



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Kerrie Romanow
Jacky Morales-Ferrand
Jennifer A. Maguire

SUBJECT: SEE BELOW

DATE: June 1, 2017

Approved

D. D. Syl

Date

6/8/17

**SUBJECT: ACCEPTANCE OF ADDITIONAL PARTNERSHIP FUNDS UNDER THE
SAFE, CLEAN WATER AND NATURAL FLOOD PROTECTION
PROGRAM**

RECOMMENDATION

- (a) Adopt a resolution authorizing the City Manager to:
- (1) Accept award of an additional \$350,000 in partnership grant funds from the Santa Clara Valley Water District Safe, Clean Water and Natural Flood Protection Program;
 - (2) Negotiate and approve the First Amendment to the San José Watershed Community Stewardship and Engagement Project to increase the not-to-exceed amount to \$700,000, extend the term of the agreement to June 30, 2018, and add a new scope of work; and
 - (3) Approve the First Amendment to the Neighborhood Cleanup and Encampment Abatement Project Grant Agreement between the City of San José and Downtown Streets Inc., dba Downtown Streets Team (DST), that is consistent with the First Amendment to the San José Watershed Community Stewardship and Engagement Project, to fund trash and debris removal, education and outreach, and homeless services, from July 1, 2017 to June 30, 2018, in an amount not to exceed \$700,000.
- (b) Adopt the following 2017-2018 Appropriation Ordinance and Funding Sources Resolution amendments in the General Fund:
- (1) Increase the estimate for Revenue from Local Agencies by \$350,000; and
 - (2) Establish a City-Wide Expenses appropriation to the Environmental Services Department for San José Watershed Community Stewardship and Engagement Project by \$350,000.
- (c) Adopt the following 2017-2018 Appropriation Ordinance amendments in the Housing Trust Fund:
- (1) Increase the appropriation to the Housing Department for Housing and Homeless Projects by \$350,000; and
 - (2) Decrease the Unrestricted Ending Fund Balance appropriation by \$350,000.

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OUTCOME

Adopting the Appropriation Ordinance and Funding Sources Resolution amendments in the General Fund and Housing Trust Fund will allow the City to accept and appropriate funds through a partnership established with the Santa Clara Valley Water District (Water District) under their Safe, Clean Water and Natural Flood Protection Program, and provide a City match, to continue and expand cleanup and outreach activities. The funding will be for Downtown Streets Inc., an established local non-profit actively engaged in conducting cleanups along the Coyote Creek, Los Gatos Creek, and Guadalupe River, and provide education and outreach services to the homeless community.

BACKGROUND

The City's storm sewer system is regulated under the Municipal Regional Stormwater National Pollutant Discharge Elimination System Permit (MRP) issued by the Water Board. The MRP requires the City to reduce the discharge of pollutants, including trash, into the storm sewer system to protect local creeks and the Bay. It specifically requires the City to reduce trash to the storm sewer system by 70 percent by 2017, 80 percent by 2019, and 100 percent by 2022. Council authorized a Long-Term Trash Load Reduction Plan on January 14, 2014, which was submitted to the Water Board on February 1, 2014. In the Long-Term Trash Load Reduction Plan, ESD anticipated expansion of creek, channel, and shoreline cleanups as key measures to address trash in riparian areas.

In November 2012, the voters of Santa Clara County approved Measure B, a parcel tax with proceeds funding the Santa Clara Valley Water District Safe, Clean Water and Natural Flood Protection Program. This 15-year program was created to support efforts to protect the water supply, wildlife habitat, creek restoration, and open space. A priority of the Safe, Clean Water Program is to reduce contaminants in local waterways. The Program offers partnership grants for projects that reduce contaminants, support public education, and implement volunteer cleanup efforts.

In January 2015, ESD submitted a partnership project proposal to the Water District for the San José Watershed Community Stewardship and Engagement Project focused on reducing and removing trash from local waterways. On May 5, 2015, Council adopted a resolution to accept an award of partnership funds and negotiate and execute a partnership agreement with the Water District. The Water District voted to approve the partnership proposal and the funding amount at its May 26, 2015 Board Meeting.

On August 24, 2015, the Water District and City executed the San José Watershed Community Stewardship and Engagement Project Agreement, which expires June 30, 2017. The project scope focused on reducing and removing trash from local waterways by supporting established local community groups and non-profits actively engaged in conducting cleanup along the Coyote Creek, Los Gatos Creek, and Guadalupe River.

