



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Rachel VanderVeen

SUBJECT: SEE BELOW

DATE: June 16, 2023

Approved

Date

6/16/23

SUBJECT: ACTIONS RELATED TO GRANT AGREEMENTS FOR MULTIPLE HOMELESSNESS PROGRAMS FOR FISCAL YEAR 2023-2024

RECOMMENDATION

Adopt a resolution authorizing the Director of Housing or designee to negotiate and execute agreements and amendments for the following priorities serving individuals and families experiencing homelessness beginning in Fiscal Year 2023-2024 with three one-year options to extend, subject to the appropriation of funds and, priorities are categorized by service type, each of which includes one or more agreements:

(a) Crisis Interventions:

(1) Outreach Programs:

- (i) HomeFirst (Services Outreach Assistance and Resources) in the amount of \$2,150,000 from July 1, 2023 – December 31, 2023;
- (ii) PATH (Services Outreach Assistance and Resources) in the amount of \$521,000 from July 1, 2023 – December 31, 2023;
- (iii) PATH (Targeted Outreach for Unhoused Populations) in the amount of \$353,000 from July 1, 2023 – December 31, 2023;
- (iv) PATH (Downtown Outreach Expansion) in the amount of \$0 (no cost extension) from July 1, 2023 – December 31, 2023;
- (v) HomeFirst (Valley Water Outreach Project) in the amount of \$1,789,000 retroactive from May 1, 2023 – November 1, 2024; and
- (vi) WeHope (Dignity on Wheels) in the amount of \$0 (no cost extension) from July 1, 2023 – December 31, 2023.

(2) Supportive Parking Programs:

- (i) Amigos de Guadalupe (Supportive Parking for cars) in the amount of \$750,000 from July 1, 2023 – June 30, 2024; and

- (ii) LifeMoves (Safe Parking for RVs) in the amount of \$0 (no cost extension) from March 1, 2024 – June 30, 2024.
 - (3) Employment Programs:
 - (i) International Rescue Committee (Employment Development) in the amount of \$0 (no cost extension) from July 1, 2023 – June 30, 2024;
 - (ii) Goodwill (San José Bridge) in the amount of \$2,000,000 from July 1, 2023 – June 30, 2024; and
 - (iii) Destination: Home (Employment Initiative) in the amount of \$125,000 from July 1, 2023 – June 30, 2024.
 - (4) Transportation Programs:
 - (i) County of Santa Clara (United Pass for Life Improvement from Transportation) in the amount of \$100,000 from July 1, 2023 – June 30, 2024.
- (b) Housing and Shelter Opportunities:
- (1) Homelessness Prevention Programs:
 - (i) Destination: Home (Homelessness Prevention System) in the amount of \$4,750,000 from July 1, 2023 – June 30, 2024; and
 - (ii) Law Foundation (Eviction Help Center) in the amount of \$0 (no cost extension) from July 1, 2023 – June 30, 2024.
 - (2) Rapid Rehousing Programs:
 - (i) HomeFirst in the amount of \$1,250,000 from July 1, 2023 – June 30, 2024;
 - (ii) Bill Wilson Center in the amount of \$1,000,000 from July 1, 2023 – June 30, 2024; and
 - (iii) LifeMoves in the amount of \$1,250,000 from July 1, 2023 – June 30, 2024.
 - (3) Supportive Service Programs:
 - (i) County of Santa Clara (Care Coordination Project) in the amount of \$1,000,000 from July 1, 2023 – June 30, 2024.
 - (4) Interim Shelter Programs:
 - (i) HomeFirst (Monterey/Bernal and Rue Ferrari) in the amount of \$3,670,000 from July 1, 2023 – December 31, 2023;
 - (ii) LifeMoves (Guadalupe) in the amount of \$0 (no cost extension) from July 1, 2023 – December 31, 2023;
 - (iii) PATH (Evans Lane) in the amount of \$1,000,000 from July 1, 2023 – December 31, 2023;
 - (iv) HomeFirst (San Jose Bridge Housing Community Programs) in the amount of \$2,095,700 from July 1, 2023 – December 31, 2023; and
 - (v) Abode (Plaza) in the amount of \$1,500,000 from July 1, 2023 – June 30, 2024.
 - (5) Motel Programs:
 - (i) LifeMoves (Motel Voucher Program) in the amount of \$4,400,000 from July 1, 2023 – June 30, 2024;
 - (ii) LifeMoves (Temporary Housing Access Program) in the amount of \$4,500,000 from July 1, 2023 – June 30, 2024; and
 - (iii) YWCA (Interpersonal Violence Support Program) in the amount of \$250,000 from July 1, 2023 – June 30, 2024.

SUMMARY AND OUTCOME

The delegation of authority to the Director of Housing or her designee to execute 26 agreements totaling \$34,453,700 in local, state, and federal funds to thirteen nonprofit partners as described in this memorandum, will allow the Housing Department to expeditiously provide crisis interventions and housing and shelter opportunities that serve San Jose's most vulnerable residents. This memorandum also includes complete list of Housing Department funding sources to be used in Fiscal Year 2023-2024 (**Attachment**).

BACKGROUND

The January 2023 homeless census and survey counted 6,340 individuals experiencing homelessness in San José, of whom 4,411 were unsheltered. This means that 70% of San José's homeless population sleeps outdoors on the street, in parks, tents, encampments, vehicles, abandoned properties, and/or transit stations.

