

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jennifer A. Maguire

**SUBJECT: COVID-19 PANDEMIC
RESPONSE AND RECOVERY
STATUS UPDATE**

DATE: August 31, 2021

INFORMATION

INTRODUCTION

As you are aware, in May and June of 2021, the Administration and Council finalized the City's COVID-19 pandemic planning efforts and budgetary resources to transition the organization from emergency response—with a fully activated Emergency Operations Center (EOC)—to the beginning of community and economic recovery. Unfortunately, due to the unexpected and unplanned local emergence of the Delta variant in July creating the “4th wave” of the pandemic, the associated ability to infect 2.5x the number of people as the original strain, and the dramatic increase in transmissions and infections, we find that we must reorganize City resources once again to meet the demands of the moment. This means that response, recovery and other items on the City Roadmap must now occur in parallel, placing strain on existing budgets and staffing.¹

This memorandum outlines the Administration's initial approach to managing these parallel efforts, associated management changes, and next steps related to possible budgetary amendments.

BACKGROUND

As part of the approval of the FY 2021-2022 City Manager's Proposed Operating Budget the Council approved [Manager's Budget Addendum \(MBA\) #16 – Community and Economic Recovery Budget](#), which recommended initial allocations from the American Rescue Plan Fund and Emergency Reserve Fund to transition the organization from our COVID-19 emergency response phase to our COVID-19 pandemic community and economic recovery phase.² MBA #16 outlined the large and complicated integration of City service delivery

¹ <https://www.sanjoseca.gov/Home/Components/News/News/3193/5167>

² <https://www.sanjoseca.gov/home/showpublisheddocument/73424/637575449288770000>

into the 18 City Roadmap initiatives (Shown in Figure 1.0: City Roadmap 18 Recovery Initiatives), representing over 48 work streams, touching every department, and impacting dozens of staff across the organization and even more community partners.

San José City Roadmap FY 2021-2022							Legend: ■ COVID-19 Response ■ Enterprise Initiatives	
Enterprise Priority	Project						Strategy	Policy
COVID-19 Pandemic: Community + Economic Recovery	Housing Stabilization	Re-Employment + Workforce Development	Small Business Recovery	Food + Necessities Distribution	Digital Equity	Child Care Learning Pods		Build Back Better + Recovery Taskforce
Emergency Management + Preparedness	Vaccination Taskforce							Soft-Story Building Earthquake Retrofit Policy
Creating Housing + Preventing Homelessness	Emergency Housing Construction + Operation	Sheltering + Enhanced Encampment Services					North San José Strategy	Encampment Management + Safe Relocation Policy
Safe, Vibrant, + Inclusive Neighborhoods + Public Life	Police Reforms Work Plan	San José 311 + Service Delivery	Encampment Waste Pick-Up BeautifySJ	Vision Zero Traffic Safety			Equity Strategy Development	Neighborhood Services Access Strategy
Building the San José of Tomorrow with a Downtown for Everyone	Align Zoning with General Plan	Development Services Transformation	Google Development	Major Real Estate Development Projects			BART + High-Speed Rail Strategy	
Smart, Sustainable, + Reliable City: 21 st Century Infrastructure	Pavement, Fire, EOC, Transit Capital Improvements	Regional Wastewater Facility Capital Improvements	Electrical Service for Major Development	Climate Smart American Cities Climate Challenge			Lowering PG&E Above Market Costs for Clean Energy	
Enterprise Priority Foundational	Project						Strategy	Policy
Strategic Fiscal Positioning + Resource Deployment	Federal + State Recovery Advocacy	Secure City Cybersecurity	Procurement Improvement	Pension Obligation Bond Analysis			Budgeting for Equity	City Roadmap Budgeting, Accountability, + Performance
Powered by People	Continuity of City Services	Safe Workplace	Employee Health + Wellness	Drive to Digital	Effective Teams		City Workforce Diversity + Skill Building	

Figure 1.0: City Roadmap 18 Recovery Initiatives

Each of these initiatives requires planning, collaboration, intentionality, a strong team, adequate resources, innovative and strategic partnerships, authentic community engagement, and scaling of successful efforts. Accordingly, MBA #16 recommended funding for the formation of a City Manager’s Office Community and Economic Recovery Team (Recovery Team) as well as the formation of and staffing for a Community and Economic Recovery Task Force.

