



DSE AGENDA: 2/25/08
ITEM: 4b-a

Memorandum

TO: COMMUNITY AND ECONOMIC
DEVELOPMENT COMMITTEE

FROM: Leslye Krutko

SUBJECT: SEE BELOW

DATE: February 7, 2008

Approved

Date

2-7-08

COUNCIL DISTRICT: Citywide
SNI: All

SUBJECT: FINAL REPORT ON THE BLUE RIBBON COMMISSION ON HOMELESSNESS

RECOMMENDATION

It is recommended that the Community and Economic Development Committee accept this report as an update on the Housing Department and the Blue Ribbon Commission (BRC) on Ending Homelessness and Solving the Affordable Housing Crisis' progress towards preventing and ending homelessness in San José.

OUTCOME

This report updates the Community and Economic Development Committee and provides the opportunity to discuss the Housing Department and the BRC's efforts to prevent and end homelessness in San José.

BACKGROUND

In 2003, the City finalized its ten-year plan to end chronic homelessness in San José. This plan set forth a series of actions the City, in partnership with the County and community based and business organizations, would take to prevent and end homelessness in San José. Since the plan's inception, the Housing Department has been actively working with its nonprofit and government partners to implement programs to end and prevent homelessness.

In 2007, the BRC, co-chaired by Mayor Reed and Santa Clara County Supervisor Gage, was created to provide a top-flight community leadership group to provide direction and support for a comprehensive approach to ending homelessness in ten years. Although there is a Collaborative on Affordable Housing and Homeless issues, comprised of nearly 250 agencies in the county that are doing exceptional work, a dedicated group was needed to provide policy direction to the Collaborative. The BRC stepped up to fill this gap and provide the leadership direction and support needed to have an impact on homelessness in Santa Clara County.

ANALYSIS

In support of the BRC's efforts, over the past year, a series of working groups made up of stakeholders from government, nonprofit, and business based organizations met regularly to develop recommendations for policy and programmatic changes to create a more effective homeless delivery system. These recommendations were adopted by the BRC as described in the Executive Summary for the Blue Ribbon Commission to End Homelessness and Solve the Affordable Housing Crisis. (See Attachment A) Specifically, the following initiatives were developed to help end homelessness in Santa Clara County:

- **Improve Access to Services by Creating Outreach and Benefit Teams** – The Street Outreach program will provide a consistent and dependable presence on the streets, reach out to unhoused persons, gain their trust, and ultimately get them connected to ongoing services and housing.
- **Institutional Outreach and Discharge Planning** – Persons discharged from institutions, such as health care or corrections facilities, often do not have housing facilities available to them. The Institutional Outreach and Discharge strategy will address this problem by increasing the existing intensive case management capacity; initiating immediate housing and case management services for persons leaving the health care, criminal justice, and foster care systems; and creating a method to divert homeless persons arrested for public inebriation and nuisance violations away from the criminal justice system.
- **Implement a Medical Respite Facility** – The Medical Respite Facility will provide homeless individuals who have recovered sufficiently to be discharged from a hospital or emergency room with a safe, clean place to recuperate while linking them to services, including permanent housing.
- **Establish a “One-Stop” Homelessness Prevention Center** – The multi-service center will provide, at one location, all of the services needed by homeless persons to address issues and ultimately access permanent housing.
- **Shift to Housing First: Provide Permanent Housing with Services** – The Housing First model is based on the principle that chronically homeless individuals will achieve stability in permanent housing if that housing is good quality, affordable, and service enriched. The model is also ground in the principle that people should be placed in permanent housing as quickly as possible because that is the most cost effective approach with the greatest chance for success.

To ensure the momentum from the BRC's efforts is not lost, throughout 2008 an amended BRC Leadership Committee will meet on a quarterly basis. During the same period, a Steering Committee will be charged with ensuring the initial programmatic/service strategies adopted by the BRC continue to move forward. The Steering Committee's efforts will be supported by staff from both the Housing Department and the County, each of whom will be dedicating a percentage of

their time to implementing the strategies. The Steering Committee also plans to hire a full-time Program Manager responsible for providing communications to the BRC and the community at large, administrative assistance, and coordination support.

