



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jacky Morales-Ferrand
Jill Bourne
Jon Cicirelli
Jim Shannon

SUBJECT: SEE BELOW

DATE: December 8, 2021

Approved

Date

12/9/2021

COUNCIL DISTRICT: 7, 8

**SUBJECT: ACTIONS RELATED TO CONTINUED SHELTER CRISIS TO
ACTIVATE TWO OVERNIGHT WARMING LOCATIONS DURING THE
COLD WEATHER SEASON AND APPROPRIATION ADJUSTMENTS**

RECOMMENDATION

- (a) Adopt a resolution declaring the continued existence of a shelter crisis in the City of San José pursuant to, and in accordance with, the provisions of California Government Code section 8698 *et seq.*, and designating the following two City-owned facilities to be occupied as Overnight Warming Locations by homeless individuals, especially those vulnerable to COVID-19, during the cold weather season:
 - (1) Evergreen Library, 2635 Aborn Rd, San José, CA 95121; and
 - (2) Leininger Center, 1300 Senter Rd, San José, CA 95112.
- (b) Adopt a resolution authorizing the Director of Housing to negotiate and execute a grant agreement with HomeFirst, retroactive to December 1, 2021, in an amount not to exceed \$915,000 to implement the Overnight Warming Locations through June 30, 2022.
- (c) Adopt the following 2021-2022 Appropriation Ordinance Amendments in the Housing Trust Fund:
 - (1) Increase the Housing and Homeless Projects appropriation to the Housing Department by \$515,000; and
 - (2) Decrease Unrestricted Ending Fund Balance by \$515,000.
- (d) Adopt the following 2021-2022 Appropriation Ordinance Amendments in the Multi-Source Housing Fund:
 - (1) Increase the CARES Emergency Shelter Grants appropriation to the Housing Department by \$400,000; and
 - (2) Decrease Unrestricted Ending Fund Balance by \$400,000.

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OUTCOME

The City Council's approval of this recommendation will provide up to 60 additional emergency shelter beds for homeless individuals each night during the cold weather season from December 1, 2021, through April 30, 2022.

EXECUTIVE SUMMARY

The Administration is proposing to open Overnight Warming Locations (OWL) at Evergreen Branch Library and Leininger Community Center this winter. The main purpose of an OWL is to prevent death or injury related to exposure to the elements by bringing unsheltered individuals inside every night for approximately four months during the cold weather season. The City of San José extended its proclamation of a local emergency as a result of the rise in COVID-19 variants, which reinforces the need to offer vulnerable unsheltered San José residents additional shelter options. The Housing Department is requesting that the City Council declare a continued shelter crisis with the implementation of OWL during the 2021-2022 cold weather season.

In coordination with the County of Santa Clara's Office of Supportive Housing, the Housing Department is proposing to add up to 60 seasonal beds to the region's cold weather shelter program. The County will provide 155 additional beds. HomeFirst was selected to operate two OWL sites at City-owned facilities through a competitive process. This memo provides the City's OWL site history (Attachment A) and the OWL 2021-2022 site selection timeline (Attachment B).

BACKGROUND

San José's 2019 homeless census and survey found 6,097 persons experiencing homelessness in the City of San José. Of the 6,097 people counted, 5,117 (84%) were unsheltered. The City of San José currently has a total of 1,506 emergency shelter beds for homeless individuals, which is 76% of the Countywide emergency shelter beds (1,972). Given the high number of unsheltered individuals in San José and the lack of available shelter beds, the Housing Department is proposing to operate an OWL every night for approximately four months during the cold weather season. During the 2021-2022 cold weather season, the County of Santa Clara's Office of Supportive Housing will also add 30 beds for single women and families in Mountain View and 125 beds for families in Gilroy.

During the cold weather season, the City coordinates with the County of Santa Clara's Office of Supportive Housing to increase the number of emergency shelter beds available in San José. Since 2015, the Housing Department has worked with HomeFirst to operate OWLs in six Council districts. See Attachment A for a description of the history of the operation of OWLs in these Council districts.