The five-year Community Plan to End Homelessness (Community Plan), endorsed by the City Council in August 2020, is a countywide roadmap guiding government, private sector, nonprofit organizations, and other community members as they make decisions about funding, priorities, and needs. The framework for the Community Plan includes three strategies:

1. Addressing the root causes of homelessness through system and policy change
2. Expanding homelessness prevention and housing programs to meet the need
3. Improving the quality of life for unsheltered individuals and creating healthy neighborhoods for all

The City is committed to aligning its funding and grants with these strategies. The Housing Department seeks to enter into and amend agreements with partners to provide crisis interventions and housing and shelter opportunities for individuals and families experiencing homelessness. All programs align with strategies two and three, respectively, of the Community Plan.

ANALYSIS

City Council approval of this item will allow the Housing Department to move forward on providing up to \$34,453,700 in local, state, and federal funds to serve San José's most vulnerable residents who are experiencing homelessness by providing crisis interventions and housing and shelter opportunities.

The Housing Department will coordinate with the City Attorney's Office and the City Manager's Office to develop and approve all new and amended existing agreements that are currently being drafted. The descriptions below reflect program overviews with projections. Negotiations with

partners on the number of participants who will be served, as well as performance outcomes, are in the beginning stages and may not be included in the program summaries described in this memorandum.

Crisis Interventions

Crisis interventions are basic and essential needs services offered directly to unsheltered individuals, of whom make up 70% of San José’s homeless population. The overall goal of crisis interventions programs is to connect individuals to the most appropriate housing opportunities. All crisis interventions agreements align with strategy 3 of the Community Plan - improving the quality of life for unsheltered individuals and creating healthy neighborhoods for all. Table 1 provides an overview of the crisis intervention agreements proposed to begin or continue in Fiscal Year 2023-2024.

Table 1: Summary of the Crisis Interventions Agreements

Service	Organization	Program	New or Amendment	Funding Source(s)	Award
Outreach	HomeFirst	Services Outreach Assistance and Resources	Amendment	Emergency Solutions Grant – Corona Virus CARES (ESG-CV)	\$2,150,000
	PATH	Services Outreach Assistance and Resources	Amendment	ESG-CV	\$521,000
	PATH	Targeted Outreach for Unhoused Populations	Amendment	ESG-CV	\$353,000
	PATH	Downtown Outreach Expansion	Amendment	N/A	\$0
	HomeFirst	Valley Water Outreach Project	New	Valley Water Grant	\$1,789,000
	WeHope	Dignity on Wheels	Amendment	N/A	\$0

Supportive Parking	Amigos de Guadalupe	Supportive Parking for Cars	New	Housing Trust Fund (HTF)	\$750,000
	LifeMoves	Safe Parking for Recreational Vehicles (RVs)	Amendment	N/A	\$0
Employment	International Rescue Committee	Employment Development	Amendment	N/A	\$0
	Destination: Home	Employment Initiative	Amendment	HTF	\$125,000
	Goodwill	San José Bridge	Amendment	General Fund (formerly American Rescue Plan Act (ARPA))	\$2,000,000
Transportation	County of Santa Clara	United Pass for Life Improvement from Transportation	Amendment	HTF	\$100,000
TOTAL					\$7,788,000

Outreach

Homeless outreach and engagement teams are the first responders to San José’s unsheltered homeless population. The overall goals of outreach are to: build trust between outreach workers and the homeless; meet the basic needs of clients; refer and place individuals into a variety of shelter and housing opportunities, and; conduct housing assessments. The assessments are used to populate the Homeless Management Information System so that unsheltered individuals have access to housing programs. Outreach teams usually make the first contact with the most vulnerable people living outside. They complete the assessments and enter them into the Homeless Management Information System. The regionally developed systemwide performance benchmark is that 40% of individuals enrolled in street outreach programs will be successfully housed (includes permanent, temporary, foster care, long-term care, etc.).

The Housing Department currently operates several different homeless outreach and engagement programs that meet both general and specific demands of the community. These programs are currently being analyzed for a strategic and holistic redesign. A Request for Proposal for homeless outreach and engagement will be released in the summer of 2023 with subsequent new contracts beginning in January 2024. The Housing Department requests contract authority for the Director to negotiate and execute six-month extensions to four existing agreements to continue

four different outreach programs from July 1, 2023 through December 31, 2023. A fifth outreach agreement will provide new services to individuals living an identified stretch of encampments along Coyote Creek. A sixth agreement will provide mobile showers and laundry.

Services Outreach Assistance and Resources (SOAR)

SOAR services are currently provided by HomeFirst and Path. Both SOAR programs will continue to provide outreach, case management, transportation, and direct referrals to housing and shelter, water, clothing, food, blankets, and hygiene supplies are also provided to individuals residing in targeted encampments across San José. SOAR also provides portable toilets, hand washing stations, as well as regular waste management services by BeautifySJ. SOAR continues to be one of the City's Roadmap Initiative Priorities: Sheltering and Enhanced Encampment Management Services. The HomeFirst and PATH agreements will be funded by Emergency Solutions Grant – CARES Act (ESG-CV) funds.

HomeFirst's SOAR program would continue to provide support, outreach and housing placements to individuals residing in up to ten encampments. The six-month \$2,150,000 award supports personnel and operations costs. City Council last approved this agreement on June 28, 2022.¹

PATH's SOAR program would continue to provide support, outreach and housing placements to individuals residing in up to five encampments. The six-month \$521,000 award supports personnel and operations costs. City Council last approved this agreement on June 28, 2022.

