



City of Sunnyvale

Agenda Item

14-0675
Agenda Date: 7/15/2014

REPORT TO COUNCIL

SUBJECT

Cold Weather Shelter Update (Information Only)

BACKGROUND

For decades the Sunnyvale Armory - leased to the National Guard by the City, and in turn subleased by the National Guard to the County - served as an emergency cold weather shelter for Northern Santa Clara County for a four-month season each year. When it became clear to the City that the National Guard did not intend to continue leasing this site for an Armory, and in support of the County's strategy to combat homelessness (focus less on shelters and more on permanent housing), the City of Sunnyvale sought to repurpose the property in question. Once completed, this project will provide 115 units of permanent, supportive rental housing for very low and extremely low income families, of which 47 will be reserved for homeless applicants. While the Armory site remains dedicated to helping solve the problem of homelessness in the County, however, it is no longer available to serve as a temporary cold weather shelter.

On May 19, 2014, staff received a letter dated May 15 from the County of Santa Clara requesting assistance in its attempt to identify a replacement facility and funding options for the Cold Weather Shelter Program in North County (see Attachment 1).

On May 22, 2014, during its annual budget workshop, City Council discussed the issue of homelessness and directed staff to take two actions:

- Identify for Council the value of the subsidy provided by the City for operation of the homeless shelter at the Sunnyvale Armory in recent years so that Council could consider including this amount as a contribution toward the County's efforts to establish a cold weather shelter to serve Northern Santa Clara County; and,
- Identify issues associated with the concept of allowing Sunnyvale's Community Center gymnasium (i.e., Indoor Sports Center) to serve as a temporary cold weather shelter for four months this coming winter.

On May 30, 2014, staff responded to the County's letter (Attachment 2) and, in support of Council's interest in exploring the possibility of using the Community Center gymnasium as a temporary cold weather shelter, invited the County to tour that facility with City staff.

On June 10, 2014, staff provided an initial response to Council's May 22, 2014 direction via Report to Council 14-0323 (Attachment 3).

On June 18, 2014, City staff hosted a tour of the Community Center, including both the gymnasium

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and the ballroom. In attendance were staff from both the County and its operator of cold weather shelters, HomeFirst (formerly EHC LifeBuilders). The County and HomeFirst also toured other locations in Sunnyvale, as noted in the County's follow-up letter to the City dated June 26, 2014 (Attachment 4).

On June 20, 2014, Chief Operating Officer for the County, Gary Graves, distributed a memo to the County Board of Supervisors regarding the "North County Cold Weather Shelter Program Facility Search." (Attachment 5)

On June 24, 2014, Council adopted the City's 2014/2015 budget, which provides HomeFirst with a human services grant of \$15,217 in Community Development Block Grant funds to assist with the operation of a North County cold weather shelter or other services for homeless Sunnyvale residents.

On June 26, 2014, the County's Director of Homeless Systems, Ky G. Le, who was in attendance during staff's tour of the Community Center facilities, sent the City a follow-up letter addressing the suitability of the gymnasium as a temporary shelter, as well as feedback and questions concerning other City sites (Attachment 4).

NEXT STEPS

The County's June 26, 2014 letter provides a good deal of insight into what a temporary cold weather shelter at the City's Community Center gymnasium (or ballroom) would look like. While it does not constitute a formal proposal, City staff believes it provides sufficient detail for Council to determine whether it wishes to further pursue this option.

If Council does wish to further explore this option, prior to any public outreach or public hearing, staff would notify the County of the City Council's action and request a formal proposal with a more detailed operating plan and a project financing plan. If Council takes such an action, the City and County must work together to deploy a broad communications and engagement strategy to ensure that stakeholders are aware of the proposal and that an effective engagement strategy is put in place to receive input. Staff would work with the County for it to begin a public outreach and engagement process. With the County as the lead, the primary targets of that outreach would be surrounding residents and businesses, as well as users of the Community Center. From the City's perspective, the purpose of this engagement would be to share the County's proposal with the community, seek the community's feedback, and ensure that the feedback is integrated, to the extent possible, into the final program offered at the site. While staff would convene and attend those outreach meetings, as well as convey Council's interest in exploring the possibility of a temporary shelter at the Community Center, the County and HomeFirst would need to present its proposal, receive input and determine how to best integrate the input into the proposed program, and discuss any related details. As this is not a City program, City staff would be on hand to respond to community impacts relative to existing programs provided at the facility and other impacts related to the proposed program and within the City's purview. If a broader role is desired for City staff, based on Council's determination, additional resources may be required to absorb this unexpected workload. Following those efforts to engage the community, staff would schedule a public hearing for Council to consider the County's proposal and the community's input. The County's public engagement process would serve as a mechanism to maintain ongoing communication with the community as issues may arise that require resolution, and to ensure regular dialogue between the County and the impacted stakeholders. A well-developed engagement process on the part of the County, HomeFirst and City is needed before, during, and after this effort given the unconventional use for the gymnasium and the need to

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maximize compatibility between the proposed use and existing use of the entire facility.

Issues to be further explored and addressed would include the following:

Physical Suitability of the Site: During its tour of the site, City and County staff discussed a wide array of physical issues, from ingress/egress to gymnasium floor protection. While a complete review of the site's suitability would depend on a more detailed operating plan, the County's position is that the Community Center gymnasium is physically well-suited to serve as a temporary shelter. In fact, as noted in the County's June 26 letter, the County believes that it has several significant advantages over the previous Armory site, including a larger floor plan, separate restroom and shower facilities for men and women, more restroom stalls, and greater parking and storage capacity. Identified physical shortcomings and/or possible concerns appear at this point to be relatively minor in nature (i.e., if not resolved, would not deter the City or County).

Permitting/Noticing Requirements/Environmental Review: It appears that the use of the Community Center property would not require any rezoning or discretionary planning approvals (i.e., use permit). The property is currently zoned "Public Facilities (PF)", which permits facilities to be used for governmental purposes. Operation of an emergency shelter, even though it involves a residential use, is a County program and likely considered a governmental purpose. Additionally, the Government Code allows public agencies to make use of or develop their own public properties for "governmental uses" without going through permitting processes of the local agency in whose jurisdiction the site is located. If the County were to use its own two-acre property located on E. California for a shelter use, it likely would not have to seek City approval of such a use, or installation of any improvements such as modular housing units.

Even though a use permit or rezoning is not required, the City is not obligated to provide its property or facility to another public agency, such as the County, particularly when the facility is currently being used for the City's own "governmental purpose," i.e., recreation programs. The proposal to lease the gymnasium to the County and/or HomeFirst for a temporary shelter would require a lease agreement with the City, which is discretionary, and which would trigger the need for environmental review under the California Environmental Quality Act (CEQA), so that any environmental impacts reasonably anticipated by the project (such as parking, noise, traffic, safety, and related impacts) could be analyzed prior to the lease approval.

If any federal funds were proposed to be used to pay rent for the facility and/or any retrofits/renovations required, federal environmental review would also be required. The anticipated level of review would most likely be a Mitigated Negative Declaration under CEQA and a categorical exclusion under the National Environmental Policy Act (NEPA), but that would have to be verified following receipt of a more detailed proposal and funding plan from the County.

A certain level of public noticing would be required as part of the CEQA review, including a legal ad in the local paper and notices mailed to property owners and residents within 300 feet of the site, as well as signs posted on the site. NEPA review also generally requires at least publication of a legal ad and a public hearing before federal funds can be committed to the project. Assuming the federal funds for leasing and/or tenant improvements, if any, would be provided by the County, not the City, the County would be responsible for completing the NEPA review.

Indemnification: If the City were to proceed with a lease for a temporary shelter, it would need to

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contain a broad indemnity provision to protect the City from liability and legal costs arising from the County's operation of the facility at the site. Potential sources of liability include third party claims for personal or property damage, claims from users of the shelter, and claims from workers or volunteers at the shelter.

