



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Ragan Henninger
Jim Shannon

SUBJECT: SEE BELOW

DATE: August 19, 2021

Approved

Date

8/19/21

SUBJECT: AUTHORIZATION TO NEGOTIATE AND EXECUTE GRANT AGREEMENTS AND GRANT AMENDMENTS FOR MULTIPLE HOMELESS PROGRAMS IN FISCAL YEAR 2021-2022

RECOMMENDATION

- (a) Adopt a resolution authorizing the Director of Housing to negotiate and execute FY 2021-2022 agreements and amendments for the following homeless programs and services:
- (1) Hygiene and Basic Needs Services;
 - a. Shower and Laundry Program at Grace Baptist Shelter;
 - b. Dignity on Wheels Mobile Showers, Laundry and Rest Stop;
 - c. UPLIFT Transit Pass Program;
 - (2) Homeless Systems Support;
 - a. Security System at Boccardo Reception Center;
 - b. Countywide Centralized Shelter Hotline;
 - c. Employment Initiative;
 - d. Program and Grant Administration;
 - (3) Housing Opportunities;
 - a. Rapid Rehousing Programs;
 - b. Homelessness Prevention System;
 - c. Motel Vouchers for Families;
 - d. Women in Supported Housing;
 - e. Permanent Affordable Housing at the SureStay Hotel;
 - f. Interim Housing at the Plaza Hotel
 - g. Care Coordination Project; and
 - h. Shelter and Housing Support for Homeless Youth.
- (b) Adopt the following Appropriation Ordinance Amendments in the General Fund:
- (1) Decrease the Measure E – 10% Homelessness Prevention Reserve appropriation by \$1,000,000; and

- (2) Increase the Measure E – Homelessness Prevention appropriation to the Housing Department by \$1,000,000.

- (c) Adopt the following Appropriation Ordinance Amendments in the Homeless Housing, Assistance, and Prevention Fund:
 - (1) Decrease the Emergency Shelters appropriation to the Housing Department by \$2,500,000;
 - (2) Establish a Countywide Centralized Shelter Hotline appropriation to the Housing Department in the amount of \$1,500,000; and
 - (3) Establish a Homeless Youth appropriation to the Housing Department in the amount of \$1,000,000.

- (d) Adopt the following Appropriation Ordinance Amendments in the Multi-Source Housing Fund:
 - (1) Decrease Unrestricted Ending Fund Balance by \$200,000; and
 - (2) Establish a Crisis Response Interventions appropriation to the Housing Department in the amount of \$200,000.

OUTCOME

The delegation of authority to the Director of Housing to negotiate and execute the agreements as described in this memorandum will reduce the transactional time needed to enter into contracts and make funding available to nine community partners serving San José's most vulnerable homeless residents by providing hygiene and basic needs support services, homeless systems support, and housing opportunities.

BACKGROUND

During the 2019 biennial Homeless Census and Survey, census workers counted 6,097 homeless individuals in San José. Over eighty-four percent (84%) were unsheltered, meaning that they were counted while on the street, in encampments, in vehicles, or other areas not meant for human habitation. The 2020-2025 Community Plan to End Homelessness in Santa Clara County, collaboratively developed by representatives of community-based service organizations, local government, philanthropy, business, healthcare, and people with lived experience, identified three core strategies:

- Strategy 1: Address the root causes of homelessness through system and policy change;
- Strategy 2: Expand homelessness prevention and housing programs; and
- Strategy 3: Improve quality of life for unsheltered individuals and create healthy neighborhoods for all.

The City is committed to implementing these strategies and aligning its funding and grants to the strategies. The City seeks to enter into and amend contracts with partners to respond to the basic

needs of unsheltered individuals and provide access to supportive housing programs and permanent housing, which align with strategies two and three of the Community Plan.

In response to the City Council's request to streamline the City's administrative process of doing business, including contract development, the Department of Housing prepared this Council memorandum to seek authorization to negotiate and execute agreements using local and State funds.

ANALYSIS

City Council approval of this item will allow staff to move forward on providing up to \$20,144,398 in local and State funds to non-profit partners serving San José's most vulnerable homeless residents by providing basic needs services, support, and housing opportunities.

