



Memorandum

TO: City Council

FROM: Mayor Chuck Reed
Vice Mayor Madison Nguyen
Councilmember Don Rocha
Councilmember Sam Liccardo

SUBJECT: HOUSING NEEDS AND STRATEGIES

DATE: March 8, 2013

APPROVED:

Chuck Reed
Madison Nguyen *Sam Liccardo* *Donald Rocha*
AM PH AG

RECOMMENDATION

Accept the staff report, and direct the City Manager to develop a work plan and timeline to address the following through the budget process:

1. Rapid Re-Housing through a "Collective Impact" Approach:

- a. Engage in discussions with staff of the County of Santa Clara regarding the County's willingness to "match" City dollars for a "rapid re-housing" strategy out of the County's Measure A, "Boomerang" Redevelopment funds, or other source, over the next two years, to address the housing and social service needs of a large number of encampment residents. Additionally, staff should engage in discussions with the Santa Clara Valley Water District, Caltrans and other regional partners about their willingness to contribute to this collective impact approach.
- b. Return to Council through the City budget process with the cost of one-time funding and on-going staffing necessary to provide rental subsidies (or any more efficient manner of re-housing) of homeless individuals over a two year period as follows, under the following conditions:
 - i. Explicit and Exclusive Focus on San Jose's Own Homeless: To the extent allowable, rental subsidies for re-housing must be focused on homeless residents who have previously been identified and registered through the Housing 1000 Registry, through Housing 1000 outreach, or through reliable documentation maintained by a City or County agency, as having been living within the San Jose city limits since at least January 1, 2012.
 - ii. Public Statements: All public statements regarding this additional investment in re-housing must make explicit that the program will serve homeless persons who have lived within San Jose, as evidenced by official records, and will not be available to persons migrating to San Jose.
 - iii. Prioritizing Encampments: To the extent feasible, efforts will be made to first target homeless residents living in encampments.

- iv. HACSC: Dialogue with the Housing Authority should proceed concurrently or together with the County and Water District, to seek a maximum commitment of Section 8 vouchers for anti-homeless efforts;
- v. Working with the County and service providers, report whether any armories, existing shelters, motels, empty buildings, or other facilities can be made available as transitional housing to immediately reduce the size and extent of encampments; and
- vi. Identify and recommend funding sources for any potential capital costs for rehabilitation or preparation of those facilities.

2. Effective Partnerships:

- a. Return through the budget process with the cost of additional one-time funding as part of a two-year commitment to Downtown Streets Team (DST) to:
 - i. Continue DST's innovative efforts to employ homeless residents along the Coyote Creek in cleaning that Creek and nearby communities, and expanding that work throughout key encampment "hot spots" in San José;
 - ii. Explore working with communities affected by heavy encampment activity to develop "fee-for-service" models that would sustain DST's expansion of operations beyond Coyote Creek.
- b. Staff should include actions in its plan for responding to homelessness that support and expand the Housing 1000 Care Coordination effort to increase permanent resources, case management services and employment strategies. The goal is to assist homeless individuals to become more self-sufficient through job training and employment. Partnerships should be expanded to include job training, day worker and other work force development programs.

3. Enforcement: Return to Council through the budget process with a feasibility and cost analysis to implement a clear, consistent enforcement policy against anyone living in parks, creeks, and neighborhoods, including the following elements:

- a. Parks, Trails, and Creeks:
 - i. Strictly enforce—with park rangers, police, and sheriffs' deputies-- existing ordinances prohibiting trespass and other offenses related to sleeping in parks and along creeks, particularly those with active trails. Report to Council regarding the status of these efforts;
 - ii. Strictly enforce—and post—prohibitions on feeding of persons in public parks without health and other permits. Identify and distribute information about permissible locations where faith-based and other groups can readily provide food to the needy to promote our mutual goals. Report to Council regarding status.
- b. Judicial System: Discuss and explore with the Presiding Judge for the Santa Clara County Superior Courts, District Attorney, and Chief of Probation the creation of a

separate, designated “track” for processing misdemeanor cases of violations committed by homeless residents, to:

