



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Accept Staff Report on Unhoused Response and Prevention in Milpitas and Provide Direction on Next Steps
Category:	Community Development
Meeting Date:	12/1/2020
Staff Contact:	Sharon Goei, 408-586-3260 Adam Marcus, 408-586-3244
Recommendation:	Accept staff report on Unhoused Response and Prevention in Milpitas and provide direction on next steps, if any.

Background:

On October 6, 2020, staff from the City, Destination: Home, and Santa Clara County presented to Milpitas City Council the 2020-2025 regional Community Plan to End Homelessness, which is an update to the original 2015-2020 plan. The Community Plan was developed with extensive countywide input from persons with lived experience, homeless service providers, local public agencies, nonprofit and private sectors, philanthropy, and more. The Community Plan organizes countywide input into three main strategies:

- Strategy 1: Address the root causes of homelessness through system and policy change;
- Strategy 2: Expand homelessness prevention and housing programs to meet the need; and
- Strategy 3: Improve quality of life for unsheltered individuals and create healthy neighborhoods for all.

The Milpitas City Council received presentations about the Community Plan and directed City staff to conduct outreach to develop a local unhoused response plan.

On October 15, 2020 at a special meeting, the Milpitas City Council amended their direction and asked staff to return on October 20, 2020 with a proposal for a comprehensive Milpitas strategy that prevents and responds to homelessness in Milpitas. Council direction stated that the strategy should explore street outreach and assessment, deployment of a shower and laundry trailer, toilets, handwashing stations, safe parking, and other items that may improve quality of life for Milpitas unhoused residents. On October 20, 2020, the City Council deferred this item until November 10, 2020.

On November 10, 2020, the City Council approved and authorized staff to enter into an agreement for homeless outreach, assessment, and street-based case management services with Santa Clara County. The Council also provided feedback on basic needs services and directed staff to return on December 1, 2020 with further research on those services.

Analysis:

Below is a further analysis of shower and laundry services for the unhoused along with high-level insights on other basic needs services. Shower and laundry services are a high priority for unhoused residents according to advocates. Based on discussions with nonprofit organizations, local government agencies, volunteers from grassroots team and faith-based organizations, as well as staff from various departments, the below analysis estimates the scope of services, costs, and potential funding sources for a shower and/or laundry program. Additional time would be needed to engage more stakeholders, to refine a shower and/or laundry program, and to determine specific locations. Staff believes that feedback from the County's outreach team in early 2021 will help determine demand for additional basic needs services. As with any new initiatives, additional City staff resources will be needed since staff is fully allocated to current services and programs.

Shower and Laundry Services

Based on feedback from stakeholders, shower and laundry services are a high priority for unhoused residents. Staff researched four alternatives:

- A. Dignity on Wheels Mobile Shower and Laundry Services: Dignity on Wheels is a program managed by Project WeHOPE. Project WeHOPE is a nonprofit agency based in Santa Clara County that offers various services to meet the needs of the unhoused.

The Dignity on Wheels service provides a mobile trailer with shower, laundry, restrooms, and on-site case management. The case manager helps connect clients to resources and services such as health, identification document needs, and shelter. As the City implements outreach and assessment services with Santa Clara County, the County's Homeless Engagement and Access Team could be on site concurrently with Dignity on Wheels once a month to conduct assessments and further connect clients with a countywide network of services. Supplies provided by Dignity on Wheels include towels, laundry pods, hair and body wash, toilet paper, paper towels, gloves, and disinfectant cleaners. Often there are clothing donations available as well.

In a four-hour session, the shower service can accommodate up to 42 individuals. The laundry service can accommodate up to 16 single loads of laundry.

To select a site to host a mobile shower and laundry trailer, infrastructure requirements include a parking lot for a truck and trailer up to 52 feet to park, operate, and maneuver; and sufficient space for an accessible ADA drop-down ramp. The trailer can be self-sufficient meaning Dignity on Wheels can bring 600 gallons of water to the site, store dirty water, and run generators for power. However, to decrease wear and tear on the truck and equipment caused by traveling with the weight of the water, Dignity on Wheels prefers to have a water hook-up within 30 feet of the trailer; easy access to a sewer cleanout; and an electrical hookup within 30 feet of the trailer. The site should be a public space known to clients that is easily accessible. City staff is not required to be on-site if utilities are accessible and a City staff member is on call should an issue arise such as access to water or power. Cost for on-call staffing is estimated in the table below in the monthly City staff cost. The monthly figure also includes an estimate for staff to monitor the contract, analyze client data, and conduct periodic outreach so unhoused residents are aware of the service.

