



**COMMUNITY DEVELOPMENT DEPARTMENT
PLANNING DIVISION**

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CITY COUNCIL STAFF REPORT

Meeting: October 16, 2018

Subject

City of Cupertino Homelessness Study Session

Recommended Action

Hold a Study Session to

1. Present on the topic of homelessness in the city and the region.

Background

The United States Department of Housing and Urban Development (HUD) requires a biennial Point-in-Time census (Census) every two (2) years for all jurisdictions receiving federal funding for housing and supportive services. In partnership with the social research firm Applied Survey Research (ASR), the Santa Clara County Continuum of Care (County CoC) conducted a two-pronged study, consisting of the Census and an in-depth survey of unsheltered and sheltered homeless individuals and families.

Results from the 2017 Census counted one hundred twenty-seven (127) individuals experiencing homelessness in the City of Cupertino, a seventy-four percent (74%) increase since the seventy-three (73) individuals counted during the 2015 Census. Regionally, the 2017 Census counted 7,394 individuals experiencing homelessness throughout Santa Clara County, an increase of thirteen percent (13%) from the 6,556 individuals counted during the 2015 Census. As indicated in Figure 1, nearly sixty percent (60%) of homeless individuals and families identified in the 2017 Census are located in the City of San Jose, while approximately seventeen percent (17%) of homeless individuals are located in Cupertino.

JURISDICTION	UNSHELTERED		SHELTERED		TOTAL		'15-'17 % CHANGE
	2015	2017	2015	2017	2015	2017	
Total Incorporated	4,204	5,259	1,817	1,775	6,021	7,034	17%
City of Campbell	53	94	0	0	53	94	77%
City of Cupertino	50	127	23	0	73	127	74%
City of Gilroy	179	295	260	427	439	722	64%
City of Los Altos	18	6	0	0	18	6	*
Town of Los Gatos	1	52	0	0	1	52	*
City of Milpitas	122	66	0	0	122	66	-46%
City of Monte Sereno	1	0	0	0	1	0	*
City of Morgan Hill	81	388	0	0	81	388	379%
City of Mountain View	271	411	5	5	276	416	51%
City of Palo Alto	203	256	16	20	219	276	26%
City of San José	2,810	3,231	1,253	1,119	4,063	4,350	7%
City of Santa Clara	150	199	227	73	377	272	-28%
City of Saratoga	10	12	0	0	10	12	*
City of Sunnyvale	255	122	33	131	288	253	-12%
Total Unincorporated	423	189	77	113	500	302	-40%
Confidential Locations	NA	NA	35	58	35	58	66%
Total	4,627	5,448	1,929	1,946	6,556	7,394	13%

Source: Applied Survey Research. (2015-2017). Santa Clara County Homeless Census and Survey.
 *Note: Percentage change was not calculated for jurisdictions with less than 50 individuals.

Figure 1. 2017 Santa Clara County Homeless Census and Survey Results

As part of a nation-wide effort by HUD to better understand youth homelessness, the 2017 study specifically focused on homelessness among unaccompanied children and transition-age youth under twenty-five (25) years of age. Since the 2015 Census, the number of unaccompanied children and transition-age youth experiencing homelessness has increased by more than 175%. HUD will use the 2017 Census youth-count results as a baseline for their goal of ending youth homelessness throughout the nation by 2020.

Following the 2017 Census, the County CoC and ASR conducted in-person surveys with 587 homeless individuals throughout Santa Clara County. Survey data indicated the primary causes of homelessness (Table 1) as job loss, drug and/or alcohol use, formal and informal housing evictions, and personal hardships. Response rates for job loss and formal evictions each increased by six percent (6%) from the 2015 survey.

Primary Cause of Homelessness	%
Job Loss	37%
Drug and/or Alcohol Use	20%
Formal Housing Eviction	16%
Personal Hardship	14%
Informal Housing Eviction by Friend/Family Member	13%

Table 1. Primary Causes of Homelessness

Survey participants were also asked about the obstacles to obtaining permanent housing. Data indicated the primary obstacles to obtaining permanent housing (Table 2) included housing affordability and the lack of a job or income.

Obstacles to Obtaining Permanent Housing*	%
Housing Affordability	62%
Lack of Job/Income	56%
Inability to Afford Moving Costs	23%
Poor Credit	20%
Lack of Transportation	13%

Table 2. Obstacles to Obtaining Permanent Housing

**Multiple-response question, percentages do not add up to 100.*

Census and survey data allow HUD to better understand the current state of homelessness and to assist local jurisdictions with developing tools to prevent homelessness. The remainder of this staff report provides an overview of the City's resources, regional resources, and a discussion about potential opportunities to combat homelessness.