- i. Resolve any citations and misdemeanor complaints involving homeless who commit trespass, loitering, littering, HS §11550, and other similar low-level offenses,
 - ii. Impose conditions of probation or deferred entry of judgment that require:
 - I. Referral to drug and alcohol treatment, mental health services, or other appropriate conditions for offenders needing those services;
 - II. “Stay away” orders where the locations of specific encampments create a safety or health risk to the community, or preclude public use and enjoyment of parks and trails.
 - iii. Provide a simple process, within the dictates of state law, to reward violators who successfully comply with those conditions, through the use of such mechanisms as deferring entry of judgment, reducing misdemeanors to infractions, record expungement, or similar means to ensure that this process does not merely criminalize homelessness. Report to Council periodically through the relevant Council Committees with the progress of these efforts.
- c. Laura’s Law: Explore with County staff whether the enacted “Laura’s Law,” (AB1421) can be enforced effectively within San José for court-ordered, sustained outpatient mental health treatment of individuals (who pose threats of harm to themselves and others, or evince immediate need for care), to reduce the “revolving door” of repeated hospitalizations, jailings, and homelessness. If so, return to Council with a proposed formal request to seek a resolution from the Board of Supervisors for its implementation in Santa Clara County.
- d. Downtown and Neighborhood Business Districts: Evaluate and report to Council, through the relevant Council Committees, regarding:
- i. “Stay Away” Citations and STOP: Identify opportunities to simplify or better implement the STOP program (e.g., to avoid forcing business owners to remember to “re-enlist” every 6 months), and/or any efforts to utilize “stay away” citations for individuals found lying or sleeping in entryways who obstruct the ability of workers or residents to enter their buildings.
 - ii. “Change for Change”: Assess efforts, costs and effectiveness in other cities to re-purpose outdated parking meters on sidewalks in Downtown and Neighborhood Business Districts to:
 - I. Discourage peddling; and
 - II. Encourage well-intended pedestrians to instead contribute spare change to a re-purposed parking meter that will collect change and redistribute 100% of that money to homeless-serving programs consistent with the City’s long-term strategy.

- iii. Sit/Lie Legislation: Analyze whether to oppose or seek amendment to AB5 (Ammiano), which would prohibit cities from citing people for sitting, lying, or panhandling, among other activities.
 - iv. Downtown Ambassadors: Begin discussions with the PBID Board regarding the utilization of Downtown Ambassadors, funded by the PBID, for outreach in providing information to homeless regarding available services, and in identifying individuals for more targeted intervention by health officials, probation, or police.
4. Direct staff to report back to Council in one month with updates on the following efforts pertaining to affordable housing:
- a. Return to Council in two weeks with a budget and outline for the scope of work for a nexus study for determining the feasibility of a housing impact fee, land conversion fee or other mechanism that will provide a dedicated stream of funding for affordable housing;
 - b. Continue discussions with the County, HACSC, Destination: Home, and other regional partners to continue advocacy for a regional approach to affordable housing and continue to advocate in Sacramento for state legislation for longer-term funding strategy, as well as potential regional approaches to affordable housing financing and distribution;
 - c. Focus and prioritize available funding for affordable development on low income, very low income, and extremely low income rental projects;
 - d. Direct Housing and Government Relations staff to bring bills pertaining to housing and development that have been previously supported and are in-line with our adopted Legislative Guiding Principles, but have been reintroduced under a different name or title, directly back to Council with a “support” recommendation; and
 - e. Cross-reference the March 25th Community & Economic Development Committee agenda item pertaining to opportunities for use of Public Benefit Zoning, for a full Council discussion of its use as a tool in developing affordable housing.

BACKGROUND

There is an undeniable link between the availability of affordable housing and homelessness. Similarly, there is no doubt that our ability to provide affordable housing at any income level – whether extremely subsidized for our homeless residents, or marginally subsidized through work force housing – has been severely reduced through the dissolution of the Redevelopment Agency. As such, the Council finds itself with an opportunity to pragmatically address the immediate issue of eliminating chronic homelessness and homeless encampments, as well as exhibiting vision for the future of San Jose’s ability to attract employers who are interested in locating in cities with affordable housing and vibrant neighborhoods.

To address both of these issues we need to have both a short and long-term strategy, with many partnerships and collaborative tools involved in each plan.

COUNCIL AGENDA:

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The prominent display of encampments of over one hundred homeless residents in the approach zone to our Airport, speaks volumes about the magnitude of the crisis that we face. Homelessness evinces a severe human toll on those suffering with this plight, but at its current scale, the problem imposes severe impacts on the community public safety, the environment and our quality of life.

Through their participation in Destination: Home, the several entities tasked with addressing homelessness (City, County, non-profits, and churches) have embarked on a "Collective Impact" strategy, to focus and coordinate resources over the long-term to address a problem too large for any one agency.

While, a recent "Homeless Count" is not complete, preliminary indications suggest that roughly 900 people live in encampments on a daily basis, with many thousands more in places ranging from cars to shelters to friends' sofas. Prioritizing homeless in encampments, most local experts believe that we can identify roughly 400-500 housing opportunities through existing partnerships, such as with Section 8 vouchers through the Housing Authority. If we could match City funding to an equivalent County and Water District commitments each year, we could house the remaining individuals through 2015, until a longer-term strategy can emerge through state legislation.

A large monetary commitment to address this issue will be necessary, but there is little question that the fiscal toll on our police, fire, emergency rooms, courts, businesses and creekside environment far exceeds that number. A frequently-cited study in San Francisco identified \$60,000 in public sector costs alone attributed to addressing the issues—medical response, police, etc.--relating to a single homeless man in San Francisco. The City of Mountain View recently enacted an impact fee that is expected to raise \$7 million for affordable housing.

This proposal seeks to take a more strategic approach to the elimination of encampments than current efforts that our circumstances have forced us to take in recent months. This multi-pronged approach consists of a few basic elements: rapid re-housing, enforcement, and leveraging partnerships over the next two years.

In the longer term, we need to continue pressing forward at the state or regional level, and to identify potential local funding sources beyond the General Fund.