

# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Rosalynn Hughey  
Jon Cicirelli

**SUBJECT:** SEE BELOW

**DATE:** March 26, 2024

Approved



Date

3/27/24

## INFORMATION

**SUBJECT: COYOTE CREEK FLOOD PROJECTS – HOMELESSNESS  
OUTREACH SERVICES, HOUSING PLAN, AND ABATEMENT  
ACTIVITIES**

This memorandum responds to City Council direction<sup>1</sup> as part of its approval of the agreement with Santa Clara Valley Water District (Valley Water) for Coyote Creek Flood Projects. The City Manager was directed to provide a housing plan and record of abatement activities similar to the work plan for the Guadalupe Gardens encampment abatement.

## BACKGROUND

Valley Water is required to construct flood protection improvements along a nine-mile stretch of Coyote Creek between Montague Expressway and Tully Road<sup>2</sup>. Valley Water's Coyote Creek Flood Management Measures Project and Coyote Creek Flood Protection Project<sup>3</sup> (Project) will provide protection from floods up to the level that occurred on February 21, 2017, which was approximately a five percent (20-year) flood event. The Project area is currently encamped by many individuals experiencing homelessness who must be moved safely to begin construction. In addition, new encampments must also be prevented from establishing in the Project area during the construction period.

On August 31, 2022, Valley Water staff met with City staff on site at Corie Court to begin discussing Valley Water's request for support from the City to meet Valley Water's obligations in the Project area as directed by the Federal Energy Regulatory Commission related to the

<sup>1</sup> Memorandum from Councilmember Ortiz April 4, 2023:

<https://sanjose.legistar.com/View.ashx?M=F&ID=11818951&GUID=16424AB4-5D5D-4B32-8602-EF48570801D4>

<sup>2</sup> <https://valleywaternews.org/2022/03/09/valley-water-progressing-on-projects-to-reduce-flood-risk-along-coyote-creek/>

<sup>3</sup> <https://www.valleywater.org/project-updates/creek-river-projects/E1-coyote-creek-flood-protection>

Anderson Dam Seismic Retrofit project<sup>4</sup>. Valley Water requested the City's support on an accelerated timeline for the first phase of the Coyote Creek Flood Management Measures Project, which would require City staff to expedite its actions while also carrying out the City's existing obligations related to the Guadalupe Gardens work plan and other homelessness priorities and projects across the City.

During the negotiation period, the City notified Valley Water, based on previous experience abating encampments and providing rehousing services, as much as a year of advanced planning and outreach would be ideal for a major-scale abatement and rehousing effort. Due to Valley Water's construction schedule constraints, the City agreed to support Valley Water on an accelerated timeline for the first phase of Valley Water's project, which allowed for only three months of advanced outreach. Furthermore, as part of the overall agreement, the City and Valley Water included funding for outreach, abatement, and housing-related services for the first phase of the Project and payment for outreach services for the second phase of the Project, which Valley Water tentatively identified to begin in September or October 2024.

On April 4, 2023, the City Council approved an agreement between the City of San José and Valley Water to fund additional targeted supportive services to unhoused individuals living along certain reaches of Coyote Creek and to abate encampments within the Project work zone. As a result of this agreement, the City is being reimbursed in an amount not to exceed \$4,844,414 for the cost of providing homeless outreach, abating encampments within the Project area, and preventing the re-encampment of individuals within the Project area through the duration of the Project or no later than October 31, 2024.

Approximately \$3,600,000 was allocated to the Housing Department to subcontract with service providers to provide outreach and housing services to individuals experiencing homelessness. Of the allocation, \$1,800,000 will be used for dedicated outreach services in the Project area, and \$1,782,000 will be available for use in implementing housing strategies.

City Council's approval of the agreement with Valley Water included the April 4, 2023 memorandum authored by Councilmember Peter Ortiz directing the City Manager "to return with a robust rehousing plan and record of abatement activities, like that created for the Guadalupe Gardens abatement." As such, this information memorandum details the rehousing plan and abatement activities for the Project area.

## **ANALYSIS**

### ***Outreach Services***

Prior to the City Council's approval to execute an agreement with Valley Water, Housing Department staff leveraged existing City outreach resources to ensure the people impacted by the construction would have access to outreach prior to the abatement. Beginning in March 2023,

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<sup>4</sup> <https://www.valleywater.org/project-updates/c1-anderson-dam-seismic-retrofit>

two service providers (PATH and HomeFirst of Santa Clara County (HomeFirst), who were already under pre-existing outreach service contracts with the City, conducted initial outreach with residents of the encampment which included:

- Notifying encampment residents and preparing them for upcoming construction and abatement activities;
- Conducting a point-in-time count of the people in the Project area where 200 people were counted; and
- Developing a name-by-name list of the people who would be displaced or otherwise impacted by the Project.

