



# Santa Clara Valley Water District

File No.: 17-0317

Agenda Date: 5/18/2017

Item No.: 5.

## BOARD AGENDA MEMORANDUM

### SUBJECT:

Consider Recommendations Relating to County of Santa Clara County and Santa Clara Valley Water District Efforts to Reduce Homelessness.

### RECOMMENDATION:

- A. Receive report from the Office of Supportive Housing; and
- B. Receive report from the Santa Clara Valley Water District.

### SUMMARY:

This report provides an update on the efforts of the County's Office of Supportive Housing and the District to reduce homelessness in Santa Clara County.

### The Office of Supportive Housing

#### Supportive Housing System

There are a number of program models for responding to homelessness, some of which are more effective than others at helping families and individuals return to permanent housing. Shelter or housing-based responses to homelessness can be divided into two main types: *temporary housing* (including emergency shelter and transitional housing programs) and *permanent housing* (including rapid rehousing, permanent supportive housing, and homelessness prevention programs).

**Emergency shelter (ES)** programs respond to the crisis of homelessness, providing immediate shelter from the elements, access to meals, and connections to services and resources. Most shelters for adults offer bunks or cots in shared rooms with strict rules regarding behavior and alcohol and drug use. Shelter guests are usually required to leave the shelter during the day, and when demand is higher than the available beds, might not be guaranteed access to a bed the following night. Both nationally and in Santa Clara County, emergency shelter has been found to be ineffective in moving people out of homelessness. In FY 2013-14, only 15% of people exiting emergency shelters moved into permanent housing in Santa Clara County.

**Transitional Housing (TH)** programs provide temporary housing (usually no more than 2 years) with attached services focused on helping people prepare to obtain housing upon program exit. Units can be anything from an enclosed cubicle with reserved bed at a shelter facility to an apartment in the community. Transitional housing programs are intended to provide time and resources for individuals

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and families to gain education, employment, and income so that they are able to obtain housing upon exiting the program. Transitional housing can be effective for people who need and desire a temporary structured program environment and who have the potential to increase their income to the point that they can afford housing in the local market. However, those with fixed incomes and other barriers to obtaining and maintaining housing face the same challenges upon exiting a transitional program that they did when they entered it. In FY 2013-14, only 34% of people exiting transitional housing programs in Santa Clara County exited to permanent housing.

**Rapid Rehousing (RRH)** is a permanent housing program that provides short-term financial assistance and support (4 to 6 months, on average) to quickly re-house homeless households in their own independent housing. Programs participants may start off paying 30% of their adjusted gross income towards rent, but their subsidies could gradually decrease and become shallower. Eventually, RRH participants are expected to transition in place and take over the full lease of the unit in which they currently reside. The goal is to quickly move households out of homelessness and back into permanent housing, providing the lightest level of service necessary to assist the household. Supportive services typically include housing search, landlord mediation, and case management. Rapid rehousing is effective for families and individuals who are episodically homeless and have the ability to generate sufficient income to afford housing long-term. According to the United States Interagency Council on Homelessness, “data from some experienced programs indicate that 90 percent of households served by rapid rehousing are successfully housed and do not return to shelter.” Under the federal stimulus funded Homelessness Prevention and Rapid Rehousing Program (HPRP) in San Jose, 75% of homeless households receiving rapid rehousing assistance from 2009-2012 successfully maintained their housing at program exit.

**Permanent supportive housing (PSH)** is designed for chronically homeless and other highly vulnerable individuals and families who need long-term support to stay housed. Residents typically face significant barriers to housing, such as serious mental illness, substance abuse, chronic health conditions, and other disabilities. Programs move people directly into housing and provide deep housing subsidies, case management, and other supportive services. Permanent supportive housing has no time limitation, providing support for as long as needed and desired by the resident. Nationally, permanent supportive housing is considered a highly successful strategy for ending chronic homelessness. The national 100,000 Homes campaign, which supported local communities in housing 100,000 chronically homeless individuals through permanent supportive housing, found that 84% of people housed remained housed for at least one year. In FY 2013-14, 98% of people in permanent supportive housing programs in Santa Clara County maintained their housing for at least 12 months.

**Homelessness prevention (HP)** programs stop homelessness before it starts by providing financial assistance and services to prevent families and individuals from losing their housing. Assistance may be one-time or for a short period. Supportive services may be provided in addition to financial assistance, or households might be connected to other resources in the community. In Santa Clara County the Emergency Assistance Network provides one-time financial assistance to households facing eviction. Prevention services are also provided by Supportive Services for Veteran Families grantees. The effectiveness of prevention programs is difficult to prove because it is unknown if the household would have become homeless without assistance or if they would have found another way to stay housed. Under the federal stimulus funded HPRP Program in San Jose, 83% of homeless

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households receiving prevention assistance from 2009-2012 successfully maintained their housing at program exit.

