



Memorandum

TO: NEIGHBORHOOD SERVICES
AND EDUCATION COMMITTEE

FROM: Jacky Morales-Ferrand

SUBJECT: HOMELESSNESS ANNUAL REPORT DATE: February 25, 2022

Approved

Date

3/2/22

RECOMMENDATION

- (a) Accept the annual report on homelessness for FY 2020 – 2021, including updates on the approved Citywide Roadmap items for 2021 - 2022 related to emergency interim housing and sheltering and enhanced encampment services.
- (b) Refer this item to the March 29, 2022 City Council meeting.

OUTCOME

The Neighborhood Services and Education Committee will receive an update on the Housing Department's response to individuals and families experiencing or at risk of homelessness during the COVID-19 pandemic in FY 2020 – 2021.

EXECUTIVE SUMMARY

The Bay Area is known for its affluence and extremely high cost of living. While some residents have thrived in this center of innovation, so many others have been left behind. Insufficient income, racial inequities, lack of health care interventions, lack of social support, an inadequate safety net system, and high housing costs have caused thousands of San José residents to become homeless each year, forcing them to sleep in shelters, in encampments, on the streets, in vehicles, and other places not meant for human habitation. In FY 2020 – 2021, the arrival of coronavirus infectious disease (COVID-19) further exacerbated these inequities and dramatically shifted our work. The pandemic ground our local economy to a halt, leaving many more households on the brink of homelessness due to job loss, lack of childcare, and economic uncertainty. It also required a massive and immediate response to minimize the spread and impact of COVID-19 among people experiencing homelessness, who faced an increased risk of infection and severe disease compared to the general population.

This memorandum provides a report on the Housing Department's response during the COVID-19 pandemic in FY 2020 – 2021, which largely focused on a homeless response and preventing homelessness through emergency rental assistance. In coordination with the County of Santa Clara (County) and a vast array of partners, the response was fast, massive and extremely challenging. The Housing Department tripled its grant funding to address the emergency among homeless and at-risk populations while not only continuing to implement the same level of services to households experiencing homelessness as in prior years, but also shifting focus to ensure that rigid safety protocols were upheld and enforced for staff and for the most vulnerable in San José.

This homeless report focuses on COVID-19-related City funded and supported programs:

1. Comprehensive Encampment Management Response;
2. Safe Emergency Congregate Shelter Response;
3. Innovative Non-Congregate Shelter Response; and
4. Enhanced Emergency Rental Assistance and Homeless Prevention.

This memorandum also provides information on outcomes and costs of programs implemented for homeless populations pre-pandemic and without COVID-19-related funding (**Attachment A**) as well as a high-level overview of all program results (**Attachment B**). Finally, it includes a few stories of program participants who successfully exited to permanent housing (**Attachment C**), and an update on the progress made on the regional Community Plan to End Homelessness (**Attachment D**).

BACKGROUND

Homelessness in the United States and Santa Clara County

Homelessness, as well as the lack of available affordable housing for extremely low-income populations, continues to be a pressing issue for the City of San José, the County and the region. According to the U.S. Department of Housing and Urban Development's (HUD) 2020 Annual Homeless Assessment Report, among the 48 Major City Continuums of Care, the County has:

- the third largest homeless population;
- the fourth largest unsheltered homeless population;
- the fifth largest chronically homeless population; and
- the third largest unaccompanied homeless youth (under 25) population.

Locally, the January 2019 homeless census and survey counted 6,097 persons experiencing homelessness in San José. Of the 6,097 people counted, 5,117 were unsheltered. This means that 84% of San José's homeless population sleeps outdoors on the street, in parks, tents, encampments, vehicles, abandoned properties and/or bus and train stations. The next homeless census took place in February 2022.

Homelessness and COVID-19

On January 21, 2020, the Centers for Disease Control and Prevention (CDC) confirmed the first diagnosed case of a United States resident with COVID-19. In March 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. The President of the United States also issued a Proclamation on Declaring a National Emergency Concerning COVID-19. On March 16, 2020, the County issued a shelter-in-place order, requiring that individuals could only leave their residence to perform essential activities. In response, the City of San José's Emergency Operations Center (EOC) reached full operation.

To prevent the spread of COVID-19, the CDC recommended that if individual housing options were not available, people who were living unsheltered or in encampments should remain where they are. The CDC further recommended that community coalitions work to improve sanitation in encampments.¹ It became the City of San José's goal to reduce the spread of COVID-19 and advance public health guidance related to unsheltered homeless communities.

The COVID-19 emergency amplified health disparities that impacted marginalized populations. Homeless populations face disproportionate rates of underlying health conditions that often lead to a heightened risk of complications or severe disease due to infection. In addition, many people experiencing homelessness live in congregate living settings, such as encampments or emergency shelters, and might not have regular access to basic hygiene services or resources increasing the risk of infection. Recognizing that homeless individuals were particularly susceptible to COVID-19 infection and posed increased risk for community transmission, the City and County worked together to coordinate a pandemic response. Both the local and national guidance focused on preventing community spread of COVID-19. This was especially critical considering that 1) the virus caused severe illness and even death, 2) certain sub-populations were and are at higher risk of contracting the disease and developing severe disease and death, 3) there was no vaccine available to prevent the disease, and 4) the virus was and is spreading mainly from person-to-person within close contact to one another.²

The City of San José pursued an emergency response through three EOC Branches. One branch focused on meeting homeless housing needs, supportive services, and deep coordination with the County EOC. A second branch, in partnership with the Mayor's Office, focused on emergency interim housing solutions that advanced State and County objectives to expand non-congregate shelter options (Emergency Interim Housing). A third EOC branch focused on providing encampments trash service and large debris clean up. Additionally, the Housing Department was part of a Joint Departmental Operations Center with the County that focused on homeless response to COVID-19.

¹ CDC: <https://www.cdc.gov/coronavirus/2019-ncov/community/homeless-shelters/unsheltered-homelessness.html#facility-encampments>

² CDC: <https://www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/prevention.html>

The FY 2020 – 2021 annual homeless report focuses on the programs implemented as a result of COVID-19, which included 1) comprehensive street-based outreach, hygiene and trash services, and housing opportunities to those residing in targeted homeless encampments; 2) providing for isolation in emergency congregate and non-congregate shelters; and, 3) emergency rental assistance. These extraordinary efforts resulted in many of the ideas envisioned as part of long-term implementation of the Community Plan to End Homelessness were now being deployed immediately in response to COVID-19. Examples include establishing a central shelter hotline, increasing emergency and interim beds, and expanding street outreach programs. However, this significant collective response was not without equally significant challenges such as national labor shortages, employee fatigue and turnover, and navigating a new reality of safety protocols. At the same time, the region was experiencing simultaneous emergencies with periods of excessive high temperatures, poor air quality, public safety power shutoffs, civil unrest and the threat of fires. This did not mean that the City of San José stopped its regular programming; rather, the Housing Department worked with our partners at the County, Destination: Home, homeless service providers, and homeless advocates to keep “regular” programs operating in addition to implementing an innovative pandemic response.

ANALYSIS

In FY 2020 – 2021, responding to the crises resulting from the COVID-19 pandemic was the number one priority for the entire City of San José (City). This report focuses on the City’s efforts to shelter the unsheltered, provide increased basic needs in homeless encampments, and offer rental relief to at risk households as a result of the health emergency. The Housing Department significantly increased grant funding to address the emergency while continuing to implement the same level of services to households experiencing homelessness as in prior years without an increase in the number of staff who work on the Homelessness Response Team. An overview of the programs administered in conjunction with the prioritized services as a result of COVID-19 are described in Attachment A.

Coordinated COVID-19 Response to Homelessness

An end to homelessness means that every community will have a systemic response in place that ensures homelessness is prevented whenever possible or is otherwise a rare, brief, and non-recurring experience. The five-year Community Plan to End Homelessness, endorsed by the City Council in August 2020, is a County-wide roadmap guiding government, private sector, nonprofit organizations, and other community members as they make decisions about funding, priorities, and needs. The Housing Department has historically focused on Strategy 2 by providing funding for permanent affordable housing and homeless prevention programs. The framework for the Community Plan to End Homelessness includes three strategies:



The rapid pace of the COVID-19 pandemic required comprehensive communications early and often to manage the continual developments and urgent plans. The City, the County, and Destination: Home have a collective impact approach to homelessness in the county. Each agency brings different resources and capacities to implement a coordinated approach to ending homelessness in the County. Our first collective action began in 2008 working together to house 1,000 of our most vulnerable chronically homeless residents and our collective work has continued since then. These pre-established roles and history of deep collaboration enabled the partners to quickly mobilize to identify different roles and responsibilities of the COVID-19 pandemic response. The following were the primary response activities from the partners:

- City: led the response for encampments and new congregate emergency shelters and launched new non-congregate emergency interim housing programs.
- County: oversaw non-congregate shelter for medically vulnerable by establishing non-congregate shelter in hotels, coordinated a healthcare response in encampments, shelters, and hotels, including COVID-19 testing and vaccinations.
- Destination: Home: ran emergency rental assistance for extremely low-income households vulnerable to displacement and homelessness.