Impacts to Existing Facility Users, and Adjacent Residents and Businesses: This was a topic of some discussion amongst City staff, County staff and HomeFirst during the tour of the Community Center complex. At issue are both the very real impacts of a cold weather shelter on existing facility users and the surrounding community, as well as the perceptions of those groups. As noted in the County staff's June 20, 2014 memo to the County Board of Supervisors, "besides some operational challenges, we anticipate that the biggest challenge will be overcoming the concerns of nearby residents, co-located programs, theater patrons, and residents who utilize the recreational programs at the center." HomeFirst representatives indicated that they are experienced in dealing with related concerns from nearby residents, but that they are not experienced in dealing with the concerns of co-located programs and/or displaced user groups. Should the gymnasium be used as a cold weather shelter this coming winter, those co-located groups (i.e., groups continuing to use the Community Center while the shelter is in operation) would include Senior Center participants, theater-goers, and a variety of class participants enrolled in Community Center activities.

Groups that would be displaced by the shelter during the four-month season of operation would include the California Sports Center gymnastics program, Sunnyvale Youth Basketball, as well as City-operated volleyball, badminton and basketball leagues. In some cases, existing contracts would need to be cancelled. In addition, the gymnasium would no longer be available for private youth and adult rentals. Should Council direct staff to further explore this concept, these impacted residents and groups would be invited to outreach meetings as well as any public hearing at which Council intended to take formal action.

Public Health/Safety/Security: Staff anticipates a similar level of public safety and security concerns as was experienced during those hours a temporary shelter was in operation at the Armory. Many of those service calls were for medical attention required by program participants. While the County has experienced occasional undesirable and unlawful behavior by participants, they do provide a private security guard from 5:30 p.m. to 10:30 p.m. each day. Staff is equally concerned with public safety and security issues associated with shelter users before the shelter opens and after it closes each day. Participants leaving the shelter each morning may be motivated to remain on site at the Community Center due to a lack of alternative places to go, a first-come, first-served policy for serving shelter participants that evening, and public transportation costs. This could further impact a broader range of Community Center users.

Staff is also concerned with related issues following permanent closure of the temporary shelter in the spring (see "'Temporary' Nature" below), as shelter users may continue to occupy the park areas of the campus for some time after the shelter closes, as has been somewhat typical at Fair Oaks Park due to the proximity of the former cold weather shelter at the Armory.

Numerous reports and researchⁱ have been published in recent years about the steep increase in the incidence of homelessness among registered sex offenders, due to state and federal laws such as Jessica's Law in California, which prohibit such offenders from living within certain distances of schools, parks, and certain other types of public facilities. These restrictions make many residential areas off-limits for offenders seeking housing after being released from incarceration. Many sex

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offenders register on the state registries with an address of “transient” or “homeless.” At county-wide meetings held in the last several years regarding the homeless encampments, most of which are in San Jose and South County, those working to try to house those living in encampments quoted estimates that as many as possibly 8 percent of the chronically homeless, unsheltered population are registered sex offenders who are often unable to secure housing due to newer laws such as Jessica’s Lawⁱⁱ.

Although not all users of the shelter are chronically homeless, a County presentation from January 2012 indicated that in the three prior shelter seasons (2009, 2010, and 2011) 74 percent of the users of the Sunnyvale Armory shelter “had been homeless for more than one year or have had multiple episodes of homelessness,” which would indicate a large portion of those users may be chronically homeless.

According to the National Alliance to End Homelessness, “chronically homeless people are among the most vulnerable people in the homeless population. They tend to have high rates of behavioral health problems, including severe mental illness and substance abuse disorders, conditions that may be exacerbated by physical illness, injury or trauma. Consequently, they are frequent users of emergency services, crisis response, and public safety systems.” The Alliance also notes:

“Research shows that, for chronically homeless individuals, stable housing is an essential component of successful recovery. The solution to the problem of chronic homelessness is permanent supportive housing, which is housing coupled with supportive services. With appropriate supports, permanent housing can serve as a foundation for rehabilitation, therapy, and improved health.[...] Chronically homeless individuals living in permanent supportive housing are far less likely to draw on expensive public services [...and] are also less likely to end up in homeless shelters, emergency rooms, or jails, none of which are effective interventions for chronic homelessness. Public costs - whether local, state or federal - are therefore reduced.”ⁱⁱⁱ

While the Department of Public Safety could potentially address issues related to the concerns associated with the users of the shelter as they arise, staff’s related concern is heightened by the proximity of the possible shelter to sensitive populations such as seniors and young children, and the fact that the Community Center campus is also technically a park, which may raise issues related to compliance with Jessica’s law.

Fiscal Impact: As previously noted, Council has already adopted a budget that includes a CDBG human services grant of approximately \$15,000 to HomeFirst for its use in homeless shelter operations (at any North County location), and/or other homeless services to benefit Sunnyvale clients. Prior to authorizing the use of any City facility as a cold weather shelter, staff would want to see a detailed operating plan (see below) as well as a corresponding funding plan to ensure that all costs are covered by identified funding sources. This should include: the cost of any tenant improvements, reimbursement for any unusual wear and tear on the City’s facilities and/or landscaping around the Community Center campus, loss of parking spaces needed for other users, and loss of revenues otherwise anticipated from recreational uses of the facility, as projected in the current City budget for the Department of Library and Community Services.

According to a memo from County Board of Supervisors S. Joseph Simitian and Dave Cortese, “in the past, about \$200,000 has been allocated annually out of the County’s General Fund to pay an

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operator to provide cold weather shelter services at the Sunnyvale Armory.” While Chief Operating Officer for the County, Gary Graves, has indicated “the Administration is prepared to recommend funding be taken from reserves in order to establish an adequate Cold Weather Shelter Program in FY2015”, to date no County funding has been appropriated for a temporary shelter in Sunnyvale to replace those services previously provided by the Armory.

Council should also consider how to offset anticipated revenue losses. Staff estimates that the displacement of existing activities at the Community Center by a temporary shelter would result in the loss of approximately \$160,000. How a temporary shelter might impact ongoing activities (programs not displaced by the shelter) and their related revenue streams is not known.

Shelter Service and Management Plan: Without a more detailed service and management plan and funding commitments approved by the County Supervisors, City staff is unable to determine whether all operational concerns and issues have been identified and addressed.

“Temporary” Nature: Despite the clear intent that the Community Center serve as a shelter for only four months, staff has serious reservations about longer-lasting, unintended impacts. Staff does not believe that the formal closure of a temporary facility will necessarily result in the cessation of related impacts felt by adjacent residents or users of the Community Center. Similar to the manner in which Fair Oaks Park continues to be challenged following closure of the Armory shelter, the Community Center may continue to be challenged following closure of a temporary cold weather shelter. In addition, advocates for the homeless will likely advocate for the facility to operate for additional winter seasons, should an alternate facility not be operational by the following winter. Council may wish to weigh these possible long-term impacts against the benefits of locating a cold weather shelter in this particular location. Additionally, any management plan for this proposed use must include a commitment to support transitional efforts as the facility returns back to its proposed use and the transitional needs for those that used the shelter - to further mitigate community impacts.

Given the Council’s interest in exploring a temporary shelter that would open this coming December, time is of the essence. All of the steps outlined above would need to happen very quickly in order for a shelter to open in that time frame. Significant, focused effort by staff would be required; therefore, if Council decides to move forward it should also anticipate some delays to existing City projects and agenda items.

This report is informational only. Staff intends to take no further action regarding the possibility of a temporary cold weather shelter at the Community Center (or any other City site) unless directed to do so by the City Council.

Prepared by: Robert Walker, Assistant City Manager

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. County of Santa Clara Letter to the City, dated May 15, 2014.
2. Sunnyvale response letter to the County dated May 30, 2014.
3. Staff’s initial response to Council’s May 22, 2014 direction via Report to Council 14-0323, dated June 10, 2014.
4. County of Santa Clara follow-up letter to the City, dated June 26, 2014.

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5. Memo to the County Board of Supervisors regarding the “North County Cold Weather Shelter Program Facility Search” From Chief Operating Officer for the County, Gary Graves, dated June 20, 2014.

ENDNOTES

- i. One example: *“Homelessness among California’s Registered Sex Offenders: An Update”* CA Sex Offender Management Board, September 2011, at: http://www.casomb.org/docs/Residence_Paper_Final.pdf
- ii. Proposition 83, (Jessica’s Law), passed by California voters in 2006.
- iii. From: http://www.endhomelessness.org/pages/chronic_homelessness, as published on July 3, 2014.