**Temporary and Permanent Housing.** While emergency shelter serves a purpose in keeping people off the streets and transitional housing can be successful for some populations, national research and local experience show that permanent housing solutions are the most effective response to homelessness. *The Community Plan to End Homelessness in Santa Clara County 2015-2020 (Community Plan)*, endorsed by the County Board of Supervisors in January 2015, proposes three program models: permanent supportive housing for those who are chronically homeless, rapid rehousing for those experiencing episodic homelessness, and prevention programs for those at risk. For individuals who are enrolled in permanent housing programs but who are still searching for a housing unit, shelters, motels, or transitional housing can serve as “interim” or “bridge” housing.

**Continuum of Care (CoC).** In addition to temporary and permanent housing programs, the Office of Supportive Housing (OSH) is responsible for managing and supporting the ongoing improvement of the supportive housing system. The OSH accomplishes this through a countywide Homeless Management Information System (HMIS), a Coordinated Entry System (i.e., streamlined assessments and referral processes), and a system-wide performance management system. Most, but not all, of these activities are mandated by the U.S. Department of Housing and Urban Development (HUD) as part of the HUD CoC Program.

### ***Status of the Supportive Housing System***

Since the adoption of the *Community Plan*, the County has worked with the cities, the Housing Authority, Destination: Home, service providers, and other stakeholders to expand and improve the supportive housing system. Key accomplishments include the following:

- In 2015, 1,215 homeless persons housed; in 2016, 1,741 homeless persons were housed.
- In the first year of the campaign to end veteran homelessness (All the Way Home), 510 homeless veterans were housed.
- The *Community Plan* calls for the addition of 6,000 housing opportunities for homeless persons. The opportunities include tenant-based rental assistance programs and new housing units that are set aside for homeless persons. According the 2016 Annual Report, Santa Clara County added 1,505 housing opportunities between January 2015 and December 2016.

In FY 2017, the County and its partners will implement several new programs including a \$3.4 million 24-month homelessness prevention pilot program and approximately in new rapid rehousing programs for families and individuals. Equally important, the County will begin implementing the 2016 Measure A Affordable Housing Bond. One of the goals will be to develop or finance 4,800 new housing units that are affordable to extremely low income and very low income households, with at least 1,900 of the units set aside as permanent supportive housing.

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**Santa Clara Valley Water District**

As the agency responsible for managing an integrated water resources system in Santa Clara County, the District utilizes valuable public resources to address the negative impacts of homeless encampments to creeks and streams. Many of these encampments reappear in the same location or further down the creek and undermine the health of our watersheds as they result in damage to creek banks, deterioration of water quality and substantial increases in the volume of trash and debris that wind up in creeks and the San Francisco Bay.

**Homeless Encampment Ad Hoc Committee Established**

The District Board recognizes that homelessness is a regional crisis requiring creative solutions, shared resources, and collaboration among service providers, government agencies, and the community. On January 26, 2016, the Board established a Homeless Encampment Ad Hoc Committee to discuss homelessness and encampment issues, and bring discussion and recommendations back to the Board. During the year, the committee has had held meetings to identify solutions to homelessness encampments, heard from experts and the community, and brought recommendations to the Board.

**Board Supports Measure A**

In July 2016, the Board voted to support the \$950 million Santa Clara County (County) Affordable Housing Bond Measure (Measure A), which provides funding for housing. The District has a unique interest in being part of that solution, because the District spends millions of dollars each year on cleaning up homeless encampments along local waterways.

**\$350,000 for Partnership with the City of San José to Fund Downtown Streets Team**

In November 2016, the Board authorized investing \$350,000 from the voter-approved Safe, Clean Water and Natural Flood Protection Program to fund an extension of the City of San Jose's Downtown Streets Team program to remove trash and debris at encampments along local waterways. The Downtown Streets Team is a local non-profit that provides job training and other services to homeless individuals. It also connects the homeless with social services.

**Municipalities with Housing Authority Given First Right to Purchase District Surplus Lands**

In November 2016, the Board directed that the District give municipalities with housing authorities the first right to purchase its surplus lands to support the development of permanent housing. These include the County's Pay for Success programs, which prioritizes providing shelter for homeless individuals and families in the county.

**60 Acres Land Declared Surplus**

During the year, the Board declared nearly 60 acres of land as surplus, and these were offered for sale to the County and local municipalities to support the development of permanent housing. The surplus lands are located within county unincorporated areas, and in the cities of San José, Morgan Hill, and Gilroy. However, no agency offered to buy the lands.

**Encampment Cleanups with Cities**

The District conducts encampment cleanups along the streams to prevent trash and debris getting into the waterways, where it can potentially degrade water quality, impact flood flow conveyance and

the health of watersheds.

Since the 1990s, the District has carried out encampment cleanups along waterways. Because the District does not have police powers or the supportive housing/social services authority, we partner with cities, such as San Jose and Gilroy, police departments and social service providers on homeless cleanups, and to link the homeless population with appropriate health and human services.