Targeted Outreach for Unhoused Populations

PATH's Targeted Outreach for Unhoused Populations program offers basic needs resources, case management, transportation, housing assessments and shelter referrals to those residing in the downtown core of San José. Using ESG-CV funds, the six-month \$353,000 award from July 1, 2023 through December 31, 2023 supports personnel and operations costs. City Council last approved this agreement on August 9, 2022.²

Downtown Outreach Expansion

PATH's Downtown Outreach Expansion program offers outreach, basic needs, case management, placements in temporary and permanent housing, and clinical services to provide trauma-informed care, and crisis intervention to unsheltered individuals in the downtown core of San José. The six-month, no-cost award extends the term of the existing agreement from July 1, 2023 through December 31, 2023 to continue funding personnel and operations costs to the end of the calendar year. City Council last approved this agreement on March 29, 2022.³

¹ [Actions Related to the Grant Agreements for Multiple Homelessness Programs for Fiscal Year 2022-2023](#)

² [Final Public Hearing on the Fiscal Year 2022-23 Annual Action Plan for the US Department of Housing and Urban Development](#)

³ [Agreement with People Assisting the Homeless for the Downtown Crisis Response Program](#)

Valley Water Outreach Project

The Housing Department requests authority for the Director to negotiate and execute a new eighteen-month agreement from May 1, 2023 through November 1, 2024 with HomeFirst for the Valley Water Outreach Project. The project will offer outreach and support services for unsheltered individuals living along an identified nine-mile project area of Coyote Creek. Santa Clara Valley Water District is required to construct flood protection improvements along the stretch of Coyote Creek between Montague Expressway and Tully Road. HomeFirst will conduct outreach and engagement to help individuals move from the work zone to shelter and other housing options. The agreement will support personnel and support service costs. City Council approved the agreement with Santa Clara Valley Water District for Coyote Creek Flood Projects on April 4, 2023.⁴

Dignity on Wheels

A no-cost extension to an existing agreement with WeHope will provide services and operations of a mobile hygiene program. The Dignity on Wheels program will provide mobile shower and laundry services a minimum of six days a week to unsheltered individuals and participants enrolled in supportive parking programs. The Housing Department requests authority for the Director to negotiate and execute a six-month, no-cost award to extend the term of the existing agreement from July 1, 2023 through December 31, 2023 to continue funding personnel and operations costs to the end of the calendar year. City Council last approved this agreement on June 28, 2022.

Supportive Parking Programs

The Housing Department requests authority for the Director to negotiate and execute agreements to launch operations of two comprehensive supportive parking programs. Both supportive parking programs will offer basic needs services and individualized case management with the goal to transition participants into temporary or permanent housing options. The Homeless Management Information System categorizes supportive parking as a form of outreach. The regionally developed systemwide performance benchmark is that 40% of individuals enrolled in street outreach programs will be successfully housed. In this instance “housed” includes permanent, temporary, foster care, long-term care.

Supportive Parking for Cars

A new one-year agreement with Amigos de Guadalupe Center for Justice and Empowerment will provide services and operations of a supportive parking program for families who live in their cars. The supportive parking for cars program will center around the development of individualized goal plans to assist households search for and secure permanent housing. Additional supportive services will include employment development, rental assistance, education navigation, legal services, English as second language and/or citizenship classes, and

⁴ [Agreement with Valley Water for Coyote Creek Flood Projects](#)

referrals to other community-based organizations that provide basic needs services. The program will operate nightly. Using HTF, the one-year \$750,000 award from July 1, 2023 through June 30, 2024 supports personnel and operations costs. While City Council approved this agreement on June 28, 2022,⁵ the location to operate remains to be finalized.

Supportive Parking for RVs

A no-cost extension to an existing agreement with LifeMoves will provide services and operations of a supportive parking program with services for individuals and couples who live in their RVs. The safe parking for RVs program will operate 24 hours a day, seven days a week at a Valley Transportation Authority-owned parking lot on Santa Teresa Blvd. The program offers case management, placements in temporary and permanent housing, basic needs, and other participant-based services. The four-month no-cost award extends the term of the existing agreement from March 1, 2024 through June 30, 2024 and will continue to support personnel and operations costs. City Council last approved this agreement on June 28, 2022.

Employment Programs

The Housing Department requests authority for the Director or her designee to negotiate and execute extensions for three existing agreements to continue three employment engagement strategies focused on placing homeless and formerly homeless participants in living wage employment.

Employment Development

A no-cost extension to an existing agreement with International Rescue Committee will provide employment training, barrier-mitigating supportive services, and job placement in order to increase earned income and job retention. Offering the most relevant services focused on each participant's needs, skills, and background, the purpose is to provide a vast array of supportive career training opportunities that result in long-term job stability. The large majority of participants in the International Rescue Committee Employment Development Program are English-language learners, so comprehensive vocational English as a second language classes are critical to finding and obtaining a living wage job, as well as American workplace expectations. The twelve-month no-cost award extends the term of the existing agreement from July 1, 2023 through June 30, 2024 and will continue to support personnel and operations costs. City Council last approved this agreement on June 28, 2022.