On April 21, 2020, the City Council approved an agreement with HomeFirst enhancing services to and/or adding four temporary emergency shelters to serve homeless individuals and families. On October 20, 2020, the City Council approved to extend the agreement with HomeFirst to continue operating temporary emergency shelters, including South Hall, through December 2020.

The San José City Council first declared a shelter crisis on December 8, 2015, under California Government Code Section 8698, allowing the City to use publicly owned buildings for temporary shelter. The City Council has declared a continued shelter crisis each year for the Overnight Warming Locations with the last declaration proclaimed on October 29, 2019. Shortly thereafter, on April 7, 2020, the City Council declared a shelter crisis in order to quickly build emergency interim housing programs for COVID-19 positive and exposed residents.

On February 10, 2020, Santa Clara County announced a local health emergency due to the spread of the novel coronavirus, COVID-19. With continued spread across the state, Governor Gavin Newsom issued a Proclamation of State of Emergency in California on March 4, 2020 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. Days later, on March 11, 2020, the World Health Organization declared the coronavirus outbreak a pandemic and on March 13, 2020, the President of the United States issued a Proclamation on Declaring a National Emergency Concerning COVID-19, beginning March 1, 2020. That declaration remains in place. On August 17, 2021, the City Council adopted a resolution of the continued existence of a local emergency and extended the March 6, 2020 Director of Emergency Services' proclamation of a local emergency resulting from community spread of COVID-19 in San José. As a result, the City of San José reactivated the Emergency Operation Center due to the increased virulence of the variants in the virus.

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

ANALYSIS

Continued Existence of Shelter Crisis

The Shelter Crisis Act, California Government Code Section 8698 et seq, allows a city to declare a state of emergency due to a shelter crisis, and such a declaration allows the City to suspend certain regulations and standards of housing, health or safety to the extent strict compliance would prevent, hinder, or delay mitigation of the shelter crisis. It also provides that any city may allow homeless persons to occupy designated public facilities for the duration of the state of the emergency. To declare a shelter emergency, a city must find that a significant number of persons are unable to obtain shelter, resulting in a threat to their health and safety.

Shelter Capacity in San José

On any given night, there are 1,972 beds countywide and 1,506 shelter beds available in San José (76% of the total shelter bed count countywide); however, over 5,000 homeless people are unsheltered. This gap between shelter beds available and total number of unsheltered people constitutes the reason for the City's declaration of a shelter crisis state of emergency. As a result of the COVID-19 response, the shelter bed capacity countywide may have increased significantly but only the Bridge Housing Communities (BHC) and Emergency Interim Housing (EIH) programs contributed to a permanent increase of the overall bed count. The City added over 350 beds in its BHC and EIH sites during the pandemic and there are an additional 280 beds planned in two additional EIH communities. This will increase the shelter capacity in San José to a total of 1,786 shelter beds. Despite these efforts, there is still a need for additional shelter beds during the winter months to meet the needs of the existing homeless population combined with the fact that the homeless population is especially vulnerable to the COVID-19 pandemic. Therefore, the Housing Department recommends that the City Council adopt a resolution declaring the continued existence of a shelter crisis to operate OWLs every night during the cold weather season from December 20, 2021, to April 30, 2022, at one City community center and one City library. HomeFirst will use the first three weeks in December to secure staff and supplies for the programs. It is anticipated that both sites will open on December 20, 2021.

OWL Site Selection

In August 2021, the Housing Department began the exercise of exploring and securing sites to operate OWL and partnered with Library and Parks, Recreation and Neighborhood Services (PRNS) staff to evaluate the City-owned library and community center sites. Each year, identifying and securing locations to operate an OWL is challenging. The Housing Department must gain approval from various stakeholders while also assessing locations based on the following minimum criteria:

1. Proximity of known concentrations of homeless populations living outdoors in potentially unsafe and exposed areas;
2. Access to additional nearby supportive services and public transportation;
3. Site accessibility and layout, including:
 - a. Two points of entry and exit;
 - b. Accessible restroom;
 - c. At least a 1,500 square foot room (to serve 30 people with social distancing); and
 - d. At least 8 parking spaces for staff and storage of equipment.

