



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Jacky Morales-Ferrand

**SUBJECT:** SEE BELOW

**DATE:** May 14, 2021

Approved

Date

5/14/2021

**SUBJECT: RESPONSE TO CITY COUNCIL DIRECTION FOR SANCTIONED  
ENCAMPMENT PROGRAM**

## **RECOMMENDATION**

Accept the report providing a response to City Council direction to implement a sanctioned encampment program for the duration of the public health emergency and provide direction on the level of services for a sanctioned encampment program.

## **OUTCOME**

This report provides an update on the Council's previous direction to establish sanctioned encampments. If the City Council approves this action, the Administration will identify and execute an interim funding strategy to put in place the project management and staffing resources in 2020-2021 necessary to pursue a sanctioned encampment program that includes developing a siting policy, identifying viable locations, community engagement, program and service design, develop a longer-term strategy to identify additional funding as part of the budget process, and potentially develop an ordinance.

## **BACKGROUND**

On March 23, 2021, the City Council directed staff to immediately identify temporary sanctioned encampment locations on publicly-owned sites for the duration of the Local State of Emergency. \* Two motions passed that included a number of recommendations falling into three categories:

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\* Memorandum from Councilmember Peralez approved March 23, 2021:  
<https://www.sanjoseca.gov/home/showpublisheddocument?id=70552>

1. Exploring an incremental approach to define where homeless residents cannot live and increasing encampment abatements in conjunction with restrictions;
2. Implement a sanctioned encampment for the duration of the local public emergency; and
3. Enhancing or expanding supportive and sanitary resources at homeless encampments.

The Housing Department has a forthcoming Manager’s Budget Addendum (MBA) addressing category three. A separate MBA from the Parks, Recreation and Neighborhood Services Department will address category one and additional sanitary services related to category three, specifically trash pickup services at encampments.

*Alignment with the Community Plan to End Homelessness*

It is important to provide context on how supporting our unsheltered residents fits into the larger county-wide homeless response system. In 2015, the City Council adopted the first countywide, coordinated *Community Plan to End Homelessness in Santa Clara County (2015-2020)*. Since the plan’s adoption, partners worked collectively to achieve several notable accomplishments, including stably housing over 14,000 individuals. Building on that success, in 2019, a broad range of community partners and stakeholders came together to develop a roadmap for future work to end homelessness. In August 2020, the City Council endorsed the new *Community Plan to End Homelessness (2020-2025)*. The new 2020-2025 Community Plan to End Homelessness outlines 14 strategies that fall into three focused strategies:



The first two strategies of the plan seek to end and prevent homelessness for as many people as possible over the next five years. However, the reality is that many people will remain unhoused due to an extreme housing crisis, increasing income inequality, and the devastation of COVID-19. To address this immediate crisis in our community and ensure healthy neighborhoods for all, Strategy 3 focuses on meeting the needs of the unsheltered and making increased investments in health, safety and other basic services to better meet the needs of people living in unsheltered conditions and build connections to housing programs and safety net services offered throughout

the County. Strategy 3, sub-strategy 1(a) specifically says “Build new partnerships to host emergency shelter, safe places to park and access services, and sanctioned encampments that are not swept and include hygiene and supportive services.”

*Response to COVID-19*

The intersecting public health and shelter crises (COVID-19 and homelessness), that began in March 2020, demanded an immediate response to help stop community spread of the virus among vulnerable populations that included homeless residents. The City of San José and County set out to expeditiously respond to the challenge. Many of the programs implemented were aligned with Strategy 3 and focused on our unsheltered residents. The City built congregate and non-congregate shelters in collaboration with the County who took the lead in sheltering vulnerable populations in motels/hotels. In just a matter of weeks, the City, with the Housing Department as lead and many City departments supporting their efforts, added much needed shelter capacity across the City as the County housed hundreds in motels/hotels. Many of the ideas first envisioned as part of a larger Community Plan Year 1 Implementation are now being deployed immediately in response to COVID-19. The following is a summary of those efforts:

- Reserved over 790 motel/hotel rooms across eight cities in the County (312 motel rooms located in San José);
- Completed construction of three new emergency interim housing sites, adding over 300 news beds;
- Added over 385 temporary shelter beds were across several sites including South Hall, County Fairgrounds and Camden Community Center;
- Expanded hours of operation at 10 shelters and two City funded safe parking sites;
- Expanded outreach efforts to encampments in partnership with community advocates and the Lived Experience Advisory Board (LEAB) to deliver critical supplies such as face masks, hand sanitizer, water, meals and COVID safety information;
- Established a centralized referral hotline for motel/hotel and shelter placements;
- Implemented a trash services at over 200 encampments across the City provided by BeautifySJ;
- Providing hygiene and intensive street outreach to 14 of the City’s largest encampments through the new Services Outreach Assistance and Resources (SOAR) program;
- Expanded emergency motel programs for homeless families and victims of domestic violence;
- Expanded the homelessness prevention system to assist over 14,000 households countywide impacted by COVID-19 with emergency rental assistance;
- Purchased the SureStay motel to house vulnerable homeless individuals in response to the pandemic and will create permanent housing for 76 extremely low-income households in the future; and
- Successfully advocated for eviction moratoria at the federal and State levels to protect tenants.

*Previous Council Direction for Sanctioned Encampments*

On December 1, 2015, the City Council prioritized the development of a sanctioned encampment in San José or on County property and requested that staff report back to the Council on December 8, 2015 or December 15, 2015. On December 8, 2015, the Housing Department reported to the Council a number of regulatory barriers to sanctioned encampments that included health and safety codes and building code requirements. City Council directed staff to continue to explore the operation of a sanctioned encampment pilot to meet the needs of unsheltered homeless people in the community. At Council direction, the Housing Department coordinated with the County Office of Supportive Housing to identify potential operators and concepts for unconventional housing programs, including sanctioned encampments. While this approach did not result in the identification of partners for a specific City project due to a variety of regulatory barriers, staff returned to Council on June 28, 2016<sup>†</sup>, to share the results of this process and recommend exploration of a new State law to address these challenges and create a path forward for more immediate housing options. Council approved this new approach and staff began working with State legislators on potential approaches. As part of the motion at the June 28, 2016 City Council meeting, the City Council approved the staff report with the requirement that each Councilmember propose and identify a site within their District where temporary emergency housing might be located.

On September 27, 2016, AB 2176, authored by Assembly member Nora Campos, was signed into law by Governor Jerry Brown. AB 2176 amended the Shelter Crisis Act and authorized a pilot program allowing the City of San José to establish local building, health, and safety standards, to create temporary emergency housing for homeless people. On October 4, 2016, the Housing Department provided the City Council with an information memorandum regarding the work plan for implementing AB 2176. In that memorandum, staff indicated that the Department would pursue a series of actions to design and implement Bridge Housing Communities. The Housing Department conducted an extensive body of work developing siting criteria and identifying viable sites. That extensive work was brought forward to Council on December 12, 2017 and December 18, 2018. The result was the development of the Mabury and Felipe Bridge Housing Communities. The City Council agreed that the Housing Department had achieved the underlying goal of creating an acceptable legal approach to providing a short-term emergency alternative to sanctioned encampments and closed out the City Council priority.

**ANALYSIS**

Addressing the needs of people experiencing unsheltered homelessness is an issue that often generates contentious, emotional debates across communities. San José is no different. It is important to acknowledge that there are many reasons that some people who are unsheltered may sleep and live in an encampment, including that such settings offer some people a greater sense

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<sup>†</sup> June 28, 2016 (Item 4.2) Memorandum to City Council:

[http://sanjose.granicus.com/MetaViewer.php?view\\_id=&event\\_id=2142&meta\\_id=581820](http://sanjose.granicus.com/MetaViewer.php?view_id=&event_id=2142&meta_id=581820)

of community, safety or simply they have nowhere else to go. It is also important to acknowledge that there are many reasons why other community members may have concerns regarding the presence of encampments within their communities, including concerns related to blight, trash, health, sanitation, and safety. Fundamentally, the solution to ending homelessness and the focus must remain on the implementation of strategies that link all people experiencing homelessness to stable, affordable housing opportunities.