County of Santa Clara

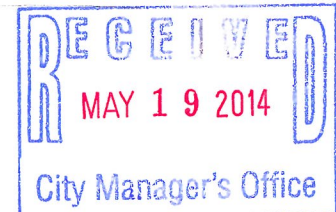
Office of the County Executive

County Government Center, East Wing
70 West Hedding Street
San Jose, California 95110
(408) 299-5105



May 15, 2014

Mr. Robert Walker
Interim City Manager
City of Sunnyvale
456 W. Olive Avenue
Sunnyvale, CA 94086



SUBJECT: Replacement Facilities for the North County Cold Weather Shelter Program

Dear Mr. Walker:

I am writing to request your assistance. On April 15, 2014, the County Board of Supervisors directed the County Administration to identify a replacement facility and funding options for the Cold Weather Shelter Program (CWSP) in North County (Sunnyvale, Mountain View and Palo Alto areas). The County hopes to identify one facility in the North County that could provide emergency shelter to at least 125 homeless individuals on a nightly basis from December through March. This facility would replace the Sunnyvale Armory, which will be the site of 115 new permanent affordable housing units. While one facility is ideal, we would also be interested in knowing if there are smaller facilities that could operate as an emergency shelter. Your consideration and responses to the following questions would be greatly appreciated.

1. Cold Weather Shelter Program.

- a. Does your city own, lease or operate any facilities – regardless of capacity – that could be used as emergency shelter during the cold weather months? For example, could any of the facilities at the Sunnyvale Community Center be used as emergency shelter?
- b. Does your city own or lease any land that could accommodate temporary or modular structures that could be used for emergency shelter during the cold weather months?

- c. Does your city have any funding that could be used to establish and/or support the operation of an emergency shelter during the cold weather months?

2. **Inclement Weather Program.** If your city is unable to support a cold weather shelter program, would you please consider the questions that are stated above as they relate to warming shelters. The County is considering ways to prevent cold weather injuries and death for unsheltered populations. While the CWSP operates during a specified season, during extremely severe weather (e.g., near-freezing temperatures) certain shelters could be activated.
3. Finally, are there any opportunities to establish new **housing programs to serve homeless individuals and families**? Ending and preventing homelessness are still priorities for the County. Increasing the supply of permanent supportive, transitional, rapid re-housing or homelessness prevention programs are important components of a comprehensive response to homelessness in North County.

Please be advised that the County (through its contractor) is also exploring the possibility of leasing or purchasing property for use as emergency shelter during the cold weather season. We are focusing on areas where the zoning allows for emergency shelter by right or through a conditional use permit. Any assistance or guidance that you can provide to us as we pursue this approach would be appreciated.

Thank you for your time and consideration. I would greatly appreciate hearing your ideas, questions or concerns by May 31, 2014. We hope to respond to the Board with some options in June. You may reach me at Ky.Le@hhs.sccgov.org or 408-885-7543.

Sincerely,



Ky G. Le
Director of Homeless Systems
County of Santa Clara

Cc:

Gary Graves, Chief Operating Officer, County of Santa Clara
Hanson Hom, Community Development Director, City of Sunnyvale
Suzanne Ise, Housing Officer, City of Sunnyvale

CITY OF SUNNYVALE

The Heart of Silicon Valley

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Office of the City Manager

May 30, 2014

Ky G. Le
Director of Homeless Systems
Office of the County Executive
County Government Center, East Wing
70 West Hedding Street
San Jose, CA 95110

Dear Mr. Le:

Thank you for your letter dated May 15, 2014 (attached) regarding "Replacement Facilities for the North County Cold Weather Shelter Program". While I have attempted below to address the specific questions posed by your letter, a bit of context in advance is warranted. The City (primarily Housing staff) has historically been and continues to be an active participant in and supporter of county-wide efforts to end and prevent homelessness through both the county-wide CDBG coordinator's group and the Continuum of Care (CoC, formerly known as the Collaborative on Homeless Issues). Over the past several years, the City has realigned its local efforts to address homelessness with the "Housing First" approaches recommended by Destination Home and the CoC, led in large part by the County. These approaches involve a transition away from shelters, which have been proven through many years of national data analysis led by HUD and various research institutions not to be effective in ending homelessness for shelter users. Instead, the Housing First approach aims to assist every homeless person obtain standard rental housing (or transitional housing if needed) within 30-60 days of becoming homeless or first approaching the service provider. Outcomes from this approach have proven much more beneficial to the individual or family as well as to the local community.

For decades, the Sunnyvale Armory – leased to the National Guard by the City, and in turn subleased by the National Guard to the County – served as an emergency cold weather shelter for Northern Santa Clara County. When it became clear to the City that the National Guard did not intend to continue leasing this site for an Armory, and in support of the County's strategy to focus less on shelters and more on permanent housing, the City of Sunnyvale sought to repurpose the property in question. The site remains dedicated to helping solve the problem of homelessness in the County, but does so in a manner consistent with the County's revised strategy (see details under Question 3 below).

As you also know, Sunnyvale's Vice Mayor, Jim Davis, has been at the forefront of an informal collection of regional leaders attempting to find at least a temporary cold weather shelter for area homeless this winter, to fill the void left by the closure of the Sunnyvale Armory.

Lastly, on May 22, 2014, during a Budget Workshop in preparation for adopting its next two-year budget, Sunnyvale's City Council discussed the issue of homelessness and directed staff to take two actions:

- Identify for Council the value of the subsidy provided by the City for operation of the homeless shelter at the Sunnyvale Armory in recent years so that Council can consider including this amount as a contribution toward the County's efforts to establish a cold weather shelter to serve Northern Santa Clara County (see Question 1.c. below), and
- Identify issues associated with the concept of allowing Sunnyvale's Community Center gymnasium to serve as a temporary cold weather shelter for four months this coming winter.

With the foregoing background in mind, answers to your specific questions are as follows:

1. Cold Weather Shelter Program

- a. Does your city own, lease or operate any facilities – regardless of capacity – that could be used as emergency shelter during the cold weather months? For example, could any of the facilities at the Sunnyvale Community Center be used as emergency shelter?**

Answer: Yes. There are numerous City facilities (such as park buildings and the Community Center) located throughout Sunnyvale that could be considered for use as emergency shelter during cold weather months. However, there are also a large number of policy issues and operational impacts that should be addressed as a part of that deliberation. Whether or not any of these facilities should be repurposed – either temporarily or permanently – for use as a cold weather shelter is a policy question only City Council can answer. As previously mentioned, City Council has already asked staff to explore issues related to the Community Center's gymnasium for this purpose, and staff is currently working on that task. I invite you to tour the gymnasium with City staff in the near future, and to help us identify any issues you might have as regards use of that specific site as a possible temporary cold weather shelter this coming winter. It would also be important for us to understand the County's planned timetable for any such operation – i.e., by what date would City Council need to take formal action to authorize such a use in order for the County to be able to implement a cold weather shelter at this location? Ideally, staff would include this information when responding to Council's direction above.

- b. Does your city own or lease any land that could accommodate temporary or modular structures that could be used for emergency shelter during the cold weather months?**

Answer: There are both City and County lands in Sunnyvale worth considering; but without knowledge of the County's operating model (no minimum acreage or guidelines were provided), it is difficult to say for sure. Staff has provided the County with a listing of possible City properties (see City Owned Properties Attachment), and would be happy to tour them with County representatives should you wish to do so.

- c. Does your city have any funding that could be used to establish and/or support the operation of an emergency shelter during the cold weather months?

Answer: Sunnyvale's City Council has already indicated an interest in providing the same level of support for a cold weather shelter as it has provided in past years. There is currently \$15,217 earmarked for this purpose in the coming fiscal year. Those funds are in the form of an "Outside Group Funding" grant from the City of Sunnyvale to HomeFirst of Santa Clara County, specifically for the provision of services to the homeless. This is the same agency with which the County has contracted for many years to operate the Sunnyvale Armory.

2. Inclement Weather Program

If your city is unable to support a cold weather shelter program, would you please consider the questions that are stated above as they relate to warming shelters. The County is considering ways to prevent cold weather injuries and death for unsheltered populations. While the CWSP operates during a specific season, during extremely severe weather (e.g., near-freezing temperatures) certain shelters could be activated.

Answer: Yes. Answers provided above apply as well to warming shelters.

