



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jacky Morales-Ferrand

SUBJECT: SEE BELOW

DATE: August 31, 2016

Approved

D. D. Syl

Date

9/8/16

SUBJECT: GRANT AGREEMENTS WITH THE COUNTY OF SANTA CLARA TO SUPPORT CASE MANAGEMENT, TRANSPORTATION, AND INFORMATION SERVICES FOR CHRONICALLY HOMELESS INDIVIDUALS IN SAN JOSE

RECOMMENDATION

Adopt a resolution authorizing the City Manager to execute:

1. A First Amendment to a grant Agreement with the County of Santa Clara to increase funding by \$976,000, continue the term for an additional fiscal year, and amend the scope of services to support ongoing operations of the Care Coordination Program (CCP), including \$51,000 to provide UPLIFT Transit Passes, for a total grant award not to exceed \$2,016,000; and
2. A Grant Agreement with the County of Santa Clara to support operations of the Homeless Management Information System (HMIS) and to provide related training in an amount not to exceed \$120,000.

OUTCOME

The City Council's approval of these two grants to the County of Santa Clara will further the City's ability to reach its goal of responding to the impacts of homelessness by retaining nine intensive case managers to provide up to 180 chronically homeless individuals with the support needed to obtain and maintain permanent housing, to fund the City's share of the costs needed to operate HMIS, and to provide transportation resources to hundreds of San José homeless persons.

BACKGROUND

Care Coordination Project

During the 2015 biennial Homeless Census and Survey, census workers counted 6,556 homeless individuals in Santa Clara County, compared to 7,631 individuals in 2013. This represents a 14% reduction and is the lowest number in Santa Clara County in over ten years. Of the total 6,556 people counted, 2,207 were considered chronically homeless (i.e., without a permanent home for more than a year and have a disabling condition).

The overall decrease in homelessness is a direct reflection of the extensive efforts to respond to the needs of unhoused populations in the community. In particular, strategies to move people directly into housing through the provision of rental subsidies and supportive services have been successful. Between 2011 and 2014, through the Countywide Housing 1000 campaign led by Destination: Home, in collaboration with the County of Santa Clara, the City of San José and other partners, 865 chronically homeless participants were housed. In 2013, the City of San José embarked on a pilot project to provide housing and employment services to individuals living in a targeted homeless encampment, resulting in over 200 people housed to date.

The goal of the Housing 1000 Campaign was to prioritize housing and services for people that have been on the streets the longest, are suffering from chronic health issues and are vulnerable to dying on the streets. The campaign ended in December 2014 but the Care Coordination Project (CCP) continues to exist to provide ongoing case management, housing, and support to the most vulnerable chronically homeless individuals in the county. The CCP is made up of multiple non-profit homeless service agencies that provide intensive case management matched with permanent housing. The CCP team connects with chronically homeless individuals through a county-wide assessment tool. The CCP team works to remove barriers to housing to ensure a quick and smooth transition from homelessness to permanent housing, while providing the support necessary for formerly chronically homeless men and women to maintain their housing and rebuild their lives. The County of Santa Clara's Office of Supportive Housing oversees the CCP and contracts with non-profit organizations to provide the supportive services.

UPLIFT Transit Pass Program

In April 2008 the County of Santa Clara began implementing the Universal Pass for Life Improvement from Transportation (UPLIFT) Program in response to Homeless Census and Survey results and case manager feedback that a lack of access to transportation was one of the biggest obstacles clients faced in ending their homeless situation. The UPLIFT Transit Pass Program provides monthly transit passes to homeless persons who are working with a case manager to meet goals aimed at moving them out of homelessness and into housing. In 2008 the Housing Department committed to funding the program at \$40,000 a year for three years. The final year of this initial commitment ended in June 2011. In August 2011, the Housing Department renewed the contract in July of 2013 with an increased annual award of \$51,000.

Homeless Management Information System

The U.S Department of Housing and Urban Development (HUD) requires communities that submit applications for McKinney-Vento Homeless Assistance Grants to have a “continuum of care” (CoC) that coordinates housing and services funding for homeless families and individuals. HUD awards about \$15,000,000 annually to Santa Clara County organizations to provide housing and support to homeless persons. Additionally, HUD awards approximately \$700,000 annually in Emergency Solutions Grant (ESG) grant funds to the City to support services for the homeless. HUD requires the CoCs and ESG grant recipients to use a Homeless Management Information System (HMIS) to collect information about homelessness in their communities. It is a local information technology system used to collect data on the provision of housing and services to homeless individuals and persons at risk of homelessness in Santa Clara County. HMIS allows service providers to better coordinate client services and collect uniform data without duplication of technology, expense, or expertise. HMIS gives policy makers an accurate count of those receiving services and helps determine which services, or combination of services, work best to alleviate homelessness. HMIS also allows funders and policy makers to assess gaps in service.