County: Expands Non-Congregate Shelters & Implements a Healthcare Response

At the very beginning of the COVID-19 pandemic, the County created a new centralized hotline for anyone seeking shelter to streamline referrals. Prior to the implementation of the Countywide centralized shelter hotline, individuals and families who sought shelter used multiple access points, including wait list hotlines, outreach referrals or by calling the individual shelters. Clinical staff from the County's Valley Homeless Healthcare Program (VHHP) screened callers to determine their medical vulnerability to COVID-19. Based on a set of criteria based on medical guidance set by the CDC and available shelter capacity, the person would then either be referred to congregate shelter or non-congregate shelter in a motel. People who were determined to be vulnerable to developing severe disease or death from COVID-19 infection due to age or medical conditions were eligible for a motel placement. The County's Office of Supportive Housing leased sixteen motels at various points during the pandemic for non-congregate shelter. Four motels were designated for isolation and quarantine for both housed and unsheltered individuals who tested positive for COVID-19 but had no safe place to isolate. Six of

the leased hotels were in the San José. People who were not eligible for a motel were placed in congregate emergency shelters. The County contracted with homeless service providers and used redeployed County employees to staff and run these locations.

In October 2020, the County began a Vaccine Outreach and Education Team. The team has since spent over 5,400 hours outreaching to individuals experiencing homelessness in more than 3,800 shelters and encampments to educate them on the risks COVID-19 infection and the benefits of being vaccinated. More than 10,000 surveys were conducted to understand vaccination willingness and vaccine status. The survey results determined that about 38% of individuals were willing to be vaccinated and that 49% had already been vaccinated. VHHP administered 1,900 COVID-19 vaccine doses to individuals living in shelters, supportive housing units, and encampments between January 2021 and December 2021.

In April 2021, the City's EOC organized a vaccination event targeting unsheltered individuals with disabilities. The event resulted in the administration of 540 COVID-19 vaccine doses. A follow up event was held in May 2021 in which 510 vaccine doses were administered. The City went on to host another event in May 2021 at the Tully Library in which 50 Johnson & Johnson vaccine doses were administered. Outreach efforts to the unsheltered community, including tabling at the events described above, was a collaboration between the City's vaccine task force with partners at the County, multiple City departments, homeless advocates and eight local homeless service providers.

While the response could not have been successful without strong coordination with the County and Destination: Home, this report focuses on the programs that the City managed and financially supported: 1) encampment management; 2) congregate sheltering; 3) non-congregate sheltering; and 4) emergency rental assistance.

Development of an Encampment Management Response

The homeless population is among one of the most vulnerable groups of people impacted by COVID-19. Unsheltered homeless individuals tend to fall under the higher risk category for developing severe COVID-19 disease from infection, because they are more likely to be older, with many medical comorbidities, and — under pre-COVID-19 conditions — were 10 times more likely to die than the general population.³ Those living unsheltered were often unable to follow the recommendations by the CDC because they have limited access to hygiene and personal protective equipment (PPE), are more prone to illnesses, and they lack spaces to shelter indoors. Pandemic-related shelter-in-place measures caused a sudden disruption in access to public spaces, restrooms, water, food and other resources that individuals experiencing homelessness typically rely on to meet basic needs. After learning that people faced barriers accessing basic needs due to closures of community centers, libraries, churches, meal programs,

³ Center for Disease Control: Interim Guidance on People Experiencing Unsheltered Homelessness, Updated February 2022: <https://www.cdc.gov/coronavirus/2019-ncov/community/homeless-shelters/unsheltered-homelessness.html#:~:text=Some%20people%20who%20are%20experiencing,or%20serious%20heart%20conditions>.

and restaurants, the City and partners quickly mobilized to provide these resources to individuals residing in encampments.

Even with the expansion of COVID-19 related congregate and non-congregate shelters in place, there was still a significant lack of shelter spaces to meet the need for the over 5,000 people living outside, including in encampments. The Housing Department developed a new program called Services Outreach Assistance and Resources (SOAR) designed on guidance from the CDC. During the COVID-19 emergency, the CDC recommended that if individual housing options were not available, people who were living unsheltered or in encampments should remain where they are. The CDC further recommended that community coalitions should work to improve sanitation in encampments. SOAR provided hygiene and infection control, trash services, comprehensive street-based outreach and support services, and housing and shelter referrals for encampment residents. The City’s EOC suspended abatements to advance the public health guidance, the goal was to prevent the spread of COVID-19 amongst unsheltered. Allowing people living in encampments to remain where they were allowed for people to maintain service and medical connections and allowed for effective COVID-19 contact tracing.

The Housing Department assessed homeless encampments throughout San José to identify SOAR sites for targeted services. Sixteen of the City’s largest encampments were initially selected based on the number of people living in them; they are listed, in no order, in the chart below.

SOAR Sites	Council District
Corie Court/Coyote Creek	3
Guadalupe/87/Woz/Park	3
Virginia/Guadalupe River Trail	3
Felipe Avenue	7
Roberts/Coyote Creek	7
Tully/Capitol/Coyote Creek	7
87/Branham/Narvaez	10
Brokaw/Old Oakland/Coyote Creek	3
Spring/Hedding/Coleman	3
Roosevelt Park/Coyote Creek	3
Olinder/Williams/16 th /Coyote Creek	3
Coyote Meadows/Remillard Ct	7
Willow/Lelong/Guadalupe	6
Aborn/Thompson Creek	8
Stone/Cimino	7
St. James Park	3

SOAR Provides Street-Based Outreach, Referrals to Services, Shelter and Housing

The SOAR teams engaged with encampment residents by providing basic needs, such as water, clothing, food, garbage bags, solar phone chargers, PPE, tents, and tarps. Outreach teams assessed individuals for shelter and housing needs and provided access to behavioral health

services and medical care. Immediate shelter was available through reserved shelter beds, and emergency stays at motels for families and access to non-congregate shelter for medically vulnerable individuals was also available. Teams also used “Housing Problem Solving” techniques to identify other immediate housing strategies, rather than shelter, assisting households with services, transportation, move in costs, and financial assistance. SOAR outreach teams provided public health information in multiple languages, primarily Spanish and Vietnamese, to homeless individuals in encampments to help them understand how they can protect themselves from COVID-19. Additionally, anytime a family is encountered in a SOAR site, they are immediately referred to a safe alternate housing option, such as a motel.

Using federal Emergency Solutions Grant Program – Supplemental CARES Act Funding Round 2 (ESG-CV2) funds, the City partnered with PATH and HomeFirst to operate the outreach and housing components of SOAR.

The Housing Department contracted with PATH to target outreach and housing services to individuals residing in six encampment SOAR sites, most of which had more than 25 people living in them. Between January and June 2021, PATH assisted 72 unduplicated individuals and completed 54 new assessments for housing. Of those served, a total of 28 (39%) individuals exited the encampments into a shelter or housing placement. Sixteen individuals, or 22%, moved to temporary housing (the goal was 35%). Twelve individuals, or 17%, successfully moved into permanent housing (the goal was 15%). PATH reported that the combination of a lack of shelter beds and maintaining staff capacity during COVID-19 due to illness and turnover were the primary obstacles to meeting all their outcomes. PATH’s SOAR program provided enhanced case management services at these locations, such as Housing Problem Solving, to find permanent housing solutions for unsheltered participants within 30 to 45 days of initial contact. Housing Problem Solving is a person-centered and housing-focused approach to explore creative solutions to quickly house an individual rather than refer them to shelter. Ninety-one percent (91%) of SOAR participants who obtained permanent housing were placed using Housing Problem Solving services.

The Housing Department also contracted with HomeFirst to target outreach and housing services to individuals residing in ten encampment SOAR sites. Between January 2021 and June 2021, HomeFirst assisted 345 unduplicated individuals and completed 187 new assessments for housing. Of those served, 39, or 11%, individuals moved to temporary housing or permanent housing (goal is 12%). Many participants refused shelter referrals for concern of contracting COVID-19 in a congregate setting. HomeFirst also reported staff capacity as a primary reason for not meeting outcomes due to staffing shortages, employees impacted by COVID and illness and staff turnover.

Provider	Unduplicated Individuals Served	Actual Expenditures	Number of Encampments
PATH	72 individuals	\$337,540	6
HomeFirst	345 individuals	\$672,288	10

SOAR Hygiene, Infection Control and Trash Services

With encampment abatements suspended per public health recommendations, the City provided increased hygiene support (portable toilets and hand washing stations) improving sanitary conditions for those living in areas not meant for human habitation, including SOAR sites. The EOC formed the BeautifySJ Response Branch in 2020 with the goal of developing and delivering a regular trash service that provided the right level of service to the right location at the right frequency to result in a cleaner City and improved conditions in encampments.

Using ESG-CV2 funds, the Housing Department worked with BeautifySJ to provide waste management services to help control the spread of COVID-19 in the SOAR sites (and beyond). While the Housing Department facilitated the placement of 83 porta-potties and 57 handwashing stations in SOAR sites across San José, BeautifySJ coordinated trash service at up to 230 encampment locations citywide, that included SOAR sites. Services included the placement of 24 dumpsters across 12 locations. Some dumpster locations are at the Housing Department's SOAR sites.

WeHope's Dignity on Wheels and Hope for Health mobile trailers were set up on or near several SOAR sites to provide increased laundry and shower services, WiFi, charging stations, case management, and virtual access to Stanford doctors who answered questions about COVID-19.

Further, VHHP and other healthcare providers conducted COVID-19 testing at encampment of ten people or more, including SOAR sites, and later began vaccine outreach to encampments. One thousand cellphones were purchased by VHHP to stay in touch and conduct telehealth appointments to better support their health.