In addition, MBA #16:

- Recommended an initial budget allocation that preserves our fiscal resiliency, while simultaneously allowing us to begin working on all 18 recovery initiatives the Mayor and Council prioritized;
- Deliberately withheld allocating all available funding to provide flexibility in working with our community and partners as we shift from response to recovery in the coming months, giving us the capacity to respond quickly should unforeseen economic or public health related issues arise during the recovery, and allowing for the ability to plug in other future funding sources (such as from the State) as resources come available; and
- Provided the total estimated cost of community and economic recovery initiatives as preliminarily identified by the Administration and gave context for the level of additional Federal and State funding sources to be pursued.

Shifting Back to Emergency Response

The global and local public health landscape has drastically changed since June when the Council accepted the Administration's recovery approach (MBA #16). Since the beginning of the COVID-19 pandemic, the SARS-CoV-2 coronavirus that causes COVID-19 has mutated (changed), resulting in different variants of the virus.³ One variant of concern - the "Delta variant" - is not only more [easily transmitted from one person to another](#), but it is also resulting in breakthrough infections of vaccinated individuals, and resulting in more children being hospitalized with the coronavirus than at any other point in the pandemic.⁴ As such, it is regarded as the most contagious form of the coronavirus to date. Due to this, the national, State, and local response to the COVID-19 pandemic has changed dramatically in the last five weeks.

The highly contagious nature of the Delta variant and its exponential spread has resulted in resurging public health and emergency response needs for the community. Consequently, the City's EOC was reactivated on Monday, August 16, 2021 at a "Stage 4" activation focusing on (1) monitoring, (2) coordination (internal and external), and (3) communication (residents and workforce), all of which required a smaller team than the original EOC activation. Since the reactivation, however, the EOC, moved to a "Stage 3" for the following reasons:⁵

- Consistent week-to-week increases in COVID positive case rates in Santa Clara County (County) coupled with decreases in intensive care unit bed availability, and although relatively low, upward trending deaths as shown in Figure 2.0: COVID-10 Delta Variant Trends;
- Organizational demands to increase planning and policy research and inter-departmental coordination that exceeds normal departmental capacity;
- Potential reallocation of City staff to assist with vaccination efforts, emergency rental assistance, policy formulation for public facility vaccination verification proposal, and implementation of city facility vaccination verification urgency ordinance.

³ COVID-19 variants are categorized by the Centers for Disease Control and Prevention (CDC) as either [variants of interest or variants of concern](#). (See <https://www.cdc.gov/coronavirus/2019-ncov/variants/variant-info.html>)

⁴ More information on the Delta variant can be found on the CDC website: <https://www.cdc.gov/coronavirus/2019-ncov/variants/delta-variant.html>

⁵ "Stage 3" focuses on the same activities as "State 4" including (1) monitoring, (2) coordination, and (3) communication, however, these activities are increased to meet the growing demands of the emergency.