After staff and Dignity on Wheels evaluate and select a site, detailed logistics would be worked on before launching the service. This planning stage typically includes staff working with Dignity on Wheels to determine launch timeframe, supplies and services, client intake process (first-come or pre-signup), provider staffing, and City staff roles and training. This "One-time City staff cost" is estimated in the table below and includes staff time for notification of nearby property owners, residents and/or businesses of the proposed location and staff time to prepare a contract.

The overall implementation timeframe from request to launch is estimated to take two months. The process would include site evaluation, stakeholder input, creating and executing an agreement, confirming staffing for the trailer and site, and conducting basic training.

Dignity on Wheels provides services across the Bay Area. Local governments that maintain contracts with Dignity on Wheels include San Mateo, Santa Clara, and Alameda Counties as well as the cities of East Palo Alto, Menlo Park, Mountain View, Redwood City, San Jose, San Francisco, Alameda, Oakland, Berkeley, and Half Moon Bay. Nonprofit organizations in Gilroy and Sunnyvale also contract with Dignity on Wheels. This service is provided on a month-to-month basis. It generally takes several weeks to establish regular clientele.

If a pilot program is considered, it would likely be a once-a-week mobile shower and laundry service. Staff would explore a City site either in the Sports Center parking lot or near the Milpitas Library as a centralized and accessible location. The approximate cost for providing this service would be as follows:

Dignity on Wheels Mobile Shower and Laundry	
Outreach, Planning, Set-up Time	2 Months
Frequency/Size (Shower)	One 4-hour session per week
Frequency/Size (Laundry)	Up to 16 loads per week
Estimated Persons Served per Month (Shower)	Up to 182 per month (42 per week)
Estimated Persons Served per Month (Laundry)	Up to 70 per month
Service Provider(s)	Dignity on Wheels
Set-up cost	\$0
One-time City staff cost	\$3,000
6-Month contractor cost @ \$3,562 per month	\$21,372
6-Month City staff cost @ \$1,520 per month	\$9,120
Total 6-Month Cost (including one-time set-up)	\$33,492

- B. Milpitas Sports Center Shower Service: The Recreation and Community Services Department and Public Works Department estimate that with two part-time staff and contract custodial staff, the City could host shower services by appointment 1-2 days per week. During the pandemic, this could be done at times when the facility is closed and all locker rooms could be used simultaneously. After the pandemic when regular hours resume, showering sessions could be offered on day(s)/time(s) when the facility is not open for regular membership business or potentially on non-peak times using fewer locker rooms at a time. It should be noted that the Milpitas Sports Center complex is a dynamic site with the adjacent fields in use seven days a week, primarily for youth sports programs, during non-pandemic times. Challenges to operating out of this site's parking lot include limited parking, mix of vehicular and pedestrian traffic, and compatibility of the dual use.

This option does not include laundry service. For shower service, the facility has two youth locker rooms that could be used by one family at a time, and men's and women's locker rooms that could be used by single adults following social distancing measures. Upfront costs include the purchase of two sanitation spray tanks, new locker room signage, and hygiene care kits. The showers would be sanitized after each use per public health guidelines. The approximate cost for providing this service once a week is as follows:

Milpitas Sports Center Shower	
Outreach, Planning, Set-up Time	2-3 Months
Frequency/Size	One 4-hour session per week
Estimated Persons Served per Month	Up to 96 per month
Service Provider(s)	City
Set-up cost	\$6,250
One-time City staff cost	\$1,567
6-Month contractor cost @ \$1,985 per month	\$11,910
6-Month City staff cost @ \$932 per month	\$5,592
Total 6-Month Cost (including one-time set-up)	\$25,319

- C. Winter Faith Collaborative Mobile Shower Service: The Winter Faith Collaborative is not a nonprofit but a network of faith-based communities that provide assistance for the unhoused. The group is associated with Grace Solutions, which is a nonprofit organization that offers shelter and has operated a shower van and trailer in San Jose for four years. The trailer includes two rooms and can provide 24 showers per four-hour session. The equipment was purchased with private donations and the operation depends entirely on volunteers. It takes three people to staff a session. The Winter Faith Collaborative has been in touch with volunteers in Milpitas and are looking at

different churches that might be willing to host it. The cost to run the shower is \$150 per four-hour session with volunteer staffing. The trailer requires a 20-foot by 50-foot parking spot and can operate with a tank or with a water hookup which is preferred. If water and sewer hook-ups are requested, additional monthly costs would be required for City staff to verify proper connections similar to the Dignity on Wheels service.

This option does not include laundry or restroom services. There could be a cost for portable restrooms that would be needed for volunteers and clients waiting for services. While this alternative could be affordable, the potential for reliable volunteer staffing is unknown. Without sufficient volunteer labor, this model may not be successful because many unhoused residents do not have cell phones or internet access to check on changing dates and times for mobile shower service. Staff does not recommend funding this option at this time but will remain in touch with the Winter Faith Collaborative to further explore this alternative

- D. Fixed Laundromat Services: City staff contacted several laundromat/dry cleaner owners. Most were receptive to the idea of partnering with the City to provide laundry services for the homeless. However, additional research will be needed to calculate the cost of such a public/private partnership as pricing and logistics will vary by location.