The primary objective for all these efforts was to slow the spread of COVID-19 amongst the unsheltered. By suspending homeless encampment abatements and offering encampment management services, VHHP reported that the EOC policy facilitated their testing and contract tracing efforts. For example, in December 2021 VHHP conducted 2,170 COVID tests in encampments, with 1.4% returning positive. The 33 individuals who tested positive in December were located and placed in isolation hotels and contract tracing occurred to further reduce the spread. Outbreaks in encampments were limited and contained quickly.

Congregate Shelter Response Kept People Safe from COVID-19

At the onset of the COVID-19 pandemic, nonprofit homeless service partners informed the City that the homeless shelters were at capacity (including emergency shelters, Overnight Warming Locations and safe parking) and they were seeing an increase in requests for shelter. In addition, HUD and the CDC provided guidance on shelter during the pandemic. This guidance called for additional space separation between shelter beds, which reduced the number of individuals that could reside in existing congregate (shared) shelter facilities. Unsheltered residents who wanted to protect themselves and others by sheltering in place were left with little to no options.

The County shelter-in-place order urged governments to make shelter available for people experiencing homelessness. The unprecedented harm that COVID-19 posed (and continues to pose) to people experiencing homelessness in San José created a catalyst that demanded immediate actions. Working collaboratively with the County’s Office of Supportive Housing, the Housing Department expanded temporary housing and shelter capacity at existing City facilities in response to public health orders. In April 2020, the City Council approved using four facilities to provide new or enhanced shelter capacity as soon as possible.⁴ Sites were offered (rather than the Housing Department having to search for and secure viable sites, which requires significant time and resources), which allowed for quick implementation. The chart below provides an overview of the congregate shelters designated under the City’s declaration of a shelter crisis in response to COVID-19.

Facility	Nightly Bed Capacity	Term of Use	Unduplicated individuals served
OWL: Bascom Community Center	30	November 1, 2019* – August 15, 2020	157
Camden Community Center	40	April 22, 2020 – May 27, 2021	94
South Hall	285	April 2, 2020 – July 15, 2021	1,310
Parkside Hall	75	April 1, 2020 – August 10, 2020	194
TOTAL	430	TOTAL	1,755

* On April 17, 2020, Bascom extended hours of operation from 12 to 24 hours and moved shelter to the gym in order to implement CDC shelter guidance.

In coordination with Team San José and the City’s Departments of Public Works and Parks, Recreation and Neighborhood Services, the Housing Department prepared and opened Camden Community Center, Parkside Hall and South Hall, which provided temporary bed capacity for vulnerable and general homeless populations. None of the sites were intended for shelter use or set up under pandemic safety protocols. Each site required coordination to install heating, reconfigure space for sleeping, offices, dressing rooms, kitchen and eating areas, and isolation areas. Each site also required bringing in basic infrastructure for restrooms, showers and laundry services. Additionally, the overnight warming location at the Bascom Community Center switched to 24-hour operations. Although this did not increase the overall capacity, the extended operations allowed shelter participants to comply with the shelter in place order.

The Housing Department’s homeless response team, in partnership with the EOC’s safety branch, developed emergency shelter operation plans following strict guidelines from Public Health, Cal OSHA and the CDC. The new safety guidance, such as practicing social distancing and wearing PPE posed a whole new challenge in both congregate and non-congregate shelter settings for homeless individuals and staff. The baseline protocols for each COVID-19 shelter location were:

- Temperature was taken upon entry and re-entry to the site;

⁴ <https://sanjose.legistar.com/View.ashx?M=F&ID=8260923&GUID=460A72D7-184A-434B-86AD-32F442D18357>

- Staff monitored participants for symptoms;
- Commonly used areas, such as restrooms and kitchens, were sanitized frequently;
- Site-specific cleaning instructions were developed;
- Hand sanitizer and PPE, such as masks and gloves, were available on-site;
- Social distancing was enforced in common areas;
- Staff was required to wear PPE;
- Symptomatic staff were asked to leave immediately and not return until testing negative or be symptom-free for 14 days;
- Isolation spaces for sick participants under quarantine, but not sick enough for hospitalization, were available at each site; and
- Participants who tested positive were transferred to a non-congregate motel to quarantine.

Using CARES Act funds and Emergency Solutions Grant Program – Supplemental CARES Act Funding Round 1 and Round 2 (ESG-CV1&2) funds, HomeFirst operated all four congregate shelters. More than 100 City employees were reassigned at any given time to assist in the 24/7 operations at all four congregate shelters. The Housing Department’s Homelessness Response Team managed the staff coordination, monitored the safety protocols, meal provision and inventory, and provided daily onsite management. The goal of the Housing Department has always been stability in permanent housing, but the emergency congregate shelters were primarily used to allow more unsheltered individuals to safely shelter in place throughout the COVID-19 emergency and prevent the spread of COVID-19. The Housing Department’s temporary congregate shelters were successful at preventing the spread of COVID-19 and safely sheltering individuals and families. Bascom, Camden and Parkside did not experience outbreaks. South Hall had one outbreak that was quickly contained within a week.

Costs per bed per shelter were not calculated because all four congregate shelter expenditures were rolled up into one contract. Therefore, calculating per bed costs per shelter would not be accurate. Actual expenditures for all four emergency congregate shelters totaled \$5,681,580.

City Builds Emergency Interim Housing

In conjunction with setting up congregate mass shelters, the City and Mayor’s Office also made plans to develop emergency interim housing, or quick build modular housing that would serve as non-congregate shelters. Non-congregate shelter is the term used for emergency shelters that provide private accommodations and is a proven way to limit the spread of COVID 19 among people experiencing homelessness. While often provided through motel rooms, the City used experience building the first Bridge Housing Community (tiny homes) to inform the design of prebuild modular units in response to COVID-19. The Housing Department partnered with Public Works and the City Manager’s Office to expeditiously construct three emergency interim housing communities (EIH) in FY 2020 – 2021. Using prefabricated modular construction under the City’s Bridge Housing Community Ordinance, the City continued to leverage support from the State through flexibility authorized under Assembly Bill 2176 (Shelter Crisis Emergency Bridge Housing Communities) and AB1745, ensuring speedy project delivery, as well as the ability to successfully operate beyond the COVID-19 emergency. In April 2020, the City Council approved the use of State Homeless Housing, Assistance and Prevention (HHAP)

funding to lease, purchase, and/or construct non-congregate shelter communities, also referred to as emergency interim housing, for homeless individuals impacted by COVID-19.⁵ Generous donations raised by the Mayor’s Office allowed the City to leverage State funding and reduce City costs

Building on the success of Project RoomKey, the State developed Project Homekey, a statewide effort to sustain and rapidly expand housing for persons experiencing homelessness or at risk of homelessness, and who are, thereby, inherently impacted by COVID-19. Homekey was developed as an opportunity for state, regional, and local public entities to develop a broad range of housing types, including but not limited to hotels, motels, hostels, multifamily apartments, adult residential facilities, and manufactured housing, and to convert commercial properties and other existing buildings to Permanent or Interim Housing. The Housing Department was awarded a HomeKey grant to acquire the SureStay Hotel, a 76 room hotel, that was functioning as non-congregate shelter by the County, and convert it into permanent housing for people who are unlikely to be referred to a supportive housing program within the community’s system of care.

Finally, the Department also quickly modified existing facilities, Plaza Hotel and the Bridge Housing Communities, to shelter the most vulnerable with referrals from the County centralized shelter hotline.

During the COVID-19 emergency in FY 2020 – 2021, the chart below contains the non-congregate shelters that opened or were enhanced to provide temporary housing and supportive services to unsheltered San José residents who were the most vulnerable and needed a non-congregate placement. More detailed descriptions of each follow.

Provider	Non-Congregate Shelter / Interim Housing Program	Opening Date	Total Beds	Total Beds Set Aside or Created as a Result of COVID-19
Abode	Plaza Hotel	January 1, 2018	46	23
HomeFirst	Mabury Bridge Housing Community	January 3, 2020	40	13
Abode	SureStay Hotel (the City’s first HomeKey project)	March 2020	73	73
HomeFirst	Monterey/Bernal Emergency Interim Housing community	September 2, 2020	78	78
HomeFirst	Rue Ferrari Emergency Interim Housing community	January 19, 2021	118	118

⁵ <https://sanjose.legistar.com/View.ashx?M=F&ID=8260925&GUID=8C7B5D55-BA7C-488D-AC49-90940BAD0649>

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HomeFirst	Felipe Bridge Housing Community	February 10, 2021	40	40
PATH & Abode	Evans Lane Emergency Interim Housing community	May 27, 2021	121	121
		TOTAL	516	466

Plaza Hotel

Abode Services (Abode) operated temporary housing at the Plaza Hotel, a 46-unit single room occupancy building in downtown San José. Fifty-two (52) individuals were served. Eight individuals exited during that timeframe of which six individuals (75%) exited to permanent or other temporary destinations. A true cost analysis associated with the Plaza was not available because delayed contract execution resulted in most funds for activities during the reporting period being expended outside the reporting fiscal year. Using federal ESG-CV2 and local HTF funds, Abode expended \$348,547.

SureStay Hotel

In March 2020, the County leased nine motels for homeless individuals vulnerable to COVID-19. One of the nine motels was the SureStay Hotel. Abode and redeployed County disaster service workers continued to operate the motel as an emergency non-congregate shelter after the City acquired the SureStay Hotel in October 2020 with funds from the State’s Project HomeKey. In September 2020, the Housing Department received \$11,953,474 in acquisition and operations funding for the SureStay Hotel. The City and the County entered into an occupancy agreement through August 2021 for the County to continue operating the facility. Using the State HomeKey and funds from the County, the City contracted with Abode for five months. When the initial contract was executed in February 2021, the City, the County and Abode partnered on a transition plan for the individuals living in the non-congregate shelter and for operations of the site. Abode provided supportive services to the shelter participants and assumed property management and operations when the occupancy agreement expired at the end of August 2021.