City Resources and Service Providers

Funding

The City releases a Notice of Funding Availability (NOFA) annually for eligible public services and capital housing projects. Public Service funds are awarded bi-annually on a two-year funding cycle. Capital Housing funds are awarded annually on a one-year funding cycle. Funding categories include the Community Development Block Grant (CDBG) program, Below Market Rate (BMR) Affordable Housing Fund (AHF), and General Fund Human Services Grant (HSG). The City allocates funds for homeless services/projects within each of the three (3) funding categories, as outlined below.

Community Development Block Grant (CDBG)

Cupertino is in its sixteenth year as an entitlement city for the CDBG program, which is funded by HUD. CDBG funds must be used for projects that will serve low-income households in the City. Targeted groups include homeless individuals and families,

seniors, persons with disabilities, and other special needs groups. On April 17, 2018, the City awarded \$35,000 for FY 2018-19 to West Valley Community Services (WVCS) for their Community Access to Resource and Education (CARE) program, which provides services to homeless individuals. The remaining \$20,431.15 in CDBG funds was awarded to Live Oak for their senior service program.

Below Market Rate Affordable Housing Fund (BMR AHF)

Annually, the City releases the available balance of BMR AHF funds for capital housing projects that serve low- and moderate-income households. Eligible projects include land acquisition, new construction, acquisition and/or rehabilitation of buildings for permanent affordability, and substantial rehabilitation. In 2017, the City provided \$3,672,000 in BMR AHF to The Veranda, a low-income senior housing development. Of the nineteen (19) units at The Veranda, six (6) have been set aside as Measure A units designed to serve extremely low-income formerly homeless individuals.

General Fund Human Services Grant (HSG)

The City Council allocates \$100,000 annually from the General Fund to human service agencies that service low- and moderate-income households in the City. HSG funds may be used for homeless services, senior services, and other eligible programs. Due to the increased need for homeless services, City Council increased the HSG fund from \$40,000 to \$100,000 in April 2018. On April 17, 2018, the City awarded \$40,000 for FY 2018-19 to WVCS' Haven to Home Program, which provides supportive services and housing resources for homeless individuals and families. In addition, a total of \$43,600 was awarded to three (3) service providers leaving the HSG fund with a balance of \$16,400 for FY 2018-19.

Policies

In March 2018, the City Council amended the Policy and Procedurals Manual for Administering Deed Restricted Affordable Housing Units (BMR Manual) to include a new definition of "residency" to enable homeless individuals and families in Cupertino to claim City residency priority points for the below market rate waiting list. The revised BMR Manual language was informed by regional best practices and is modeled after the City of Sunnyvale's policy accounting for individuals and families experiencing homelessness.

Housing and Service Provider Partnerships

West Valley Community Services (WVCS)

West Valley Community Services (WVCS) provides human services, housing services, and family support throughout Santa Clara County. WVCS' programs work to address basic human needs through focusing on food, housing, support, and mobile services. The City currently provides funding for their CARE and Haven to Home programs to help clients secure permanent, affordable housing and employment.

Charities Housing

The Veranda Housing Development by Charities Housing will provide eighteen (18) low-income units available to senior citizens plus one (1) property manager unit. The County provided Measure A funding and management for six (6) units, which will be reserved as permanent supportive housing (PSH) for homeless seniors with disabling conditions.

St. Jude's Episcopal Church

St. Jude's Episcopal Church Safe Park Program, which allows a safe place for homeless individuals and families to park their vehicles on church property at night, ended in September 2018 after operating for approximately three (3) months. The program continues to be sporadically active, based on a schedule organized through the Winter Faith Collaborative. The Winter Faith Collaborative is a network of churches throughout Santa Clara County that provides temporary shelter and resources for the homeless community

Regional Resources and Service Providers

Measure A Affordable Housing Bond

In November 2016, Santa Clara County voters approved Measure A- the \$950 million affordable housing bond intended to assist with the creation and/or preservation of approximately 5,100 affordable housing units. Measure A provides another tool, in addition to the City's BMR Housing Program, to provide affordable housing for vulnerable populations including homeless individuals and families, seniors, persons with disabilities, veterans, low- and moderate-income households, foster youth, victims of abuse, and individuals suffering from mental health or substance abuse illnesses. Measure A funding will enhance the County's ability to achieve its housing priorities which include increasing the supply of housing that is affordable to extremely low-income households. In April 2018, The Veranda development in Cupertino was the first housing project to break ground with Measure A funds.