By leveraging the pre-existing outreach service contracts, the City was able to swiftly respond to Valley Water’s accelerated timeline to start construction.

In April 2023, the Housing Department entered into a contract with HomeFirst to provide ongoing outreach activities for the Project. HomeFirst did not have sufficient time to fully staff the outreach program prior to the abatement. This meant that many individuals were displaced before the outreach team was operationalized. HomeFirst devoted significant time to track and identify 171 of the 200 displaced individuals who were previously encamped in the Project area in order to offer them supportive services.

**Table 1** provides information on the individuals living in Project reaches 5, 6, and 7, as of the date of this memorandum. The **Attachment – Map of Project Reaches** - provides a map of the Project reaches.

**Table 1 – Census of Project Reaches 5, 6, and 7**

Census Count Description	Number of Individuals
Individuals identified by name in Project area	171
Individuals in the Project area with no identifying information	29
Total number of individuals counted in Project area	200
Individuals currently enrolled in HomeFirst outreach services	41
Individuals exited from HomeFirst outreach services	94
Total individuals provided outreach services to date (includes currently enrolled and exited)	135

During the course of its outreach, HomeFirst identified 13 children who are associated with households in the Project area. The children were not in the encampment when it was abated, but are connected to some of the households living in the Project area. HomeFirst will continue to support these children and households.

### ***Housing Plan***

Due to the timing of the Project construction start date and the opening of the Guadalupe Emergency Interim Housing (EIH) site in April 2023, the Housing Department set aside 23 units at the Guadalupe EIH site specifically for individuals displaced from the Project area. Moreover, in May 2023, Housing Department staff identified an additional seven units at the Guadalupe EIH site that could be set aside through the duration of the Project. This resulted in a total of 30 units dedicated to displaced individuals impacted by the Project.

The City’s agreement with Valley Water allocates \$1,782,000 to implement housing strategies. To date, these funds have been used for the 30 units set aside at the Guadalupe EIH site; these units were established as a core component of the Project. The cost of the 30 set aside units is being used to spend down a portion of Valley Water funding at approximately \$75,000 per month. As units at the Guadalupe EIH site become available, HomeFirst’s outreach team will continue to refer individuals from the Project area to the Guadalupe EIH site.

**Table 2** provides a summary count of individuals placed in temporary housing and the outstanding housing need. Although 86 individuals have received temporary shelter, there are 77 individuals who are waiting for a housing intervention option. The pipeline of EIH projects is several months away from coming online and will be subject to geographic screening requirements as well as other programmatic prioritizations. As such, the new EIH sites do not represent viable options for the Project and other solutions must be considered.

**Table 2 – Temporary Housing/Shelter Services**

<b>Housing/Shelter Services</b>	<b>Total</b>
Individuals exited to Guadalupe EIH site	43
Individuals exited to other destinations (e.g., other EIH sites, Bridge Housing Communities, etc.)	43
Remaining Unsheltered Individuals	77
Total individuals identified by name	163

### ***Housing Options and Cost Estimates for Remaining 77 Unsheltered Individuals***

When the Housing Department developed the budget for a housing strategy as part of the City’s agreement with Valley Water, staff used data from previous encampment abatements. The best reference was the recent abatement at Hedding Street and Spring Streets (Hedding and Spring). During that abatement effort, the Housing Department relied heavily on rapid rehousing subsidies, which are short-term subsidies that benefit people with lower acuity and lower vulnerability needs according to the Vulnerability Index-Service Prioritization Decision Assistance Tool (commonly abbreviated as VI-SPDAT).

At Hedding and Spring, the percentage of individuals that fell within the rapid rehousing acuity level was approximately 50%, with the remaining 50% needing longer-term interventions. Using this reference as a baseline, staff assumed that those residing within the Project area would have a similar acuity level. For this reason, the initial proposed housing strategy was centered on a rapid rehousing intervention approach.