ANALYSIS

Care Coordination Project (\$925,000)

Since the inception of the Care Coordination Project (CCP), the City has provided grants to The Health Trust, as the fiscal agent of Destination: Home, to fund intensive case managers. Over the last five years, the City, Destination: Home, and the County have partnered to develop, expand and refine the CCP. In the summer of 2014, the CCP stakeholders unanimously supported transferring all of the operational leadership of the CCP to the County. With the change in CCP leadership, the case management funds once granted to Destination: Home now go to the County to ensure ongoing services and housing for chronically homeless participants from San José.

Having the County manage Permanent Supportive Housing operations is beneficial for several reasons. First, the intensive case managers must be connected to permanent housing resources. The City-funded intensive case managers have access to housing resources that are funded by the County or managed by the County. Pooling intensive case managers and housing resources allows all partners to allocate resources based on programmatic and/or individual client needs. Second, chronically homeless persons have disabling conditions and are generally dependent on Social Security benefits as their sole source of income. As such, they rely on County-managed safety net health and social services, such as specialty mental health services. With the County managing Permanent Supportive Housing services like the CCP, coordination with County health and social services would be improved. Lastly, the County can seek to maximize City-funded intensive case management resources by leveraging Federal funds such as Medi-Cal.

The proposed grant would pay for nine intensive case managers currently employed by The Health Trust and PATH. This includes salary, benefits, agency overhead, and other resources that may support the client and/or the case manager. This portion of the grant is expected to be in an amount not to exceed \$925,000.

The funds would allow the intensive case managers to continue working with up to 180 of the City's most vulnerable homeless individuals to help them secure and maintain permanent housing. Each intensive case manager will maintain active case loads of no more than twenty (20) un-housed or newly housed clients. To date, 140 of the 180 have been permanently housed in the CCP. The funded intensive case managers will be responsible for achieving the following goals:

1. Assist unhoused clients to obtain and move into permanent housing within sixty (60) days of enrollment in the CCP;
2. Help clients retain their housing for at least twelve (12) consecutive months;
3. Improve client's quality of life and increase their income by accessing all available entitlement programs; and
4. Connect the client to supportive services, a community of supportive volunteers, and/or faith based community, as appropriate.

The City's grant also includes support for one case manager from the Central County Community Reintegration Project. This program targets offenders who are homeless or chronically homeless and who significantly impact County resources, businesses and residents of downtown San José. The other eight case managers will target and serve chronically homeless persons referred through HMIS.

The grant will leverage an additional \$9,000,000 of funding from the County (County funding and pass-through funding) for services and housing for chronically homeless populations.

UPLIFT Transit Pass Program (\$51,000)

The UPLIFT Transit Pass Program provides quarterly, unrestricted transportation passes for homeless, case-managed individuals on all Valley Transportation Authority (VTA) bus routes and light-rail lines. Homeless individuals must be working with a case manager at one of the participating agencies to qualify for the program. The clients work with their case manager to develop a case plan that reflects the client's goals and needs. The goals are aimed at moving clients out of homelessness and into housing. The homeless clients are required to meet with their case manager at least once per month and be must working toward attaining their specified goals. If the client continues to receive case management, and the referring case manager continues to believe that access to transportation would help achieve their client's goals, the UPLIFT Transit Pass may be renewed.

Since its inception, the UPLIFT Transit Program has provided thousands of homeless residents with access to transportation. Despite its success in moving program participants towards self-sufficiency, there is still a great need for the UPLIFT program. According to the 2015 San José Homeless Census and Survey, 29% of survey respondents stated that the lack of transportation

prevented them from obtaining housing. This was a 12% increase from the 2013 San José Census and Survey. While the contract did not get renewed last fiscal year, the need for transportation continues to be a big barrier for the homeless population. The proposed City grant would provide funding to the County in the amount of \$51,000 to support the Program.