The Housing Department will coordinate with the City Attorney's Office and the City Manager's Office in developing and approving all agreements, and requests contract authority for the Director of Housing to negotiate and execute the agreements. The Housing Department recently began drafting new agreements and amending existing agreements. 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 will not be included in the summaries of the agreements described below.

Hygiene and Basic Needs Services

Summary

| <u>Agency</u> | <u>Service</u> | <u>Target Population</u> | <u>Funding Source</u> | <u>Award</u> |
|-----------------------|----------------------------|---------------------------------|------------------------------|---------------------|
| Grace Solutions | Shower and Laundry Program | Single Adults | Housing Trust Fund | \$100,000 |
| WeHope | Dignity on Wheels | Single Adults and Families | Housing Trust Fund | \$500,000 |
| County of Santa Clara | UPLIFT | Single Adults | Housing Trust Fund | \$100,000 |
| Total | | | | \$700,000 |

Shower and Laundry Program at Grace Baptist Shelter (\$100,000)

The Housing Department requests contract authority for the Director to negotiate and execute a new agreement with [Grace Solutions](#) to provide showers and laundry services to Grace Baptist emergency shelter participants and non-participants. Located at 484 East San Fernando Street in San José, the Program offers shower and laundry facilities, food, water, hygiene supplies, phone charging stations, and case management during the service hours of 9am to 2pm Monday through Friday. Up to 30 participants are served each day on a first-come, first-served basis. This contract for the Shower and Laundry Program was transferred from the Department of Parks, Recreation, and Neighborhood Services. If staff capacity is available, the Housing Department

will competitively procure services for both stationary and mobile hygiene programs in FY 2021-22.

Dignity on Wheels Mobile Showers, Laundry and Rest Stop (\$500,000)

The Housing Department requests contract authority for the Director to negotiate and execute an extension to an existing agreement with [WeHOPE](#) to continue the Dignity on Wheels Program in San José. The two mobile shower and laundry trailers and the one mobile rest stop trailer, "Hope Health Mobile" operate six days per week at different locations throughout the City. The mobile rest stop offers WiFi, phone charging stations, case management, and virtual access to doctors. The City Council last approved an amendment to this agreement in December 2020.¹ In FY 2020-21, the shower program served 1,944 unduplicated individuals with 14,978 showers, 4,220 loads of laundry, and 301 unique visits to the rest stop trailer. If staff capacity is available, the Housing Department will competitively procure services for both stationary and mobile hygiene programs in FY 2021-22.

UPLIFT Transit Pass Program (\$100,000)

The Housing Department requests contract authority for the Director to negotiate and execute an extension to an existing agreement with [The County of Santa Clara Office of Supportive Housing](#) continuing the United Pass for Life Improvement from Transportation (UPLIFT) Transit Pass Program. UPLIFT provides free transportation to case managed homeless adults on any standard Valley Transportation Authority (VTA) bus and light rail line. The participant must meet with their case manager at least once per month and be working towards attaining their specified goals to receive the monthly pass. The City Council last approved an amendment to this agreement in December 2020.² In FY 2020-21, 1,000 unduplicated individuals received 3,333 UPLIFT transit passes.

Homeless Systems Support

Summary

| <u><i>Agency</i></u> | <u><i>Service</i></u> | <u><i>Target Population</i></u> | <u><i>Funding Source</i></u> | <u><i>Award</i></u> |
|-----------------------|--|---------------------------------|---|---------------------|
| HomeFirst | Security System | Single Adults | Housing Trust Fund | \$150,000 |
| County of Santa Clara | Countywide Centralized Shelter Hotline | Single Adults and Families | Homeless Housing, Assistance, and Prevention (HHAP) | \$1,500,000 |
| Destination: Home | Employment Initiative | Single Adults and Families | Housing Trust Fund | \$125,000 |
| City of San José | Program and Grant Administration | N/A | HHAP | \$788,639 |
| Total | | | | \$2,563,639 |

