

County of Santa Clara
Office of Supportive Housing



24-5302

DATE: April 16, 2024 (Item No. {{item.number}})

TO: Board of Supervisors

FROM: Consuelo Hernandez, Director, Office of Supportive Housing

SUBJECT: Expanding Temporary Housing Options for Families

RECOMMENDED ACTION

Consider recommendations related to expanding temporary housing options for families.
(LA-1)

Possible action:

- a. Approve Request for Appropriation Modification No. 191 - \$3,000,000 increasing estimated revenue and expenditure appropriations in the Office of Supportive Housing budget, relating to expanding temporary housing options for families as part of the Heading Home campaign. (4/5 Vote)
- b. Approve delegation of authority to the County Executive, or designee, to negotiate or amend an agreement with the Santa Clara County Housing Authority relating to providing supports towards the CalWORKs Housing Support Program in an amount not to exceed \$1,000,000 and a contract term that starts no earlier than April 16, 2024 and ends no later than June 30, 2025, following approval by County Counsel as to form and legality, and approval by the Office of the County Executive. Delegation of authority shall expire on June 30, 2025.
- c. Approve delegation of authority to the County Executive, or designee, to negotiate or amend Grant Agreement with Destination: Home relating to a grant to support the expansion of temporary housing options for families enrolled in the Heading Home campaign in an amount not to exceed \$2,000,000 and a contract term that starts no earlier than April 16, 2024 and ends no later than June 30, 2025, following approval by County Counsel as to form and legality, and approval by the Office of the County Executive. Delegation of authority shall expire on June 30, 2025.
- d. Approve delegation of authority to the County Executive, or designee, to negotiate, execute, amend, or terminate Agreement with Amigos de Guadalupe relating to providing temporary housing for families in an amount not to exceed \$6,050,000 and a contract term that starts no earlier than April 16, 2024 and ends no later than June 30, 2025, following approval by County Counsel as to form and legality, and approval by

the Office of the County Executive. Delegation of authority shall expire on June 30, 2025.

- e. Approve delegation of authority to the County Executive, or designee, to amend Agreement with Abode Services relating to providing rapid rehousing and interim housing services to those connected to the Social Services Agency, decreasing the maximum contract amount by \$3,434,672 from \$20,496,675 to \$17,062,003, with no change to the term of the agreement, following approval by County Counsel as to form and legality, and approval by the Office of the County Executive. Delegation of authority shall expire on June 30, 2024.

FISCAL IMPLICATIONS

The recommended action would have no new impact on the County General Fund. Recommended action ‘b’ would approve a delegation of authority to negotiate a grant agreement with the Santa Clara County Housing Authority (Housing Authority) for \$1,000,000 to fund a portion of the Fiscal Year (FY) 2024-2025 gap created due to a decrease in revenue from the State Budget CalWORKs Housing Support Program (CalWORKs HSP).

Recommended action ‘c’ would approve a delegation of authority to negotiate a grant agreement with Destination: Home for \$2,000,000 to fund an existing County family motel program operated by Amigos de Guadalupe approved by the Board on March 26, 2024 (Item No. 51) and off-set the costs of expanding temporary housing capacity through a new agreement with Amigos de Guadalupe to be considered by the Board under recommended action ‘d’. Recommended action ‘e’ is needed to reduce the Abode Services budget so that it reflects the updated program budget.

Table 1, Use of Funds for One-Time Investments, provides a summary of the Administration’s proposed use of the \$10,000,000 in funds. Note that the \$8,000,000 in revenue associated with the American Rescue Plan Act (ARPA) will be presented to the Board on May 7, 2024, along with other ARPA associated actions. Table 1 represents a summary of when OSH anticipates using funding by program area.

Table 1: Use of Funds for One-Time Investments

Program Area	FY 2023-2024	FY 2024-2025	Totals
CalWORKs HSP Funding Gap	\$0	\$2,700,000	\$2,700,000
Increase Temporary Shelter for Families with Children	\$1,050,000	\$5,000,000	\$6,050,000
Supportive Services for Heading Home Families	\$0	\$1,250,000	\$1,250,000
Totals	\$1,050,000	\$8,950,000	\$10,000,000

CONTRACT HISTORY

This is the Second Amendment to the Agreement for rapid rehousing services to those connected to the Social Services Agency with Abode Services. On June 27, 2023 (Item No. 97), the Board approved the original agreement, and it was subsequently amended by the Board on April 15, 2023 (Item No. 84) to remove funding for the CalWORKs Family Stabilization Program.

REASONS FOR RECOMMENDATION AND BACKGROUND

Consistent with prior Board direction, the Administration through the Office of Supportive Housing (OSH) has been diligently working with Destination: Home, the City of San José (City), the Housing Authority, and other system partners to expand temporary and permanent housing options for families as part of the Heading Home campaign launched in October 2021. On February 27, 2024 (Item No. 19), as part of a quarterly Heading Home update report, OSH reported an increase in demand for family temporary shelter and flagged the impacts the recent State Budget reductions to the CalWORKs HSP would have on the overall housing capacity for families. Administration reported a desire to provide an additional infusion of one-time resources to address the immediate needs of homeless families and this report includes the implementing actions.

