

2013 Council Study Issue

CDD 13-14 City options for funding a homeless shelter and/or other solutions to homelessness

Lead Department Community Development

History 1 year ago None 2 years ago None

1. What are the key elements of the issue? What precipitated it?

The existing County cold weather shelter, which operates from November through March each year at the Sunnyvale Armory, is scheduled to cease operations after March of 2014 due to the reduction in County funding for emergency shelters. The reduction in funds reflects a shift to a "Housing First" approach with an emphasis on providing permanent supportive housing, rental assistance, and case management services for the homeless. The Council and others are concerned about the loss of the winter shelter, and would like to explore alternatives for replacing it in or near Sunnyvale, and/or addressing homelessness through use of alternative measures such as the "Housing First" approach.

This issue has been under consideration by staff and various stakeholders of Santa Clara County and local cities for some time now, as part of ongoing county-wide efforts to end homelessness in 10 years, and related affordable housing and community development efforts. Emergency shelters are typically provided as a regional facility, as such facilities are too costly to build and operate by one municipality, and because the homeless frequently cross city and county boundaries when seeking places to sleep. Even in the major U.S. cities such as New York and San Francisco, shelters are typically sponsored by non-profit agencies, based on long-range county-wide plans to address homelessness, and are developed using multiple funding sources from federal, state, county, local, and charitable agencies. In California, state law directs most responsibility and most funding for social services, including homeless programs, to counties rather than cities or towns.

For these reasons, maintaining and operating the Cold Weather Shelter Program at the three shelter facilities in Santa Clara County has always been primarily the County's responsibility, with coordination assistance and very limited financial support from the larger cities within the County. For example, while the Sunnyvale Armory costs over \$200,000 per year to operate, the City has generally provided just \$20,000-25,000 annually through its Human Services Grants program, not only for the Sunnyvale Armory shelter operation, but other supportive services provided by the Armory operator, EHC Lifebuilders, Inc., to their Sunnyvale homeless clients.

Furthermore, current data from multiple years of Armory operations shows that nearly 40% of all clients using the Sunnyvale Armory shelter in the past several years reported a last residence outside of Santa Clara County. Therefore this facility is not primarily serving Sunnyvale clients, or even just north county clients, but countywide clients and those from various other counties as well. Given the regional nature of this facility, any attempts to replace it, if and when the site is redeveloped with the two proposed homeless-serving housing projects, should primarily be the responsibility of the County, with assistance from other jurisdictions whose residents are patronizing the facility.

2. How does this relate to the General Plan or existing City Policy?

There are policies in the Housing Element of the General Plan, in the 2010-15 HUD Consolidated Plan, Annual Action Plans, SMC Title 19 (Zoning Ordinance) and various Council policies related

to the issue of homelessness, emergency shelter, and programs to help people obtain and maintain housing.

General Plan, Housing Element:

Goal E Promote equal housing opportunities for all residents, including Sunnyvale's special needs populations, so that residents can reside in the housing of their choice.

Policy E.6 Participate in the County Collaborative on Affordable Housing and Homeless Issues to provide a continuum of care of services and facilities for the homeless. Facilitate and sponsor the provision of housing for homeless people if the Onizuka base conversion plan is approved by the federal agencies. Support local service providers that offer facilities and support services to homeless individuals and families, and persons at risk of homelessness.

Housing Plan Objective 24. Emergency Shelter and Services:

2009-2014 Objective: Facilitate the provision of approximately 100 units of homeless housing in association with the Onizuka base conversion. Continue to provide funding for area homeless shelters and service providers.

3. Origin of issue

Council Member(s) Meyering, Whittum

4. Staff effort required to conduct study Moderate

Briefly explain the level of staff effort required

The level of staff effort is estimated to range from moderate to major, depending on the final scope of the study. A study focused on providing a report on the various alternative approaches to addressing the problem of homelessness, with a few outreach meetings to gain stakeholder input, is estimated to require a moderate level of staff effort. However, if the study is expanded to include developing a specific capital improvement project to identify a site and develop plans for a new emergency shelter, it would require a major staff effort involving multiple City divisions or departments. A budget allocation would also be needed for architectural/engineering design services as identified below.

5. Multiple Year Project? Yes **Planned Completion Year** 2014

6. Expected participation involved in the study issue process?

Does Council need to approve a work plan? Yes

Does this issue require review by a Board/Commission? Yes

If so, which? Housing and Human Services
Commission, Planning Commission

Is a Council Study Session anticipated? Yes

7. Briefly explain if a budget modification will be required to study this issue

Amount of budget modification required 30000

Explanation

The above estimated amount would be needed if the scope of the study includes obtaining the services by a qualified architecture/engineering firm to prepare preliminary design plans for a potential emergency shelter at an identified site(s).

8. Briefly explain potential costs of implementing study results, note estimated capital and operating costs, as well as estimated revenue/savings, include dollar amounts

Are there costs of implementation? Yes**Explanation**

If a new shelter is proposed, the capital investment would be substantial to construct a new building. Some cost savings could be realized by leasing or purchasing an existing structure, which may require significant remodeling or other improvements to adapt it for a shelter. Operating costs for a facility comparable to that currently operating at the Armory is approximately \$200,000-300,000 for four months of operation each year. No revenues are likely to be generated by the shelter; any significant cost savings that might be realized would most likely accrue to county hospitals and emergency medical providers, rather than to the city. Collaboration with state, county, and surrounding jurisdictions should be explored to share the capital and operating costs since the shelter would serve a regional purpose.

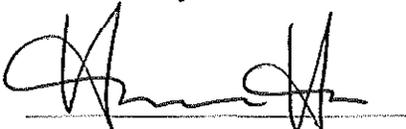
9. Staff Recommendation**Staff Recommendation Drop****If 'Support', 'Drop' or 'Defer', explain**

Provision of emergency shelters is primarily a county function, not a city function, and a Sunnyvale-only response will not be able to truly address this regional problem. A study issue on this topic is not needed, because analysis and planning work related to mitigating the impact of the loss of the Armory shelter site on county residents is already underway, with a goal of completion in approximately two years, when redevelopment of the Armory site is anticipated. This work is part of the normal operations and core activities of the Housing Division (CDD), in collaboration with the housing/community development and social service agency staffs of the County and other local jurisdictions in north county, partly due to the HUD-required Consolidated Plan requirement to address homelessness.

In addition, numerous City policies are already in place that enable the City to develop or assist in the development of an emergency shelter either in the City or in the vicinity, or to provide other transitional housing programs, in collaboration with neighboring jurisdictions. These policies are in the 2010-15 HUD Consolidated Plan, the Housing Element of the General Plan, the recently added provisions to the Title 19 of the SMC related to zoning adequate sites for emergency shelter, and Council Policy on Human Services Funding and related issues, as well as state laws that support local provision of emergency shelter.

If updates to City policies related to this matter are needed, HUD already requires them to be done annually as part of the adoption of the annual HUD Action Plan, which is considered by the Housing & Human Services Commission (HHSC) and Council every year with ample public review. Similarly, the issue of homelessness and adequate emergency shelter is a mandatory component of the forthcoming Housing Element update, which will be completed in the next two years under the purview of the HHSC and Planning Commission, with final adoption by Council. Since this issue is expected to be addressed at those hearings, a separate study is not recommended to achieve the goal of this proposed study issue.

Reviewed by



Department Director

1/11/13
Date

Approved by



City Manager

1/14/13
Date