The primary purpose of the non-congregate shelter was to provide vulnerable individuals a safe option to shelter in place during the COVID-19 pandemic. As the intention of all the motels leased by the County for this purpose, the program was not a long-term housing opportunity nor was housing guaranteed. In FY 2020 – 2021, the City contracted with Abode to provide services to the shelter participants at SureStay Hotel until the program transitioned to permanent housing. There were 134 unduplicated individuals served at the SureStay Hotel during that timeframe. Sixty-eight (68) individuals exited the non-congregate shelter, of which 32 individuals (47%) successfully exited to permanent housing. Everyone, who did not qualify to rent a room or who did not transition to permanent housing, was offered an alternative shelter placement. A true cost analysis associated with the SureStay Hotel was not available without considering the multiple partners who coordinated to fund the services and operations. In the five months that the City contracted with Abode, \$253,101 was expended. The Department is still working on transitioning the site to permanent housing.

Monterey/Bernal and Rue Ferrari Emergency Interim Housing Communities

HomeFirst operated two interim housing communities using prefabricated modular units. These new EIH communities were developed and implemented to address the non-congregate shelter need in San José and temporarily shelter homeless adults vulnerable to COVID-19 in a private and secure environment. The Monterey Bernal site served single adults and the Rue Ferrari site served couples or single adults. Both sites provided modular sleeping units with private shower and restroom facilities within each participant room, shared facilities for living needs, office space for staff to provide services, laundry and office facilities, a perimeter fence, onsite security, pet accommodations, onsite parking, and full ADA accommodations. HomeFirst performed day-to-day operations and property maintenance, as well as the provision of programs and supportive services. The EIH communities were set up to allow more unsheltered individuals to safely shelter in place throughout the COVID-19 emergency. Priority placements were given to individuals who stayed in encampments nearby through direct referrals from the Outreach teams.

The Monterey Bernal site, built on City land, opened in October 2020 and served 116 unduplicated individuals between October 2020 and June 2021. The capacity is 78 beds (78 units). There were 25 total exits during that timeframe of which 11 individuals, or 44%, were successful exits to permanent housing. The City leased land from CalTrans to operate the program on Rue Ferrari near Highway 101, which opened in January 2021 and served 118 unduplicated individuals in its first six months of operation. The capacity is 118 beds (82 units). There were 45 total exits during that timeframe of which 27 individuals, or 60%, were successful exits to permanent housing.

Using funds from the CARES Act, ESG-CV2, and the State COVID-19 funding (SB89), the contract with HomeFirst included both programs. Expenditures included one-time site set up needs, including but not limited to furniture, appliances, and a variety of furnishings. Costs per bed for each EIH was not calculated because both of the non-congregate shelter expenditures were rolled up into one contract. Therefore, calculating per bed costs per EIH would not be accurate. Actual expenditures for both programs totaled \$5,141,129.

Mabury and Felipe Bridge Housing Communities

HomeFirst also operated two bridge housing communities, the City's version of tiny homes. The communities are non-congregate shelters featuring San José's version of tiny homes or emergency sleeping cabins. With a capacity to serve 80 individuals, the two sites at Mabury and at Felipe provided 80 sleeping cabins, modular buildings for site amenities such as a kitchen, computer lab, administrative offices, and shower and restroom facilities. Private case management units were available on site, a perimeter fence, onsite security, pet accommodations, onsite parking, and full ADA accommodations. HomeFirst performed day-to-day operations and property maintenance, as well as the provision of programs and supportive services. The initial goal of a Bridge Housing Community (BHC) was to provide a bridge from the street to permanent housing for those enrolled in a Rapid Rehousing Program operating in San José and funded by the City or the County. The BHCs were intended to be used to gain stability while searching for and securing a permanent housing option in San José's highly competitive housing market. However, a portion of units at the Mabury BHC, and all the units in the newly constructed Felipe BHC, were set aside to allow more unsheltered individuals to safely shelter in

place throughout the COVID-19 emergency. Priority placements were given to individuals who stayed in encampments nearby through direct referrals from the Outreach teams.

At the Mabury BHC, which opened in January 2020 pre-pandemic, but during the COVID-19 emergency, thirteen of the 40 sleeping cabins were used to house unsheltered individuals vulnerable to COVID-19. In FY 2020 – 2021, the Mabury BHC served 111 unduplicated individuals. There were 75 exits in FY 2020 – 2021, of which 43 individuals, or 57%, successfully exited to permanent housing. The Felipe BHC, which opened in January 2021 on a site leased from Caltrans, served 56 unduplicated individuals in its first six months of operation. Due to stipulations in the lease agreement with CalTrans, individuals were not to exceed shelter at this location for more than 180 days. Twenty-one (21) individuals served during this timeframe exited the program. There were 2 successful exits to permanent housing during that time period. Due to the 180-day time limit, several individuals transferred to another non-congregate shelter to further advance their goal of moving into permanent housing.

Using funds from the CARES Act, ESG-CV2, and the State COVID-19 funding (SB89), the contract with HomeFirst included both programs. Expenditures included one-time site set up needs for the Felipe BHC, including but not limited to furniture, appliances, and a variety of furnishings. Costs per bed for each BHC was not calculated because both of the non-congregate shelter expenditures were rolled up into one contract. Therefore, calculating per bed costs per BHC would not be accurate. Actual expenditures for both programs totaled \$5,230,637.

Evans Lane Emergency Interim Housing Community

PATH operated the first EIH for families with a capacity of 121 beds (49 units) using prefabricated modular units. Each unit includes individual showers and restroom facilities, shared facilities for basic living needs, including communal kitchens, office space to manage the site and provide services. In addition to the site amenities offered at the other two sites, Evans Lane also provides a small basketball court and play area for children. The program opened in May 2021 and served 56 unduplicated individuals (16 families), including 33 children, in its first month of operation. Priority placements were offered to families staying in the Camden congregate shelter. There were no exits to permanent housing during that first month. Using funds from the CARES Act and ESG-CV2, expenditures included one-time site set up needs, including but not limited to furniture, appliances, and a variety of furnishings. Actual expenditures for Evans Lane totaled \$1,949,290. The next annual report will have a more accurate analysis of effectiveness and costs for Evans Lane.

Motel Voucher Program

LifeMoves operated the Motel Voucher Program targeting households who were vulnerable to COVID-19. Vulnerable was measured by medical fragility, loss of employment due to COVID-19, loss of childcare due to COVID-19, or loss of housing or eviction due to COVID-19. The Motel Voucher Program (MVP) provided short-term motel stays for homeless families and other vulnerable adults who were living in places not meant for human habitation and waiting to enter shelters or other temporary or permanent housing. Using State Homeless Emergency Aid Program funds (HEAP) and federal CDBG-CV and ESG-CV2, 728 unduplicated individuals (263 households), which included 350 children, were temporarily sheltered in a private setting.

Sixty-five percent (65%), or 119 individuals, exited to shelter or stable housing. Costs per individual or household were not calculated since the costs varied based on the level of service received and the length of time enrolled in the program. Actual expenditures for MVP totaled \$3,805,474.

CalOES Trailers

On March 20, 2020, the City of San José received 104 trailers from California's Office of Emergency Services (CalOES) to support safe isolation and provide non-congregate shelter options for high-risk homeless individuals, per CDC guidelines. With less than 24 hours' notice of their arrival, the trailers were delivered to the parking lot at the City's Kelley Park, which was closed and large enough to accommodate 104 trailers. Only two of the trailers were immediately useable. Fourteen (14) were deemed unusable/uninhabitable. Ninety (90) of the trailers required significant repair, including but not limited to holes in the walls and roofs, missing beds, broken appliances, missing gas canisters, and damaged hookups for electric, sewer and water. It took two months to get the trailers repaired and placed into working order. The site also needed utility infrastructure since the parking lot did not have electrical or plumbing systems. The trailers required plumbing and electrical hookups to be habitable and provide the safety and security needed for non-congregate shelter standards. The above ground infrastructure for potable water and sewage did not include showers, because the amount of water required for showers would overwhelm the designed sewage system. A portable shower trailer was brought onsite to provide the necessary hygiene. Generators provided the site electricity, as trenching and dropping electrical was not appropriate for a temporary set up. The other operations needs for the site included 24/7 security (6 officers on duty every shift due to the large size of the site), 24/7 onsite operator, and daily maintenance.

Beginning on May 14, 2020, the City contracted with Abode Services to operate the trailers and serve individuals with medical conditions who were vulnerable to COVID-19. In the three weeks of operations, the site sheltered 39 individuals. Unfortunately, however, there were daily maintenance events and malfunctions of either the temporary infrastructure or the trailers themselves, resulting in concerns whether continuing to operate the site was safe or cost-effective. Challenges included access issues, fires, sewage overflows, and power outages. Prior to the trailer demobilization, nine individuals left the property on their own with concerns about their safety and/or comfort of the trailers. The remaining 30 individuals transitioned to six different non-congregate motels leased by the County.

Isolation & Quarantine Program

In August 2020, the County put forth a draft cost sharing agreement to all cities in the County, seeking support in funding the County's Isolation and Quarantine Program. This program aimed to make quarantining easier for residents and encourage them to get tested. The three main components of the program were to provide motel rooms, financial and rental support, and support including a meal delivery program. The City recognized there were situations that made isolating or quarantining difficult, such as overcrowded housing, the lack of paid sick leave, recent unemployment, co-habitation with at-risk individuals, and obligations to care for household members. Primary among these challenges were: 1) access to a room in which the case or contact may stay and remain separate from other members of the household; and, 2)

access to one's own bathroom or the ability to clean the bathroom after each use. Most of the need was in San José.