If approved, the recommended action would recognize grant revenues totaling \$3,000,000 that would be used to support a portion of the expenses related to increasing temporary housing options for families and supplement the loss of funding from the State for the CalWORKs program. Administration will return to the Board on May 7, 2024, to recognize the \$8,000,000 in ARPA funds that have been identified to support the remainder of the costs associated with the implementing actions.

CalWORKs HSP Capacity Reductions

Recommended action 'e' would authorize the Administration to modify the Abode Services agreement to decrease the maximum contract amount by \$3,434,672 and update the revenue source identified in the existing contract. As further described below, the County learned in late November 2023 that the projected revenue amounts for CalWORKs were not fully realized.

Every fiscal year the County receives an allocation of funding for CalWORKs HSP through the Social Services Agency (SSA), and it is implemented in partnership with OSH. Over the past several years the State made some program-level changes that no longer required a 1:1 match and made one-time funding available to augment base budget allocations. In addition, at mid-year, if any counties underspend their funding, their allocation is re-allocated to other counties. The County has benefited from the one-time dollars and the re-allocation process, which has allowed us to serve more households. However, this year no counties underspent their allocations, and one-time funds ended up being less than originally projected. As a result, OSH and SSA stopped enrolling new households and developed a plan to ensure the 208 families enrolled and housed in the program at the time would not lose their rental subsidy and place them at risk of homelessness. In addition, Administration worked with OSH to identify additional funding sources that could be available to support the 52 families

that were placed in shelter while they waited to be enrolled in the CalWORKs HSP program. While the recommended action would not result in an increase in capacity, the recommended action, if approved, would ensure that the households enrolled in the CalWORKs HSP program continue to receive a time-limited subsidy through next fiscal year while they increase their income.

Efforts to Expand Temporary Housing Options for Families

In March 2020, prior to COVID-19, the Supportive Housing System (SHS) had the capacity to serve 77 households with children in temporary housing programs on any given night. However, by June 2021 the SHS capacity increased significantly to serve approximately 330 households nightly. At the time, this meant there were sufficient resources to serve the approximately 270 families experienced homelessness on any given night. Most recently, with temporary tenant protection ordinances and one-time pandemic relief programs ending, coupled with an increase in demand for family shelter from refugees and new arrivals seeking asylum, there are currently insufficient temporary housing options in the SHS to meet the need. According to the 2023 Point-in-Time Count (PIT), there were 365 families experiencing homelessness in January 2023, of which 19% were unsheltered. As of March 27, 2024, there were 482 families that called the Here4You Hotline requesting assistance, including shelter. These families were in a variety of unhoused and unstably housed situations, such as couch surfing, staying with family, or living in overcrowded situations. While we were required to submit unsheltered data to HUD for the Point-in-Time Count (the 19% referenced above), a number from one point in time is not representative of families experiencing unsheltered homelessness in Santa Clara County. Many families in our community cycle in and out of homelessness and unstable housing, with periods of time staying in their vehicles, motels/hotels, shelters, staying with family members or friends, etc. This cycle of homelessness and unstable housing makes it difficult to identify the number of families who are unsheltered and sleeping outside on any given night.

Recommended action ‘d’ would increase capacity by 65 beds nightly. This action alone will not immediately clear the queue of families waiting for shelter but coupled with the additional concurrent items noted below will collectively increase capacity as follows:

- The Administration through OSH has continued to find opportunities to expand temporary housing options for unhoused families. These efforts include working closely with the City of San José (City) to consolidate family referrals from their hotel voucher program through the Countywide centralized shelter hotline. Approximately 50% of families on the shelter hotline waiting list are affiliated with the City and in some instances are connected to both City and County programs. The proposed consolidation will add efficiencies in referrals and will help better connect San José families on the Countywide centralized shelter hotline who have not had access to the City’s program.
- The City of Palo Alto’s Homekey Service Enriched Shelter using modular construction includes 44 units for families (four three-bedroom, 20 two-bedroom, and 20 one-bedroom units) and is scheduled to open in February 2025. Once opened this new service enriched shelter will add family capacity in North County.

- 271 site-based family housing units are opening in 2024 and will result in pathways to permanent housing for many families that have been waiting to find an affordable housing unit.

OSH will continue to identify other funding opportunities that would help expand supports for homeless families. For instance, in February 2024, OSH submitted a grant application to the California Interagency Council on Homelessness in the amount of \$5,000,000 to expand homelessness prevention services to families with minor children. If approved, the additional funding would help support an additional 500 families over a two-year period.

CHILD IMPACT

The recommended action will have a positive impact on children and youth through the **Safe and Stable Families** indicator. A functional zero campaign focused on families will continue to result in more families with children receiving temporary and permanent housing assistance, increasing the housing stability of children.

SENIOR IMPACT

The recommended action will have no/neutral impact on seniors.

SUSTAINABILITY IMPLICATIONS

The recommended action will have no/neutral sustainability implications.

ATTACHMENTS:

- F 85 Heading Home Temporary Housing Expansion