¹ Report to Council for Approval of Multiple Grant Agreements and Extensions for Homeless Programs (December 1, 2020): <https://www.sanjoseca.gov/home/showpublisheddocument/67325/637423204085670000>

² Report to Council for Approval of Multiple Grant Agreements and Extensions for Homeless Programs (December 1, 2020): <https://www.sanjoseca.gov/home/showpublisheddocument/67325/637423204085670000>

Security System at Boccardo Reception Center (\$150,000)

The Department requests contract authority for the Director to negotiate and execute a new agreement with [HomeFirst Services](#) to purchase a new high-quality surveillance system to create a safe and secure environment for shelter participants, visitors, and staff at the Boccardo Reception Center (BRC), San José's largest emergency shelter. The security cameras can help deter violence, assist staff to monitor unusual activity or unusual motion detection, or reveal events that otherwise may have been missed by onsite staff or guards. The existing security system at the shelter has been in service since the 1990s. Technology and software advances have made it impossible to upgrade the system and the interior wiring which is compromised. The new system adds cameras and video features, integrates to servers, includes playback capabilities, video storage and offers remote access (for incident review).

Countywide Centralized Shelter Hotline (\$1,500,000)

The Housing Department requests contract authority for the Director to negotiate and execute a new agreement with [The County of Santa Clara Office of Supportive Housing](#) to implement a year-round centralized shelter and referral hotline. During the COVID-19 emergency response, the County set up a system for homeless individuals to call to be assessed and placed in congregate and non-congregate shelters. The hotline team consisted of County staff who answered calls Monday through Friday from 9am to 6pm. Prior to the implementation of the Countywide Centralized Shelter Hotline, individuals and families who sought shelter used multiple access points, including wait list hotlines, outreach referrals or by calling the individual shelters. The County and City of San José decided to expand the service year-round to include shelter diversion services and individualized support to appropriately place and refer callers. The Housing Department was involved in the development of the RFP, as well as the rank and review process of responders. The City Council approved this concept on January 12, 2021 as part of the Housing Department's proposed application to the State for the Homeless Housing, Assistance, and Prevention Program (HHAP).³ Since April 2020, the hotline made 19,455 referrals with over 7,700 placements in congregate and non-congregate shelters.⁴

Employment Initiative (\$125,000)

The Housing Department requests contract authority for the Director to negotiate and execute an extension to an existing agreement with [Destination: Home](#) continuing implementation of the Employment Initiative. The employment engagement system focuses on placing participants in County-wide Rapid Rehousing Programs into fulltime living wage jobs. The award supports ongoing personnel costs at Destination: Home to administer the system. The City Council last approved a two-year extension to this agreement in March 2019.⁵

³ Proposed Expenditure Plan for the Homeless Housing, Assistance and Prevention Program (January 12, 2021): <https://www.sanjoseca.gov/home/showpublisheddocument/68299/637456339131270000>

⁴ July 22, 2021 call data

⁵ Funding Award with Destination:Home SV to continue implementing the Employment Initiative and Homelessness Prevention System (March 26, 2019): <http://sanjose.legistar.com/gateway.aspx?M=F&ID=719a085e-e48e-4572-8425-d878386997d4.pdf>

Program and Grant Administration (\$788,639)

The Housing Department requests approval to use a portion of the round two Homeless Housing, Assistance, and Prevention Program (HHAP) to fund City personnel who administer the State grants and programs.