The City of San José contracted with the County using funds from the CARES Act to operate the program from August 1, 2020 to December 30, 2020 to assist all San José residents requesting help to isolate, or quarantine, with motels, at home support services, rental assistance, and meals. In FY 2020 – 21, the Isolation and Quarantine Program assisted 1,867 households to safely isolate in five motels across the County. Of the total households assisted, 1,184 households were experiencing homelessness (67%, or 794 households, were from San José).

Emergency Rental Assistance Response

Destination: Home and Sacred Heart Community Service managed the Homelessness Prevention System prior to the COVID-19 emergency. Pre-COVID-19, the program served 1,500 extremely low-income families annually, providing an average of \$4,500 in financial assistance to each. The goal of the program was to provide financial assistance, and other needed services, to prevent families County-wide from being evicted, losing their homes, or becoming homeless.

COVID-19 exacerbated the affordable housing crisis not only in San José but throughout the United States. The lowest-income, severely housing cost-burdened renters, many of whom were seniors and/or people with disabilities/health conditions and people in the low-wage workforce, were facing the threat of eviction and homelessness due to loss of income as a result of COVID-19. From the beginning of the coronavirus pandemic, the City of San José prioritized helping those who are most vulnerable to COVID-19 and job loss. The City Council approved the framework for local assistance and the following Community and Economic Recovery objectives:

- Invest in our most vulnerable residents;
- Empower our community with resources that build resiliency; and
- Partner to stabilize and improve outcomes for all.

In the largest effort, with an infusion of federal funds, the County Homelessness Prevention System, led by Destination: Home and Sacred Heart Community Service, pivoted to focus on COVID-19 relief. The program partnered with more than 70 nonprofits and grassroots partners who provided intake, case management, and distributed direct assistance to residents and landlords. The City redirected funds from the federal HOME Investment Partnership (HOME), HALA, the CARES Act, HHAP and Measure E to support households impacted by COVID-19.

In the third quarter of FY 2020 – 2021, with the passage of the American Rescue Plan, the City received \$30.3 million from the U.S. Treasury for emergency rental assistance and the State received \$1.5 billion for emergency rental assistance. The State funds were governed by SB91 which outlined three options for how cities could access the funds, by participating in the State program, a local program or a hybrid program. On February 9, 2021, the Council approved operating under a hybrid rental assistance program. Under the hybrid program, the City would administer a local rental assistance program with the \$30 million received directly from the federal government. The State would administer the \$32 million allocated for San José landlords and tenants.

FY 2020 – 2021 was a complex year for rental assistance. The first three quarters of the year, the Housing Department used seven different funding sources for the rental assistance program and contracts were executed with five local nonprofit providers to issue rental subsidies for homeless and at-risk households. In May 2021, the hybrid rental assistance program began using U.S. Treasury funds.

Below is a list of all the providers who offered rental assistance and homeless prevention for individuals and households vulnerable to COVID-19.

Provider	Funding Sources	Total Expenditures FY 2020 – 2021	Unduplicated Households Served
Bill Wilson Center	HOME	\$1,365,419	53
Catholic Charities	HOME, CARES Act, General Fund	\$3,497,002	401
Next Door Solutions to Domestic Violence	HOME	\$772,190	32
Sacred Heart Community Service & Destination: Home*	HOME, HALA, HHAP, Measure E, CARES Act, General Fund, U.S. Treasury	\$17,668,614	2,881
TOTAL		\$23,303,225	3,367

* In order to avoid duplication of services, this report combines the data from Destination: Home and Sacred Heart Community Service since they coordinated operations and shared funding.

In FY 2020 – 2021, the City contracted with Bill Wilson Center, Catholic Charities and Next Door Solutions to Domestic Violence to provide emergency rental assistance to low income households vulnerable to COVID. Costs per household were not calculated since the costs varied based on the level of service received, the amount of rental assistance provided, and the length of time enrolled in the program.

Using federal funds, Bill Wilson Center prevented 53 households from displacement and homelessness. This included 40 children. One hundred percent (100%) of these households secured permanent housing destinations within 60 days of enrollment in the program, exceeding the goal of 75%.

Using federal and local funds, Catholic Charities prevented 401 households from displacement and homelessness. This included 283 children. Ninety-three percent (93%) of these households remained stably housed while receiving prevention services.

Using federal funds, Next Door Solutions to Domestic Violence prevented 32 households from displacement and homelessness. This included 72 children. Seventy-eight percent (78%) of these households remained stably housed while receiving prevention services exceeding the goal of 75%.

Using a combination of federal, State and local funds, Destination: Home and Sacred Heart Community Service together prevented 2,881 households from displacement and homelessness systemwide. This included 4,109 children. Of the 2,881 households assisted, 1,925 were from San José, which included 2,759 children). Ninety-seven percent (97%) of these households remained stably housed while receiving prevention services exceeding the goal of 85%.

Rapid Rehousing and Employment Development

FY 2020 – 2021 was a transition year for the Rapid Rehousing and Employment Development programs. Previously, the two programs operated separately without coordination. In January 2021, the Housing Department restructured and redesigned the scopes of the programs to provide rapid rehousing participants with greater access to appropriate employment services. These employment services included robust employment, training, and barrier-mitigating supportive services in order to increase earned income, succeed in work, and stabilize in housing following the end of their rapid rehousing subsidy period. The rapid rehousing and employment system offered rental subsidies, employment training and placement and individualized care, all with the goal of income and housing stability. The goal was for the five partner agencies – HomeFirst, LifeMoves, Bill Wilson Center, JobTrain and International Rescue Committee – to work in coordination to serve more than 300 homeless households at any given time.

In the first six months of implementation, the rapid rehousing and employment system enrolled and housed a limited number of participants. The five agencies spent the first six months ramping up the programs and staffing, as well as building the referral processes between the agencies. The redesigned model of the coordination system of care expected exits to permanent housing and job stability after at least 12 months of rental subsidies and supportive services. This is only reporting data and cost for the first six months of implementation. Costs per household were not calculated since the costs varied based on the level of service received, the amount of rental assistance provided, and the length of time enrolled in the program. Next year’s report will be a more accurate reflection of individuals served and cost.

In the first six months of operation between January 2021 and June 2021, the City used local HALA, General Fund and ESG-CV2 funds to operate the three Rapid Rehousing Programs with HomeFirst, LifeMoves and Bill Wilson Center.

All the Rapid Rehousing providers exceeded the goal of exits to permanent housing. HomeFirst served 76 individuals. Of the 17 individuals who exited the program, 14 exited to permanent housing (82%) exceeding the goal of 80%. LifeMoves served 53 individuals. Of the 14 individuals who exited, 12 exited to perm (86%) exceeding the goal of 80%. Bill Wilson Center served 85 individuals. Of the 13 individuals who exited the program, 12 exited to permanent housing (92%) exceeding the goal of 80%.

Provider	Unduplicated Individuals Served*	Actual Expenditures
HomeFirst	76 individuals	\$1,103,078
LifeMoves	53 individuals	\$548,725
Bill Wilson Center	85 individuals	\$374,716

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* Data only reflects the programs' first six months of operations; next year's report will have a full 12 months of data providing more time to analyze performance.

In the first six months of operations between January 2021 and June 2021, the City used federal CDBG to operate the two Employment Development Programs with JobTrain and International Rescue Committee.

JobTrain served 10 individuals. Four, or 40%, secured at or above living wage jobs. International Rescue Committee served 9 individuals. Two, or 22%, secured at or above living wage jobs. Examples of jobs obtained through both organizations were retail, medical assisting, security and food services. Neither organization met the goal that 65% of participants would secure at or above living wage jobs. The goal of a living wage is to allow employees to earn enough income for a satisfactory standard of living and prevent them from falling into poverty or homelessness. Aside from being new partners to the Housing Department and spending the first six months concentrating on infrastructure and program procedures and design, Job Train and International Rescue Committee reported staff capacity as a primary reason for not meeting outcomes.

Provider	Unduplicated Individuals Served*	Actual Expenditures
JobTrain	10 individuals	\$355,667
International Rescue Committee	9 individuals	\$61,133

* Data only reflects the programs' first six months of operations; next year's report will have a full 12 months of data providing more time to analyze performance.

Support for Gender-Based Violence Programs

In FY 2020 – 2021, the City continued to contract with the YWCA for the Women in Supported Housing (WISH) program. The program operated a housing first model program for gender-based violence survivors and targeted households impacted by COVID-19. Using HALA, HOME, CDBG-CV, HTF, and General Fund (GF), the program placed survivors of gender-based violence (and their families) into safe, affordable housing and provided appropriate wrap-around case management and supportive services. The program served 127 individuals (117 households) with housing search, rental assistance, and supportive services. One hundred four (104) of the 117 households served also received motel vouchers to address immediate housing needs. Costs per individual or household were not calculated since the costs varied based on the level of service received (some households received rental assistance and others were placed in motels), the amount of rental assistance provided, and the length of time enrolled in the program. Actual expenditures for WISH totaled \$507,105.