In addition to supporting the efforts of the BRC, the Housing Department has been moving forward on a number of initiatives aimed at preventing and ending homelessness, including:

- **Project Homeless Connect** – In 2007, the Housing Department sponsored two Project Homeless Connect (PHC) events. These one-day events provide, in one location, homeless and at-risk clients with a myriad of services including medical and mental health assistance, housing information and referrals, dental care, legal and benefits assistance, employment opportunities, California IDs, food, haircuts, and a variety of other social services. On December 5, 2007, approximately 700 clients received services at the City's fifth PHC event.

On November 2, 2007, the Housing Department sponsored its first ever Project Youth Connect (PYC) event. This event was similar to the PHC events, but with services and programs targeted to the needs of homeless and at-risk households with persons under the age of twenty-five.

- **Housing Services Partnership** – In July 2007, the City began its third year of contracting with Sacred Heart Community Services, Emergency Housing Consortium, and InnVision The Way Home to administer its Housing Services Partnership (HSP) program. HSP provides one-time financial assistance to homeless and/or at-risk San José residents to help with their rent, deposit for permanent housing, or a greyhound bus ticket taking them to friends or family that have offered them housing. From July 1, 2007 through the end of the calendar year, HSP assisted 1,194 households with financial assistance, including 439 deposits for permanent housing; 644 rental assistance payments; 88 greyhound bus tickets; three mortgage payments; and moving two trailers out of tow yards so that they could become permanent residences.
- **AmeriCorps VISTA (Volunteers In Service to America)** – In 2007, the Housing Department brought on four full-time VISTA members to assist in its efforts to end homelessness. VISTA members serve full time for one year assisting agencies to implement long-term, grassroots solutions to addressing poverty. Although the VISTAs work full time on intensive and complicated projects, they only receive a very modest subsistence allowance (approximately 105% of the poverty level). The Housing Department's VISTA members have been working on the following projects:

- **Project Homeless Connect:** Organize, coordinate, and implement semiannual Project Homeless Connect events. Make recommendations for how to create successful, sustainable, semi-annual events, which will enable homeless clients to make a successful transition to permanent housing

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- **Service Gaps Analysis:** Coordinate a study to identify gaps in the County's homeless services and offer solutions to address the gaps.
- **Public Education and Outreach Program:** Help design a comprehensive outreach program to educate the general public on homelessness in San José.
- **Fundraising Strategies:** Help design an effective campaign in the community to raise funds to enhance, support, and sustain the City's Project Homeless Connect events.

I look forward to the opportunity to discuss these activities and answer any questions you may have at the February 25th Community and Economic Development Committee meeting.

A handwritten signature in black ink, appearing to read "Leslye Krutko". The signature is written in a cursive style with a large, looped initial "L".

LESLYE KRUTKO
Director of Housing

Attachments (1)

Executive Summary for the Blue Ribbon Commission to End Homelessness and Solve the Affordable Housing Crisis

OVERVIEW

The Blue Ribbon Commission on Ending Homelessness and Solving the Affordable Housing Crisis in Santa Clara County (BRC) seeks to raise \$25 million over a five year period of time (\$5 million a year from a variety of sources). It is expected that these funds will come from various sources and provide the resources necessary to achieve the commission's vision that "Everyone in Santa Clara County has the Home they need when they need it." This five year funding cycle anticipates that future needs of a greatly diminished homeless population will reduce costs in services and that the cost effectiveness of the services will allow the mainstream service delivery system to more effectively deal with this increasingly stable population.

Silicon Valley brings to mind a place rich in the resources of high-tech, innovation, and growth, however for many families and individuals a place to call home does not exist. Providing safe, decent and affordable housing is key to maintaining Silicon Valley's quality of life and economic prosperity. The creation of a healthy community is centered on the ability to provide the basic necessity of housing.

According to the "10-Year Plan to End Chronic Homelessness in Santa Clara County" (May 2005): **(Tab A)**

- In 2004 the Santa Clara County Homeless Census and Survey showed that there were 7,646 unhoused people in the County.
- 35% were chronically unhoused individuals, and in addition, there are many chronically unhoused families.
- Over 1/3 of unhoused people were in shelter facilities and nearly 2/3 were unsheltered.