- 3. Finally, are there any opportunities to establish new housing programs to serve homeless individuals and families? Ending and preventing homelessness are still priorities for the County. Increasing the supply of permanent supportive, transitional, rapid re-housing or homelessness prevention programs are important components of a comprehensive response to homelessness in North County.**

Answer: Yes. The City has historically funded, and continues to fund, a number of housing projects and programs that help homeless people secure housing, supportive services, referrals, case management, and food, including various capital projects and programs of HomeFirst SCC, Bill Wilson Center, Maitri, the YWCA's domestic violence programs and shelters, and Momentum for Mental Health, Sunnyvale Community Services, and West Valley Community Services, among others.

The current development of the old Armory site by MidPen Housing and Catholic Charities is an excellent example of this. This project will provide 115 units of permanent, supportive rental housing for very low and extremely low income families, of which 47 will be reserved for homeless applicants (plus two units for onsite property managers). All of the 47 homeless units will be filled with homeless clients referred directly from the County (MHSA and CoC programs) or the County Housing Authority, and will receive operating subsidies from those two agencies to ensure that the rents are affordable to the homeless clients, based on the project-based voucher awards already committed by the County CoC, MHSA, and the Housing Authority.

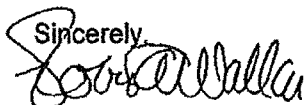
In addition, the City has partnered with the County for two years now on a transitional/rapid rehousing program, through a revenue sharing agreement with the County Mental Health Department executed in early 2012, to operate a **Tenant-Based Rental Assistance (TBRA)** Program for homeless residents of Sunnyvale, funded with the City's HOME grant. This transitional housing program provides rental assistance vouchers, similar to a Section 8 voucher, for approximately 15-20 formerly homeless households each year for a term of up to two years per household, at which point the clients are expected to be able to pay rent on their

own. City Housing staff is currently working directly with your office to finalize an agreement to continue operating this program for the next two fiscal years, with an additional two years' worth of City HOME funds (approximately \$500,000 from the City's 2013 and 2014 HOME grants). For a number of years, the City has been encouraging other local jurisdictions to contribute their own local funding to this type of program so this could be expanded to be a county-wide program. As far as we are aware, the only other jurisdiction, other than the County and Sunnyvale, currently funding a TBRA transitional housing program is San Jose. We encourage you to continue asking other cities to follow Sunnyvale's example and contribute funding to such a program.

An additional program the City has been providing to the local homeless community for the past two years is the "WorkFirst Sunnyvale" program, implemented by a partnership including Sunnyvale Community Services, Downtown Streets Team, and more recently NOVA. This program provides volunteer work experience, supportive services, job search skills training, and career development counseling to homeless and at-risk individuals who are otherwise able to regain employment. The program also supports the clients of the TBRA program by helping them increase their earned incomes during the two-year period of rental assistance, so that they will be able to rent on their own at the end of the assistance term. The City provided more than \$220,000 in CDBG funding for this program in FY 2012/13 and FY 2013/14, and for FY 2014/15, the City has awarded the program a grant of \$322,000. This program is very crucial to the success of the TBRA program, and has effectively ended homelessness for a number of participating clients already. We encourage the County and other cities to take advantage of the very successful model Sunnyvale has established, and replicate this program at either a county-wide level or in additional cities.

The City intends to continue working with the County and other local jurisdictions on establishing new programs to end or prevent homelessness. As you are aware, the City has already convened several meetings for county-wide staff to discuss this topic in the last two years, primarily to develop plans for programs and/or facilities to offset the possible impacts of the closure of the North County shelter.

Please contact me as soon as possible if you wish to follow up on any of these issues. Clearly, the sooner the County can outline more specifically its plans and timelines for establishing a cold weather shelter to replace the old Armory building, the better City staff will be able to present a clear picture for City Council to consider. Given the variety of issues that likely would need to be addressed in advance (breaking contracts with existing Community Center users; public notification and hearings; drafting of use agreements with the County; etc.), there is already a sense that we may be rushed to get something in place for this coming winter should Council wish to pursue this.

Sincerely,


Robert A. Walker
 Interim City Manager

cc: Sunnyvale City Council
 Deanna Santana, City Manager
 Department Directors
 Suzanne Ise, Housing Officer
 Gary Graves, Chief Operating Officer, County of Santa Clara

ATTACHMENT 3:
Staff's initial response to Council's May 22, 2014
direction via Report to Council 14-0323, dated June 10, 2014

EXCERPT

Responses to Council Questions and Requests for Information from the FY 2014/15 Budget Workshop

What would be the cost for the City setting up a cold weather shelter at the Community Center Gym for approximately 125 homeless for four months during the winter for FY 2014/15?

Council requested that the same amount of funding previously provided by the City to subsidize County cold weather shelter operations at the Sunnyvale Armory be identified so that Council could consider adding these funds to its FY 2014/15 budget. That amount is \$15,217. Since those funds have been provided in the form of a Community Development Block Grant human services grant to Housing First (formerly the Emergency Housing Consortium), and since Council appropriates them on a two-year basis, there is already \$15,217 in the FY 2014/15 budget for this purpose, as approved by Council last year. In other words, no additional action beyond approving the City Manager's recommended budget is required to ensure this same level of funding is available for operation of a shelter.

Council also asked that staff identify other fiscal, as well as non-fiscal, issues related to the possible operation of a temporary cold weather shelter at the Community Center gymnasium for four months this coming winter. Staff is currently exploring related issues (e.g., physical site/building requirements; permitting/noticing requirements; impacts to existing facility users and adjacent residents; public safety/security issues; public/resident input; shelter service and management plan); and will return to Council at a later date with more information.

County of Santa Clara

Office of the County Executive

County Government Center, East Wing
70 West Hedding Street
San Jose, California 95110
(408) 299-5105



June 26, 2014

Mr. Robert Walker
Interim City Manager
City of Sunnyvale
456 W. Olive Avenue
Sunnyvale, CA 94086

SUBJECT: Potential Sites for the North County Cold Weather Shelter Program

Dear Mr. Walker:

Thank you for allowing me and staff from HomeFirst to visit the various facilities and properties that were described in your letter dated May 30, 2014. We identified four potential locations for a new North County Cold Weather Shelter Program (CWSP) facility in Sunnyvale. While the County has been the most significant funder of the CWSP, the program has been operated by HomeFirst (formerly EHC LifeBuilders) for about two decades. Generally, the North County CWSP operation includes the following elements, some of which can be modified to accommodate a new site.

Primary Service	Overnight sleeping accommodations on sleeping mats with blankets.
Capacity	Planned for 125 homeless individuals (mainly single adults), but can accommodate up to 140 without additional staff.
Space Needs	Approximately 5,000 sq. ft. if the floor plan includes a large open area
Hours of Operation	<ul style="list-style-type: none"> • Daily from approximately December 1 through March 31 • Staff presence from 5PM until 7AM; • Client presence from 6PM until 6AM the following morning
Staffing	<ul style="list-style-type: none"> • 3 staff members on each of two shifts • Usually 5-10 volunteers during the first shift
Food Services	A hot dinner, snacks, and a cold breakfast are served daily. Some meals are brought in by volunteers and from the Boccardo Reception Center (San Jose).
Storage	Two storage containers are used to store supplies and food, but those items could be stored inside if there are storage rooms.
Parking	25-30 parking spaces to accommodate clients, staff and volunteers; however, HomeFirst could make do with less.
Security	A private security guard is onsite from 5:30 10:30 daily.
Health Services	Valley Medical Center's mobile medical unit comes to the site once a week.
Social Services	Volunteers and various non-profit organizations bring donations (e.g., socks) and provide referrals and services (e.g., haircuts, bus tokens) on a weekly basis.

Your assistance in determining the feasibility of the following sites would be greatly appreciated.

1. From a facilities standpoint, the **Sunnyvale Community Center Gymnasium** would be a very suitable location for the North County CWSP. The gymnasium has several significant advantages. First, the gymnasium has a large open floor plan that could easily accommodate the projected number of clients, staff and volunteers. The large open floor plan minimizes staffing levels. Second the gymnasium has separate restrooms and shower facilities for men and for women. The old site of the North County CWSP did not have separate hygiene facilities and had fewer showers and restroom stalls than the gymnasium. Finally, the Sunnyvale Community Center has ample parking and space to store program supplies. Staff from HomeFirst indicated that they could work with Sunnyvale staff to overcome operational concerns related to the gymnasium flooring, food service and concerns from Sunnyvale Community Center staff and clients.