*Supporting Unsheltered Individuals in Encampments During COVID-19*

Responding to the needs of unsheltered people requires urgent action. The COVID-19 public health emergency and the accompanying influx of stimulus funding has afforded San José the opportunity for the first time to provide services to unsheltered homelessness people. The Housing Department created the Services Outreach Assistance and Resources (SOAR) Program at encampments based on guidance from the Centers for Disease Control and Prevention (CDC). During the COVID-19 public health crisis, the CDC recommends that if individual housing options are not available, people who are living unsheltered or in encampments should remain where they are. The CDC further recommends that community coalitions work to improve sanitation in encampments. In response, the City's Emergency Operations Center (EOC) has suspended abatements to advance the public health guidance. Locally, Valley Homeless Healthcare Program (VHHP) and Public Health have been testing at encampments of ten people or more and most recently vaccinating encampment residents. Allowing people living in encampments to remain where they are maintains their critical and much needed service and medical connections and for VHHP it allows for contact tracing. Since vaccinations in encampments began, VHHP has provided over 1,600 homeless people with the vaccine<sup>‡</sup>.

The SOAR Program, in partnership with BeautifySJ, provides comprehensive street based support and services to those living unsheltered, along with access to proper hygiene and trash service. The new Community Plan prioritizes addressing the immediate crisis of people living outside in our community. The Community Plan recommends strategies that invest in the health and safety needs of people living outside and that build connections to safety net services and programs. In alignment with both the current CDC guidance and the Community Plan, the SOAR Program provides a compassionate approach to address the health and safety needs of persons living in encampments. The SOAR Program includes the following three components, each with its own specific strategies:

1. **Street Outreach and Support Services:** Increasing street outreach teams and services to support people living in encampments, providing storage and supplies and engaging the community to assist with outreach and engagement.

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<sup>‡</sup> VHHP data as of April 29, 2021. Does not include community events, pop-ups.

2. **Hygiene/Infection Control:** Providing hygiene and waste management related services to help control the spread of infectious disease along with more consistent shower services. Working in partnership with VHHP, providing public health information, vaccines and testing.
3. **Housing:** Increasing access to housing opportunities and shelter, including reserved shelter beds, motel vouchers, housing problem solving and referrals to Bridge Housing Communities.

The City's approach towards homelessness and encampments fundamentally shifted when the COVID-19 pandemic began. In addition to the SOAR Program, special attention was also given to supporting sanitary conditions with regular trash service in encampments. The BeautifySJ encampment trash program was established in June 2020, providing consistent trash and debris removal at over 200 encampment locations, including the SOAR sites. The program, which has collected over 4,000 tons of trash since June 2020, was built by mapping encamped locations, establishing a regular routing system for trash pick-up, and using an equity focused deployment of resources to ensure service priority in the most impacted neighborhoods. The SOAR Program and BeautifySJ Encampment Trash system was built as an emergency action in response to the pandemic and is the City's first effort at systematizing support around identified encampments.

#### *Response to Recent Council Direction for Sanctioned Encampments*

The Council direction is a tremendous body of work, requiring significant staff resources, addressing legal considerations<sup>§</sup>, and could even require a new City ordinance. Implementing this work immediately requires additional staff to oversee the project. The associated cost is outlined later in this memorandum on page 13.

AB2176 amended the Shelter Crisis Act to authorize a five-year pilot program allowing the City of San José, upon a declaration of a shelter crisis and adoption of an ordinance establishing local building, health, and safety standards, to develop and operate Bridge Housing Communities for homeless residents in new or existing structures on City-owned or City-leased property in compliance with other terms of the bill including transition plans to stable housing for each resident. "Sanctioned encampments" or "tent camping" is not within the scope authorized by AB2176. Additionally, the State Shelter Crisis Act does not provide any relief from building or housing codes; rather, in the most recent amendment to the Act, it sets forth certain building code requirements for tents and membrane structures used as emergency housing. The City would need to comply with any applicable building code, fire code, ADA and housing code

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<sup>§</sup> The City would need to address legal concerns, including the potential for liability, in creating a sanctioned encampment; moreover, depending on the site, certain state permits may be necessary, including stormwater permits as well as CEQA clearance.

requirements when constructing “sanctioned encampments” or “safe zones,” unless it adopted findings and enacted an ordinance ensuring minimal public health and safety.\*\*

There is also much to learn from other cities who have successfully or unsuccessfully implemented sanctioned encampments. Some communities have created “sanctioned encampments,” “safe zones,” or other similar settings with a goal of helping people stay in a safer and more sanitary environment, without the risk of being removed, arrested or cited. Sometimes these settings feature sheds or other structures, or provide areas for people to stay in their cars or RVs. Others simply provide places for people to sleep in their own tents. However the program may be structured, these “safe zones” or “sanctioned encampments” come at a cost to ensure the safety, security, and well-being of the people living within the encampments as well as neighboring communities.