According to "Housing Silicon Valley: A 20 Year Plan to End the Affordable Housing Crisis," prepared for Bay Area Local Initiatives Support Corporation (LISC), and by The Institute for Metropolitan Studies, San Jose State University: **(Tab B)**

- 41,404 households across the income spectrum currently experience severe housing needs in Santa Clara County.
- 90,000 total new units of affordable housing needed over the next 20 years (approximately 4,500 new units per year).

Ending homelessness and solving the affordable housing crisis is not only imperative from a societal perspective, but it also makes fiscal sense. The Blue Ribbon Commission reviewed studies that analyzed the costs associated with providing permanent supportive housing versus the costs associated with criminal justice, hospital services, abuse

treatment, and homeless shelters. These studies conclude that housing the homeless and creating more affordable housing is cost effective. **(Tab C)**

Because homelessness and the lack of affordable housing are inextricably related, these problems cannot be solved independently. Recognizing this, the BRC is addressing concurrently the challenges of ending homelessness and increasing the affordable housing supply. It is imperative that we pull together as a community and work towards a solution that will provide housing and care for our unhoused individuals and families, as well as continuing to produce the necessary housing to achieve this goal. Out of these concerns, the BRC was formed with a goal to end homelessness by the year 2015 and solve the affordable housing crisis by 2020.

The commission, lead by Santa Clara County Supervisor Don Gage and City of San Jose Mayor Chuck Reed, and comprised of local elected officials, housing advocates, service providers, and community leaders has developed a comprehensive plan to achieve the BRC's twin objectives and implementation will begin in early 2008. Please see the roster of commission members. **(Tab D)**

ENDING HOMELESSNESS

The Blue Ribbon Commission on Ending Homelessness and Solving the Affordable Housing Crisis in Santa Clara County is working to bring resolution to many of the problems facing individuals and families that are homeless/unhoused in our local community.

Please see the complete power point presentation from meeting number three. **(Tab E)**

The following problems were identified:

- Homeless services are fractionalized and difficult to access for unhoused residents of the county who are not connected to services of any kind.
- Services provided to unhoused residents being discharged from county facilities need to continue while housed in order to achieve self-sufficiency/stability and maintain housing.
- Barriers to housing and benefits, lack of respite care, sufficient rental subsidies and case management perpetuate chronic homelessness.

To address the problems identified by the BRC, the following solutions were developed for the **first component** of the BRC, to end homelessness in Santa Clara County:

1. Improve Access to Services by Creating Outreach and Benefit Teams (Tab F)

The Street Outreach program will provide a consistent and dependable presence on the streets where chronically unhoused people congregate. The aim of this component is to reach out to the unhoused on the streets, gain their trust and ultimately get them connected

to ongoing services and housing. The following are the components of the Street Outreach program:

- create Downtown Street Teams for San Jose and Gilroy;
- add Mental Health Team for the homeless; and,
- increase case management capacity for existing teams.

Action Items and Completion Dates – Champion Maureen O’Malley - Moore

July 1, 2008 – Formalize multi-disciplinary outreach teams:

- Create four teams with two to four members including mental health, drug and alcohol, medical social worker or public health nurse and/or agencies providing case management in these areas.
- Coordinate eight creek clean ups with the Santa Clara Valley Water District, San Jose Metro Police Department and the City of San Jose’s Environmental Resources Department, and the multi-disciplinary outreach teams.
- Work with Eileen Richardson, Palo Alto Downtown Streets Team to develop programs for the City of San Jose and Gilroy.
- Present Downtown Streets Team program to the Santa Clara County Cities Association and Business organizations throughout the County to continue efforts to end street homeless in the 15 cities in the County.

December 31, 2008 – Mental Health Outreach Teams - RFP completed, vendor selected and additional funding identified to include medical care coverage for the 55 clients enrolled in the program.

December 31 2009 – Business community supports the Downtown Streets Team efforts and agrees to continue funding.

2. Institutional Outreach and Discharge Planning

Persons discharged from institutions such as health care or corrections facilities often do not have housing facilities available to them. The Institutional Outreach and Discharge Planning strategy will incorporate the following components to address this problem:

- Secure existing programs.
- Increase intensive case management capacity.
- Develop a program for the homeless connected to corrections/jails (pre-booking and at discharge).
- Implement a Medical Respite Care Program for discharges from hospitals.