Housing Opportunities**Summary**

| <u>Agency</u> | <u>Service</u> | <u>Target Population</u> | <u>Funding Source</u> | <u>Award</u> |
|--------------------|--|---|---|-------------------|
| LifeMoves | Rapid Rehousing | Single Adults, Youth and Families | Housing Authority Litigation Award (HALA) | \$1,500,000 |
| LifeMoves | Rapid Rehousing | Single Adults, Youth and Families | General Fund | \$500,000 |
| Bill Wilson Center | Rapid Rehousing | Single Adults, Youth and Families | HALA | \$1,200,000 |
| Bill Wilson Center | Rapid Rehousing | Single Adults, Youth and Families | General Fund | \$400,000 |
| Bill Wilson Center | Rapid Rehousing | Youth | Homeless Emergency Aid Program (HEAP) Interest Earned | \$200,000 |
| Destination: Home | Homelessness Prevention System | Families | General Fund - Measure E | \$3,800,000 |
| Destination: Home | Homelessness Prevention System | Families | HHAP | \$1,000,000 |
| LifeMoves | Motel Voucher Program | Families | HHAP | \$2,000,000 |
| LifeMoves | Motel Voucher Program | Families | HEAP Interest | \$229,759 |
| YWCA | Women in Supported Housing | Families and Survivors of Domestic Violence | HALA | \$51,000 |
| Abode | Permanent Affordable Housing at SureStay Hotel | Single Adults | County of Santa Clara and FEMA Reimbursement | Up to \$2,000,000 |
| Abode | Interim Housing at Plaza Hotel | Single Adults | HHAP | \$2,000,000 |

| | | | | |
|-----------------------|-----------------------------|---------------|---------------------------|---------------------|
| County of Santa Clara | Care Coordination Project | Single Adults | Low Moderate Income (LMI) | \$250,000 |
| County of Santa Clara | Care Coordination Project | Single Adults | HALA | \$750,000 |
| Bill Wilson Center | Shelter and Housing Support | Youth | HHAP | \$1,000,000 |
| Total | | | | \$16,880,759 |

Rapid Rehousing Programs (\$3,800,000)

The Housing Department requests contract authority for the Director to negotiate and execute extensions to existing agreements with [LifeMoves](#) and [Bill Wilson Center](#) to provide short-term rental assistance and supportive services that will end once the households are able to independently maintain stable housing. The City’s Rapid Rehousing Program targets homeless individuals, families and youth with moderate service needs who have the ability to earn sufficient income but may have experienced events such as the sudden loss of a job or unexpected medical costs that led to their homelessness. Service components of the rapid rehousing program include; 1) housing search and placement; 2) short term and/or decreasing rent subsidy; 3) other temporary financial assistance; and 4) time-limited case management.

On December 15, 2020, the City Council authorized the Director of Housing to negotiate and execute two six-month grant agreements, beginning on January 1, 2021 and operating through June 30, 2021, with LifeMoves and Bill Wilson Center, to conduct Rapid Rehousing efforts as part of the City of San José Rapid Rehousing Program.⁶ LifeMoves was awarded \$1,000,000 and Bill Wilson Center was awarded \$800,000. Each contract was executed with three one-year options to extend. LifeMoves has assisted 53 unduplicated participants (36 households) since January 2021. As a consortium, Bill Wilson Center and Next Door Solutions have assisted 85 unduplicated participants since January 2021. In total, 29 families and 17 (includes 11 children) survivors of domestic violence were served.

Homelessness Prevention System (\$4,800,000)

The Housing Department requests contract authority for the Director to negotiate and execute an extension to an existing agreement with [Destination: Home](#) for the Homelessness Prevention System. The agreement increases funding to support families at risk of homelessness to remain stably housed by providing supportive services and financial assistance. Support may include rental assistance, move-in costs or rental arrears, housing search, employment and benefits assistance, landlord mediation/dispute resolution, and information regarding tenant rights. The goal of the Homelessness Prevention System is to expand households’ ability to become quickly connected to prevention services with multiple points of entry in order to keep people housed. The City Council approved an extension to this agreement as part of the November 2020 Measure E Proposed Spending Plan.⁷ The program is extremely effective, with 93% of households remaining stably housed 12 months after receiving assistance. The Housing

⁶ Award of Contracts for the Employment Development and Housing Stability and Rapid Rehousing Programs (December 15, 2020): <https://www.sanjoseca.gov/home/showpublisheddocument/67844/637433011128470000>

⁷ Proposed Spending Plan for Measure E Real Property Transfer Tax (November 10, 2020): <https://www.sanjoseca.gov/home/showpublisheddocument/66575/637401733426300000>

Department is committed to allocating ongoing funding through Measure E to continue preventing homelessness and keeping San José's most vulnerable households stable.