Employment Initiative

Destination: Home's employment initiative will work with the Housing Department to develop a strategy to increase living wage job pathways and support formerly homeless individuals to remain stably housed and maintain economic self-sufficiency. The \$125,000 provided from HTF

⁵ [Actions Related to the Grant Agreements for Multiple Homelessness Programs for Fiscal Year 2022-2023](#)

funds, supports personnel costs at Destination: Home from July 1, 2023 through June 30, 2024. City Council last approved this agreement on June 28, 2022.

San José Bridge

Goodwill of Silicon Valley's San José's Bridge program will continue to employ homeless individuals in a 15-week work program to help stabilize them, link them to housing and other resources, and create pathways for self-sufficiency through job training. Initially, participants work part time at 20 hours per week, while also actively engaging in other training and development aspects of San José Bridge leading to living wage employment.

The ability of the job seeker to make this transition is critical to obtaining a job that offers a living wage and leads to a long-term career. A partnership with LifeMoves, the selected operator for Guadalupe Emergency Interim Housing and the Temporary Housing Access Program (THAP) will support San José Bridge participants. LifeMoves and Goodwill have a memorandum of agreement formalizing their partnership and referral process for San José Bridge participants. This partnership allows each agency to focus on their area of expertise, to provide individuals with a greater opportunity to move to living wage employment and stable housing. The \$2,000,000 provided from the General Fund (formerly allocated from ARPA funds) supports personnel and operations costs from July 1, 2023 through June 30, 2024. City Council last approved the San José Bridge program agreement, then known as San José Bridge, on March 8, 2022.⁶

Transportation Programs

United Pass for Life Improvement from Transportation (UPLIFT)

The Housing Department requests authority for the Director to negotiate and execute an extension to an existing agreement with the County of Santa Clara Office of Supportive Housing to continue to implement the UPLIFT program. UPLIFT provides free transportation to case-managed adults experiencing homelessness on any standard Santa Clara Valley Transportation Authority bus and light rail line. Participants meet with their case manager at least once per month and work towards attaining specified goals to receive the monthly pass. The \$100,000 award from HTF funds supports the cost of transit passes for participants located in San José through June 30, 2024. City Council last approved this agreement on June 28, 2022.

Housing and Shelter Opportunities

Housing and shelter opportunities provide both permanent and interim (temporary) housing opportunities to individuals and families experiencing homelessness. Services for housing and shelter opportunities include supportive services, rental subsidies and/or individualized plans to attain permanent housing. All proposed agreements are for services and operations, not the

⁶ [Funding Award with Goodwill of Silicon Valley for the San José Bridge Program](#)

development of housing or shelter. All housing and shelter opportunities align with strategy 2 (expand homelessness prevention and housing programs to meet the need) of the Community Plan.

Table 2 provides an overview of the housing and shelter opportunities programs proposed to begin or continue in Fiscal Year 2023-2024.

Table 2: Summary of the Housing and Shelter Opportunities Agreements

Service	Organization	Program	New or Amendment	Funding Source(s)	Award
Homelessness Prevention	Destination: Home	Homelessness Prevention System	Amendment	Measure E	\$4,750,000
	Law Foundation	Eviction Prevention Help Center	Amendment	N/A	\$0
Rapid Rehousing	HomeFirst	Rapid Rehousing	Amendment	General Fund (GF)	\$1,250,000
	LifeMoves	Rapid Rehousing	Amendment	GF	\$1,250,000
	Bill Wilson Center	Rapid Rehousing	Amendment	GF	\$1,000,000
Supportive Services	County of Santa Clara	Care Coordination Project	Amendment	Measure E	\$1,000,000
Interim Shelter	HomeFirst	Monterey Bernal and Rue Ferrari	Amendment	GF (formerly ARPA)	\$3,670,000
	LifeMoves	Guadalupe	Amendment	N/A	\$0
	PATH	Evans Lane	Amendment	GF (formerly ARPA)	\$1,000,000
	HomeFirst	Bridge Housing Community Programs	Amendment	GF (formerly ARPA)	\$2,095,700
	Abode	Plaza	Amendment	GF (formerly ARPA)	\$1,500,000
Motel	LifeMoves	Motel Voucher Program	Amendment	Homeless Housing Assistance and Prevention program	\$4,400,000

				(HHAP), HTF	
	LifeMoves	Temporary Housing Access Program	Amendment	GF (formerly ARPA)	\$4,500,000
	YWCA	Interpersonal Violence Support Program	New	Low and Moderate Income Fund	\$250,000
TOTAL					\$26,665,700

Homelessness Prevention

The Housing Department requests contract authority for the Director or her designee to negotiate and execute extensions to two existing agreements to continue the implementation of homelessness prevention programs.

Homelessness Prevention System

Destination: Home’s Homelessness Prevention System is a network of agencies working together to prevent homelessness for households across Santa Clara County. The goal of the Homelessness Prevention System is to expand the ability of families with children to become quickly connected to prevention services with multiple points of entry to keep them housed. The System identifies households at risk of experiencing homelessness and provides client-centered services, including short-term rental subsidies, financial assistance, and supportive services to help them regain stability. The regionally developed systemwide performance benchmark is that 85% of individuals enrolled in prevention services will remain stably housed while receiving assistance. Using Measure E funds, the \$4,750,000 award supports personnel and operations costs from July 1, 2023 through June 30, 2024. City Council last approved this agreement on June 28, 2022.