Action Items and completion dates – Champion Marjorie Matthews

July 1, 2008 – Establish screening procedures for homelessness and at risk status during initial intake of clients entering health care, criminal justice, and foster care systems and initiate housing and case management services immediately.

December 31, 2008 – Implement discharge planning programs for those clients leaving health care, criminal justice, and foster care systems and initiate housing and case management services immediately.

December 31, 2009 – Create a method of diverting away from the criminal justice system homeless people arrested for public inebriation and nuisance violations.

3. Implement a Medical Respite Facility (Tab G)

When homeless patients are ready for discharge from a hospital or emergency room, there is often no place to send the patient for recovery and recuperation. Leaving the homeless patient in the hospital to recuperate is the most expensive location for them when they are ready for self-care, and it ties up a bed that could be used for another acute patient. This program not only gives the homeless person a safe, clean environment for recuperation, it also provides an ideal situation for linking the individual to all entitled benefits. A medical respite facility will:

- provide a place for homeless patients who are discharged from a hospital or Emergency Department with a clean, safe place to recuperate
- shorten the length of the hospital stay for these patients, and decrease readmission to the hospital and ED; and,
- provide the linkages to other services, including permanent housing, while the individual is in the Medical Respite Center.

Action Items and Completion Dates – Champion Malinda Mitchell

July 1, 2008

- Complete facility preparation.
- Establish procedures for referrals with participating hospitals.
- Finalize admission and discharge criteria for program.
- Complete preparation for hiring of new staff.
- Establish the opening date for 17 respite beds at EHC by October 2008 (This is dependent on the timing of funding, the approval of the contract with EHC, and any contributions from participating hospitals.)

December 31, 2008 – Continue operation of 17 Respite Center beds for homeless patients that are discharged from participating hospitals in the County.

December 31, 2009 – Expand to 30 beds to accommodate more homeless patients being discharged from hospitals in the County.

4. Establish a “One Stop” Homelessness Prevention Center (Tab H)

The concept of a multi-service center is to provide all of the services needed by homeless populations to address issues and ultimately access permanent housing at one site. Rather than having to spend hours on public transportation, and waiting in lines for eligibility determination, clients can access all of the services under one roof. Not only does this benefit the consumer, but it also helps public and private agencies coordinate their services and avoid duplication. Additionally, it helps local jurisdictions have more accurate and complete data about the homeless populations, its utilization of services and specific outcomes. By connecting the service center to housing at one location, we are developing a true housing first model, - transitional and permanent supportive housing.

A One Stop Center provides a multi-service delivery approach in which services are physically and programmatically co-located in order to:

- directly link services to permanent supportive housing;
- coordinate efficient intake so that clients are linked to appropriate housing; and,
- position strategic street outreach and prevention efforts so that housing is a priority.

Action Items and completion dates – Champion Maureen O’Malley - Moore

July 1, 2008 – Work with County agencies to develop Coordination of Care Service Model and staffing requirements for a service center, including:

- three Benefit Advocates for social services (Food-stamps, SSI/SDI, GA, Medi-Cal).
- a partnership with City of San Jose Housing Services.
- two Housing Locators.
- a Job Link Services Coordinator.

Create protocols for Coordination of Care, including developing:

- a referral system – identify service providers and programs.
- a reporting structure.

December 31, 2008

- Identify central location to site the homeless resources and multi-service center, and housing - budget and funding plan.
- Operationalize Homeless Service Center.
 - Plan A – stand alone Service Center
 - Plan B – Service Center with Transitional and Permanent Supportive Housing

5. Shift to Housing First: Provide Permanent Housing with Services (Tab I)

The Housing First model is based on the principle that the chronically homeless will achieve stability in permanent housing if that housing is good quality, affordable and service enriched. The model is also grounded in the principle that people should be placed in permanent housing as quickly as possible because that is the most cost effective approach with the greatest chance for success.

An effective system for placing chronically homeless persons in permanent housing will include:

- personalized intake process;
- streamline existing services and link people to housing;
- enhance the ability to serve more people;
- improve coordination of care;
- provide greater cost-effectiveness and leverage resources; and,
- create the ability to better track outcomes.