In Fiscal Year 2017, the District removed a total of 697 tons (3,233 cubic yards) of trash and debris from 313 encampment sites throughout Santa Clara County. Since July 2013, the District has spent over \$3.1 million on homeless encampment cleanups. The joint efforts with cities include:

- Posting notices at locations with information about upcoming cleanups
- Coordinating with the city, County and social service organizations to provide support before and during cleanups for those displaced
- Police support before and during cleanups
- Sorting, bagging and storing personal belongings of those displaced and supervision of those belongings
- Supervising labor crews

#### Supporting City of San José Park Ranger

Since 2013, the Board has invested \$175,000 annually in the City of San Jose's Park Ranger Program to prevent re-encampment at sites already cleaned up through the joint efforts. The goal is to:

- Improve public safety along local waterways in San Jose
- Reduce camping, dumping and prevent re-encampment
- Reduce stream pollution and litter in the riparian corridor
- Protect water quality, fish and wildlife, and reduce blockages in local creeks for improved flood protection.

The presence of park rangers has had a significant impact in reducing the number of large and more heavily entrenched encampments along the Guadalupe River and to a lesser extent those along Coyote Creek and Los Gatos Creek.

#### Legislative Updates

##### *SB 519 (Beall) District Act Revision - Now a Two-Year Bill*

SB 519, authored by Senator Jim Beall, is the District-sponsored bill that would amend the District Act to require that a vacancy of the Board be appointed from the electoral district from which the vacancy occurred, and to clarify the District's authority to address homeless encampments. The bill was scheduled to be heard on April 5 in the Senate Governance and Finance Committee (Committee), but was pulled from the agenda at the request of Senator Beall.

The Committee's consultant had several concerns with the way in which the language was drafted. Despite the District staff offering two alternative versions of the language to satisfy the Committee's concerns, each more limiting in scope for the District, the Chair rejected all the language proposed

and offered to move the bill only if the homelessness provision was removed from the bill.

Although the bill had garnered significant support from advocates for the homeless, the Committee's concerns were too much to overcome, and after conferring with Senator Beall's staff, the decision was made to pull the bill from the Committee agenda.

This action forced the bill to miss key legislative deadlines for passage in 2017, as such the bill has becomes a 2-year bill. District staff is continuing to work on the homelessness provision with the Committee over the fall in order to remove the concerns for next year. Under legislative rules, the bill may be reconsidered in January 2018.

### *SB 3 (Beall) Affordable Housing Bond Act - In Senate Appropriations Committee*

In 2006, voters passed Proposition 1C, the Housing and Emergency Shelter Trust Fund Act of 2006, which authorized \$2.85 billion in general obligation bonds for housing and related capital improvements. A report by the California Department of Housing and Community Development's Division of Financial Assistance states that, as of June 30, 2015, Santa Clara County (County) has received \$146,815,755 from Proposition 1C (6.4% of total bond funds available), which has assisted in the creation of 7,804 units of affordable housing throughout the County. The cost per unit has averaged \$18,812.89. Proposition 1C was approved by voters by a margin of 57.8% to 42.2%.

SB 3 would authorize the issuance of \$3 billion in general obligation bonds, subject to the approval of a simple majority of voters in the November 2018 general election, for the following affordable housing purposes.

1. \$1.5 billion to the Multifamily Housing Program, to be used to assist in the construction, rehabilitation, and preservation of permanent and transitional rental housing for persons with incomes of up to 60 percent of the area's medium income (\$56,312.40 in 2014 dollars).
2. \$600 million for the Transit-Oriented Development Implementation Fund, which shall be used for the following purposes.
  - a. \$200 million for the Transit-Oriented Development Implementation Fund;
  - b. \$300 million for the Infill Infrastructure Financing Account, to be used to assist in the new construction and rehabilitation of infrastructure that supports high-density affordable and mixed-income housing in locations designed as infill; and
  - c. \$100 Million for the Building Equity and Growth in Neighborhoods (BEGIN), to be used for down payment assistance for low- and moderate-income buyers purchasing newly constructed homes in a BEGIN project.
3. \$600 million to be deposited in the Special Populations Housing Account, which shall be used

for the following purposes:

- a. \$300 million for the Joe Serna, Jr. Farmworker Housing Grant Fund; and
  - b. \$300 million for the Local Housing Trust Matching Grant Program Account, which provides matching grant funds for public agencies and nonprofit organizations that raise money for affordable housing.
4. \$300 million for the Home Ownership Development Account to be used for the CalHome Program.

If SB 3 is passed and approved by voters in the November 2018 general election, it would provide state and local housing agencies with funding which may potentially increase the County's affordable housing stock and assist in addressing homelessness in Santa Clara County. The District Board voted to take a "Support" position on SB 3 on March 28, 2017. The bill is currently in the Senate Appropriations Committee and is set to be heard as part of the suspense file on May 26th.

Homelessness is a regional crisis requiring creative solutions, shared resources, and collaboration among service providers, government agencies, and the community. The District supports a countywide approach which not only aligns with a commitment to explore relevant solutions, but also advances District goals in preventing further damage to creeks, habitat, and mitigates costs associated with cleanups.

**FINANCIAL IMPACT:**

This is an information item and has no financial impact.

**CEQA:**

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

**ATTACHMENTS:**

Exhibit 1: PowerPoint

**UNCLASSIFIED MANAGER:**

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