The Housing Department conducted research on various models to support encampments, or provide “safe sleep sites” or “sanctioned encampments.” For example, the City of Seattle authorizes religious organizations to host “transitional encampments,” and the City’s municipal code defines specific health and fire safety standards that must be met including providing toilets, running water and garbage service.†† The City of Seattle requires a use permit for transitional encampments established on private property, an educational institution, or the City of Seattle or other public entity land. The use permit has a number of requirements including public notice, set-backs, proximity to public transportation, and operations plans. If a transitional encampment is funded by the City, it must provide case management services. Seattle reached this model after decades of iteration and even a legal agreement (*SHARE/WHEEL and El Centro de la Raza v. the City of Seattle et al*‡‡). The most notable aspect of the Seattle model is that the camps are temporary by definition. The time at which they are required to move is known in advance and set at intervals, which allows residents to better plan their moves in a less stressful environment.§§

San Francisco is another example and created six “safe sleeping villages” since the beginning of the pandemic. The sites are located on empty lots throughout the City and offer 24/7 security, hygiene, water, electricity, support services and meals. The program was created as traditional shelters had to reduce capacity due to public health guidance; the safe sleeping villages offer vulnerable individuals a place to access hygiene and support services. The City acted quickly in response to COVID-19, siting on lots with electricity and running water. The program does have significant financial costs that are not reimbursable by FEMA.\*\*\* The program is currently still operating.

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\*\* The City adopted Chapter 5.09 (“Emergency Bridge Housing”) of the San José Municipal Code using the authority granted to it by AB 2176; however, the City’s ordinance does not cover “sanctioned encampments” or “tent camping”. In drafting the current ordinance, the City worked extensively with the State Housing and Community Development Department.

†† Seattle, Washington, Municipal Code § 23.42.054, 23.42.056.

‡‡ [https://roominate.com/blogg/NV/Tent\\_City\\_Consent\\_Decree\\_of\\_2002.pdf](https://roominate.com/blogg/NV/Tent_City_Consent_Decree_of_2002.pdf).

§§ *Tent City Urbanism* (by Andrew Heben), Chapter 7.

\*\*\* San Francisco Chronicle, March 21, 2021, “SF Pays \$61,000 a Year for One Tent in a Site to Shelter the Homeless.”

The National Law Center on Homelessness & Poverty conducted a national study, titled *Tent City, USA*, in which 187 cities chosen for geographic and population diversity were researched to determine “the existence and nature of current statutory and other formal and informal policies with respect to homeless encampments [defined as a group living arrangement in a public location involving semi-permanent shelters and storage of possessions].<sup>†††</sup> The report also provides guiding principles and best practices for communities looking for a path forward on “safe zones” or “sanctioned encampments” in the short term as they work toward permanent solutions. The report also provides in-depth case studies of six cities’ approaches to sanctioned encampments. The report developed six guiding principles for cities to consider regarding encampments:

- All people need safe, accessible, legal place to be, both at night and during the day, and a place to securely store belongings— until permanent housing is found.
- Delivery of services must respect the experience, human dignity, and human rights of those receiving them.
- Any move or removal of an encampment must follow clear procedures that protect residents.
- Where new temporary legalized encampments are used as part of a continuum of shelter and housing, ensure it is as close as possible to fully adequate housing.
- Adequate alternative housing must be a decent alternative. (safe, habitable, protection from the elements, etc.)
- Law enforcement should serve and protect all members of the community.

The United States Interagency Council on Homelessness (USICH) has produced several white papers on encampments. In 2015, USICH published a report “Ending Homelessness for People Living in Encampments,” providing a framework for communities when developing local strategies to create and provide housing solutions for people living in encampments.<sup>‡‡‡</sup> In 2018, USICH published a report, “Caution is Needed When Considering Sanctioned Encampments or Safe Zones,” which outlines four primary cautions to establishing sanctioned encampments.<sup>§§§</sup> The report also outlines four considerations communities should take for those who decide to implement sanctioned encampments or safe zones. Those actions are:

- Analyze existing emergency shelter programs: could your community also create more effective indoor shelter or crisis housing options, if needed?