Motel Vouchers for Families (\$2,229,759)

The Housing Department requests contract authority for the Director to negotiate and execute an extension to an existing agreement with [LifeMoves](#) to provide motel stays for homeless families and survivors of domestic violence. The City Council approved the initial agreement with LifeMoves in September 2019.⁸ In FY 2020-21, the Motel Voucher Program served 361 individuals. This consists of 126 family households with 159 children. During the same timeframe, 78% of households exited to a positive destination, including emergency shelter, transitional housing, or permanent housing within 90 days of intake. The average length of stay in the motels for exiting households was 65 days.

Women in Supported Housing (\$51,000)

The Housing Department requests contract authority for the Director to negotiate and execute an extension to an existing agreement with [YWCA](#) to continue to provide motel stays to survivors of domestic violence enrolled in the Women in Supported Housing (WISH) program. The City Council approved an extension to the agreement with YWCA as part of the substantial amendment to the FY 2019-20 and 2020-21 Annual Action Plan.⁹ In FY 2020-21, the WISH program served 124 unduplicated participants, of which 38 individuals were minors under the age of 18. 100% of participants who exited the program exited to permanent housing.

Permanent Affordable Housing at the SureStay Hotel (Up to \$2,000,000)

The Housing Department requests contract authority for the Director to negotiate and execute a new agreement with [Abode Services](#) to operate the Project HomeKey SureStay Hotel as a permanent affordable housing program for individuals and couples. Located at 1488 North First Street in San José, the SureStay Hotel is currently being used to shelter individuals with a medical vulnerability to COVID-19 and the program will transition to permanent housing in fall 2021. Each of the 76 units has its own bathroom, microwave, refrigerator, access to WiFi, parking, and capacity for 1-2 individuals. In preparation for motel demobilization and participant transition, the City worked with Abode Services and the County of Santa Clara to conduct a thorough analysis of the participants in each non-congregate shelters (motels) managed by the County. The analysis determined that from the five shelter-in-place motels, 113 individuals completed an interest form to remain onsite and enter into leases with Abode Services for permanent housing. Of the 113, 83 individuals stated that they were able to pay the monthly rent of \$627. The determined amount of \$627 is an average rental charge to institute uniformity throughout the 76 units. It is lower than the average cost to rent a room in San José. It also will generate some income for the property to offset operations and service costs. Of the 61 individuals who remain onsite at the SureStay Hotel, 15 have been deemed eligible as long-term tenants. Over 30 individuals have been enrolled in other supportive housing programs, such as Permanent Supportive Housing or Rapid Rehousing. The remaining individuals have developed

⁸ Funding Award with LifeMoves to Implement the Motel Voucher Program for Families (September 10, 2019): <http://sanjose.legistar.com/gateway.aspx?M=F&ID=58506221-7a03-4f71-ad48-bfd2610b70a7.pdf>

⁹ Second Substantial Amendments to the FY 2019-20 and FY 2020-21 Annual Action Plan (March 23, 2021): <https://www.sanjoseca.gov/home/showpublisheddocument/70580/637520154484000000>

alternate housing plans with onsite staff from the County and Abode based on the individual's needs and circumstances. The Council last approved a contract with Abode to operate the Project HomeKey SureStay Hotel in January 2021.¹⁰

Interim Housing at the Plaza Hotel (\$2,000,000)

The Housing Department requests contract authority for the Director to negotiate and execute an extension to an existing agreement with [Abode Services](#) providing interim housing for homeless individuals at the Plaza Hotel. Located in downtown San José at 96 South Almaden Boulevard, the Plaza Hotel has 47 single room occupancy units that are approximately 85-100 square feet and furnished with a refrigerator, microwave, bed, table, shelves, and TV. Common facilities include a community room, a coin-operated laundry room, and shared restrooms with showers. The Plaza Hotel is secured with a locked entry system, video surveillance, and on-site security 24/7. The 47 units include three ADA-accessible units on the first floor and one Resident Manager's unit. Four of the units will be converted to office space, meeting rooms, and storage. The City Council last approved a contract with Abode to operate the Plaza Hotel in March 2021.