Action Items and Completion Dates – Champion Leslye Krutko

July 1, 2008

- Continue agreement with the Housing Authority to provide a minimum of 100 Section 8 Vouchers annually to the homeless.

December 31, 2008

- Work with cities in the County to develop a countywide policy that includes 10% of total units for chronic homeless/ homeless in each development they fund.
- Place 500 chronically homeless/homeless into housing with supportive services.

December 31, 2009 – Seek legislation at both the federal and State levels that directs funding for new affordable housing developments to the areas with the highest need.

Action Items and completion dates – Champion Marjorie Matthews

July 1, 2008

- Complete allocation of the \$4 million Housing First Fund to assist in the development of permanent supportive housing for homeless mentally ill. Allocation will result in 100 additional units of housing for this population.
- Submit application to the State for \$19.2 million in MHSA Supportive Housing funds for the development or acquisition of permanent supportive housing for the homeless mentally ill.

December 31, 2008 - Complete a series of workshops for property owners and prospective tenants with a goal of removing barriers to existing housing and preparing homeless individuals for apartment living.

December 31, 2009 - Increase case management capacity to serve an additional 500 homeless individuals.

SOLVING THE AFFORDABLE HOUSING CRISIS: INCREASING THE SUPPLY OF AFFORDABLE HOUSING

In addition to addressing the issue of ending homelessness in Santa Clara County, the BRC, in the **second component**, seeks to increase the supply of affordable housing.

Please see the complete power point presentation from meeting number four. **(Tab J)**

The BRC has identified the following key goals to increase the supply of affordable housing in Santa Clara County:

- develop new and increase existing sources of funding for affordable housing production; and,
- advocate and implement a series of land use policies that allow for increasing the production of housing.

1. Finance Initiative Goal

The goal of this initiative is to develop new and increase existing sources of funding for affordable housing in the County, and adopt priorities for the use of these funds to ensure the production of a diversity of housing types to address the range of housing needs in the County. **(Tab K)**

In order to solve the affordable housing crisis an additional \$50 million dollars in new money per year will need to be raised from local sources in order to build adequate housing for the residents of Santa Clara County across a continuum of incomes and housing types. Securing this local source will be a critical part of the Campaign over time. **(Tab B)**

Potential housing revenue sources include:

- infrastructure bonds: share of revenue going toward affordable housing;
- real estate document recording fees;
- redevelopment agency funds:
 - increase 20% housing set-aside
 - extend redevelopment project areas
 - increase cap on bonding
- low-income housing tax credits targeted to high cost areas; and,

- a percentage of future sales tax dedicated to housing.

Action Items and Completion Dates – Champion Chris Block

July 1, 2008 – Convene and complete task force to identify potential local funding source and develop strategies to implement identified source.

December 31, 2008 – Convene community wide focus groups to develop “campaign” strategy.

December 31, 2009 – Complete community education on revenue source with widespread endorsements and an election date.

2. Land Use Initiative Goal

The goal of this initiative is to implement a series of land use policies that allow for increasing the production of both affordable and market rate housing while remaining sensitive to local jurisdiction policy priorities. **(Tab L)**

The Bay Area LISC/Charities Housing report on Housing Silicon Valley points out the need to both change the development regulation system and secure additional sources of financing to solve the affordable housing crisis. In 2008, the BRC has a unique opportunity to work with local jurisdictions to create a land use regulatory environment that encourages production of affordable housing. In the next two years, all cities in Santa Clara County are required to update housing elements of their general plans. Additionally, many cities are undertaking general plan updates, including San Jose, Milpitas, Santa Clara, Mountain View, and Sunnyvale

Action Items and Completion Dates – Champion Greg Chin

July 1, 2008 –

- Convene a land use seminar to educate key persons involved in general plan and housing element updates on the land use tool kit developed by the Land Use Working Committee. The target audience for the seminar will be local jurisdiction planning staff, planning commissioners, city managers, and city councilmembers.
- Convene individual consultations with local jurisdiction planning staff, planning commissioners, city managers, and city councilmembers to educate them on the land use tool kit.

December 31, 2008 – Conduct education process on the land use tool kit, including presentations and charrettes with the general public on the land use tool kit.