August 31, 2021

Subject: COVID-19 Pandemic Response and Recovery Status Update

Page 4

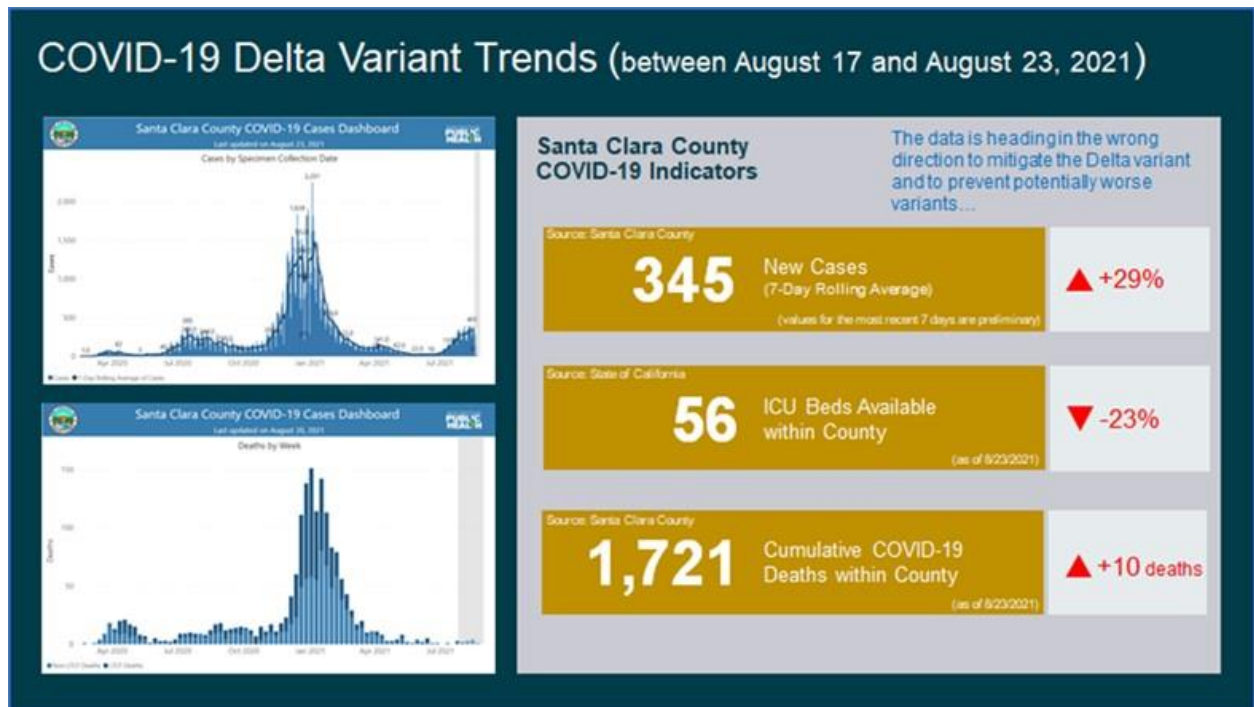


Figure 2: COVID-19 Delta Variant Trends

Undoubtedly, many in our community and workforce had hoped the emergency response was behind us in order to solely focus on the recovery activities outlined above. However, the last few weeks have made it clear that, for the time being, community needs will be dynamic, and our organizational objectives will evolve, demanding that response and recovery happen in parallel. To address these needs and adapt as needed, the City Manager’s Office Leadership Team is re-evaluating the structure and resources needed for the new Community and Economic Recovery Team in the City Manager’s Office. Because of this re-evaluation, the recruitment and selection for the Recovery Team Director position will not be moving forward at this time. In the interim, while community and economic recovery activities continue to be implemented within departments, leadership and management of these efforts will be overseen by Deputy City Manager Rosalynn Hughey and Interim Deputy City Manager Dolan Beckel. The City’s EOC response will be led by Deputy City Manager Lee Wilcox, with Dolan Beckel as Assistant EOC Director.

This interim leadership structure will allow the City to continue its response and recovery efforts in parallel, while monitoring and strategizing around leadership and management capacity needs. Despite these Recovery Team changes, the City Manager’s Office is moving forward with other staffing resources outlined in MBA #16, particularly those focused on engaging our residents for the recovery process as the community voice remains an essential component of recovery and is critically needed if we are to be collectively successful. To implement the COVID-19 initiatives of the City Roadmap, the City Manager’s Office is continuing to move forward with the establishment of the COVID-19 Community and Economic Recovery Task Force (Task Force). At the August 23, 2021 Community and Economic Development Committee meeting, staff

provided an overview of the role and responsibilities of the Task Force, the proposed Task Force composition, and ideas on the Task Force process and community engagement. Staff anticipates bringing the Task Force membership recommendation to Council in September and scheduling the kick-off Task Force meeting in October or November. Additionally, the City Manager's Office is filling at least three staff positions to provide community engagement support for the Task Force, manage cross-departmental coordination, and ensure delivery of the 18 COVID-19 initiatives on the City Roadmap associated with recovery, as well as various response efforts.