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<sup>†††</sup> National Law Center on Homelessness & Poverty, *Tent City, USA* (2017): [https://nlchp.org/wp-content/uploads/2018/10/Tent\\_City\\_USA\\_2017.pdf](https://nlchp.org/wp-content/uploads/2018/10/Tent_City_USA_2017.pdf)

<sup>‡‡‡</sup> U.S. Interagency Council on Homelessness, “Ending Homelessness for People Living in Encampments,” (August 2015): [https://www.usich.gov/resources/uploads/asset\\_library/Ending\\_Homelessness\\_for\\_People\\_Living\\_in\\_Encampments\\_Aug2015.pdf](https://www.usich.gov/resources/uploads/asset_library/Ending_Homelessness_for_People_Living_in_Encampments_Aug2015.pdf)

<sup>§§§</sup> U.S. Interagency Council on Homelessness, “Caution Is Needed When Considering Sanctioned Encampments or Safe Zones.” (May 2018): [https://www.usich.gov/resources/uploads/asset\\_library/Caution\\_Sanctioned\\_Encampments\\_Safe\\_Zones\\_052318.pdf](https://www.usich.gov/resources/uploads/asset_library/Caution_Sanctioned_Encampments_Safe_Zones_052318.pdf)



- Plan and budget for exits from encampments: Plan for how people staying in sanctioned encampments will exit homelessness and access permanent housing.
- Aim High: Communities should aim as high as possible to create high-quality environments within sanctioned encampment settings.
- Measure Success: Communities should assess the outcomes, impact, and cost-effectiveness of sanctioned encampments.

This is only a small snapshot of the existing research and case studies on creating sanctioned encampments or safe zones. Cities across the nation have varying levels of sanctioned encampments or safe zones. One consistent lesson learned is they do require a cost, both financial and human capital, to ensure the safety and well-being of those living in the encampment, and of those living in neighboring communities. Other lessons or core themes include: iteration over time, start small and involve those living in the encampment to develop the program.

#### *Engagement of Homeless Advocates and Those with Lived Experience*

Since Council's direction, the Department conducted six listening sessions with a group of local homeless advocates as well as members of the LEAB to hear their feedback on developing safe zones or sanctioned encampments. Three core themes emerged from advocates and the LEAB. First, selecting existing encampment locations, rather than establishing new locations for camps was preferred. This was for speed but also for facilitating community. Often, existing locations already have a cohesive group of people living together and have a formed sense of community and some amount of self-governance. Second, start with basic services, specifically portable toilets, hand washing stations and trash service. Encampments are organic and change over time, and changes should occur naturally with input of those living in the encampment. Finally, community advocates suggested "sanctioning" the existing SOAR locations since the City is already providing a basic level of hygiene and trash support along with street-based supportive services. However, some of these locations are in, or near, areas that Council has directed staff to prioritize for abatement, such as near schools\*\*\*\* or near creeks and waterways.†††

As a result of research, listening to those with lived experience and local advocates, the Department has developed three options and cost models for supporting an encampment; 1) Basic Needs, 2) Supported and 3) Full Services. The first option, "Basic Needs," provides the basic needs of toilets and handwashing stations, potable water, trash service and tents. It would leverage existing contracts to provide periodic mobile shower/laundry services onsite. The

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\*\*\*\* March 23, 2021 (Item 8.2) Memorandum from Mayor,

<https://sanjose.legistar.com/View.ashx?M=F&ID=9254296&GUID=ED4EBA6E-C290-4181-9767-57A16FED1D5A>; March 23, 2021 (Item 8.2) Memorandum from Councilmember Carrasco,

<https://sanjose.legistar.com/View.ashx?M=F&ID=9262040&GUID=4AB3D5F0-A658-44A7-B2A8-1109A0BC44F3>.

††† March 23, 2021, (Item 8.2) Memorandum from Councilmembers Cohen and Foley,

<https://sanjose.legistar.com/View.ashx?M=F&ID=9255487&GUID=5F5A4082-E80C-4B26-AFD9-979BB344185D>.

second option, called “Supported,” provides all the services in the first option, but adds basic cooking and camping supplies, community tent/tables/chairs, fire extinguishers, solar power and a fenced perimeter. This option would leverage existing contracts to provide light social services with street outreach team visits. The third option is “Full Service” and includes all the services in options one and two, but adds private security and an onsite service provider/operator. See the Cost Summary/Implications sections of this memorandum and **Attachment A** for details and costs.