December 31, 2009 – Conduct meetings with key local jurisdiction representatives to incorporate land use tools in general plans and housing elements to create land use

regulatory environment that encourages affordable housing production. Continue the process for educating the public on the land use tool kit.

GOVERNANCE

The BRC will work to determine and build a regional governance structure to oversee and complete the work of the commission. Following are options that are under consideration:

- Commission model
- Non Profit Planning Model
- Joint Powers Authority Model
- Contracted Services: Housing Authority Model

In 2008, the process for selecting the appropriate governance model will be determined, including defining the criteria for identifying the appropriate model.

Governance Structure – Champion BRC/Steering Committee/Staff

July 1, 2008 – Determine countywide governing structure and recommend adoption to all relevant stakeholders.

December 31, 2008 – Fully operationalize the new Governance Structure for 2009.

CAMPAIGN

Lastly, the BRC will move forward with a comprehensive communitywide campaign to secure the resources and support necessary to implement the plan developed by the BRC. **(Tab M)**

The structure of the campaign is as follows:

- commence fund development/resources to secure financial support; and,
- implement a public awareness/communication plan to secure public and policy maker support

Communication Plan – Champion Amari Romero -Thomas

December 31, 2007 - “Newsletter” type of email communication to stakeholders on current strategies, accomplishments and executive summary (not for general publication) as an early information messaging strategy.

January 2008

- News story announcing the campaign and new way of ending homelessness and solving the affordable housing crisis to the San Jose Mercury News and the San Jose Business Journal.
- Meet with the editorial board at the San Jose Mercury News to explain the campaign and new model, and request an editorial emphasizing the need for it.
- Press conference in January to announce accomplishments, momentum and executive summary.

July 1, 2008

- Recruit a well-known local celebrity to serve as campaign champion.
- Develop core messages that tell the story in succinct sound bites using facts, figures and examples.
- Create a recognizable logo.
- Create a catchy name for the campaign. For example, Housing Choices: Building Solutions.
- Use the core messages and branded look in all communications, including the website, media and advertising campaigns, presentations, and collateral materials.
- An annual report or progress report that provides the community with a campaign update and accountability.

December 31, 2008

- Reach specific audiences with relevant messages.
- Complete cost effectiveness study to determine effectiveness of supportive housing versus homelessness.
- Create a bureau of speakers who can go out in the community and talk about the issues and present the solutions.
- Work with stakeholder agencies to distribute information about the issues and workable.
 - Community Events
 - Health fairs
 - Local festivals

Fund Development Program – Champion BRC/Steering Committee/Staff

July 1, 2008

- Raise \$100,000 to assure a full time “Project Manager” position starting on January 1.
- Begin campaign to raise \$5 million per year over five years.

December 31, 2008

- Raise \$500,000 to run the “campaign” to end homelessness and solve the affordable housing crisis – the staffing for this effort will consist of a Program Project Manager, a Fund Development Manager and a full time support person.
- Complete initial \$5 million campaign goal.

CONCLUSION

In conclusion, after creating budgets for all of the proposed recommendations, factoring in cost and current funding already in place, it was determined the cost to end homelessness and to run the comprehensive community wide campaign, on an annual basis, is approximately \$57.6 million. The current resources already in place would provide approximately \$52.6 million in funding, leaving a gap of approximately \$5 million per year.

The budget numbers are as follows:

Programs	Total 12 month cost	Existing Funding	Gap
Outreach/Benefit Teams	\$3,625,000	\$2,400,000	\$1,225,000
Homeless Prevention Ctr.	\$5,500,000	\$3,500,000	\$2,000,000
Respite Program	\$700,000		\$700,000
Housing First Programs	\$1,150,000	\$575,000	\$575,000
Permanent Housing for Homeless	\$46,125,000	\$46,125,000	
The Campaign	\$500,000		\$500,000
TOTAL	\$57,600,000	\$52,600,000	\$5,000,000

With an additional \$5 million per year we will be able to continuously reduce the current count of homeless of 7,491 (as of January 29-30, 2007), greatly reduce the financial drain on our emergency services and resources, and further increase the inventory of affordable housing. These factors combined will lead to a healthier and more productive community.