On the response side, community engagement is being enhanced for vaccination efforts and rental assistance. The EOC's focus in supporting the County's vaccination efforts will rely heavily on enhancing engagement with our unvaccinated residents—many of whom continue to be vaccine hesitant—to understand their barriers to vaccination acceptance in order to deploy culturally competent and respectful health interventions. Targeted, open, and effective communication will be essential to our success, particularly with influential grassroots leaders and local partners to identify community concerns and collaborate with trusted stakeholders.

For rental assistance, the City and County are scaling engagement with residents at risk of housing displacement by raising awareness of their rights as renters and availability of rental assistance. The City and County are funding a significant increase in legal services. A substantial effort is also being made to assist community members with completing rental assistance applications and work with households to troubleshoot issues while their applications are pending. All of these activities are also being supported by a grassroots network of community partner agencies and increased City and County staff.

Because community engagement is the linchpin to both response and recovery, it is now more important than ever to meet people where they are and tailor interventions. We are doubling down on our efforts to reach and bring our diverse community voices to the table—that is, those with lived experiences and those with subject matter expertise to co-create the vision, strategy and execution of our response and recovery initiatives. These efforts must be grounded in community needs and priorities to be effective and sustainable. In our commitment to building trust that results in better decision-making and high impact, we will provide fair and equitable access, and will use the spectrum of community participation to guide engagement—inform, consult, involve, collaborate and empower.

NEXT STEPS

Leading healthcare experts do not expect the SARS-CoV-2 coronavirus to be fully controlled for at least 12 more months. In partnership with the County and other key partners, the Administration will continue to monitor the Delta variant and other variants of concern and, as appropriate, will adjust City policies and services with a targeted focus on continuing to increase vaccination rates in the 13 least vaccinated areas of the City. Concurrently, the Administration is also reassessing the Community and Economic Recovery Enterprise Priority scope and budget to determine if additional recovery funding should be shifted to allow for greater flexibility in the COVID-19 response over the next 12 months. From an organizational perspective, these parallel

HONORABLE MAYOR AND CITY COUNCIL

August 31, 2021

Subject: COVID-19 Pandemic Response and Recovery Status Update

Page 6

efforts undeniably place a strain on our budget and staffing and may further extend the fatigue many in our workforce have endured from nearly 18 months of a high-intensity, high-stress response.

An information memorandum will be released at the end of this week describing the Administration's current understanding of eligible use of the American Rescue Plan funding, and outlining the approach for returning to the Council during early November to recommend the reallocation and realignment of funding for response and community and economic recovery efforts. If conditions of the Delta variant warrant immediate changes, staff may return to the Council earlier to reallocate funding for the emergency response efforts.

The communities most (and disproportionately) burdened by the pandemic deserve a leap into a better normal marked by efforts that advance an equitable recovery. The Administration recognizes, however, that recovery of any type will not be attainable if these same communities continue to experience an increase in COVID cases that can further destabilize families through loss of income, housing displacement, and in the worst cases, the loss of their loved ones. Vaccination as such is the key to sustainable recovery. While we remain unwavering in our commitment to the better-normal recovery—for which the critical community engagement aspects are being advanced—we are equally dedicated to reducing the harm actively being caused by the pandemic and being disproportionately experienced by our most vulnerable communities.



JENNIFER A. MAGUIRE
City Manager

For questions, please contact Lee Wilcox, Deputy City Manager, at lee.wilcox@sanjoseca.gov.