Eviction Prevention Help Center

The Law Foundation of Silicon Valley provides legal consultations at the City’s Eviction Prevention Help Center. The primary purpose of these efforts is to address disparities in legal representation and renter rights education. Program efforts are focused on low-income renters with incomes below 80% of the Area Median Income and who are at high risk of displacement and homelessness. In January 2023, the White House released the Renters Bill of Rights, as a framework to promote policies and programs that increase housing stability for renters. Within the bill of rights education, enforcement, and enhancement of rights was identified as a priority. The one-year amendment at no additional cost, extends the term of the existing agreement from

July 1, 2023 through June 30, 2024 to continue services for personnel and operations. City Council last approved this agreement on December 7, 2021.⁷

Rapid Rehousing Programs

The Housing Department requests authority for the Director to negotiate and execute extensions to existing agreements with HomeFirst, LifeMoves, and Bill Wilson Center to provide time-limited rental assistance and supportive services through rapid rehousing programs. The goal of rapid rehousing is to provide time-limited rental assistance and individualized supportive services for individuals, families, and youth experiencing homelessness as identified through the Continuum of Care coordinated entry system. Participants are housed in existing apartments and homes located in San José. Service components of the rapid rehousing program include: 1) housing search and placement; 2) time-limited decreasing rent subsidy; 3) other temporary financial assistance, and 4) time-limited individualized case management. The three organizations assist enrolled households with rent subsidies and case management until the households are able to independently maintain stable housing. The regionally developed systemwide performance benchmark is that 83% of individuals enrolled in rapid rehousing programs will exit to permanent housing. City Council last approved all three agreements on June 28, 2022.⁸ The following amendments to the rapid rehousing programs are funded by the General Fund.

HomeFirst's rapid rehousing program will continue to assist individuals and families with rental subsidies and supportive services to remain stably housed. The one-year contribution of \$1,250,000 will support personnel and operations costs from July 1, 2023 through June 30, 2024.

Life Moves' rapid rehousing program will continue to assist individuals, families, and youth with rental subsidies and support to remain stably housed. The one-year \$1,250,000 award will support personnel and operations costs from July 1, 2023 through June 30, 2024.

Bill Wilson Center's rapid rehousing program will continue to assist individuals, families, and youth with rental subsidies and support to remain stably housed. The one-year \$1,000,000 award will support personnel and operations costs from July 1, 2023 through June 30, 2024.

Supportive Services

The Housing Department requests authority for the for the Director to negotiate and execute a one-year agreement with the County of Santa Clara to continue the implementation of the Care Coordination Project. The Care Coordination Project is a community-wide effort centralizing the care of the County's most vulnerable and long-term homeless residents by bringing together all the services needed to obtain and maintain housing. This includes drug and alcohol rehabilitation, mental health services, government benefits and housing resources. The

⁷ [Authorization to Negotiate and Execute Grant Agreements with County of Santa Clara and Law Foundation of Silicon Valley for Eviction Prevention Legal Services and Outreach](#)

⁸ [Actions Related to the Grant Agreements for Multiple Homelessness Programs for Fiscal Year 2022-2023](#)

\$1,000,000 award from Measure E funds supports personnel to provide supportive services to enrolled participants from July 1, 2023 through June 30, 2024. City Council last approved this agreement on June 28, 2022.

Interim Shelter Programs

A priority of the Community Plan is to double temporary housing and shelter capacity to reduce the number of people sleeping outside. The City prioritizes building and operating interim shelter programs to address this priority. All proposed agreements discussed in this section are for services and operations.

Interim shelter, also referred to in this memorandum as emergency interim housing, provides short-term places for individuals and families to stay temporarily and work to obtain permanent housing. Interim shelter typically includes intensive support services aimed at helping participants address a wide range of issues, such as employment, substance use, health, food, hygiene, clothing, and assistance to secure permanent or other temporary housing. Referrals to all interim shelter programs will come from the City's outreach and engagement programs (priority placements given to individuals who stay in encampments nearby).

The Housing Department currently operates five interim shelter facilities. Other facilities in the construction pipeline or near completion. This includes the Guadalupe Emergency Interim Housing program. These interim shelter programs are currently being analyzed for a strategic and holistic redesign. The Housing Department plans to release a Request for Proposal for interim shelter operations in the summer of 2023 with subsequent new contracts beginning in January 2024⁹. Interim shelter continues to be one of the City's Roadmap Initiative Priorities: Emergency Housing Construction and Operations. The Housing Department requests contract authority for the Director to negotiate and execute six-month amendments of four agreements (covering six interim shelter programs) from July 1, 2023 through December 31, 2023.

Table 3 provides an overview of the non-congregate interim shelter programs proposed to continue in Fiscal Year 2023-2024.

⁹ The Plaza will not be included in the Request for Proposal and subsequent redesign.

Table 3 – Summary of Interim Shelter Programs

Program	Council District	# of Units	# of Beds	Target Population
Monterey/Bernal Emergency Interim Housing	2	78	78	Individuals
Rue Ferrari Emergency Interim Housing	2	82	124	Individuals/Couples
Guadalupe Emergency Interim Housing	3	96	96	Individuals
Evans Lane Emergency Interim Housing	6	48	121	Families
Mabury Bridge Housing Community	3	40	40	Individuals
Felipe Bridge Housing Community	7	40	40	Individuals
Plaza	3	43	43	Individuals
Total		427	542	

Monterey/Bernal and Rue Ferrari Emergency Interim Housing

The proposed six-month extension to the existing agreement with HomeFirst will continue the implementation of two interim shelter programs at Monterey/Bernal and Rue Ferrari. HomeFirst will perform day-to-day operations and property maintenance at both sites. Monterey/Bernal opened in September 2020 and Rue Ferrari opened in January 2021. Both interim shelters feature private units, with restrooms and showers, in prefabricated modular containers. Shared modular buildings include site amenities such as laundry, kitchens, computer lab, onsite security, pet accommodations, communal gardens, onsite parking, and administrative offices. The six-month \$3,670,000 award from the General Fund (formerly ARPA funds), supports the cost of personnel and operations from July 1, 2023 through December 31, 2023. City Council last approved this agreement on June 28, 2022.