To illustrate, staff would have to conduct outreach to find nonprofit agencies who might be interested in administering the program, to understand at what scale it would be worth taking on, and to create a process for choosing the sites that can participate. An appropriate administrative fee would need to be negotiated. Additionally, staff would need to survey small businesses and nonprofit organizations for interest and capacity, determine which locations are most accessible for unhoused residents, develop a process that meets the activity's objectives, develop program policies and procedures, and develop protocols that promote the health and safety of laundromat employees and the homeless community. Laundromats have a large capacity for washer/dryer loads at any given time. Without knowledge of the demand for laundromat services, staff is unable to provide a fixed cost for these services and instead has presented a range to potentially account for increased usage by the homeless community.

Furthermore, staff from the Building Safety and Housing Department would coordinate with Economic Development, Police, City Attorney, and other stakeholders to discuss the potential ramifications to nearby businesses. Drawing from staff's experience creating the Pilot Rent Relief Program and the Microenterprise Grant Program, staff estimates the minimum time to create a laundromat program would be approximately three months with initial startup costs ranging between \$15,000 and \$30,000. The staff cost is difficult to estimate due to the extent of the research required, the amount of staff required to conduct, vet, and present the research, and account for any unknowns when developing a new pilot program.

The approximate cost for providing this service is as follows:

Laundromat Service	
Outreach, Planning, Set-up Time	3 Months
Frequency/Size	16 to 32 loads per week
Estimated Persons Served per Month	70 to 140 per month
Service Provider(s)	Nonprofit and laundromats
Set-up cost	\$0
One-time City staff cost	\$15,000 to \$30,000
6-Month contractor cost @ \$875 to \$1,750 per month	\$5,250 to \$10,500
6-Month City staff cost @ \$1,000 per month	\$6,000
Total 6-Month Cost (including one-time set-up)	\$26,250 to \$46,500

The following table compares the capacity and costs for shower and laundry service options:

Summary of Shower and Laundry Service Capacity and Costs

Service Options	Estimated Persons Served per Month	Total Cost for 6-Month Pilot
A. Dignity on Wheels Mobile Shower and Laundry Services	Shower: Up to 182 per month Laundry: Up to 70 per month	\$33,492
B. Milpitas Sports Center Shower Service + D. Laundromat Service	Shower: Up to 96 per month Laundry: 70 to 140 per month	\$25,319 + (\$26,250 to \$46,500)

Staff recommendation: If the City Council decides to provide shower and laundry services, staff recommends implementing a six-month pilot program with Dignity on Wheels by Project WeHOPE at an estimated contract cost of \$21,372. This option is the most efficient to implement and the most comprehensive option for unhoused residents because it is an established program that sets up quickly, has flexibility with location and utility requirements, and combines shower, laundry, restroom, and case management services in one place. The service would cost less than other options studied primarily because it would require less City staff time (as reflected in the City staff cost estimate above) compared with creating new pilot programs at the Milpitas Sports Center and laundromats.

For this amount, Dignity on Wheels mobile shower and laundry service would be offered once a week. After three months, data would allow staff to evaluate the demand for the service, outreach needs to boost awareness of the service, and any other service adjustments that may be necessary. Such a service could also provide convenient opportunities for the County's Homeless Engagement and Access Team to assess and qualify clients for placement into supportive housing programs. Project WeHOPE has developed expertise in offering this service over the last eleven years and currently serves many other Bay Area jurisdictions.

The service is anticipated to assist unhoused Milpitas residents to overcome barriers that prevent them from attending their medical, housing, job, or case management appointments. After six months, City staff will have a much better idea of the demand for this service and the City Council could extend this service with modifications as desired.

Staff does not recommend the Sports Center shower and laundromat service model as it would have a larger fiscal impact, requiring considerably more City staff time to plan and implement. It does not include on-site case management. The capacity for shower for this model is lower than Dignity on Wheels also. The convenience to unhoused residents of being able to shower, wash their clothes, and receive case management at the same time and location would be lost as well.

Staff does not recommend proceeding with the Winter Faith Collaborative at this time due to the uncertainty of volunteer staffing and lack of restrooms. Together with the laundromat service, this option would require more City staff time to research and implement.

Other Basic Needs and Temporary Services

Sufficient time for outreach and assessment will be needed in order to understand the needs of the Milpitas unhoused residents including but not limited to garbage service near encampments, ADA/accessible toilets and handwashing stations, meal delivery, drop-in resource center, and safe parking. In early 2021, staff will begin working with the Santa Clara County Homeless Engagement and Access Team and recommends using that outreach to better understand the type and level of services that would be most beneficial in Milpitas. Staff would bring information back to Council after several months.