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Among those groups is Downtown Streets Inc. (DST), whose primary goal is to serve homeless persons and persons at risk of homelessness with case management, employment development services, and housing placement assistance to increase their self-sufficiency. As part of the project, program participants serve on work crews providing debris removal, trash and illegal dumping collection, and disposal. DST also engages San José's homeless community in the stewardship of their local riparian corridor. Program participants serve as model stewards to other homeless individuals living along riparian corridors and demonstrate to them the importance of keeping our waterways clean. Participants receive case management, employment development, and housing placement services as participants of the program.

On November 22, 2016 the Water District Board of Directors authorized the Interim Chief Executive Officer to negotiate and come back to the Board with a cost-sharing partnership with the City of San José and Downtown Streets Inc. to remove trash and other debris in homeless encampments and to conduct outreach of the homeless along local creeks. The Board directed Water District staff to amend the partnership agreement to fund a Downtown Streets Inc. creek cleanup team in the amount of \$350,000. The City would be obligated to provide an equal match of \$350,000.

ANALYSIS

The amendment of the San José Watershed Community Stewardship and Engagement Project provides an additional \$350,000 in grant funding, for a total of \$700,000 for the fiscal year, an amount sufficient for the Housing Department to double planned DST creek cleanup efforts by funding an additional DST creek cleanup team. The amended project scope would expand the DST project area to include cleanup sites along the Guadalupe River and Los Gatos Creek, in addition to Coyote Creek. The term of the agreement would be extended to June 30, 2018, to allow time to complete the amended scope of work. Providing funding of \$700,000 to DST over a one-year period will help the City meet the trash load reduction obligations of the MRP. During the term of the original agreement, one DST creeks team removed 97 tons of trash from Coyote Creek and housed 63 individuals.

Program participants benefit from the program by increasing their employment skills, gaining valuable work experience and engaging with case managers to find housing and supportive services. The two work crews will include over 60 participants. Goals for the participants of the program include:

- 40% of participants will gain or increase employment or non-cash income;
- 30% of participants will gain or increase employment or non-employment cash income by at least 65%; and
- 10% of participants will move from the streets to permanent housing.

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EVALUATION AND FOLLOW-UP

The Environmental Services Department will provide annual updates on the status and outcomes of the project within the MRP Annual Report. The Housing Department will monitor program progress for DST on a quarterly basis.

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the June 20, 2017, City Council Meeting.

COORDINATION

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

COMMISSION RECOMMENDATION/INPUT

This item will be presented to the Housing and Community Development Commission at its regular meeting on June 8, 2017.

COST SUMMARY/IMPLICATIONS

The Water District will provide grant funding in the amount of \$350,000, while the City will provide a grant match of \$350,000, from the Housing Trust Fund, in order to fund the two DST teams in 2017-2018.

BUDGET REFERENCE

The table below identifies the fund and appropriations proposed to fund the agreement as recommended in this memorandum.

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Fund #	Appn #	Appn Name	Current Total Appn	Rec. Budget Action	2017-2018 Proposed Operating Budget Page*	Last Budget Action (Date, Ord. No.)
001	3249	San José Watershed Community Stewardship and Engagement Project	\$0	\$350,000	757	N/A
440	2453	Housing and Homeless Projects	\$900,000	\$350,000	844	N/A
001	R090	Revenue from Local Agencies	\$25,422,799	\$350,000	179	N/A
440	8999	Unrestricted Ending Fund Balance	\$769,890	(\$350,000)	845	N/A

*The 2017-2018 Proposed Operating Budget is scheduled to be reviewed and adopted by the City Council on June 20, 2017.

CEQA

Exempt, PP13-056 Citywide Litter Clean-up Activities (including water bodies and homeless encampments).

/s/

KERRIE ROMANOW
Director, Environmental Services

/s/

JACKY MORALES-FERRAND
Director of Housing



JENNIFER A. MAGUIRE
Senior Deputy City Manager/
Budget Director

I hereby certify that there will be available for appropriation in the General Fund in the Fiscal Year 2017-2018 monies in excess of those heretofore appropriated therefrom, said excess being at least \$350,000.



JENNIFER A. MAGUIRE
Senior Deputy City Manager/
Budget Director

For questions, please contact Napp Fukuda, Deputy Director, at (408) 793-5353.