Interference with regular programming in the community centers and libraries is also considered and the locations rotate each year to minimize any impacts. Last winter, shelters were operated at Roosevelt Community Center, Bascom Community Center and Camden Community Center. This year, the Housing Department requested a list of viable locations from both the Library and PRNS and discussed the pros and cons of the various proposed sites. Based on the meeting outcome and the minimal criteria, Housing staff conducted site visits to each potential site. A timeline regarding the OWL site selection can be found in Attachment B.

The analysis concluded with a recommendation to operate at Evergreen Branch Library and Leininger Center to provide nightly shelter during the cold weather season. In coordination with the Fire Marshal and the County of Santa Clara's Public Health Department, each location has the capacity to serve up to 30 individuals per night following guidelines from the Center for Disease Control and Prevention (CDC) that were updated on November 3, 2021.¹

OWL Coordination and Operations

The logistics of operating OWLs in City-owned buildings requires close coordination and communication across multiple departments. The Housing Department collaborates with staff from the Library, PRNS, Fire, Public Works and Police Departments to prepare buildings and manage the program.

The Housing Department issued a Request for Proposal (RFP) on October 5, 2020, to select an experienced and qualified operator for emergency shelter operations. The intent of the RFP was to procure for both operations at South Hall during the COVID-19 emergency as well as operations at any emergency shelters that arise in the future, including OWLs. The Housing Department received one response. A panel comprised of two representatives from Housing Department and one employee from the County of Santa Clara's Office of Supportive Housing scored and evaluated the proposal and HomeFirst was selected. HomeFirst is the largest emergency shelter provider in Santa Clara County.

HomeFirst will provide the following at both OWLs, in coordination with City departments:

1. Site set up, supervision, and clean up;
2. COVID-19 screening and daily temperature checks;
3. Enforcement of social distancing and common space sanitization;
4. Security services with a professional and established agency at each site;
5. Janitorial services to clean each room utilized for the OWL in the morning so that the sites are returned to regular programming in good condition and without interruption or delay;
6. Daytime case management services;
7. On site storage for personal belongings;
8. Warm drinks, snacks and pre-packaged meals; and
9. Transportation resources for OWL participants.

The OWL at both sites will operate from 8:00 p.m. to 7:00 a.m. when the facilities are typically closed to the public. Some dates and hours of operation are subject to change as Leininger Center, for example, has previously scheduled events on some dates during OWL activation. Alternate shelter location(s) will be identified on those evenings. Prior to the start of OWL, Housing Department staff will provide trainings for staff at the sites that will include various topics including a general overview on homelessness as well as OWL protocols. Library and PRNS will absorb ancillary costs associated with operating the program, such as increased utilities and water use.

¹ Interim Guidance for Homeless Service Providers to Plan and Respond to Coronavirus Disease 2019 (COVID-19) <https://www.cdc.gov/coronavirus/2019-ncov/community/homeless-shelters/plan-prepare-respond.html>

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Perimeter checks will be conducted each morning by HomeFirst staff to identify and store personal belongings left behind by program participants. At each site, a storage container will be available to store personal belongings for OWL participants. Items will be held for 30 days for participants who voluntarily leave or are removed from the program. Offering onsite storage assists participants to go to work, attend appointments, and apply for jobs or housing without risk of blight or theft. A second storage container will be used at each site to store program supplies, including mats and bedding.

To minimize impact to the daily operations at each site, such as long lines of people waiting for a bed, the OWL programs will be referral based. A referral-based program will assist homeless people by providing them certainty. Participants must be referred for an OWL bed through HomeFirst's outreach teams or the onsite case manager, or the County-wide centralized shelter hotline. Unsheltered individuals who stay close to each site during the non-cold weather months will be prioritized for referrals. Family referrals will be placed in the City-funded Motel Voucher Program. Each referral to OWL is for the length of the season unless the participant violates the program rules or is suspended as agreed upon between the Housing Department, HomeFirst, and the onsite staff from PRNS and/or the Library.