Intensive Project-Based Case Management Service and Supportive Housing Placement Program

This is a longer-term program that addresses Council support for providing supportive housing units for unhoused Milpitas residents. This option could be considered in fall 2021 to potentially place Milpitas residents in supportive housing units that will be ready for occupancy in fall 2022 at 355 Sango Court.

Staff recommends returning to Council in 2021 on this option after outreach and assessment provides an updated understanding of the needs of Milpitas unhoused residents.

Homelessness Prevention for at-risk Milpitas Residents

In the short-term during the pandemic, staff could work with LifeMoves, Milpitas Unified School District, and other agencies to enhance awareness of the homelessness prevention system through various outreach methods. After the pandemic, the City could potentially host meeting space with basic equipment such as a scanner and printer so a LifeMoves case manager can visit Milpitas on a regular interval to screen clients for eligibility and complete documentation for emergency financial assistance and referrals to legal services, domestic violence prevention services, and other resources. The City could work with Milpitas Unified School District and other organizations to promote this “pop-up” access point.

In August 2020, Destination: Home released a Request for Qualifications (RFQ) to address current gaps in the Homelessness Prevention System (HPS) network and to increase HPS access to underserved populations and geographies including Milpitas, East San Jose, Morgan Hill, and Gilroy. The RFQ seeks to identify qualified agencies to provide HPS services to households. If an organization is funded, this could leverage outside dollars to expand assessment and case management for at-risk Milpitas residents, including but not limited to McKinney-Vento families. Announcements for agencies qualified to provide HPS services to expand the HPS network are anticipated beginning 2021.

Staff recommends formalizing coordination with key stakeholders with regular meetings to increase communication to the community and to enhance awareness of the homeless prevention resources through a variety of outreach methods such as flyers, virtual workshops, and connections with landlord and tenant communities. Staff will stay informed of any agencies qualified by Destination: Home in 2021 to increase HPS access to underserved populations in Milpitas. Staff will work in coordination with those agencies to expand prevention services to residents at risk of becoming homeless in Milpitas.

Potential Funding and Resources

The above initiatives would require a mix of staff resources from the City and service providers. City staff resources are limited and presently 100 percent allocated to current services. In addition, ongoing funding sources will need to be identified for any new initiatives. Temporary solutions for unhoused residents could improve quality of life and connect them to other services, especially during the pandemic. These short-term solutions, combined with the regional production of interim and permanent supportive housing, would provide a more comprehensive strategy for the unhoused community.

To implement Dignity on Wheels mobile shower and laundry services as a six-month pilot program at an estimated contract cost of \$21,372, the California Board of State and Community Corrections (BSCC) grant funding that Milpitas Police Department received in 2017 could be used for this purpose. The balance of the grant funding as of October 31 is \$89,762 and there are several pending charges totaling under \$700. Thus, the approximate balance is \$89,000.

If the six-month pilot is of interest, the City could assess the impact of the program at its completion. If the City decided to continue the program, the remaining balance of the BSCC grant could fund mobile shower and laundry services for another nineteen months approximately. Together with the initial six months, this would be a total duration of twenty-five months. Should the City decide to continue the program after twenty-five months, funding sources other than the General Fund, such as the Housing Authority Fund, Affordable Housing Community Benefit Fund, or Affordable Housing Unrestricted Fund, could be considered as part of the annual budget process. Community Development Block Grant funding could be considered, although it would be limited by a 15% cap for public services, where the allocation has been distributed among seven to ten nonprofit service providers in prior years in Milpitas. Other grants and philanthropic donations could be explored, too. Given the City’s structural budget deficit, it is imperative that sustainable funding sources other than the General Fund be identified for program operation and continuance.

Fiscal Impact:

If the City Council decides to implement Dignity on Wheels mobile shower and laundry services as a six-month pilot program and utilize the BSCC grant, the fiscal impact would be an approximately \$21,372 reduction to the grant balance of \$89,000.

California Environmental Quality Act:

The recommendations have no potential for causing a significant effect on the environment and are exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3). Further, the recommendations are also exempt under CEQA Guideline 15301 if the City Council decides to implement Dignity on Wheels mobile shower and laundry service as the proposed Dignity on Wheels by Project WeHOPE would likely be placed in an existing City facility, and/or CEQA Guideline 15311 as an accessory structure to an existing City facility. Each Guideline referenced above shall serve as an independent basis to determine the activity is exempt from CEQA.

Recommendation:

Accept staff report on Unhoused Response and Prevention in Milpitas and provide direction on next steps.

Attachment:

None