2. While not as large and accommodating as the gymnasium, HomeFirst staff indicated that they could operate the North County CWSP from the **Sunnyvale Community Center Ballroom**. Using the ballroom would free up the gymnasium for other uses, but HomeFirst staff would likely request access to the gymnasium's hygiene facilities in the late evening or early morning.

3. County staff are also exploring the possibility of erecting temporary facilities (e.g., modular buildings) on the **City of Sunnyvale's property on the former Onizuka Air Force Station (OAFS)**. We understand that Sunnyvale and Foothill-De Anza Community College District (Foothill-De Anza) are sharing the cost of demolishing and clearing the buildings on their respective parcels. On June 24, 2014, I spoke with a representative of Foothill-De Anza, and learned that demolition and clearing activities would be completed by the end of July 2014. Once completed, the Sunnyvale parcel would consist of a parking lot and of dirt pads where buildings had once stood. Foothill-De Anza would erect a fence between its property and Sunnyvale's (and the Veterans Administration's property) and begin constructing its new building. It is also my understanding that Sunnyvale's property would be accessible without impinging on Foothill-De Anza's property. While there would be operational concerns to address, the advantage of using the vacant Sunnyvale property on the former OAFS would be that clients/customers of and residents near the Sunnyvale Community Center would not be impacted. Moreover, contrary to my initial assumptions, the former OAFS properties are accessible by bus and light rail.

4. Finally, what steps would be required in order for the **County-owned excess roadway** at Fair Oaks Blvd. and California Ave. to be used as the location for temporary structures for the North County CWSP? As indicated in our report to the Board of Supervisors, this is not an ideal site because of safety concerns (i.e., California serves as an on-ramp to Central Expressway). However, we would like to vet all potential options.

Sincerely,



Ky G. Le
Director of Homeless Systems
County of Santa Clara

Cc:

Gary Graves, Chief Operating Officer, County of Santa Clara
Hanson Hom, Community Development Director, City of Sunnyvale
Suzanne Ise, Housing Officer, City of Sunnyvale
Jenny Niklaus, Chief Executive Officer, HomeFirst

County of Santa Clara

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County Government Center, East Wing
70 West Hedding Street
San Jose, California 95110
(408) 299-5105



June 20, 2014

TO: Board of Supervisors

FROM: Gary Graves, ^{GG}Chief Operating Officer

SUBJECT: North County Cold Weather Shelter Program Facility Search

1. **Purpose and Timing.** This memorandum describes the Administration's progress in identifying a north county facility to be used as basic emergency shelter as part of the Cold Weather Shelter Program (CWSP). The Administration plans to provide the Board of Supervisors (Board) with an additional off-agenda report in July. The Administration would prepare recommendations for the Board's consideration at the August 26 Board meeting. This would give County staff, cooperating cities, and potential service providers with three months to prepare for a program start date of December 1, 2014.
2. **Projection.** Without philanthropic support or significant partnership from the cities, it will be difficult for County staff to present the Board with a three-facility CWSP that does not exceed last year's County commitment of \$625,000. HomeFirst is projecting that a full program would cost \$893,000, with projected revenues of only \$691,000 (including a projected County commitment of \$625,000). The primary reason for the increase is that while the Sunnyvale Armory was owned by Sunnyvale, the city leased the space to HomeFirst for \$1,500. These projections exclude any one-time expenses that may be needed to make a new facility suitable for emergency shelter. The Administration is prepared to recommend funding be taken from reserves in order to establish an adequate Cold Weather Shelter program in FY 2015.
3. **Leasing or Purchasing Commercial or Industrial Properties.** Working through the County's Facility and Fleet Department (FAF), the Administration identified several properties that were listed for lease or sale. FAF focused its search in Mountain View, Palo Alto and Sunnyvale where the zoning allows for emergency shelters by right or with a conditional use permit.¹ However, in order to present as many options to the Board as possible, FAF expanded its search to other areas within those cities.

The following is a summary of the properties whose owners or agents are willing to consider leasing to or selling to the County. Other properties were no longer for sale or lease, were not appropriate for use as an emergency shelter (e.g., part of a large property with other leased sections), or had owners who were not willing to lease their property for use as an emergency

¹ Mountain View does not have any zoning that would allow for an emergency shelter with a conditional use permit. Emergency shelters are authorized by right in the Limited Industrial (ML) zoning district.

shelter. County staff will continue to vet the viability of these options with staff from the cities. We will vet other properties as they become available. For each of the properties staff must still determine if any improvements are necessary in order to make the properties suitable for use as an emergency shelter.

Address	Sale Option	Lease Option	Sft.	Zoning Considerations and Notes
940 Commercial St., Palo Alto	NA	\$1.35 NNN Rent \$0.23 NNN Exp.	14,581	5-Year Term Preferred; would have to lease for all 12 months out of the year; requires a CUP;
821 San Antonio Rd., Palo Alto	\$2.28M (\$222/sft)	NA	10,270	Requires a CUP;
2557 Wyandotte St., Mountain View	NA	\$1.60 NNN Rent \$0.22 NNN Exp.	9,984	Owner would consider a long-term (10 years) lease; Requires a zoning change.

Leasing or purchasing a commercial or industrial property will be challenging. The market in North County is extremely competitive. The average triple-net lease price per square foot is \$1.25 - \$1.75 NNN. Average additional expenses are \$0.25 for the particular buildings we have identified. To establish a full service equivalent, add \$0.20 for utilities and \$0.05 for janitorial. Therefore, conversion from net to full service is about \$0.50 per rentable square foot. Assuming that one large facility with an open floor plan of 7,000 square feet could be leased, the four-month low end cost would be about \$12,250. If we end up leasing a facility, considering the modifications that will be necessary, it will be unlikely a lease would be for less than 1 year and could be for as many as 5 years. If that is the case we will be faced with the challenge of how the facility will be used for the rest of the year and the cost of that use. The Cold Weather Task Force organized by the Jim Davis, the Vice Mayor of Sunnyvale, is also working to determine the feasibility of purchasing the 18,000 sft. property located at 181 Commercial Street in Sunnyvale. However, it is unclear if the owner is willing to sell or lease the property. Moreover, staff from InnVision Shelter Network (IVSN) toured the property and reported that significant structural improvements would be required to make the property suitable for emergency shelter.

4. **Government Owned Properties.** County staff requested assistance from the cities of Mountain View, Palo Alto and Sunnyvale. The letter sent to Palo Alto is enclosed for reference. As of June 18, 2014, the cities of Sunnyvale and Palo Alto have responded; their responses are also enclosed. County staff also sent letters to the Housing Authority of the County of Santa Clara, the Santa Clara Valley Water District and Valley Transportation Agency, but did not receive responses.

A. **The City of Sunnyvale** provided a thorough response, identifying various properties. Most of the properties are not available for use during the upcoming cold weather season. While some of the properties could potentially be used as small-scale shelters or supportive housing programs in the future, County staff are vetting two options.

- i) **Temporary Facilities on Vacant Land.** The first option would be to erect temporary facilities on vacant parcels owned by the City of Sunnyvale or the County. The City of Sunnyvale owns two parcels of excess roadway at the convergence of Highway 237 and Fair Oaks Blvd. However, because of the layout and surrounding traffic, we do not

believe that these two parcels would ultimately be appropriate for use as a site for an emergency shelter. "The City of Sunnyvale also owns 4.6 acres on property that was once used for the Onizuka Air Force Station (OAFS). De Anza Foothill College and the Veterans Administration (VA) own the other two parcels on the site. As with the excess roadway, the OAFS site is hard to access. More important, contractors have begun demolishing structures and clearing operations on both the De Anza Foothill College and Sunnyvale parcels. Staff is working to determine if the construction schedule and the VA's plans would allow for a temporary emergency shelter anywhere on the site."

The County, through the Roads and Airports Department, owns two acres of excess roadway at California Ave. and Fair Oaks Blvd. Staff is hesitant to recommend this site for several reasons. First, as with Sunnyvale's excess roadway, access to the parcel is limited by access control points to protect drivers (and potential pedestrians) along California Ave., Fair Oaks Blvd., and, to some extent Central Expressway. Where California Ave. serves as an on-ramp to Central Expressway is especially hazardous. Second, the Roads and Airports must retain access to the parcel to maintain a pump station that is located on the site. Finally, Roads and Airports has tried to sell or lease the property numerous times, but each effort failed because developers could not find a suitable use for the site.