Staffing and Funding Challenges

First responders are the first on the scene to face challenging, dangerous, and draining situations. The Housing Department's homelessness response team and building inspectors were first responders during the COVID-19 pandemic, working long days in the field when the public was under shelter-in-place orders to set up shelters and visit encampments. The Housing Department's grants team worked tirelessly to get over \$100 million dollars in COVID-19 related funds back out to the community with local service providers. The fast-paced implementation of a comprehensive encampment management response through SOAR, multiple congregate and non-congregate shelters, and various emergency rental assistance programs was extremely hard on staff. The City and all our partners had to quickly adjust not only to being reassigned to new jobs but also abiding by strict safety protocols. Further, the stress was high with fear and the reality of catching the virus, and staff turnover was abundant within the Housing Department and across all non-profit service agencies. In FY 2020 – 2021, both the grants and homelessness response teams turned over almost entirely. Staff often left for other job opportunities with more pay, less work, and stress. Finally, the homelessness response team did not increase and remained budgeted at six FTE even though the number of programs which they were responsible for quadrupled.

In FY 2020 – 2021, the Housing Department received over \$242 million in new or redirected coronavirus grant funding to address homelessness during the COVID-19 emergency from fourteen different funding sources. This was more than six times the amount of annual federal Housing and Urban Development (HUD) funding, as well as additional state and federal funding, to address COVID-19 impacts on San José's housed and homeless residents. The increased funding came intermittently, the regulations and deadlines for each funding source differed, and allocating and monitoring grants was challenging. The Housing Department had to move very quickly in grant administration, which, in a limited number of cases, required a competitive procurement process to award funds to address the impacts of COVID-19. While the Housing Department has significant experience in contracting and monitoring grantees under state and federal grants, staff capacity was severely strained by the urgency of the emergency and the increased amount of grant money to be allocated, managed, and monitored. Below is a summary of one-time COVID-related funds received in FY 2020 – 2021. These funds may have been fully allocated but were not fully expended in the reporting year.

Coronavirus Federal and State Funding Sources (new and redirected)	Total
Emergency Solutions Grant (ESG-CV 1&2)	\$35,520,318
Housing Opportunities for Person with AIDS (HOPWA-CV)	\$209,618
Housing Opportunities for Person with AIDS-Competitive	\$140,108
California COVID Emergency Homeless Housing (SB89)	\$3,919,821
California Homeless Housing, Assistance & Prevention Grant (HHAP)	\$28,498,789
HOME Investments Partnerships Program (HOME)	\$23,226,980
HOME Investments Partnerships Program (HOME-ARPA)	\$11,676,334
Emergency Rental Assistance Program-Phase 1 (ERA1)	\$30,379,740

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Emergency Rental Assistance Program-Phase 2 (ERA2-ARPA)	\$36,277,888
California Affordable Housing (SB2)	\$8,697,292
Housing Authority Litigation Funds (HALA)	\$2,000,000
State HomeKey General Fund	\$11,953,474
Community Development Block Grant (CDBG-CV)	\$12,841,925
Coronavirus Aid, Relief, and Economic Security Act (CARES)	\$36,700,000
TOTAL	\$242,042,287

Despite the challenges of the COVID-19 emergency, 1,733 San José residents experiencing homelessness were assisted into permanent housing by the collective efforts of local jurisdictions and nonprofit service providers in FY 2020 – 2021.

Total Expenditures for Homeless Programs

In FY 2020 – 2021, the Housing Department expended \$119.8 million to address homelessness in San José. This represented 49.81% of the Housing Department’s total spending. The graph and chart below provide a summary of the FY 2020 – 2021 expenditures for the homeless programs in the Housing Department.

Priority/Program	Actual Expenditures
COVID-19 Response	\$87,870,237
Non-COVID-19 Programming	\$29,618,610
Administration	\$2,388,054
TOTAL	\$119,876,901

CONCLUSION

The COVID-19 pandemic was challenging, but it also allowed the City of San José to quickly mobilize and implement new programs that advanced the strategies in the 2020-2025 Community Plan to End Homelessness. The Housing Department will continue to plan, increase and enhance programs based on the lessons learned during the emergency.

EVALUATION AND FOLLOW-UP

This memorandum will be referred to the March 29, 2022 City Council meeting.

CLIMATE SMART SAN JOSE

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

PUBLIC OUTREACH

This item has been posted on the Neighborhood Services and Education Committee website for March 10, 2022.

COMMISSION RECOMMENDATION/INPUT

This item will be presented to the Housing and Community Development Commission on March 10, 2022.

COST SUMMARY/IMPLICATIONS

This memorandum does not commit the City to any specific expenditures. As specific agreements become ready for funding commitments from the City, they will be brought forward to the City Council for approval and appropriation action on an individual basis.

COORDINATION

This item has been coordinated with the City Attorney's Office.

CEQA

Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action.

/s/

JACKY MORALES-FERRAND

Director of Housing

The principal author of this memorandum is Kelly Hemphill, Homelessness Response Manager. For questions, please contact kelly.hemphill@sanjoseca.gov.

Attachment A: Non-COVID-19 Programs for Homeless Populations

Attachment B: FY 2020 – 2021 Homelessness Response Infographic

Attachment C: Success Stories

Attachment D: Progress towards Community Plan to End Homelessness Benchmarks

ATTACHMENT A
Non-COVID Programs for Homeless Populations

In alignment with the Community Plan to End Homelessness, this attachment to the FY 2020 – 2021 annual homeless report will provide an update on the Housing Department’s prioritized approaches that continued to be implemented in addition to the new prioritized programming that resulted from the COVID-19 emergency. The Housing Department prioritized two strategies to address homelessness in San José, both of which align with the regional Community Plan to End Homelessness. The two strategies, Housing-Based Solutions and Crisis Response Interventions, are described below, including an overview of each program under each strategy.

Housing-Based Solutions

Housing-based solutions are affordable permanent housing opportunities. Services for housing-based solutions included financial support to prevent households from becoming homeless (keeping households from entering the shelter system) and supportive services and/or rental subsidies to attain and maintain permanent housing. Below is a chart that provides a description of the program and the number of people served or housing units created for the non-COVID related City-funded housing-based solutions in operation in FY 2020 – 2021. All the programs in the chart below aligned with Strategy 2 (Expand homelessness prevention and housing programs to meet the need) of the Community Plan to End Homelessness.

Service	Provider	Description	Unduplicated individuals served or housing created
Prevention	Bill Wilson Center	Financial assistance, such as rent payments and flexible funds, to keep households permanently housed	121 individuals (48 households) including 58 children
Rental Subsidies	The Health Trust	Ongoing permanent supportive housing through the Housing for People with AIDS Program	231 individuals
Homeless Student Housing	Bill Wilson Center	Temporary housing for College Students through a partnership with Airbnb	24 individuals
Supportive Services	County of Santa Clara	Intensive case management and support for chronically homeless persons in the Care Coordination Project, a county-wide permanent supportive housing program	182 individuals
Rapid Rehousing	County of Santa Clara	Housing for Homeless Veterans	23 individuals
Affordable Housing Units		Total number of units in the Transition in Place Program	672 units
Affordable Housing Developments		Total number of permanent supportive housing units developed	166 units

Prevention – Bill Wilson Center

In FY 2020 – 2021, the Housing Department continued to fund Bill Wilson Center (BWC) to operate a Homeless Prevention Program using federal Emergency Solutions Grant (ESG) funds. The program provided 121 unduplicated at-risk participants (48 households) with relocation and rental assistance, intensive case management and stabilization services. One hundred percent (100%) of households remained stably housed while receiving assistance exceeding the goal set at 85%. The program expended a total of \$380,006.

Rental Subsidies – The Health Trust (HOPWA)

In FY 2020 – 2021, the Housing Department continued to fund The Health Trust, Next Door Solutions to Domestic Violence and San Benito County to operate Housing Opportunity for People with AIDS Program (HOPWA) under five contracts. The City managed the HOPWA program for both Santa Clara and San Benito counties. HOPWA provided permanent rental subsidies, case management, housing placement assistance, and other supportive services to low-income people living with HIV/AIDS using federal HOPWA funds. The program provided subsidies to 195 unduplicated households. One hundred percent (100%) of participants who received rental subsidies maintained permanent, stable housing during the program year. The City received additional HOPWA funding for rental assistance and supportive services for households impacted by COVID-19. The program served 36 households and 100% of participants received assistance in maintaining housing stability. Combined, the program expended a total of \$2,191,611.

Homeless Student Housing – Bill Wilson Center

In FY 2020 – 2021, the Housing Department contracted with the Bill Wilson Center to provide temporary housing costs for homeless students through an agreement with AirBnB using local Measure E funds. The program provided 24 students with temporary housing and supportive services. Sixteen individuals, or 67%, moved to permanent housing, exceeding the goal set at 50%. The program expended a total of \$69,890.

Supportive Services – County of Santa Clara

In FY 2020 – 2021, the Housing Department continued to fund the County of Santa Clara (Office of Supportive Housing) to administer the Care Coordination Project (CCP). The community-wide effort centralizing the care of the County's most vulnerable and long-term homeless residents brings together all services and benefits that participants need to obtain and maintain housing, including drug and alcohol rehabilitation, mental health services, government benefits and housing resources. Using local Housing Authority Litigation Award (HALA) funds for intensive case manager salaries and related costs for supportive services, the program assisted 221 individuals (182 households). Ninety-nine percent (99%) of the 178 households who were housed maintained their housing for at least 12 months exceeding the goal set at 95%. The program expended a total of \$925,000.