HomeFirst has an Operations Manual, which provides details on all responsibilities related to the OWL program including, but not limited to, procedures for referrals, storage, and case management. A desk guide has been provided for onsite staff that outlines step by step processes in response to frequently asked questions about OWL.

Operating OWLs nightly for approximately four months with minimal or no impact to the regular services and programs conducted at these facilities will require ongoing and regular communication between staff from PRNS, Library, Housing Department, Council Offices and HomeFirst. The Housing Department will coordinate across departments daily to ensure minimal impact to daytime operations at the locations. Any concerns related to the OWL program that are identified by Library or PRNS staff will be addressed within the same business day by HomeFirst or the Housing Department. Additionally, HomeFirst and the Housing Department will facilitate monthly meetings with supervisors and their staff from each site, the Housing Department, HomeFirst, the Council Districts, and representatives from both the respective neighborhood associations, as well as nearby businesses, schools and/or other stakeholders. These monthly meetings will provide a forum to discuss daily operations, community concerns, successes, and any other issues that may arise. Additional meetings may be organized based on community feedback. Finally, site supervisors will have daily access to Housing Department staff to help address any crucial issues that need immediate attention.

CONCLUSION

The actions recommended in this memorandum will add up to 60 additional emergency shelter beds during the cold weather season for the City's most vulnerable residents.

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EVALUATION AND FOLLOW-UP

The results of the OWL program will be provided in the Housing Department's annual homeless report.

CLIMATE SMART SAN JOSE

The recommendation in this memo aligns with one or more Climate Smart San José energy, water, or mobility goals. The sites are located within walking distance from a light rail station, providing access to transit to all residents living at the projects.

PUBLIC OUTREACH

On December 7, 2021, the Housing Department, in collaboration with Councilmember Arenas' office, facilitated an informational meeting with attendees of the Thompson Creek Neighborhood Association meeting. On December 13, 2021 the Housing Department, in collaboration with Councilmember Esparza's office, will facilitate an informational community meeting with invites going to representatives from nearby neighborhoods and to nearby stakeholders such as SJSU Athletics, San José Giants, Sharks Ice and Friends of Japanese Friendship Garden. Feedback from the community outreach was not available at the time of posting but will be included during the presentation at the Council meeting.

This memorandum will be posted on the City's Council agenda website for the December 14, 2021 City Council Meeting.

COORDINATION

This memorandum was coordinated with the City Attorney's Office.

COMMISSION RECOMMENDATION/INPUT

At the April 8, 2021 Housing and Community Development Commission (HCDC) meeting, the HCDC passed (6-3) the Housing Trust Fund Expenditure Plan for FY 2021-2022, which included funding allocations for homeless programs funded by the Housing Trust Fund.

COST SUMMARY/IMPLICATIONS

Funding for this agreement has already been appropriated in the Housing Trust Fund. There are no impacts to the General Fund as a result of the proposed actions.

1. AMOUNT OF RECOMMENDATION:

<u>PROPOSED USES</u>	<u>AMOUNT</u>
HomeFirst Agreement	\$915,000

2. SOURCE OF FUNDING: Housing Trust Fund, Multi-Source Housing Fund

3. FISCAL IMPACT: This action will have no ongoing impact on the General Fund or other City funds.

BUDGET REFERENCE

The table below identifies funds and appropriations proposed to fund the actions recommended as part of this memorandum.