Guadalupe Emergency Interim Housing

The proposed six-month, no-cost extension to the existing agreement with LifeMoves from July 1, 2023 through December 31, 2023 will allow continued implementation of a new interim shelter program at Guadalupe (at Taylor Street in downtown San José). LifeMoves will perform day-to-day operations at this site which is anticipated to open in April 2023. This program will target individuals participating in the San José Bridge program and those residing in homeless encampments, as identified by City-funded outreach programs. The interim shelter features private units, with restrooms and showers, in prefabricated modular containers. Shared modular buildings include site amenities such as laundry, kitchens, computer lab, onsite security, pet accommodations, communal gardens, onsite parking, and administrative offices. City Council last approved this agreement on June 28, 2022.

Evans Lane Emergency Interim Housing

The proposed six-month extension to an existing agreement with PATH will continue the implementation of the interim shelter program at Evans Lane. PATH will perform day-to-day operations and property maintenance (through a subcontract with Abode). Evans Lane opened in May 2021. The interim shelter features private units, with restrooms and showers, in prefabricated modular containers. Shared modular buildings include site amenities such as laundry, kitchens, computer lab, onsite security, pet accommodations, communal gardens, onsite parking, small basketball court and play area for children, and administrative offices. Using the General Fund (formerly ARPA funds), the six-month \$1,000,000 award from July 1, 2023 through December 31, 2023 supports the cost of personnel and operations. City Council last approved this agreement on June 28, 2022.

Bridge Housing Communities at Mabury and Felipe

The proposed six-month extension to an existing agreement with HomeFirst will continue the implementation of two interim shelter programs on Mabury Road and on Felipe Avenue. HomeFirst will perform day-to-day operations and property maintenance at both sites. Mabury opened in January 2020 and Felipe opened in February 2021. Each interim shelter features 40 private sleeping cabins. Shared modular buildings include site amenities such as restrooms, showers, laundry, kitchens, computer lab, onsite security, pet accommodations, communal gardens, onsite parking, and administrative offices. The six-month \$2,095,700 General Fund (formerly ARPA funds) contribution supports the cost of personnel and operations from July 1, 2023 through December 31, 2023. City Council last approved this agreement on June 28, 2022.

Plaza

The Housing Department requests authority for the Director to negotiate and execute an extension to an existing agreement with Abode to continue the implementation of Plaza as an interim shelter. Plaza was opened in January 2018. It has 47 single-room occupancy units that are approximately 85-100 square feet in size. They are furnished with a refrigerator, microwave, bed, table, shelves, and television. Due to the lack of space at Plaza, several units are used for case management and storage. This leaves 43 private units for participants. Common facilities include a community room, a coin-operated laundry room, and shared restrooms with showers. Located in downtown San José, the program is secured with a locked entry system, video surveillance, and onsite security. The one-year \$1,500,000 General Fund (formerly ARPA funds) contribution supports personnel and operations from July 1, 2023 through June 30, 2024. City Council last approved this agreement on June 28, 2022.

Motel Programs

Motels provide safe and private temporary shelter to vulnerable unsheltered populations, including families, youth, and survivors of gender-based violence. All the proposed agreements for the three motel programs discussed below are for services and operations. The agreements do

not fund the development or acquisition of motels. The Housing Department requests authority for the Director to negotiate and execute two one-year extensions to existing agreements with LifeMoves for shelter operations in scattered-site motels. The Housing Department also requests contract authority for the Director to negotiate and execute a new one-year agreement with YWCA to implement an Interpersonal Violence Support Program.

Motel Voucher Program

The proposed one-year extension to an existing agreement with LifeMoves will continue the implementation of a Motel Voucher Program for families. The program provides temporary motel stays and individualized support to transition families to either permanent or other temporary housing. Using HHAP funds and HTF, the one-year \$4,400,000 award supports the costs of personnel, motel rooms, and operations. from July 1, 2023 through June 30, 2024. A portion of the award will be set aside for temporary motel stays for households facing a natural disaster or emergency, or displacement due to a code enforcement order. City Council last approved this agreement on June 28, 2022.

Temporary Housing Access Program

The proposed one-year extension to an existing agreement with LifeMoves will continue the implementation of Temporary Housing Access Program. The program provides temporary motel stays and support to individuals enrolled in San José Bridge and those residing in homeless encampments. The individuals are identified by City-funded outreach programs, with the goal of transitioning to either permanent or other temporary housing options. Using General Fund (formerly ARPA funds), the one-year \$4,500,000 award from July 1, 2023 through June 30, 2024 supports the costs of personnel, motel rooms, and operations. City Council last approved this agreement on June 28, 2022.

