



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: David Bopf

SUBJECT: SEE BELOW

DATE: March 20, 2017

Approved

D. D. Syl

Date

3/30/17

SUBJECT: GRANT AGREEMENT WITH THE HEALTH TRUST AS FISCAL AGENT FOR DESTINATION: HOME FOR HOMELESSNESS PREVENTION AND EMPLOYMENT INITIATIVES

RECOMMENDATION

Adopt a resolution authorizing the Director of Housing to negotiate and execute a Grant Agreement between the City of San José and The Health Trust as fiscal agent of Destination: Home, to fund homelessness prevention and employment engagement initiatives for homeless individuals and families, from April 11, 2017 to April 10, 2018 in an amount not to exceed \$1,050,000.

OUTCOME

The City Council's approval of this Grant Agreement will provide resources to Destination: Home to create critical employment and prevention initiatives in support of Council-endorsed Community Plan to End Homelessness in Santa Clara County. Additionally, if approved, the funding will serve approximately 300 households with homeless prevention (100) and employment (200) programming.

BACKGROUND

Homelessness, as well as the lack of available housing for Extremely Low Income populations, continue to be pressing issues for the City of San José and Santa Clara County as a whole. According to the U.S. Department of Housing and Urban Development's 2016 Annual Homeless Assessment Report, among the 48 Major City Continuums of Care, Santa Clara County has:

- The third highest rate of unsheltered homelessness;
- The third largest number of chronically homeless persons;
- The fifth largest number of unaccompanied homeless youth; and
- The fifth largest number of homeless veterans;
- The seventh largest number of homeless persons on any given night.

In response to this crisis and with Destination: Home serving as the coordinating partner, leaders from the City, the County, and a diverse group of community organizations, created the Community Plan to End Homelessness in Santa Clara County (Community Plan). In February 2015, the City Council adopted a resolution to endorse the Community Plan, making San José the first City in the County to formally extend its support for this critical effort. The Community Plan exists to create a community-wide roadmap to ending homelessness over the course of five years (2015 – 2020). It is intended to guide government, non-profit organizations, and other community members as they make decisions about funding, priorities, and needs.

ANALYSIS

The intent of the Community Plan is to ultimately create a community in which all residents have access to appropriate and affordable housing and the support they need to retain it. To advance this goal, the Housing Department has historically supported a range of approaches, including emergency shelter, rapid re-housing, and permanent supportive housing. To complete this spectrum of services, employment and homelessness prevention strategies are critical components needed to stabilize at-risk households and prevent them from becoming homeless in the first place. As such, staff is recommending funding for two new Destination: Home initiatives:

Family Homelessness Prevention (\$750,000)

While there have been gains in Santa Clara County in creating a system of care for chronically homeless persons, the community is lacking the same type of coordinated crisis response system for homeless families. The need to coordinate resources and a system for non-chronically homeless families was also underscored in Destination: Home's report, *Home Not Found: The Cost of Homelessness in Silicon Valley*. This report found that about half of the homeless population experienced short term homelessness. 32% were homeless from two to six months, while 20% were homeless for only one month. Homeless families that are experiencing homelessness need interventions that will prevent them from becoming homeless and exit them quickly from the homeless system.

In partnership with government agencies and homeless service providers, Destination: Home piloted a program focused on developing a system to serve chronically homeless men and women. That program began as a proof of concept and is now the County's system of care for chronically homeless people. Similar to that effort, Destination: Home will now facilitate a 27-month pilot program with the goal of implementing a countywide homelessness prevention system and preventing all instances of family homelessness.

Currently, families at risk of homelessness are served through the County of Santa Clara's CALWORKS program and/or through the Emergency Assistance Network. The goal of this new effort is to expand families' ability to become quickly connected to prevention services

throughout the community, streamline and standardize service delivery, and measure the collective impact of homelessness prevention. To that end, Destination: Home has already raised over \$2,500,000 funding available to local nonprofit(s) that demonstrate a capacity to implement a Homelessness Prevention System for families at risk of homelessness. Through this work, Destination: Home will incubate the development and implementation of a countywide prevention model and system of care that is focused on outcomes and best practices in preventing family homelessness.

If approved, \$750,000 of funding from the City would provide homelessness prevention support to approximately 100 families. This program will be evaluated by an external agency with benchmarks and outcomes mutually agreed upon at project commencement. All progress will be tracked in the City's Homeless Management Information System.