### *Key Considerations*

The City Council direction to establish “sanctioned encampments,” could be an important response in our overall homeless response system. When developing this program, it is important to outline the full scope of this project, weigh the costs, consequences, legal considerations, staff capacity, and the impact on system-wide efforts to end homelessness. The Housing Department will weigh these key considerations when developing a program:

**Keep the Long View:** Access to stable housing that people can afford, with the right level of services to help them succeed, is what ends homelessness. People staying in sanctioned encampments are still unsheltered and often not provided truly safe, healthy and secure environments. If there is not adequate planning and resources devoted to help people exit these settings on a path out of homelessness, creating these settings alone does not reduce homelessness in communities. Therefore, we must simultaneously be focused on where people can succeed in the long term—and we know that is permanent housing.

**Housing Staff Capacity:** Creating sanctioned encampments can be costly in money, but perhaps even more costly in staff time and effort. Creating and then operating sanctioned encampments requires staff time including creating a new policy, locating sites, community engagement, identifying funding, setting up and maintaining any structures, ensuring the site does not grow to an unmanageable or unsafe size, providing adequate services and supports, releasing and evaluating requests for proposals, developing and monitoring contracts, and many other planning and operational details. It is critically important to understand the limited staff time available to this effort. The Housing Department’s Homeless Outreach and Case Management Budget Program as included in the 2021-2022 Proposed Operating Budget includes 6.5 full-time equivalent positions, which includes a new Division Manager position to oversee all homeless activities in the Department. The 2020-2021 fiscal year was arduous for this team which was (and still is) fully dedicated to an intense COVID response in addition to maintaining existing programs. The team ultimately lost three members in recent months. There is currently no staff capacity to develop and manage a new sanctioned encampment program without ceasing the operation of an existing program. The Housing Department staff will be focused on intense recovery efforts for housing stabilization that include four primary areas; 1) Emergency Rental Assistance, 2) Eviction Help Center, 3) Shelter, Hotel and Emergency Interim Housing transitions and 4) Equitable and Inclusive Housing Policy Development.

**Exit Strategy:** While Council direction intended for sanctioned encampments to be a temporary part of its response to COVID and homelessness, sanctioned encampments in other communities have proven difficult to close, especially if there are not adequate plans and resources dedicated to helping people exit these settings and end their homelessness.<sup>††††</sup>

**Evaluating Effectiveness and Impact:** If a sanctioned encampment program is established, it should be integrated into the community’s existing Homeless Management Information System and system-wide performance measurements. The outcomes being achieved—including a primary emphasis on the outcome of exits from homelessness—should be carefully measured and monitored. There should be an assessment of whether the investment of costs—including all planning, capital, operations, services, and housing placement assistance costs—is proving to be a cost-effective investment in comparison with other existing or potential strategies and programs.

**Cost:** Including sanctioned encampments as an official part of the system for responding to homelessness creates costs to ensure the safety, security, and well-being of the people living within the encampments. Flexible funding sources for unsheltered homeless programs are already a scarcity. Evaluating “opportunity costs” for investing in sanctioned encampment, which can divert funding from other service options for all who are unsheltered, is important.

#### *Work Plan Elements*

Subsequent to approval of this report, the Department will return to Council with a work plan for establishing “safe zones” or “sanctioned encampments.” The work plan will take into account the considerations above, input from those with lived experience of homelessness along with best practices and research from national organizations and other cities. The work plan will address the following elements;

**Siting policy/Potential City ordinance:** Working with the BeautifySJ program, the Housing Department will develop a siting policy that is in alignment with previous Council direction to develop a policy on where unsheltered residents cannot live and identify locations for sanctioned encampments. At the March 23, 2021 City Council meeting, Council directed the Administration to better define, study, and implement actions that would determine where encampments would be prohibited and under what conditions unhoused residents would be required to relocate. The BeautifySJ team is undertaking an incremental and iterative effort to integrate the various Council recommendations and direction into a policy approach, including exploring the need for a potential ordinance that could prohibit encampments in certain locations. The Housing

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<sup>††††</sup> The City of Santa Cruz tacitly allowed an encampment in the benchlands, a long grassy city-owned parkland stretching along the San Lorenzo River as a response to the pandemic. [Santa Cruz Unsanctioned Homeless Camp Under New Management, Santa Cruz Sentinel 7-30-2020](#). After the encampment had swelled to unwieldy size, the city sought to clear the encampment, only to be ordered by a federal court to stop the abatement, and subsequently, ordered to provide an encampment in a 122-space city-designed and -controlled area in the benchlands. [Santa Cruz Homeless Camp Begins Relocation, Santa Cruz Sentinel 4-28-2021](#).