The County will continue to donate staff time to operate the program so all of the City funds will be used to purchase transit passes and assist 1,000 unduplicated homeless persons over the year. The County has a special agreement with VTA for the UPLIFT passes that allows them to purchase the quarterly passes for a much reduced rate.

The total amount of the grant for the CCP (\$925,000) and for the UPLIFT passes (\$51,000) is \$976,000. Funding for these services is provided by the Housing Trust Fund (\$850,000) and the Housing Department's General Fund appropriation (\$126,000).

Homeless Management Information System (\$120,000)

In early 2014, the Santa Clara County CoC Board directed the County, as the community's applicant for McKinney-Vento Homeless Assistance Grants, to take on the role of HMIS Lead and identify new software to use for the CoC's HMIS. Due to changes in HUD regulations, the CoC needed to increase oversight for compliance with privacy and security regulations. The County currently subcontracts with a qualified vendor to provide:

1. Quarterly outcome and demographic reports, including the analysis required to produce the quarterly reports for this grant;
2. Comprehensive training procedures on data entry work flow, running and understanding reports, and collecting information for the county-wide HMIS standardized data requirements; and
3. Regular reports on the community-wide performance measures.
4. Performance and outcome data for the City's ESG-funded services to include in the Consolidated Annual Performance Evaluation Report (CAPER) due to HUD at the end of each program year.

The proposed City grant would provide funding to the County in the amount of \$120,000 to oversee HMIS. The total cost of HMIS administration for the County is approximately \$915,000, meaning that the City's share of the total expense is just over 13%. The grant would be used for software licensing, user training, data quality monitoring, reporting, performing regular maintenance and installing upgrades as necessary to ensure optimal performance of system software and hardware. Funding for this grant is made via federal Emergency Solutions Grant Fund proceeds, which are budgeted in the Housing Department's Multi-Source Housing Fund (Fund 448).

EVALUATION AND FOLLOW-UP

The Housing Department will track contracted goals for both case management and HMIS services and provide an annual update on progress against proposed goals to the Neighborhood Services and Education Committee before the end of the next fiscal year.

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the September 13, 2016 Council Meeting.

COORDINATION

Preparation of this report was coordinated with the Office of the City Attorney and the City Manager's Budget Office.

COMMISSION RECOMMENDATION/INPUT

The Housing and Community Development Commission recommended that the City approve federal funds for these services on March 10, 2016 when they recommended approval of the FY 2016-17 Annual Action Plan. The Commission also recommended the approval of all committed non-federal funds for these services on May 12, 2016 when they recommended approval of the Housing Trust Fund expenditure plan.

COST IMPLICATIONS

The recommended actions in this memorandum will grant a total of \$1,096,000 for FY 2016-17 to the County of Santa Clara to support the Care Coordination Project, HMIS, and UPLIFT. Outlined below is a breakdown of the \$1,096,000 grant to the County of Santa Clara:

1. AMOUNT OF RECOMMENDATION	\$1,096,000
2. COST ELEMENTS:	
Salary, benefits, and support expenses for nine (9) intensive case managers	\$925,000
UPLIFT Transit Pass Program	\$51,000
HMIS Support	<u>\$120,000</u>
3. TOTAL GRANT FUNDING	\$1,096,000

4. SOURCE OF FUNDING: General Fund (001)
 Housing Trust Fund (440)
 Multi-Source Housing Fund (448)

5. FISCAL IMPACT: This grant is a one-time commitment. There is no on-going fiscal impact as a result of this action.

BUDGET REFERENCE

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

Fund #	Appn #	Appn. Name	Total Appn	Amt. for Contract	2016-2017 Proposed Budget*	Last Budget Action (Date, Ord. No.)
001	2062	Homeless Rapid Rehousing	\$5,300,000	\$126,000	IX-16	6/21/16, Ord. 29762
440	2140	Homeless Case Management and Homeless Information System	\$850,000	\$850,000	X-47	6/21/16, Ord. 29762
448	2236	Emergency Shelter Grants	\$767,998	\$120,000	X-68	6/21/16, Ord. 29762

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August 31, 2016

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CEQA

Not a Project, File No. PP10-066(e), Agreements/Contracts (New or Amended) for services that involve no physical changes to the environment.

/s/

JACKY MORALES-FERRAND
Director, Housing Department

For questions, please contact Ray Bramson, Division Manager, at (408) 535-8234 or ray.bramson@sanjoseca.gov.