Fund #	Appn #	Appn. Name	Total Appn	Requested Budget Action	Amt. for Contract	2021-2022 Adopted Operating Budget Page	Last Budget Action (Date, Ord. No.)
440	2453	Housing and Homeless Projects	\$3,066,879	\$515,000	\$515,000	977	6/22/2021 Ord. 30621
440	8999	Unrestricted Ending Fund Balance	\$2,360,041	(\$515,000)	\$0	977	10/19/2021 Ord. 30682
448	210E	CARES Emergency Shelter Grants	\$569,640	\$400,000	\$400,000	999	6/22/2021 Ord. 30621
448	8999	Unrestricted Ending Fund Balance	\$4,730,730	(\$400,000)	\$0	1000	10/19/2021 Ord. 30682

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CEQA

Categorically Exempt, File No. PP18-093, CEQA Guidelines Section 15301, Existing Facilities.

/s/

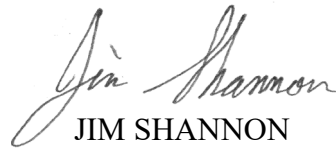
JACKY MORALES-FERRAND
Director, Housing Department

/s/

JILL BOURNE
Library Director

/s/

JON CICIRELLI
Director, Parks, Recreation and
Neighborhood Services



JIM SHANNON
Budget Director

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

Attachment A: History of OWL Operations

Attachment B: OWL Site Selection Timeline

**ATTACHMENT A
HISTORY OF OWL OPERATIONS**

Year	Locations	Council District	Total Unduplicated People Served	Activation
2015-16	Bascom Community Center	6	216	5 inclement weather activation periods (14 days total)
	Tully Community Library	7		
	Washington United Youth Center	3		
	Bibliotheca Branch Library	3		
2016-17	Bascom Community Center	6	340	9 inclement weather activation periods (31 days total)
	Tully Community Library	7		
	Washington United Youth Center	3		
	Bibliotheca Branch Library	3		
2017-18	Tully Community Library	7	321	10 inclement weather activation periods (36 days total)
	Southside Senior Center	2		
	Alum Rock Library	5		
	Roosevelt Community Center	3		
2018-19	Bascom Community Center	6	416	8 inclement weather activation periods (41 days total)
	Leininger Community Center	7		
	Alum Rock Library	5		
	Roosevelt Community Center	3		
2019-21	Bascom Community Center	6	311	Nightly shelter by referral only 7 days a week from November 2019 through August 2020
	Roosevelt Community Center	3		Nightly shelter by referral only 7 days a week from November 2019 through April 2020
2020-21	South Hall	3	1405	Nightly shelter by referral only 7 days a week from April 2020 through July 2021
	Camden Community Center	9		Nightly shelter by referral only 7 days a week from April 2020 through October 2020

**ATTACHMENT B
OWL SITE SELECTION TIMELINE**

Timeframe	Action	Outcome
August 2021	<ul style="list-style-type: none"> • Housing requested sites from PRNS and Library to explore 	<ul style="list-style-type: none"> • Various conversations about viable sites
September 2021	<ul style="list-style-type: none"> • PRNS recommended Southside Community Center; site inspected by Housing 	<ul style="list-style-type: none"> • Southside rejected due to location (desire to explore new sites and Council districts to operate OWL and proximity to other homeless programs)
October 2021	<ul style="list-style-type: none"> • PRNS recommended Cypress Senior Center; site inspected by Housing • PRNS recommended Northside Community Center; site inspected by Housing • Library suggested Pearl Library; site inspected by Housing 	<ul style="list-style-type: none"> • Cypress rejected due to size of room (could only accommodate up to 20 individuals) • Northside rejected due to location • Pearl Library rejected due to size of room (could only accommodate up to 15 individuals)
October/ November 2021	<ul style="list-style-type: none"> • Housing explored using a hotel instead of City-owned facilities 	<ul style="list-style-type: none"> • Two recommended hotels rejected due to locations
November/ December 2021	<ul style="list-style-type: none"> • Councilmember Esparza's office recommended Leininger Center; site inspected by Housing, Fire Marshal and County Public Health • Library recommended Evergreen Library; site inspected by Housing, Fire Marshal and County Public Health 	<ul style="list-style-type: none"> • Leininger selected after gaining support from PRNS • Evergreen selected after gaining support from Councilmember Arenas' office