Interpersonal Violence Support Program

The Housing Department released a Notice of Funding Availability in early 2023 seeking proposals from qualified organizations to oversee various programs including Senior Nutrition, Minor Home Repair, and Interpersonal Violence Support Program. Only one application was submitted for the Interpersonal Violence Support Program. The Housing Department requests authority for the Director to negotiate and execute a new agreement with YWCA to implement the Interpersonal Violence Support Program. This program will provide survivors of gender-based violence and their families with emergency housing options, including motel and shelter. Placement in these housing locations will be supported by wrap-around case management services with the goal of transitioning participants into safe, affordable, permanent housing options. The one-year \$250,000 award from the Low and Moderate Income Fund will support personnel, motel rooms, and operations costs from July 1, 2023 through June 30, 2024.

Conflict of Interest

Jacky Morales-Ferrand, Director of the Housing Department, serves as an uncompensated member of the board of directors for Destination: Home, a California nonprofit corporation. She has not participated in the selection of Destination: Home for the additional funding and will not participate in the making of any amended contract or grant agreement.

Racial Equity Impact Analysis

The Housing Department's programmatic and policy work primarily focuses on ending and preventing homeless and affordable housing for low-income populations. Because of this focus, many of the Housing Department's activities greatly benefit low-income and homeless communities and in turn, communities of color and women-headed households, who are disproportionately low-income. However, the current resources do not meet the total outstanding need for affordable housing and services for low-income residents. Individuals experiencing homelessness and low-income residents who are unable to access affordable housing and services are burdened by this ongoing underinvestment.

In January 2020, Destination: Home released a report on [Race and Homelessness in Santa Clara County](#), which studied and analyzed the intersection between race and homelessness in Santa Clara County. The Housing Department participated in a study that examined the entire delivery system as it is coordinated through the CoC with data tracked in the Homeless Management Information System. The findings provided information that has been instrumental to the Housing Department's approach to strengthen existing programs and create new ones in ways that promote racial and gender equity. The report guided the region on evaluating policies and programs to deeper understand disproportionate impacts. The report identified three guiding values for racial equity efforts:

- Integrate people of color with lived experience of homelessness in all program, policy, and funding decisions;
- Align racial equity work in the homelessness sector with other racial equity initiatives in Santa Clara County; and
- Use a racial equity lens and data-driven decision making in the homelessness system and across other systems.

The guiding values from the Race and Homelessness report were pivotal in developing the Community Plan. The Community Plan called for bold strategies and partnerships to meet the scale of the homelessness crisis and racial equity in our region. The Community Plan specifically included a commitment to "address the racial inequities present among unhoused people and families and track progress toward reducing disparities." The Housing Department is committed to ensuring racial and gender equity in service delivery, housing placements, housing retention, changes in procurement, and/or other means of affirming racial and ethnic groups that are overrepresented among residents experiencing homelessness.

Within the Housing Department, there are several specific actions that are in motion to ensure the Department is focused on ensuring racial and gender equity across policies, procedures, and service delivery. These actions are discussed below:

- Provide funding to compensate Lived Experience Advisory Board, a leadership development body consisting of members with current or past experience of homelessness. Members use this platform to learn about and evaluate the system of care, make recommendations for improvement on program design and operations, participate in procurement and staff interview panels, committees, and advisory groups, as well as convene meetings with policy makers and those with lived experience of homelessness.
- Create a lived experience member seat on the Housing and Community Development Commission. The Housing and Community Development Commission's role is to review and recommend to the City Council funding proposals for programs that are designed to reduce or end homelessness in San José. New guidelines and resources for onboarding lived experience the Housing and Community Development Commission members were implemented that focused on equitable access to participation using technology, connectivity, information, and training.
- Launch Open House Quarterly Convenings, which is a broad base of community stakeholders committed to racial equity in a regular roundtable meeting. This meeting will amplify the voices of Black, Indigenous, Latinx, Asian American and Pacific Islander, and People of Color, Women, LGBTQ, disabled community members and community members with lived experience of homelessness to provide feedback on Housing Department policies, procedures, and funding priorities. This meeting is also intended to act as a system of reputation accountability to ensure the Department centers equity in its work. The Open House is also a space for cross-collaboration amongst groups and can inspire organizing efforts that affect racial equity, housing, and homelessness in San José.
- Contract with C4 Innovations (formerly Center for Social Innovation) to conduct a multi-phase project to support the Housing Department's racial equity, diversity, and inclusion work. C4 Innovations is a values and mission-driven, woman-owned small business that promotes recovery, wellness, and housing stability for people who are systematically marginalized. C4 Innovations supports local, state, and federal housing and homelessness agencies to facilitate inclusion, integration, and collaboration across initiatives and engagements. Building on more than a decade of experience leading research, assessments, training, and consultation efforts to advance best practices and social change in homeless services and behavioral health settings, C4 Innovations supports agencies, systems, and communities across the U.S. to understand and document disparities and identify and implement equitable strategies. C4 Innovations supports the Housing Department to:
 - Conduct a diversity, equity, and inclusion assessment of the Department;

- Facilitate development of a new Department vision, mission, and values statement and policy affirming the priority of racial equity;
- Provide equitable results accountability and root cause analysis training;
- Facilitate the development of the Department’s first racial equity action plan; and
- Provide coaching or consulting hours to advise on racial equity for Department projects related to human resources, strategic communications, community development policies, and community engagement.

EVALUATION AND FOLLOW-UP

Updates on the programs will be provided in the Housing Department’s Homelessness Annual Report that will be scheduled to be heard by the City Council in spring 2024.