Rapid Rehousing – County of Santa Clara

In FY 2020 – 2021, the Housing Department contracted with the County of Santa Clara (Office of Supportive Housing) to administer the Housing for Homeless Veterans Program. The Housing for Homeless Veterans Program provided housing placement services and rental subsidies for homeless veterans with the goal to transition from the program into permanent housing without subsidies. Using the local HALA fund for case management and financial assistance, the

program assisted 23 individuals. Sixty-seven percent (67%) of the 20 individuals who were housed exited to permanent destinations upon program completion; the program did not meet the goal set at 85%. The program expended a total of \$368,572.

Affordable Housing Units - Transition in Place

In FY 2020 – 2021, the Housing Department continued to partner with various developers and property owners through the Transition in Place (TIP) program. TIP increases access to affordable apartments for households enrolled in Rapid Rehousing programs. The City uses a variety of strategies to create a dedicated pool of affordable apartments, including paying for rehabilitation costs on existing apartments, subsidizing the development costs of new construction, or incorporating the preference in deals as a consideration for renegotiation, re-syndication or refinancing. Eligible participants in Rapid Rehousing programs were referred to available affordable apartments and come with time-limited rental subsidies and supportive services. The goal of the Transition in Place program was for those referred to become self-sufficient within a short period of time. While staff have been able to negotiate units with developers, these are only available for referral when they become vacant. Staff is committed to developing program guidelines to track long-term housing retention in the affordable units of those referred. The table below displays the TIP partners in FY 2020 – 2021.

Developer/ Owner	Property	Number of TIP Units
First Community Housing	Creekview Inn	10
Abode/Housing for Independent People	Scattered sites	31
Arbor Park Community	Arbor Park	7
Affirmed Housing Group	Fairways at San Antonio	9
Eden Housing	Eden Palms	8
Village at Willow Glen Housing Partners	Willow Glen Senior	13
Charities Housing	Metropolitan South	9
Charities Housing	Sunset Square	10
EAH	Palm Court	6
EAH	Vista Park Senior	8
FPI Management	Lenzen Square	9
AMC-CA, Inc.	Vintage Tower	6
FPI Management	El Rancho Verde	21
First Community Housing	Craig Gardens	9
First Community Housing	El Paseo Studios	10
Total Affordable Housing Opportunities		166

Affordable Housing Developments

Permanent supportive housing is the proven, cost effective solution to homelessness. Given the priority to house homeless individuals, the Housing Department worked with developers to ensure that City-funded projects included supportive housing opportunities for both chronically and non-chronically homeless tenants. The table below summarizes the status, funding, and housing capacity of developments completed, under construction or in predevelopment in FY 2020 – 2021 with units set aside for permanent supportive housing (PSH) and rapid rehousing (RRH). Additionally, the chart includes developments that require no City commitment at this

time because they were funded by other agencies such as the County of Santa Clara or the Santa Clara County Housing Authority.

Developer/ Owner	Council District	Property	PSH	RRH	City Funding	Timeframe
PATH Ventures/Affirmed Housing Group	3	Villas on the Park	83	0	\$16,600,000	Completed
First Community Housing	6	Leigh Avenue Seniors	63	0	\$9,000,000	Completed
Charities Housing Development	7	Renascent Place	160	0	\$0	Completed
First Community Housing	3	North San Pedro Studios	60	0	\$2,400,000	Completed
Resources for Community Development	5	Quetzal Gardens	25	0	\$9,984,212	Completed
Charities Housing Development	6	Page Street	27	0	\$8,611,968	2022
Charities Housing Development	2	Blossom Hill Senior	49	0	\$18,375,000	2022
Affirmed Housing Group	5	Alum Rock Family Housing	29	14	\$9,350,000	2022
First Community Housing	6	McEvoy	90	0	\$20,000,000	2023
Reed Community/ Allied Housing	3	The Algarve	46	0	\$10,500,000	2023
Affirmed Housing Group	9	Vitalia	0	23	\$0	2023
Danco Communities	6	Mariposa Place	40	0	\$9,875,000	2023
First Community Housing	3	Roosevelt	0	40	\$11,623,320	2023
Total Housing Opportunities			672	77	\$126,319,500	

Crisis Response Interventions

Crisis response interventions are street-based basic needs services offered directly to the unsheltered population. Eighty-four percent (84%) of individuals experiencing homelessness in San José are unsheltered. The overall goal of the Crisis Response Interventions programs is to ensure engagement and assessments to connect people to the most appropriate housing opportunities. Below is a chart that provides an overview of the City-funded crisis response interventions in operation in FY 2020 – 2021. All the programs in the chart below aligned with Strategy 3 (Improve quality of life for unsheltered individuals and creating healthy neighborhoods for all) of the Community Plan to End Homelessness.

Service	Grantee/ Operator	Description	Unduplicated number served
Outreach and Engagement	PATH	Street outreach, engagement, assessment and referral in downtown San José and in target areas, including City libraries	449 individuals
	HomeFirst	Street and encampment outreach, engagement, assessment and referral throughout San José, including the management of the Homeless Helpline	791 individuals
Mobile Hygiene	WeHope	Mobile hygiene services six days per week throughout San José	1,944 individuals
Safe Parking	LifeMoves	Safe place for individuals and families to park overnight at two City-owned facilities	162 individuals (128 households)

Outreach and Engagement

In FY 2020 – 2021, the Housing Department continued to fund HomeFirst and PATH to operate two Outreach and Engagement Programs. Outreach teams operate as the first responders to San José’s unsheltered homeless population on the streets and in encampments. The overall goal of outreach, consistent throughout the local Continuum of Care, was to build trust, meet basic needs, refer people to emergency shelter, and conduct assessments, as needed, in order to populate the Homeless Management Information System (HMIS) so that unsheltered persons had access to housing programs and options. Outreach teams usually made the first contact with the most vulnerable people living outside, completed and entered the assessments into HMIS.

Using federal ESG funds and local HALA funds, PATH served 449 unduplicated homeless individuals with basic needs, case management, clinical services and transportation. PATH outreach teams operate in targeted areas across San José, including the Downtown, libraries and the project areas identified through the City’s Direct Discharge Program. PATH completed 330 new assessments. Twenty-four percent (24%), or 110 individuals, moved from the street to temporary destinations; the program did not meet the goal set at 35%. Twelve percent (12%), or 53 individuals, exited to permanent housing; the program did not meet the goal set at 15%. The program expended a total of \$1,334,167.

Using federal Community Development Block Grants (CDBG) funds and local HALA funds, HomeFirst served 791 unduplicated homeless individuals with basic needs and case management. HomeFirst outreach teams primarily responded to inquiries to the City’s Homeless Concerns Hotline of which there were 5,847 calls and emails. When the Housing Department received a call through the Homeless Concerns Hotline (408-975-1440) or email (homelessconcerns@sanjoseca.gov), a team of outreach workers and/or case managers were deployed to the location of concern to connect the homeless individuals to housing, and offer emergency shelter, transportation, and other comprehensive supportive services. Every visit was recorded in a database which helps the Housing Department understand how many encampments are in San José and which ones get the most complaints. HomeFirst operated a centralized Homeless Helpline (408-510-7600) and email address (outreach@homefirstsc.org), which offered individualized services and resources to those seeking assistance. HomeFirst managed the Helpline and received 5,631 calls and emails for assistance in FY 2020 – 2021. HomeFirst

completed 534 new assessments. Thirteen percent (13%), or 86 individuals, moved from street to temporary or permanent destinations; the program did not meet the goal set at 15%. The program expended a total of \$1,961,493.

Mobile Hygiene

In FY 2020 – 2021, the Housing Department continued to fund WeHOPE to operate the Mobile Hygiene Program, which provided mobile shower and laundry facilities, and a mobile rest stop. Dignity on Wheels provided two trailers of mobile showers and laundry six days per week at different locations throughout San José. The mobile rest stop, "Hope Health Mobile", provided WiFi, charging stations, case management, and virtual access to doctors who answer questions about COVID-19. Using the local Housing Trust Fund (HTF), WeHOPE assisted 1,944 unduplicated individuals with 14,978 showers and 4,220 loads of laundry. Ninety-eight percent (98%) of individuals accessing the services of Dignity on Wheels and Hope Health Mobile indicated they were satisfied with the services provided exceeding the goal set at 70%. The program expended a total of \$1,321,723.

Safe Parking

In FY 2020 – 2021, the Housing Department continued to fund LifeMoves to manage a Safe Parking Program at two City-owned community centers. In order for the participants to shelter in place and prevent the spread of COVID-19, the Safe Parking Program operated 24/7 at the sites providing a safe place to park their vehicles or RVs and accessing onsite basic needs and case management services. Using State Homeless Emergency Aid Program (HEAP) funds and the local HTF, LifeMoves served 162 unduplicated individuals (128 households) at both Roosevelt Community Center and Southside Community Center. Seventy-eight percent (78%) of the 162 individuals moved into a temporary destination (emergency shelter or transitional housing) or a permanent housing destination within 120 days of starting the program exceeding the goal set at 75%. The program expended a total of \$1,150,000.

UPLIFT

In FY 2020 – 2021, the Housing Department continued to support the County of Santa Clara (Office of Supportive Housing) with \$100,000 from the local HTF to administer the United Pass for Life Improvement from Transportation (UPLIFT) Transit Pass Program. UPLIFT provides free transportation to case managed homeless adults, on any standard Valley Transportation Authority (VTA) bus and light rail lines. Participants must meet with a case manager at one of the participating agencies at least once a month to qualify for the program. Countywide, 7,777 participants received UPLIFT transit passes.