Employment Strategy (\$300,000)

In April of 2014, the City of San José provided funding to Destination: Home to develop an employment strategy for homeless persons in the region. The employment strategy focused on research and analysis to develop a plan for which homeless persons would gain access to employment services, development, training, and job placements. Research and analysis included defining and clarifying the target populations and sub-populations, as well as the employment needs of these populations and sub-populations. Extensive research was also performed regarding the best practices and effective program models in employment services for homeless populations and sub-segments of the population. Additionally, work included an assessment and outline of the employment-focused public and private non-profit service providers, and identification and exploration of service gaps and potential partnerships.

To continue advancement of the Community Plan to End Homelessness, Destination: Home will create a homelessness employment engagement system targeting homeless men and women in rapid rehousing programs, including homeless Veterans. Building from the initial research and analysis, Destination: Home will hire a Director of Employment Strategies to:

- Partner with the City, County, and service providers to develop a framework to support the employment goals of the Community Plan to End Homelessness;
- Design, implement, and measure employment strategies;
- Develop a communications plan designing strategies, impact, and outcomes of the employment strategy;
- Convene key stakeholder briefings to communicate strategies and incorporate feedback;
- Develop a process for data for measurement, tracking and outcomes incorporating community performance system outcomes;
- Scale funding and resources to accomplish employment strategies;
- Motivate and recruit employers to create an accessible pipeline of private sector jobs;
- Create partnerships in ending homelessness from corporations, major employers, and small businesses through employment;
- Raise or leverage funding for strategy implementation;

- Coordinate efforts and develop a coordinated employment system with outcomes across multiple stakeholder groups;
- Design, facilitate, and implement a cross-sector collective impact strategy;
- Use data to develop, test, implement and scale changes that will lead to increases in employment placement rates, increases in client self-sufficiency, and community economic benefit;
- Create targeted presentation materials to address various stakeholder groups; and
- Create a pipeline of employers willing to accept homeless direct referrals into placement.

If approved, funding from the City would support the salary and benefits of the Director of Employment Strategies over a two-year period and general operating support for Destination: Home throughout the program's implementation. The goal of the initiative will be to secure permanent, full-time job placements for at least 200 homeless individuals by June 30, 2019.

EVALUATION AND FOLLOW-UP

A report summarizing all of the City's homeless funding sources, programs and performance outcomes will be provided through the Annual Homeless Report that is scheduled to be heard before the City's Neighborhood Services and Education Committee on June 8, 2017 and the Community and Economic Development Committee on June 26, 2017. This report will include an update on the status of the total budget for homelessness, which includes both General Fund and federally-funded programs.

PUBLIC OUTREACH

A similar version of this memorandum was posted to the Housing and Community Development Commission website to be heard on March 2, 2017. This memorandum will be posted on the City's Council Agenda website for the April 11, 2017 City Council Meeting.

COORDINATION

The memorandum was coordinated with the City Attorney's Office and the Manager's Budget Office.

COMMISSION RECOMMENDATION/INPUT

As mentioned, this report was presented to the Housing and Community Development Commission meeting on March 2, 2017. At that meeting, the Commission voted unanimously to recommend that the City Council approve the Homelessness and Employment initiatives as presented in this memorandum.

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FISCAL/POLICY ALIGNMENT

This action is consistent with the City's *Consolidated Plan 2015-2020*, adopted by the City Council on May 5, 2015, and with the City's *Adopted Housing Element 2014-2023* in that the action provides services to very low-income households. As mentioned, it also furthers the advancement of the *Community Plan to End Homelessness* approved by the City Council in February 2015.

COST SUMMARY IMPLICATIONS

1. **AMOUNT OF RECOMMENDATION:** \$1,050,000 Grant Agreement
2. **SOURCE OF FUNDING:** Housing Trust Fund (440); General Fund (2062)
3. **FISCAL IMPACT:** No ongoing fiscal impact.

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	Proposed Action	2016-2017 Adopted Operating Budget	Last Budget Action (Date, Ord. No.)
440	3834	Destination: Home	\$1,051,000	\$300,000	X-47	06/21/2017, Res. 29762
001	2062	Homeless Rapid Rehousing	\$5,228,000	\$750,000	IX-7	02/14/2017, Res. 29880

CEQA

Not a Project, File No. PP10-066(e), Agreements and Contracts.

/s/

DAVID BOPF

Interim Assistant Director, Housing Department

For questions regarding this memorandum, please contact Ray Bramson, Homelessness Response Manager, at (408) 535-8234.