the City's website for the September 9, 2014 City Council Agenda.

COORDINATION

This report has been prepared in coordination with the Office of the City Attorney and the City Manager's Budget Office.

COST SUMMARY/IMPLICATIONS

There are no fiscal impacts to the General Fund arising from this proposal. Funding is from the Housing Trust Fund (Fund 440).

Total Downtown Homeless Outreach and Engagement Program Funding	
Salary & benefits	\$237,065
Financial Assistance (rental subsidies, client identification cards, etc.)	\$40,000
Overhead/Administration/Transportation/etc.	\$69,935
Total	\$347,000

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BUDGET REFERENCE

Fund #	Appn #	Appn. Name	Total Appn	Amt. for Contract	Budget Page	Budget Action (Date, Ord. No.)
440	2453	Housing & Homeless Projects	\$603,000	\$347,000	XI - 48	6/17/2014 Res. 29431

CEQA

Not a Project, File No. PP10-066(e), Agreements and Contracts.

/s/

LESLYE CORSIGLIA

Director of Housing

For questions, please contact Ray Bramson, Manager of the Homelessness Response Team, at (408) 535-8234.