HMIS

In FY 2020 – 2021, the Housing Department continued to support the County of Santa Clara (Office of Supportive Housing) with \$150,000 from the federal ESG to fund Homeless Management Information System (HMIS) City staff access, user training, data quality monitoring, maintenance, and reporting.

Attachment B
FY 2020 – 2021 Homelessness Response Infographic



Homelessness Response

Accomplishments in Fiscal Year 2020–2021

City-wide COVID-19 Response



1,755

Unduplicated individuals sheltered in four non-congregate shelters in San José

3



New emergency interim housing communities adding **346** new beds for homeless individuals, couples, and families with children

System-wide COVID-19 Response



8,535

Households sheltered between April 2020 and September 2021

22,024

Calls received to the new centralized County-wide shelter hotline



15,000

Households provided rental assistance totaling **\$36 million**

2,926

Individuals permanently housed between March 2020 and September 2021

City-Funded Programs

162



Individuals served through the safe parking program



14,978

Showers and **4,220** loads of laundry provided to **1,944** unduplicated individuals

5,847



Calls to the homeless concerns hotline



728

Individuals served through the motel voucher program, of which **350** were children

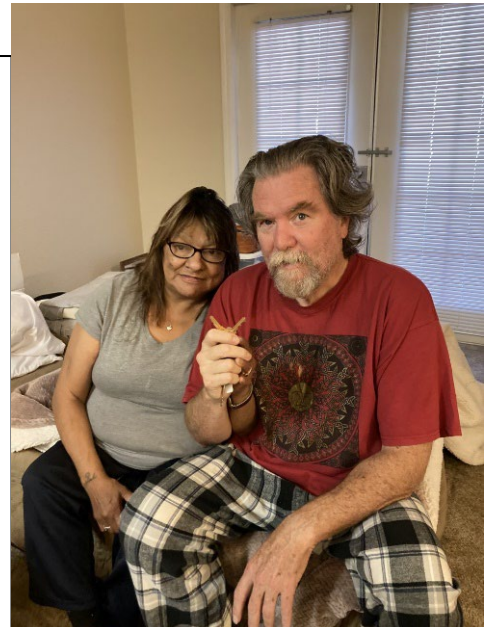
ATTACHMENT C Success Stories



Opal, a hospice in-home caregiver in Santa Clara County for over 30 years, became homeless when her landlord sold their home. She lived in her car for almost three years before meeting a PATH **outreach** team member in March 2021. Opal was eligible for supportive housing and was enrolled in PATH's **Rapid Rehousing Program**. Within two weeks of meeting the outreach team, Opal had a new home in San José. She said the first night in her new bed was the best night's sleep she had in years. Opal said that she "never believed someone could help me out of that car."

John started working with the HomeFirst **SOAR outreach** team while he was staying at the encampment on Hedding and Spring. A veteran, John was previously housed successfully but suffered from substance abuse which resulted in him losing his housing and relocating to the encampment. The SOAR team engaged with him and connected him with HomeFirst's Veteran Program. John is temporarily staying in a congregate shelter for veterans, enrolled in the Care Coordination Program (CCP) and working with his case manager to locate and secure a permanent housing unit with his CCP rental subsidy.

Patrick and Sonia met in 2021 while both stayed at the **Monterey/Bernal EIH**. Sonia began to experience homelessness in 2017. Patrick became homeless in 2020. HomeFirst was able to transfer them to the Emergency Interim Housing Program at **Rue Ferrari EIH** that accommodates couples. At their new home, Sonia and Patrick planned to move into permanent housing together and worked with their case managers to unite their goals. During their stay at Rue Ferrari, the couple became eligible for and was referred to the City-funded Rapid Rehousing Program. Through consistent support and dedication, Sonia and Patrick secured permanent housing in November 2021. The couple is excited for their new 1-bedroom apartment! Sonia and Patrick will continue to be provided support through HomeFirst's **Rapid Rehousing Program** throughout the length of their lease to ensure they maintain permanent housing.





Divine was born in Ghana. At the age of 4, he became an orphan and his mother's relatives took care of him. In 1977, when he was 25 years old, Divine left his native country and immigrated to the United States where he pursued higher education and developed his career. He completed a bachelor's degree in Business Administration and a Master's degree in Economics. He had several jobs in California where he worked for Hewlett Packard and then was a consultant at Intel. In San Jose, he began looking for a job, but he could not find one, which resulted in him becoming homeless in 2018. Divine lived out of his vehicle and frequented a local gym to take care of his hygiene needs. During COVID, he was referred to a non-congregate shelter in a motel. Once his time at the motel ended, Divine was transferred to **Rue Ferrari EIH** in February 2021. During his stay, Divine qualified for and was enrolled in the Rapid Rehousing Program with HomeFirst. Rue Ferrari staff worked in collaboration with the RRH team to search for and secure housing. Divine moved into a 1-bedroom apartment in San José in 2021.

Arlan is 92 years old and lives at the **Monterey/Bernal EIH**. Despite his age and disabilities, he is motivated and very active. Arlan is legally blind and is in a wheelchair due to an amputation of his left foot. He attends San Jose State University (SJSU) to continue his education. Arlan was eager to seek assistance to obtain permanent housing so he attends meetings with case management consistently and with their assistance he applied to different housing opportunities. Recently, Arlan was referred to **Permanent Supportive Housing** and secured a unit at Fuji Towers apartments with a Section 8 Voucher. Arlan moved into his apartment in December 2021.

José was referred to the **Felipe BHC** from **South Hall**. José was determined to secure permanent housing and a better paying job. During his time at the BHC, not only did José participate in various workshops, but he also engaged with staff on accessing resources, including obtaining a Mexican I.D., locating housing options, and creating a budget to help save money. He doesn't own a vehicle, but that did not limit his ability to work 6 days a week. José commuted by bike and VTA to make it to both jobs. He was able to find a beautiful local two-bedroom apartment with a roommate and is extremely grateful for the BHC staff and resources provided. "You guys did something good for me...thank you, from the bottom of my heart."



A partner agency under the **Homelessness Prevention System** worked with a family that had their entire world turned upside down by COVID-19. Three household members became ill and hospitalized, and unfortunately, only one survived. The surviving client relied on the income of the other two that passed. The client had to come up with money to pay for the two funerals and had no money to pay the rent. Assistance from the Homelessness Prevention System assisted in covering their past due rent and their utility bill. The client is now working full-time and has rented out a room to help pay the rent. The program will continue to help the family to make sure they are stable and not in danger of eviction.

Maria, a single mother of two, began working from home during the Shelter in Place order. She struggled to work and take care of her young kids when their daycare closed. Maria lost her job and used savings to cover bills and rent. When her savings were depleted, she was assessed for and enrolled in the Homelessness Prevention System for **emergency rental relief** and supportive services. The program helped catch up on past due rent so the family could remain housed. Maria found a new job, is currently working from home, and her two children are back in daycare. Maria said that the program gave her “hope to continue to provide for my girls and be motivated to find a new job.” She is deeply grateful for the financial assistance provided and especially thankful for the budgeting tools and education that helped her to regain her financial independence. Currently, she can provide for the needs of her girls without any additional outside assistance.

**Attachment D
Progress Towards Community Plan to End Homelessness Benchmarks**


THE 2020-2025 COMMUNITY PLAN TO END HOMELESSNESS


2021 YEAR END PROGRESS REPORT


In 2019, as the 5-year period covered by Santa Clara County's first community plan came to an end, a broad range of community partners came together to develop a roadmap for future work to end homelessness in 2020 and beyond. Over the course of the first community plan, despite significant progress in creating a supportive housing system that moves thousands of homeless individuals and families into housing each year, the crisis continued to grow. The systemic factors driving homelessness are stronger than ever and are forcing more of our community members onto the streets and into shelters every day.

The new community plan – launched in the midst of the COVID-19 pandemic – focuses on these systemic factors to address the root causes of homelessness, in addition to continuing to expand the supportive housing system and the many programs and services for people who are currently homeless.


The three key strategies in the plan include:

 **STRATEGY 1**
Address the root causes of homelessness through system and policy change

 **STRATEGY 2**
Expand homelessness prevention and housing programs to meet the need


 **STRATEGY 3**
Improve quality of life for unsheltered individuals and create healthy neighborhoods for all

In addition to laying out a roadmap of strategies to prevent and end homelessness, the Community Plan set aggressive targets to achieve by 2025. Here is our progress to-date against these bold goals:

 House **20,000 people** through the supportive housing system


Status: 5,941 total housed	2025 Goal: 20,000
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PROGRESS: 30%

 Expand the Homelessness Prevention System and other early interventions to serve **2,500 people per year**

Status: 2,140	Baseline from 2019: 1,540	2025 Goal: 2,500
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PROGRESS: 63%

 **Double** temporary housing and shelter capacity to reduce the number of people sleeping outside

Status: 2,227*	Baseline from 2019: 1,882	2025 Goal: 3,764
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PROGRESS: 18%

* December 2021 capacity figure reflects minor temporary changes instituted due to COVID-19 (i.e., increased distancing in shelters; temporary motel rooms)

 Achieve a **30% reduction** in annual inflow of people becoming homeless

Baseline: 2019 inflow: 4,771	2025 Goal: 3,345	Status: Inflow from past 12 months: 3,172
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PROGRESS: 100%

While there is still much work to be done and the economic impacts of COVID-19 are still not yet entirely clear, we know the need for bold action to prevent and end homelessness in our community has never been greater. As we have seen over the past year, it will require tremendous effort, new partnerships, and innovative strategies—and it will require the entire community to be a part of the solution.