As part of the implementation of the 2016 Measure A Affordable Housing Bond, the County launched the Housing Ready Communities (HRC) campaign- a community engagement and education campaign in partnership with cities and other stakeholders to fully implement the County's plan to end homelessness and build new affordable and supportive housing."

Community Plan to End Homelessness

In an effort to end homelessness by 2020, the County of Santa Clara Office of Supportive Housing (OSH) has partnered with Destination: Home to create the "2015-2020 Community Plan to End Homelessness in Santa Clara County." The plan is part of a twenty-seven (27) month pilot program to implement a countywide homelessness prevention program. Specific solutions outlined in the plan include creating 6,000 new housing opportunities throughout the region, expanding rapid rehousing resources, and

incorporating preventative measures such as emergency rental assistance and financial literacy. Destination: Home is working with Sacred Heart Community Services to coordinate homeless prevention efforts and to date has raised \$4.2 million through the combined resources of the Emergency Financial Assistance Network

Housing and Service Provider Partnerships

Non-Profit Housing and Service Providers

Santa Clara County OSH currently collaborates with a number of non-profit service providers including WVCS, Destination: Home, and Destination: Work. Non-profit partners provide valuable services such as housing services, case management, and employment services.

Faith-Based Organizations

The Winter Faith Collaborative is a network of over 100 churches throughout Santa Clara County that advocates for the homeless community. The Winter Faith Collaborative provides various provides temporary shelter opportunities including overnight shelters, daytime drop-in centers, and safe parking programs.

Affordable Housing Developers

Affordable housing developers such as MidPen Housing and Charities Housing help support the County's objective to increase the regional supply of affordable housing. Charities Housing was awarded Measure A funding from the County in April 2018 for the development and management of six (6) PSH units for homeless seniors with disabling conditions.

Discussion

Since 1990, the San Francisco Bay Area's rapidly growing economy helped to create an imbalanced jobs to housing ratio with roughly twice the number of new jobs per every unit of housing developed. The lack of available housing is one contributing factor to the complex regional housing crisis, which has fueled serious concerns about housing affordability, increased rates of homelessness and displacement, traffic congestion, and environmental quality as continued population growth is expected. While recent legislation as well as regional and local policies have been enacted to promote the development of affordable housing across all affordability levels, equal attention should also be paid to the current state of homelessness.

With the lack of housing affordability and employment opportunities reported as the leading causes of homelessness in Santa Clara County, the City is examining how resources can be used to address these issues.

The City's existing BMR housing program includes 120 ownership units and 142 rental units. Recent project approvals include the Hamptons (7 low- and 30 moderate-income

units), Marina Plaza (16 very-low and 2 moderate-income units), and the Vallco Specific Plan (40 extremely-low, 156 very-low, 205 low-, and 133 moderate-income units).

Housing Solutions and Services

The number of unsheltered homeless individuals in Cupertino increased between 2015 and 2017, with the 2017 Census indicating that 100% of homeless individuals in Cupertino lack shelter. Currently, the City does not have a temporary shelter program in place. The Mountain View shelter, Hope's Corner at Trinity United Methodist Church, provides an example of how public agencies can collaborate with private companies, non-profit organizations, and the faith community to address homelessness. Hope's Corner is partially funded by Google, run by Hope's Corner and other non-profits, and hosted by Trinity United Methodist Church. The program provides shelter and services for homeless individuals and families including a cold-weather shelter run by HomeFirst, showers, an expanded meal plan, job training, and case management services by Mountain View Community Services Agency.

An alternative housing solution is the City of Sunnyvale's Tenant-Based Rental Assistance (TBRA) Program, which is managed by Abode and funded through HOME funds. The TBRA Program provides rental assistance for 24-months to homeless clients and very low-income households who are at risk of homelessness.

Employment Solutions and Services

Job loss was identified by 2017 Survey participants as the primary cause of homelessness. The County currently partners with Destination: Work, a subset of Destination: Home, to create employment pathways by connecting eligible low-income individuals to high-growth industries, providing job training, and assisting individuals in attaining and maintaining jobs. Other examples of programs providing workforce case management and supportive services throughout the region include the City of Sunnyvale's WorkFirst Program and organizations such as Ascent Employment Program and Work2Future.

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