Staff is still working to estimate the cost of leasing and operating 5,000 to 7,000 square feet of modular buildings. In addition, vacant sites may pose other challenges because they may lack access to power, water and sewer systems.

- ii) **Use of the Sunnyvale Community Center.** The Sunnyvale City Council directed its staff to explore the possibility of using the gymnasium at the Sunnyvale Community Center (550 E. Remington) for the CWSP. County and Sunnyvale staff visited the site on June 18. The gymnasium has an open floor plan, has hygiene facilities on-site, is controlled by the City of Sunnyvale, and could be much cheaper to establish and operate than temporary facilities or leased or purchased properties. From a facilities standpoint, the gymnasium or the nearby Banquet Room could serve as emergency shelters. However, besides some operational challenges, we anticipate that the biggest challenge will be overcoming the concerns of nearby residents, co-located programs, theater patrons, and residents who utilize the recreational programs at the center.

- B. **The City of Palo Alto** did not identify any city-owned properties or facilities that could be used for basic emergency shelter as part of the CWSP. However, they indicated that they would be willing to work with the County to expand "Hotel de Zink." Currently Hotel de Zink is an enhanced emergency shelter program that provides approximately 15 individuals with 90 days of shelter and supportive services at churches or other facilities owned by religious organizations. The organizations host the program on a rotating basis. The year-round program is operated by InnVision Shelter Network (IVSN). In response to an inquiry by County staff, IVSN indicated that they could expand Hotel de Zink for 90 days during the cold weather season and serve an additional 18 individuals. The estimated one-time cost

for the expanded program is \$15,000, and the estimated cost of operating the program for 90 days during the cold weather season is \$60,000.

- 5. Community-Based Organizations.** County staff emailed letters to community-based organizations with services and/or facilities in Mountain View, Palo Alto and Sunnyvale.² In addition to requesting information about potential facilities in the north county area, the County staff asked for options for expanding supportive housing programs and establishing inclement weather programs. Most of the organizations have been involved in committees to locate a new facility and some have offered ideas and suggestions. However, only a few organizations were able to identify concrete alternatives.

IVSN prepared a set of scenarios for using its existing programs and facilities to accommodate the need for emergency shelter during the cold weather season. In addition to the Hotel de Zink program, IVSN looked at how it could use its Montgomery Street Inn (MSI) and Georgia Travis Center as an emergency shelter during the cold weather season (Cold Weather Shelter) and as a response to inclement weather. While only the Hotel de Zink program would be located in North County, connecting IVSN's San Jose-based programs to dedicated transportation resources could meet some of the need in North County. The table below summarizes IVSN's proposals. Some of the expenses could potentially offset through donations (e.g., food). IVSN prepared these estimates at the request of County staff in the event that one 125-bed facility in North County could not be procured for use during the upcoming cold weather season.

Program	City / Area	Static Capacity	Days of Operation	Estimated 1-Time Exp.	Estimated Operating Exp.	Total FY15 Expense
MSI - Inclement Weather Option 1	San Jose	20	20	\$ 6,500	\$ 38,000	\$ 44,500
MSI - Inclement Weather Option 2	San Jose	40	20	\$ 11,500	\$ 47,000	\$ 58,500
GTC - Inclement Weather Option 1	San Jose	20	20	\$ 21,500	\$ 33,000	\$ 54,500
GTC - Inclement Weather Option 2	San Jose	40	20	\$ 26,500	\$ 42,000	\$ 68,500
GTC - Inclement Weather Option 3	San Jose	125	20	\$ 47,750	\$ 63,000	\$ 110,750
GTC - Cold Weather Shelter Option 1	San Jose	20	120	\$ 22,500	\$ 126,000	\$ 148,500
GTC - Cold Weather Shelter Option 2	San Jose	125	120	\$ 54,000	\$ 350,000	\$ 404,000
Hotel de Zink - Cold Weather Shelter	North County	18	90	\$ 15,000	\$ 60,000	\$ 75,000

In addition, a smaller North County CWSP facility could be supplemented by expanding services at shelters and programs operated by other organizations such as Faith in Action Silicon Valley Rotating Shelter. However, staff has not been able to identify organizations, other than IVSN, that are willing to expand to take on more emergency shelter or inclement weather capacity.

- 6. Privately Owned Properties.** Various stakeholders have also been using their networks to identify potential properties. HomeFirst (formerly EHC LifeBuilders) indicated that one of the gymnasiums at Lockheed Martin's Sunnyvale campus could be rented to serve as the location for the North County CWSP. According to HomeFirst, Lockheed Martin will not decide until

² Staff sent letters to: American Red Cross (Silicon Valley Chapter), Charities Housing Corporation, Community Health Awareness Council, Community Services Agency, Downtown Streets Team / Peninsula Health Connection, Faith in Action Silicon Valley Rotating Shelter, HomeFirst, IVSN, Momentum for Mental Health, Project We Hope, Sunnyvale Community Services, and the Second Harvest Food Bank.

August. In addition, during the week of June 9, Supervisor Simitian informed the Silicon Valley Leadership Group's Board of Directors about the need for a North County facility.

Enclosures:

- a) County Letter to Palo Alto
- b) Response from Palo Alto
- c) Response from Sunnyvale

County of Santa Clara

Office of the County Executive

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70 West Hedding Street
San Jose, California 95110
(408) 299-5105



May 15, 2014

Mr. James Keene
City Manager
City of Palo Alto
250 Hamilton Avenue
Palo Alto, CA 94301

SUBJECT: Replacement Facilities for the North County Cold Weather Shelter Program

Dear Mr. Keene:

I am writing to request your assistance. On April 15, 2014, the County Board of Supervisors directed the County Administration to identify a replacement facility and funding options for the Cold Weather Shelter Program (CWSP) in North County (Sunnyvale, Mountain View and Palo Alto areas). The County hopes to identify one facility in the North County that could provide emergency shelter to at least 125 homeless individuals on a nightly basis from December through March. This facility would replace the Sunnyvale Armory, which will be the site of 115 new permanent affordable housing units. While one facility is ideal, we would also be interested in knowing if there are smaller facilities that could operate as an emergency shelter. Your consideration and responses to the following questions would be greatly appreciated.

1. Cold Weather Shelter Program.

- a. Does your city own, lease or operate any facilities – regardless of capacity – that could be used as emergency shelter during the cold weather months? For example, could any of the facilities at the Cubberly Center be used as emergency shelter?
- b. Does your city own or lease any land that could accommodate temporary or modular structures that could be used for emergency shelter during the cold weather months?

- c. Does your city have any funding that could be used to establish and/or support the operation of an emergency shelter during the cold weather months?
2. **Inclement Weather Program.** If your city is unable to support a cold weather shelter program, would you please consider the questions that are stated above as they relate to warming shelters. The County is considering ways to prevent cold weather injuries and death for unsheltered populations. While the CWSP operates during a specified season, during extremely severe weather (e.g., near-freezing temperatures) certain shelters could be activated.
 3. Finally, are there any opportunities to establish new **housing programs to serve homeless individuals and families?** Ending and preventing homelessness are still priorities for the County. Increasing the supply of permanent supportive, transitional, rapid re-housing or homelessness prevention programs are important components of a comprehensive response to homelessness in North County.

Please be advised that the County (through its contractor) is also exploring the possibility of leasing or purchasing property for use as emergency shelter during the cold weather season. We are focusing on areas where the zoning allows for emergency shelter by right or through a conditional use permit. Any assistance or guidance that you can provide to us as we pursue this approach would be appreciated.

Thank you for your time and consideration. I would greatly appreciate hearing your ideas, questions or concerns by May 31, 2014. We hope to respond to the Board with some options in June. You may reach me at Ky.Le@hhs.sccgov.org or 408-885-7543.