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION:

Crisis Interventions	\$ 7,788,000
Housing and Shelter Opportunities	<u>\$ 26,665,700</u>
TOTAL PROJECT COSTS	\$ 34,453,700

2. SOURCE OF FUNDING: General Fund (formerly funding by ARPA) (001) - \$13,565,700; General Fund (Measure E) (001) - \$5,750,000; General Fund (001) - \$5,289,000; Low and Moderate Income Housing Asset Fund (346) - \$250,000; Housing Trust Fund (440) \$1,375,000; Homeless Housing, Assistance, and Prevention Fund (454) \$5,200,000; Multi-Source Housing Fund – ESG-CV \$3,024,000

3. FISCAL IMPACT: The actions recommended in this memorandum will enable the Housing Department to negotiate and execute 26 agreements in Fiscal Year 2023-2024 that support individuals and families experiencing homelessness in San José. There is no ongoing fiscal impact to the General Fund as a result of this action.

BUDGET REFERENCE

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

HONORABLE MAYOR AND CITY COUNCIL

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Subject: Actions Related to Grant Agreements for Multiple Homelessness Programs for Fiscal Year 2023-2024

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Fund #	Appn #	Appn. Name	Total Appn	Amt. for Contract	2023-2024 Proposed Operating Budget Page*	Last Budget Action (Date, Ord. No.)
001	2062	Homeless Rapid Rehousing	\$4,900,000	\$3,500,000	807	N/A
001	225E	Measure E – Homeless Support Programs) (15%)	\$1,000,000	\$1,000,000	N/A	N/A
001	214D	Measure E – Homeless Prevention Rental Assistance (10%)	\$4,750,000	\$4,750,000	N/A	N/A
001	226H	Coyote Creek Project Reaches 5-7 (Valley Water)	\$2,818,541	\$1,789,000	N/A	N/A
001	219K	Housing Stabilization – Hotel Sheltering Operations + Services	\$3,400,000	\$3,300,000	N/A	N/A
001	219I	BeautifySJ and Encampment Waste Pick Up – San José Bridge Program	\$1,500,000 ⁺	\$2,000,000	N/A	N/A
001	217P	Emergency Housing- Emergency Housing Construction and Operations	\$13,500,000	\$8,265,700	849	N/A
346	3050	Homeless Services	\$250,000	\$250,000	904	N/A
440	2453	Housing and Homeless Projects	\$2,700,000	\$850,000	898	N/A
440	3357	Emergency Assistance	\$150,000	\$150,000	898	N/A
440	205X	Employment Initiative Program	\$125,000	\$125,000	898	N/A

440	207O	Disaster Assistance	\$311,000	\$250,000	898	N/A
454	205W	Homelessness Prevention System	\$12,349,433	\$5,200,000	897	N/A
448	212Z	Street Outreach and Support Services	\$3,403,982	\$3,024,000	N/A	N/A

*The 2023-2024 Proposed Operating Budget is scheduled to be adopted by City Council on June 20, 2023.

†An additional amount of \$500,000 of savings from funds previously encumbered for a prior contract will be liquidated and reallocated to support the new scope of work in 2023-2024.

COORDINATION

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

PUBLIC OUTREACH

This item has been posted on the City's agenda website for approval by the City Council at the May 23, 2023 meeting.

COMMISSION RECOMMENDATION AND INPUT

At the April 13, 2023, Housing and Community Development Commission meeting, the commissioners unanimously passed the HTF Expenditure Plan for Fiscal Year 2023-2024. No commission recommendation or input is associated with any other funding sources or contracts in this action.

CEQA

Not a Project, File No. PP17-009, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment; and File No. PP17-004, Government Funding Mechanism or Fiscal Activity with no commitment to a specific project which may result in a potentially significant physical impact on the environment.

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PUBLIC SUBSIDY REPORTING

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

/s/

RACHEL VANDERVEEN

Assistant Director, Housing Department

The principal authors of this memorandum are Alejandra Tlalli-Miles and Kelly Hemphill on the Homelessness Response Team. For questions, please contact Kelly Hemphill, Division Manager, at Kelly.hemphill@sanjoseca.gov or (408) 975-4483.

Attachment: Housing Department Funding Sources

Attachment A – Housing Department Funding Sources

Housing Department Funding Sources Acronym	Funding Source	Funding Source Type
ARPA	American Rescue Plan Act of 2021	Federal one-time COVID-19 Stimulus Package funding allocated to the City of San José
ESG-CV	Emergency Solutions Grant - Coronavirus Aid, Relief, and Economic Security Act	Federal one-time funds to mitigate the spread of COVID-19
GF	General Fund	Local annual tax revenue fund
HHAP (HHAP1, HHAP2, HHAP3)	Homeless Housing and Assistance Program	State of California Interagency Council on Homelessness one-time grants
HOME-ARPA	HOME Investment Partnerships American Rescue Plan Program	Federal one-time COVID-19 Stimulus Package funding allocated to the City of San José
HTF	Housing Trust Fund	Local annual tax and revenue fund
LMI	Low and Moderate Income Housing Asset Fund	Local annual loan repayment fund
Measure E	Real Property Transfer Tax - Measure E	Local annual tax received in the General Fund, but allocated for affordable housing production, and homelessness prevention and support programs
Valley Water Grant	Santa Clara Valley Water District for Coyote Creek Flood Projects	Local one-time award from the Santa Clara Valley Water District