Department will work with BeautifySJ on aligning these two policies and any potential new ordinances.

**Proposed model and funding:** Staff will provide a range of options and a menu of services and costs for the Council to provide direction on both the physical nature of the site and the level of support that will be provided to each community. As previously noted, this will require that Housing staff work in partnership with advocates, homeless residents, and the LEAB to present options for the Council to consider. The cost options will likely be similar to those listed in Attachment A.

**Community engagement:** Staff will make a recommendation for community engagement and feedback on the siting policy and what neighborhood engagement is recommended prior to establishing a “safe zone,” or “sanctioned encampment.” City Council participation in the community engagement process is needed to ensure a successful and productive process.

**Site identification:** The Housing Department will identify sites that align with the recommendations in the siting policy. This is another area where City Council members can assist staff and even expedite the process by identifying viable sites that meet the site criteria approved by the Council.

**Request for Proposals for Service Provider:** The Housing Department will competitively procure services for the site based on Council direction. The service provider would also be responsible for working with the Housing Department, and homeless residents and formally homeless residents to developing policies and procedures on site operations. Finally, as with all of our temporary locations operated by the City, it is anticipated that the operator, working with the Housing Department and the Council Office, will facilitate neighborhood meetings to ensure the site is responding to any community concerns and the help integrate the residents into the neighborhood.

## **CONCLUSION**

Sanctioned encampments could be a “tool in the toolbox” in the homeless response system and provide a valuable service to vulnerable unsheltered residents. The new Community Plan to End Homelessness includes sanctioned encampments as a potential option for cities. Many communities have rushed to establish “safe zones,” or “sanctioned encampments,” without heading the cautions, considerations and best practices put out by organizations such as USICH and National Law Center on Homelessness and Poverty. Establishing these programs requires both financial and staff resources. And most importantly, they take design and iteration from those living unsheltered. While the Housing Department has put in place an interim funding strategy to put in place the project management and staffing resources necessary to begin the implementation of this work, additional funding to continue into the next fiscal year will need to be identified as part of the 2021-2022 budget development process. The Housing Department will continue to operate SOAR sites throughout the City and will use the lessons learned from

the operation of the sites and the Bridge Housing Communities/Emergency Interim Housing sites to inform a new program. City staff will pursue a sanctioned encampment program including developing a siting policy, identifying viable locations, community engagement, program and service design, identifying funding and potentially developing an ordinance.

### **EVALUATION AND FOLLOW-UP**

Based on Council's direction, the Housing Department will work with the City Manager's Budget Office to identify resources to fund this work effort in 2021-2022 as part of the budget development process currently underway. The Housing Department will return to the City Council with a work plan by the end of the calendar year.

### **CLIMATE SMART SAN JOSE**

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

### **POLICY ALTERNATIVES**

**Alternative:** The City Council can expand the SOAR Program if a viable site can be identified and direction is provided that the site would be low priority for abatement. The program would provide basic hygiene and trash services along with street-based case management and support.

**Pros:** This would expedite the timeline for implementing Council Direction.

**Cons:** Establishing a new site at this time will still take time and resources that the Housing Department does not have. This option may not address any legal considerations related to safety and security.

**Reason for not recommending:** The Housing Department has no capacity to complete the work of conducting community engagement, entering into agreements for site services and developing a process for which individuals are selected to camp at the new site or how to keep the site from growing to an unmanageable or unsafe size. There may be legal considerations related to safety and security that would need to be addressed. There would need to be a clear policy to address any safety issues at the site. Also, the feedback from community advocates and LEAB was to select an existing site because they already have an existing level of community cohesiveness and self-governance. If the Council were to select this option, resources, both financial and staffing, would need to be identified to complete the project.