Sincerely,



Ky G. Le
Director of Homeless Systems
County of Santa Clara

Cc:

Gary Graves, Chief Operating Officer, County of Santa Clara
Greg Betts, Community Services Director, City of Palo Alto
Hillary Gitelman, Director of Planning & Community Environment



OFFICE OF THE CITY MANAGER

CITY OF
**PALO
ALTO**
250 Hamilton Avenue, 7th Floor
Palo Alto, CA 94301
650.329.2392

June 9, 2014

Ky G. Le
Director of Homeless Systems
County of Santa Clara
70 West Hedding Street
San Jose, CA 95110

Subject: Replacement Facilities for the North County Cold Weather Shelter Program

Dear Mr. Lee:

Thank you for your May 15, 2014 letter regarding your request for assistance with the Cold Weather Shelter Program (CWSP). The City of Palo Alto has traditionally been a strong supporter of programs that provide assistance in various forms to unsheltered populations. Past and current support includes the development of the Opportunity Center, providing funds from the Community Development Block Grant (CDBG) program for services and programs, and support for the Innovative Hotel de Zink program, which for decades has been providing rotating shelter opportunities at religious institutions throughout the City.

You have requested that the City consider and respond to a set of questions contained in the May 15 letter. The responses are as follows:

1. Cold Weather Shelter Program.

- a. Does the city own lease or operate any facilities – regardless of capacity- that could be used as emergency shelter during cold weather months? For example, could any of the facilities at the Cubberly Center be used as emergency shelter?
- b. Does your city own or lease any land that could accommodate temporary or modular structures that could be used for emergency shelter during the cold weather months?

Response: The City does not currently have a facility or an available site for emergency shelters due to existing programming and scheduling commitments at the facilities that may be appropriate for a shelter. However, there is support among our community partners to expand the Hotel de Zink program to include additional religious institutions as shelter locations. The City would review a request to expand the shelter program and issue appropriate permits.

- c. Does your city have any funding that could be used to establish and/or support the operation of an emergency shelter during the cold weather months?

Response: Palo Alto has funding available through its Residential Housing Fund and CDBG Program funds (funds dedicated to public services) that could be used to establish an emergency shelter. According to the City's Affordable Housing Guidelines, eligible housing types include "shared housing, co-housing, mobile home parks and other special



Cold Weather Shelter Program
June 9, 2014
Page 2

or innovative housing products." Eligible costs for both sources of funds include pre-development, soft costs, and hard construction costs. Residential Housing Funds cannot be used for operating costs.

2. Inclement Weather Program. If your city is unable to support a cold weather shelter program, would you please consider the questions that are stated above as they relate to warming shelters. The County is considering ways to prevent cold weather injuries and death for unsheltered populations. While the CWSP operates during a specified season, during extremely severe weather (e.g. near-freezing temperatures) certain shelters could be activated.

Response: The Hotel de Zink program, which operates in a year-round capacity, is an existing program that can provide shelter during inclement weather to a limited population of approximately 20 individuals, depending upon the facility. As previously mentioned, there is interest in expanding this program to provide additional shelter opportunities beyond what currently exists. The City will continue to consider other options for cold and inclement weather shelters.

3. Finally, are there any opportunities to establish new housing programs to serve homeless individuals and families? Ending and preventing homelessness are still priorities for the County. Increasing the supply of permanent supportive, transitional, rapid-re-housing or homelessness prevention programs are important components of a comprehensive response to homelessness in North County.

Response: The Palo Alto City Council authorized staff to participate in the Santa Clara County HOME Consortium (SCCHC) for the purposes of securing federal HOME dollars. It is anticipated that funding through the SCCHC for the first two years of the agreement will be available for pre-development, development, construction, acquisition, preservation and substantial rehabilitation of affordable, permanent or transitional, housing units. During the third year of the agreement, the SCCHC may choose to implement a Countywide Tenant Based Rental Assistance (TBRA) program.

This summer Palo Alto, along with the County and other local jurisdictions, will be working on their respective 2015-2020 Consolidated Plan. There is an opportunity to identify the development of new housing programs as a priority as well as identify how much funding should be allocated annually to address this need.

As indicated in our response, currently there are limited options for cold or inclement-weather shelters within Palo Alto. The City welcomes opportunities to discuss future solutions to address this regional issue. Please feel free to contact me to discuss how Palo Alto can contribute to conservation or specific efforts.

Sincerely,


James Keene
City Manager

cc: Gary Graves, Chief Operation Officer, County of Santa Clara
Greg Betts, Director of Community Services, City of Palo Alto
Hillary Gitelman, Director of Planning and Community Environment

County of Santa Clara

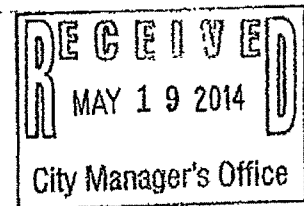
Office of the County Executive

County Government Center, East Wing
70 West Hedding Street
San Jose, California 95110
(408) 299-5105



May 15, 2014

Mr. Robert Walker
Interim City Manager
City of Sunnyvale
456 W. Olive Avenue
Sunnyvale, CA 94086



SUBJECT: Replacement Facilities for the North County Cold Weather Shelter Program

Dear Mr. Walker:

I am writing to request your assistance. On April 15, 2014, the County Board of Supervisors directed the County Administration to identify a replacement facility and funding options for the Cold Weather Shelter Program (CWSP) in North County (Sunnyvale, Mountain View and Palo Alto areas). The County hopes to identify one facility in the North County that could provide emergency shelter to at least 125 homeless individuals on a nightly basis from December through March. This facility would replace the Sunnyvale Armory, which will be the site of 115 new permanent affordable housing units. While one facility is ideal, we would also be interested in knowing if there are smaller facilities that could operate as an emergency shelter. Your consideration and responses to the following questions would be greatly appreciated.

1. Cold Weather Shelter Program.

- a. Does your city own, lease or operate any facilities – regardless of capacity – that could be used as emergency shelter during the cold weather months? For example, could any of the facilities at the Sunnyvale Community Center be used as emergency shelter?
- b. Does your city own or lease any land that could accommodate temporary or modular structures that could be used for emergency shelter during the cold weather months?

- c. Does your city have any funding that could be used to establish and/or support the operation of an emergency shelter during the cold weather months?

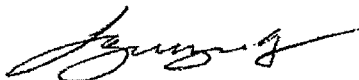
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3. Finally, are there any opportunities to establish new **housing programs to serve homeless individuals and families**? Ending and preventing homelessness are still priorities for the County. Increasing the supply of permanent supportive, transitional, rapid re-housing or homelessness prevention programs are important components of a comprehensive response to homelessness in North County.

Please be advised that the County (through its contractor) is also exploring the possibility of leasing or purchasing property for use as emergency shelter during the cold weather season. ~~We are focusing on areas where the zoning allows for emergency shelter by right or through a conditional use permit.~~ Any assistance or guidance that you can provide to us as we pursue this approach would be appreciated.

Thank you for your time and consideration. I would greatly appreciate hearing your ideas, questions or concerns by May 31, 2014. We hope to respond to the Board with some options in June. You may reach me at Ky.Le@hhs.sccgov.org or 408-885-7543.

Sincerely,



Ky G. Le
Director of Homeless Systems
County of Santa Clara

Cc:

Gary Graves, Chief Operating Officer, County of Santa Clara
Hanson Hom, Community Development Director, City of Sunnyvale
Suzanne Ise, Housing Officer, City of Sunnyvale

CITY OF SUNNYVALE

The Heart of Silicon Valley

456 WEST OLIVE AVENUE . . . SUNNYVALE, CALIFORNIA 94086 . . . (408) 730-7480

Office of the City Manager

May 30, 2014

Ky G. Le
Director of Homeless Systems
Office of the County Executive
County Government Center, East Wing
70 West Hedding Street
San Jose, CA 95110

Dear Mr. Le:

Thank you for your letter dated May 15, 2014 (attached) regarding "Replacement Facilities for the North County Cold Weather Shelter Program". While I have attempted below to address the specific questions posed by your letter, a bit of context in advance is warranted. The City (primarily Housing staff) has historically been and continues to be an active participant in and supporter of county-wide efforts to end and prevent homelessness through both the county-wide CDBG coordinator's group and the Continuum of Care (CoC, formerly known as the Collaborative on Homeless Issues). Over the past several years, the City has realigned its local efforts to address homelessness with the "Housing First" approaches recommended by Destination Home and the CoC, led in large part by the County. These approaches involve a transition away from shelters, which have been proven through many years of national data analysis led by HUD and various research institutions not to be effective in ending homelessness for shelter users. Instead, the Housing First approach aims to assist every homeless person obtain standard rental housing (or transitional housing if needed) within 30-60 days of becoming homeless or first approaching the service provider. Outcomes from this approach have proven much more beneficial to the individual or family as well as to the local community.