¹¹ In March, the Housing Department proposed that the Plaza Hotel would transition to offer temporary housing and supportive services to help homeless transitional age youth after July 1, 2021. The Housing Department met with leaders from San José State University and organizations serving homeless youth. Based on the resources that are currently available, several countywide programs that are being implemented, and the Plaza structure not being ideal for the population, the Housing Department does not recommend using the Plaza Hotel for this population at this time. Instead, Abode Services will work with the 40 individuals who are currently staying there to increase their incomes and enter into leases with low monthly fees beginning in January 2022. Those who qualify will have the opportunity to stay for an extended period as they search for permanent housing.

Care Coordination Project (\$1,000,000)

The Housing Department requests contract authority for the Director to negotiate and execute an extension to an existing agreement with [County of Santa Clara Office of Supportive Housing](#) to continue implementing the Care Coordination Project (CCP). The CCP is a community-wide effort centralizing the care of the County's most vulnerable and long-term homeless individuals; it is made up of multiple non-profit homeless service agencies that provide intensive case management matched with permanent housing. The agreement provides funding for salaries and related costs of nine intensive case managers and other supportive services. Each intensive case manager maintained active caseloads of no more than 20 chronically homeless or newly housed participants, with a total capacity of 180 participants. This year is expected to be the last year of funding from the City to the County for the CCP. The Council last approved an amendment to this agreement in December 2020.¹² In FY 2020-21, 175 households were enrolled of which 170

¹⁰ Grant Agreement with Abode Services to Operate the Project HomeKey Surestay Hotel for Unhoused Individuals Who Are Vulnerable to COVID-19 (January 12, 2021):

<https://www.sanjoseca.gov/home/showpublisheddocument/68289/637456264106500000>

¹¹ Grant Agreement with Abode Services to Operate the Plaza Hotel for Homeless Individuals Vulnerable to COVID-19 report to Council on March 30, 2021:

<https://www.sanjoseca.gov/home/showpublisheddocument/70710/637523717176770000>

¹² <https://www.sanjoseca.gov/home/showpublisheddocument/67325/637423204085670000>

of the 175 participants were housed. 100% of housed participants (housed 12 months ago or longer) maintained their housing for at least 12 months.

Shelter and Housing Support for Homeless Youth (\$1,000,000)

The Housing Department requests contract authority for the Director to negotiate and execute an extension to an existing agreement with [Bill Wilson Center](#) to continue providing support for the safety net shelter services and housing support. The shelter provides homeless and at-risk minors between the ages of 12 and 18 years old with emergency beds, support and assistance with resources for employment, education, life skills, substance abuse treatment services, and mental health resources. Housing support will follow a Rapid Rehousing model providing housing search and placement, including financial assistance and rental subsidies, and supportive services. The City Council last approved an extension to the agreement with Bill Wilson Center to provide supportive housing and safety net shelter services to homeless youth.¹³ In FY 2020-21, the Program served 83 homeless youth of which 95% of youth discharged from the Safety Net Shelter reunified with their families or were discharged to safe and stable housing.

Conflict of Interest

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

CONCLUSION

The actions recommended in this memorandum will continue hygiene and basic needs support services, homeless systems support, and housing opportunities for the City's most vulnerable residents.

As a result of actions taken by the City Council in delegating authority to the Department of Housing Director to negotiate and execute agreements, the Department will more efficiently focus its time and efforts on developing and finalizing the projects in this memorandum and the agreements to implement such projects.

EVALUATION AND FOLLOW-UP

Updates on the programs will be provided in the Housing Department's annual report on homeless programs.

¹³ Accept the Homeless Housing Assistance and Prevention Grant from the State of California and Authorize related contract amendments (April 21, 2020):

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

CLIMATE SMART SAN JOSE

The recommendation in this memo aligns with one or more Climate Smart San José energy, water, or mobility goals. The recommendation furthers the goals of Climate Smart by facilitating the creation of low-income housing close to jobs and transit, which would reduce vehicle miles traveled and greenhouse gas emissions. The sites are located within walking distance from a light rail station, providing access to transit to all residents living at the projects.

