



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Jacky Morales-Ferrand

**SUBJECT:** SEE BELOW

**DATE:** March 7, 2017

Approved

Date

3/8/17

**COUNCIL DISTRICT:** 3, 7

**SUBJECT: DECLARATION OF A SHELTER CRISES FOR VICTIMS OF THE 2017 FLOODS**

## REASON FOR ADDENDUM

This item needs to be added to the next City Council meeting agenda in order to provide emergency shelter to victims of the Coyote Creek flood who are unable to return their homes. Urgency in obtaining City Council action on this item is necessary because the Seven Trees Community Center is currently in operation as a temporary shelter. A shelter crises declaration is needed in order to ensure the City has the protections provided by California Government Code Section 8698.

## RECOMMENDATION

- A. Adopt a resolution declaring the existence of a shelter crisis in the City of San José pursuant to and in accordance with the provisions of California Government Code section 8698 et seq. and designating the Seven Trees Community Center (3590 Cas Drive) as a temporary shelter to be used by flood victims, as well as other City facilities that may be deemed necessary by the Director of Housing to provide emergency shelter to flood victims through May 31, 2017.
- B. Adopt a resolution authorizing the Director of Housing to negotiate and execute an Agreement with HomeFirst without conducting a competitive procurement, to serve as the administrator of the Seven Trees Shelter and provide other shelter and services for homeless individuals including individuals made homeless by the flood retroactive from March 6, 2017 through April 5, 2017, at a cost of \$247,200, plus \$50,000 in contingency, for a total amount not to exceed \$297,200, with the option to extend the Agreement for two additional one-month term(s) at a cost of \$247,200 per each month, with a total not to exceed amount of \$791,600.

## **OUTCOME**

The City Council's approval of these recommendations will provide emergency shelter to victims of the Coyote Creek flood who are unable to return their homes. It also provides the City with the protections provided by California Government Code Section 8698.

## **BACKGROUND**

On February 21, 2017, the Director of Emergency Services proclaimed a local emergency related to flooding that commenced on February 21. The flood caused extensive damage in low-lying areas adjacent to Coyote Creek. On February 24, 2017, the Director of Emergency Services issued a new proclamation of local emergency related to this flooding event. On February 28, 2017, the City Council adopted a resolution ratifying the Director of Emergency Services' proclamations of the existence of a local emergency. As of March 9, approximately 500 homes still had restricted access making habitability difficult or impossible. This has resulted in hundreds of people needing temporary housing.

An initial response to the flood has been to open an emergency shelter at the Seven Trees Community Center located at 3590 Cas Drive. Red Cross has operated the facility under a use agreement with the City. Between 120 and 180 individuals have been staying at the shelter each night since it opened. Red Cross operated the facility until it transitioned operation to the City on March 6, 2016. HomeFirst has operated the facility since that time.

California Government Code Section 8698 allows a city to declare a state of emergency due to a shelter crisis, and provides that, upon such declaration, the city obtains defenses to ordinary negligence connected with provision of emergency housing. Such a declaration allows the City to suspend certain regulations and standards of housing, health or safety to the extent strict compliance would prevent, hinder, or delay mitigation of the shelter crisis. It also provides that any city may allow homeless persons to occupy designated public facilities for the duration of the state of the emergency. In order to declare a shelter emergency, a city must find that there is an existence of a situation in which a significant number of persons are without the ability to obtain shelter, resulting in a threat to their health and safety.

On December 15, 2015, the City Council adopted a resolution declaring the existence of a shelter crisis in the City of San José pursuant to and in accordance with the provisions of California Government Code section 8698 et seq. and designating four city owned facilities to be occupied as overnight warming facilities by homeless individuals during the crisis. These include the following locations:

- Bascom Community Center, 1000 S Bascom Ave, San José, CA 95128;
- Tully Community Library, 880 Tully Rd, San José, CA 95111;
- Washington United Youth Center, 921 S 1st St, San José, CA 95110; and
- Biblioteca Branch Library, 921 S 1st St, San José, CA 95110.

The City needs to declare a new Shelter Crisis for the purposes of operating an emergency shelter for victims of the 2017 flood in order to obtain the defenses provided by California Government Code Section 8698. In addition, the administration is seeking approval of an agreement to operate the shelter on behalf of the City, as well as additional services to assist flood victims.

## **ANALYSIS**

### **Findings to Support a Declaration of a Shelter Crises for Flood Victims**

The information below may support a recommendation to the Council to declare a shelter crisis in San José:

- According to the 2015 San José Homeless Census and Survey, a total of 4,063 people were counted in San José on the mornings of January 27 and 28, 2015.
- Approximately 2,810 (69%) of this population were unsheltered, including 778 people living in encampment areas.
- The recent flood has caused the temporary displacement of over 500 households.
- The City's existing emergency shelter network cannot accommodate the number of flood victims needing emergency shelter.
- The emergency shelter at the Seven Trees Community Shelter has housed between 120 and 180 people per night.
- A significant number of individuals that were displaced from their housing also experienced the loss of their vehicles. Relocation to a shelter outside of their neighborhood would make transportation to schools, their prior residence, or other community facilities, very difficult.
- Approximately 20 children are among the individuals being housed at the Seven Trees facility each evening.