For decades, the Sunnyvale Armory – leased to the National Guard by the City, and in turn subleased by the National Guard to the County – served as an emergency cold weather shelter for Northern Santa Clara County. When it became clear to the City that the National Guard did not intend to continue leasing this site for an Armory, and in support of the County's strategy to focus less on shelters and more on permanent housing, the City of Sunnyvale sought to repurpose the property in question. The site remains dedicated to helping solve the problem of homelessness in the County, but does so in a manner consistent with the County's revised strategy (see details under Question 3 below).

As you also know, Sunnyvale's Vice Mayor, Jim Davis, has been at the forefront of an informal collection of regional leaders attempting to find at least a temporary cold weather shelter for area homeless this winter, to fill the void left by the closure of the Sunnyvale Armory.

Lastly, on May 22, 2014, during a Budget Workshop in preparation for adopting its next two-year budget, Sunnyvale's City Council discussed the issue of homelessness and directed staff to take two actions:

- Identify for Council the value of the subsidy provided by the City for operation of the homeless shelter at the Sunnyvale Armory in recent years so that Council can consider including this amount as a contribution toward the County's efforts to establish a cold weather shelter to serve Northern Santa Clara County (see Question 1.c. below), and
- Identify issues associated with the concept of allowing Sunnyvale's Community Center gymnasium to serve as a temporary cold weather shelter for four months this coming winter.

With the foregoing background in mind, answers to your specific questions are as follows:

1. Cold Weather Shelter Program

- a. Does your city own, lease or operate any facilities – regardless of capacity – that could be used as emergency shelter during the cold weather months? For example, could any of the facilities at the Sunnyvale Community Center be used as emergency shelter?**

Answer: Yes. There are numerous City facilities (such as park buildings and the Community Center) located throughout Sunnyvale that could be considered for use as emergency shelter during cold weather months. However, there are also a large number of policy issues and operational impacts that should be addressed as a part of that deliberation. Whether or not any of these facilities should be repurposed – either temporarily or permanently – for use as a cold weather shelter is a policy question only City Council can answer. As previously mentioned, City Council has already asked staff to explore issues related to the Community Center's gymnasium for this purpose, and staff is currently working on that task. I invite you to tour the gymnasium with City staff in the near future, and to help us identify any issues you might have as regards use of that specific site as a possible temporary cold weather shelter this coming winter. It would also be important for us to understand the County's planned timetable for any such operation – i.e., by what date would City Council need to take formal action to authorize such a use in order for the County to be able to implement a cold weather shelter at this location? Ideally, staff would include this information when responding to Council's direction above.

- b. Does your city own or lease any land that could accommodate temporary or modular structures that could be used for emergency shelter during the cold weather months?**

Answer: There are both City and County lands in Sunnyvale worth considering; but without knowledge of the County's operating model (no minimum acreage or guidelines were provided), it is difficult to say for sure. Staff has provided the County with a listing of possible City properties (see City Owned Properties Attachment), and would be happy to tour them with County representatives should you wish to do so.

- c. Does your city have any funding that could be used to establish and/or support the operation of an emergency shelter during the cold weather months?

Answer: Sunnyvale's City Council has already indicated an interest in providing the same level of support for a cold weather shelter as it has provided in past years. There is currently \$15,217 earmarked for this purpose in the coming fiscal year. Those funds are in the form of an "Outside Group Funding" grant from the City of Sunnyvale to HomeFirst of Santa Clara County, specifically for the provision of services to the homeless. This is the same agency with which the County has contracted for many years to operate the Sunnyvale Armory.

2. Inclement Weather Program

If your city is unable to support a cold weather shelter program, would you please consider the questions that are stated above as they relate to warming shelters. The County is considering ways to prevent cold weather injuries and death for unsheltered populations. While the CWSP operates during a specific season, during extremely severe weather (e.g., near-freezing temperatures) certain shelters could be activated.

Answer: Yes. Answers provided above apply as well to warming shelters.

- 3. Finally, are there any opportunities to establish new housing programs to serve homeless individuals and families? Ending and preventing homelessness are still priorities for the County. Increasing the supply of permanent supportive, transitional, rapid re-housing or homelessness prevention programs are important components of a comprehensive response to homelessness in North County.**

Answer: Yes. The City has historically funded, and continues to fund, a number of housing projects and programs that help homeless people secure housing, supportive services, referrals, case management, and food, including various capital projects and programs of HomeFirst SCC, Bill Wilson Center, Maitri, the YWCA's domestic violence programs and shelters, and Momentum for Mental Health, Sunnyvale Community Services, and West Valley Community Services, among others.

The current development of the old Armory site by MidPen Housing and Catholic Charities is an excellent example of this. This project will provide 115 units of permanent, supportive rental housing for very low and extremely low income families, of which 47 will be reserved for homeless applicants (plus two units for onsite property managers). All of the 47 homeless units will be filled with homeless clients referred directly from the County (MHSA and CoC programs) or the County Housing Authority, and will receive operating subsidies from those two agencies to ensure that the rents are affordable to the homeless clients, based on the project-based voucher awards already committed by the County CoC, MHSA, and the Housing Authority.

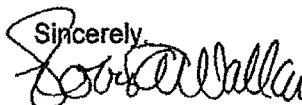
In addition, the City has partnered with the County for two years now on a transitional/rapid rehousing program, through a revenue sharing agreement with the County Mental Health Department executed in early 2012, to operate a **Tenant-Based Rental Assistance (TBRA)** Program for homeless residents of Sunnyvale, funded with the City's HOME grant. This transitional housing program provides rental assistance vouchers, similar to a Section 8 voucher, for approximately 15-20 formerly homeless households each year for a term of up to two years per household, at which point the clients are expected to be able to pay rent on their

own. City Housing staff is currently working directly with your office to finalize an agreement to continue operating this program for the next two fiscal years, with an additional two years' worth of City HOME funds (approximately \$500,000 from the City's 2013 and 2014 HOME grants). For a number of years, the City has been encouraging other local jurisdictions to contribute their own local funding to this type of program so this could be expanded to be a county-wide program. As far as we are aware, the only other jurisdiction, other than the County and Sunnyvale, currently funding a TBRA transitional housing program is San Jose. We encourage you to continue asking other cities to follow Sunnyvale's example and contribute funding to such a program.

An additional program the City has been providing to the local homeless community for the past two years is the "WorkFirst Sunnyvale" program, implemented by a partnership including Sunnyvale Community Services, Downtown Streets Team, and more recently NOVA. This program provides volunteer work experience, supportive services, job search skills training, and career development counseling to homeless and at-risk individuals who are otherwise able to regain employment. The program also supports the clients of the TBRA program by helping them increase their earned incomes during the two-year period of rental assistance, so that they will be able to rent on their own at the end of the assistance term. The City provided more than \$220,000 in CDBG funding for this program in FY 2012/13 and FY 2013/14, and for FY 2014/15, the City has awarded the program a grant of \$322,000. This program is very crucial to the success of the TBRA program, and has effectively ended homelessness for a number of participating clients already. We encourage the County and other cities to take advantage of the very successful model Sunnyvale has established, and replicate this program at either a county-wide level or in additional cities.

The City intends to continue working with the County and other local jurisdictions on establishing new programs to end or prevent homelessness. As you are aware, the City has already convened several meetings for county-wide staff to discuss this topic in the last two years, primarily to develop plans for programs and/or facilities to offset the possible impacts of the closure of the North County shelter.

Please contact me as soon as possible if you wish to follow up on any of these issues. Clearly, the sooner the County can outline more specifically its plans and timelines for establishing a cold weather shelter to replace the old Armory building, the better City staff will be able to present a clear picture for City Council to consider. Given the variety of issues that likely would need to be addressed in advance (breaking contracts with existing Community Center users; public notification and hearings; drafting of use agreements with the County; etc.), there is already a sense that we may be rushed to get something in place for this coming winter should Council wish to pursue this.

Sincerely,


Robert A. Walker
 Interim City Manager

cc: Sunnyvale City Council
 Deanna Santana, City Manager
 Department Directors
 Suzanne Ise, Housing Officer
 Gary Graves, Chief Operating Officer, County of Santa Clara