### **PUBLIC OUTREACH**

The Housing Department hosted weekly meetings with homeless advocates, some of which also have lived experience of homelessness. The meetings were focused on collecting feedback on the

design and implementation of an encampment support program. The core themes that emerged were:

- Select existing encampment locations, rather than establishing new locations for camps. This was for speed, but also for facilitating community. Often, existing locations already have a cohesive group of people living together and have a formed sense of community and some amount of self-governance.
- Start with basic services, specifically portable toilets, hand washing stations and trash service. Encampments are organic and change over time, and changes should occur naturally with input of those living in the encampment.
- Consider “sanctioning” the existing SOAR sites since they are already receiving a basic level of hygiene and trash service along with street based supportive services.

Additionally, the Housing Department hosted a listening session on April 15, 2021, with members of the LEAB, whose membership have experience of homelessness. The core themes that emerged from this discussion were in alignment with the themes listed above. In addition, they also urged high level of supportive services on site, including case management, mental health and substance use treatment, employment assistance and help identifying and accessing housing.

This item has been posted on the City’s website for approval by the City Council on May 11, 2021.

### **COMMISSION RECOMMENDATION/INPUT**

No commission recommendation or input is associated with this action.

### **COST SUMMARY/IMPLICATIONS**

The annual programmatic costs to implement City Council direction as outlined below include sanctioned encampment policy and program development, and varying service levels for the sanctioned encampment as described in Attachment A. The first table below shows the cost elements for the sanctioned encampment policy and program development. The second table shows the total annual cost depending on the service level selected by the City Council.

To begin this work, the Department can leverage existing resources within the Housing Trust Fund to pay for the policy and program development costs through June 30, 2021. However, resources within the Housing Trust Fund are not sufficient to continue the work in 2021-2022. As part of the 2021-2022 budget development process, the Administration will work to identify other eligible funding sources for City Council consideration, including potentially the American

Rescue Plan or other funding from the State that may become available to support services to the homeless.

<b>Sanctioned Encampment Policy &amp; Program Development</b>	<b>Annual Cost</b>
Project manager and analytical support equivalent to approximately 1.5 full-time positions	\$275,000
Communications/Facilitation Support	\$50,000
<b>Sub-Total</b>	<b>\$325,000</b>

<b>Annual Program Costs (Policy &amp; Program Costs + Service Levels)</b>	<b>Annual Cost</b>
Level 1: Basic Needs	\$60,000
Sanctioned Encampment Policy & Program Development	\$325,000
<b>Level 1 Total Annual Cost</b>	<b>\$385,000</b>
Level 2: Basic Needs	\$179,000
Sanctioned Encampment Policy & Program Development	\$325,000
<b>Level 2 Total Annual Cost</b>	<b>\$504,000</b>
Level 3: Basic Needs	\$1,179,000
Sanctioned Encampment Policy & Program Development	\$325,000
<b>Level 3 Total Annual Cost</b>	<b>\$1,504,000</b>

**COORDINATION**

This item has been coordinated with the City Attorney’s Office and the City Manager’s Budget Office.

HONORABLE MAYOR AND CITY COUNCIL

**Subject: Response to City Council Direction for Sanctioned Encampment Program**

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**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, Housing Department

For questions, please contact Ragan Henninger, Deputy Director, at [ragan.henninger@sanjoseca.gov](mailto:ragan.henninger@sanjoseca.gov).







**Attachment A:** Encampment Cost Options



# SANCTIONED ENCAMPMENT LEVELS

## Level 1: Basic Needs

Total Annual Cost: \$385,000\*

Items included in level		Portable Toilets		Handwashing Stations		Dumpsters
		Showers/Laundry		Potable Water Source		Tents

\*Includes Sanctioned Encampment Policy & Program Development of \$325,000.

## Level 2: Supported




Total Annual Cost: \$504,000\*

Items included in level + All items in Level 1		Camping Stove / Flat Griddle		Propane for Stoves		Fire Extinguishers
		Solar Power		Community Tent		Tables & Chairs
		Camping Supplies		Fencing Perimeter		Light Social Services
		Maintenance Checks				

\*Includes Sanctioned Encampment Policy & Program Development of \$325,000.

## Level 3: Full Service/Onsite Provider

Total Annual Cost: \$1,504,000\*

Items included in level + All items in Levels 1 & 2		Onsite nonprofit service provider		Private Security		Site Control
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\*Includes Sanctioned Encampment Policy & Program Development of \$325,000.