PUBLIC OUTREACH

This item has been posted on the City’s website for approval by the City Council on August 31, 2021.

COORDINATION

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

COMMISSION RECOMMENDATION/INPUT

At the April 8, 2021 Housing and Community Development Commission (HCDC) meeting, the HCDC passed (6-3) the Housing Trust Fund Expenditure Plan for FY 2021-22, which included funding allocations for all of the programs funded by the Housing Trust Fund.

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION:

| | |
|----------------------------------|---------------------|
| Hygiene and Basic Needs Services | \$700,000 |
| Homeless Systems Support | \$2,563,639 |
| Housing Opportunities | <u>\$16,880,759</u> |
| TOTAL PROJECT COSTS | \$20,144,398 |

2. SOURCE OF FUNDING: General Fund; Low and Moderate Income Housing Asset Fund; Housing Trust Fund; Homeless Housing, Assistance, and Prevention Fund; Multi-Source Housing Fund (through memo funds Housing Authority Litigation Award Fund and Homeless Emergency Aid Program Fund).

3. **FISCAL IMPACT:** Funding in the amount of \$20,144,398 has been reserved for homeless programs and services and is recommended as part of this memorandum that the Director of Housing be authorized to negotiate and execute FY 2021-2022 agreements and amendments to make funding available to 9 community partners serving San José's most vulnerable homeless residents by providing hygiene and basic needs support services, homeless systems support, and housing opportunities. There are no ongoing fiscal impacts as a result of the actions recommended in this memorandum.

BUDGET REFERENCE

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


| Fund # | Appn # | Appn. Name | Total Appn | Amt. for Contract | Rec. Budget Action | 2021-2022 Proposed Operating Budget Page* | Last Budget Action (Date, Ord. No.) |
|--------|--------|--|--------------|-------------------|--------------------|---|-------------------------------------|
| 001 | 2062 | Homeless Rapid Rehousing | \$2,000,000 | \$1,820,000 | | IX-14 | 06/22/21 Ord. 30621 |
| 001 | 8598 | Measure E -10% Homelessness Prevention Reserve | \$2,000,000 | | (\$1,000,000) | IX-47 | 06/22/21 Ord. 30621 |
| 001 | 214D | Measure E - Homelessness Prevention | \$3,800,000 | \$4,800,000 | \$1,000,000 | IX-14 | 06/22/21 Ord. 30621 |
| 346 | 3050 | Homeless Services | \$250,000 | \$250,000 | | X-60 | 06/22/21 Ord. 30621 |
| 440 | 205X | Employment Initiative Program | \$125,000 | \$125,000 | | X-54 | 06/22/21 Ord. 30621 |
| 440 | 2453 | Housing and Homeless Projects | \$3,066,879 | \$1,350,000 | | X-54 | 06/22/21 Ord. 30621 |
| 454 | 209Z | Grant Administration | \$1,149,496 | \$788,693 | | X-53 | 06/22/21 Ord. 30621 |
| 454 | 209X | Emergency Shelters | \$10,423,992 | \$6,477,639 | (\$2,500,000) | X-53 | 06/22/21 Ord. 30621 |
| 454 | 209Y | Homeless Youth | \$0 | | \$1,000,000 | N/A | N/A |
| 454 | New | Countywide Centralized Shelter Hotline | \$0 | | \$1,500,000 | N/A | N/A |
| 448 | 2062 | Homeless Rapid Rehousing | \$4,921,075 | \$3,176,000 | | X-76 | 06/22/21 Ord. 30621 |
| 448 | 8999 | Unrestricted Ending Fund Balance | \$21,407,796 | | (\$200,000) | X-77 | 06/22/21 Ord. 30621 |
| 448 | 205Y | Crisis Response Interventions | \$0 | | \$200,000 | N/A | N/A |

*The Adopted Operating Budget was approved on June 15, 2021 and adopted on June 22, 2021 by the City Council.

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.

/s/
RAGAN HENNINGER
Deputy Director, Housing Department



for JIM SHANNON
Budget Director

For questions, please contact Kelly Hemphill, Homelessness Response Manager, at kelly.hemphill@sanjoseca.gov.