However, after intensive outreach and street-based case management were conducted by HomeFirst, outreach staff determined that the individuals encamped in the Project area primarily possessed a higher acuity and vulnerability level than the individuals at Hedding and Spring. As such, a rapid rehousing intervention approach would not be an appropriate or effective housing solution. In fact, HomeFirst reported, based on their outreach and street-based case management assessments, approximately 75% of the impacted households would require a longer-term, permanent supportive housing subsidy due to their vulnerability levels.

The housing strategy currently being considered to support the 77 individuals displaced by the abatement, who are still awaiting a shelter or housing resource, is a short-term motel voucher program or a safe sleeping site that would temporarily place people in motel rooms or safe outdoor locations and provide supportive services while they await a temporary or permanent housing option. Staff has discussed this plan with the County of Santa Clara's Office of Supportive Housing and has developed a process for ensuring that those placed in a motel voucher program would be placed on the County of Santa Clara's Office of Supportive Housing's radar for future permanent supportive housing referrals. However, due to the nature of the coordinated entry system, no households can be prioritized by virtue of the program in which they are enrolled.

For comparison, the annual cost to operate similarly sized motel voucher programs for families and individuals (operated by the City's partners) cost upwards of \$4.5 to \$5 million.

Furthermore, few homeless service providers have the infrastructure or bandwidth to operate a motel voucher program of this size successfully and the service providers that do would require significant time to recruit and hire staff, procure available motel rooms, and develop the resources to operationalize a motel voucher program.

Since other short-term housing options, such as rapid rehousing or new interim housing sites are not viable options, the motel voucher program or potentially a safe sleeping site are the best available options. The Housing Department requested preliminary estimates from service providers to determine approximate costs for these service options. Staff also initiated conversations with Valley Water to negotiate additional funding to fully support all individuals who were displaced by the Project's required construction activities.

### ***Abatement Efforts***

### **Encampment Abatement Activities**

The Parks, Recreation, and Neighborhood Services Department's BeautifySJ team worked in coordination with Valley Water to abate the Corie Court encampment as part of the Project. The

abatement of the encampment occurred between May 15 and June 2, 2023. The abatement occurred after outreach engagement, to allow individuals residing in the encampment an opportunity to be notified of available housing/sheltering options. Once the abatement was completed, the work zone was transitioned to Valley Water’s contractor who is responsible for managing the area. **Table 3** below outlines encampment abatement activities.

**Table 3 – Corie Court Encampment Abatement Activities**

<b>Corie Court Encampment Abatement Activities</b>		
<b>Month</b>	<b>Key Actions</b>	<b>Outcomes</b>
April 2023	Community meeting held April 24, 2023 at Corie Court encampment to inform individuals residing in the encampment of abatement.	Community meeting attendees: 20+ unhoused individuals residing in the encampment, three advocates, and 14 City/Valley Water staff.
May 2023	<ul style="list-style-type: none"> <li>• Posted official abatement notices on May 4, 2023.</li> <li>• Posted inoperable and stripped vehicles May 4, 2023.</li> <li>• Provided outreach regrading housing and social services to individuals residing in the encampment from April 10 through June 2, 2023.</li> <li>• Provided dumpsters for use by individuals residing in the encampment for trash/debris disposal from April 24 through May 15, 2023</li> </ul>	<ul style="list-style-type: none"> <li>• 11 non-lived-in vehicles/recreational vehicles removed from Project area.</li> <li>• 99 tires removed.</li> <li>• 558 tons of trash/debris removed.</li> </ul>
June 2023	Completed abatement on June 2, 2023.	<ul style="list-style-type: none"> <li>• Three non-lived-in vehicles towed.</li> <li>• Three dumpsters filled (40 cubic yard dumpsters)</li> <li>• Nine tons of trash/debris removed.</li> </ul>

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The Housing Department and its contracted outreach service providers continue to work with and on behalf of the remaining unhoused individuals residing in the Project area who have not been offered shelter or housing opportunities. Staff and service providers will leverage all available opportunities— including other interim housing sites—to support exits from unsheltered homelessness.

/s/

ROSALYNN HUGHEY  
Deputy City Manager  
And Acting Housing Director

/s/

JON CICIRELLI  
Director of Parks,  
Recreation and Neighborhood  
Services

For questions, please contact Greg Pensinger, Housing Policy and Planning Administrator, Housing Department, at [greg.pensinger@sanjoseca.gov](mailto:greg.pensinger@sanjoseca.gov).

Attachment – Map of Project Reaches



## ATTACHMENT- Map of Project Reaches

Map of Reaches 4-8 for the Valley Water Coyote Creek Flood Protection Project and Coyote Creek Flood Management Measure Project.