Given the lack of available shelter and housing to meet the needs of the displaced flood victims, it is recommended that the City Council declare a shelter crisis to temporarily use Seven Trees Community Center as a temporary emergency shelter. The recommendation also allows the City to designate other facilities to temporarily house flood victims in the unlikely scenario that this is needed.

### **Agreement with HomeFirst for Shelter Operations**

The City will be contracting with HomeFirst to run the shelter operations at the Seven Trees facility. HomeFirst has extensive experience running shelter facilities, including the largest shelter in San José, the Bocado Reception Center, with over 250 shelter beds, and Santa Clara County's cold weather shelters. This agency has also operated the four existing overnight warming locations at City-owned facilities during periods of inclement weather since the shelter crisis declaration in December 2015. Additionally, HomeFirst successfully operated an

emergency shelter for residents displaced by a fire at Vintage Tower in the summer of 2016. When operating emergency shelters, HomeFirst provides onsite staffing and security, meals, snacks and water, supplies, and other services.

HomeFirst will provide round-the-clock (24 hour/7 days per week) staffing at the Seven Trees facility with a minimum of three staff members working at all times. In addition, they will contract with a private, professional organization for 24-hour onsite security. They will also utilize their connections to bring in additional services to the residents at the shelter. The agreement assumes a cost of \$5,000 per each 24-hour day for HomeFirst staffing, food, supplies and overhead. Security will cost approximately \$3,240 per each 24-hour day. The total monthly cost is \$247,200. The agreement includes \$50,000 in contingency funds for unanticipated costs associated with operating the shelter.

The City's goal is to find housing for flood-displaced victims staying at the shelter so that operations can be discontinued after 30 days. If this occurs, the City's cost to operate the shelter would be limited to \$247,200. However, the agreement includes two one-month option terms to extend the shelter operations if needed. Therefore, the total compensation in the agreement is \$791,600 (\$247,200 per month plus \$50,000 contingency). Approval of this request will ensure that three months of operation can be funded if necessary.

The Administration is requesting that the Director of Housing be authorized to approve the two one-month options to extend shelter operations. Upon execution of the agreement, the City will authorize an advance payment of up to \$123,600 to assist HomeFirst with start-up costs. All subsequent payments to the shelter operator will be made on a reimbursement basis.

Pursuant to Section 4.12.220 "Emergency Purchases" of the San Jose Municipal Code, the procurement authority may contract for services without a competitive procurement in the case of a public emergency involving the threatening of lives, property, or welfare of the people of the City.

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

HomeFirst will track the number of unduplicated individuals utilizing the shelter, as well as the number of individuals staying at the shelter on a nightly basis. The Department will report back on status of the shelter operations as part of periodic flood response updates.

### **PUBLIC OUTREACH**

This memorandum will be posted on the City's Council Agenda website for the March 14, 2017 Council Meeting.

**COORDINATION**

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

**COMMISSION RECOMMENDATION/INPUT**

No commission recommendation or input is associated with this action.

**COST SUMMARY IMPLICATIONS**

**1. AMOUNT OF RECOMMENDATION:**

<b><u>PROPOSED USES</u></b>	<b><u>AMOUNT</u></b>
HomeFirst Agreement	\$791,600
<b>TOTAL</b>	<b>\$791,600</b>

**2. SOURCE OF FUNDING: General Fund (001)**

**3. FISCAL IMPACT:** Funding in the amount of \$5,228,000 has been previously appropriated in the General Fund for Homeless Rapid Rehousing. The proposed agreement is a one-time commitment. There is no on-going fiscal impact to the General Fund as a result of this action. The Housing Department will submit a claim to the Federal Emergency Management Agency seeking reimbursement for allowable emergency shelter expenses.

**BUDGET REFERENCE**

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

Fund #	Appn #	Appn. Name	Total Appn	Amt. For Contract	2016-2017 Adopted Operating Budget	Last Budget Action (Date, Ord. No.)
001	2062	Homeless Rapid Rehousing	\$5,228,000	\$791,600	IX-10	2/14/17 Ord. 29880

HONORABLE MAYOR AND CITY COUNCIL

March 7, 2017

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**CEQA**

Exempt, File No. PP15-119.

/s/  
JACKY MORALES-FERRAND  
Director of Housing

For information contact Ray Bramson, Homelessness Response Manager, at (408) 535-8234.