



DATE: April 26, 2022
TO: Mayor and City Council
FROM: City Manager
SUBJECT: Adopt a Resolution Endorsing the Alameda County Home Together 2026 Implementation Plan

RECOMMENDATION

That the Council adopts a resolution (Attachment II) endorsing the Alameda County Home Together 2026 Implementation Plan.

SUMMARY

The Alameda County Home Together 2026 Implementation Plan (Plan) is a community-wide plan for Alameda County, which lays out the goals and strategies needed to dramatically reduce homelessness by 2026 and combat racial disparities in homelessness through fully centering equity. The Plan covers a five-year time frame, beginning January 2022 and ending December 2026.

Over the past decade, Alameda County and its cities have seen dramatic increases in homelessness, including a staggering 222% increase in unsheltered homelessness. On any given night, over 8,000 people experience homelessness in Alameda County, a number that grows to 15,000 over the course of the year.

Over the next five years across Alameda County, more than 24,000 additional housing exits are needed to reach a point at which the numbers of people who become homeless in a year and the numbers who leave homelessness in that time are in balance. These 24,000 interventions include everything from short-term prevention to permanent subsidies and housing with services, depending on the needs of the households. The total cost of increasing the shelter and housing inventory over the coming five years to fully meet the need would be \$2.5 billion.

The Plan recommends specific action steps in four categories:

- 1) Prevent Homelessness for Alameda County Residents
- 2) Connect People to Shelter and Needed Resources
- 3) Increase Housing Solutions
- 4) Strengthen Coordination, Communication and Capacity

In order to receive future funding made available through Alameda County, the City of Hayward must endorse the Home Together 2026 Implementation Plan.

BACKGROUND

Over the past decade, Alameda County and its cities have seen dramatic increases in homelessness, including a staggering 222% increase in unsheltered homelessness. On any given night over 8,000 people experience homelessness in Alameda County, a number that grows to 15,000 over the course of the year. These numbers have likely increased after the devastating economic impacts of the COVID-19 pandemic. More than 90% of homeless households in Alameda County are adults without minor children, including nearly 10% who are between the ages of 18 and 24.¹

In Hayward, as of January 2019, approximately 487 people were experiencing homelessness each night, with three out of four of those individuals sleeping outside. This represents a 23% increase in the number of individuals experiencing homelessness since 2017 and it is likely an underrepresentation. Results from the January 2022 Point in Time will be available in summer 2022.

This Plan is a community-wide plan for Alameda County, which lays out the goals and strategies needed to dramatically reduce homelessness by 2026 and combat racial disparities in homelessness through fully centering equity. This Plan builds on a variety of processes and planning that has occurred during the last two years, including:

- The racial equity analysis and system modeling process that is detailed in the January 2020 Centering Racial Equity in Homeless System Design (CRE) report;²
- Racial Equity Action Lab (convened by the Bay Area Regional Health Inequities Initiative) that centered lived expertise input and process recommendations on implementing CRE; and
- The Home Together Plan adopted by the Alameda County Board of Supervisors in August of 2020.³

DISCUSSION

The Plan is a community-wide plan to outline the goals, strategies and investments needed to dramatically reduce Homelessness by 2026 and reverse racial disparities in homelessness through fully centering equity. The Plan's overarching goals and time frame align with Vision 2026, Alameda County's comprehensive effort to set a course for the next decade that anticipates community challenges and maximizes our ability to meet residents' needs in a rapidly changing world. One of the primary objectives of Vision 2026 is to "ensure the

¹ Home Together 2026 Draft Community Plan https://homelessness.acgov.org/homelessness-assets/docs/reports/Home%20Together%20Community%20Plan_updated%204.6.22.pdf

² Centering Racial Equity in Homeless System Design <https://everyonehome.org/centering-racial-equity/>

³ Home Together Plan <https://homelessness.acgov.org/homelessness-assets/docs/Home-Together-Plan.pdf>

availability of diverse and affordable housing for all residents with the goal of eliminating homelessness in Alameda County.”

Home Together 2026 builds upon many sources and efforts, particularly the 2020 CRE report prepared by community partners and informed by system modeling, extensive interviews, and focus groups with persons of color who have experienced homelessness. The CRE process modeled what an optimal system to respond to all homelessness and reduce racial disparities would look like and what gaps need to be filled. Home Together 2026 is also responsive to requirements laid out in the California Comeback Plan to draw down key State housing and health funding. It is informed by and consistent with other local and regional efforts, including the All Home Regional Action Plan, as well as Plan Bay Area 2050.

The homeless population does not reflect the demographics of the County. Dramatic racial disparities exist in Alameda County as in the nation as a whole, in which African Americans experience homelessness at more than four times their representation in the population (47% vs. 11%) and Native Americans, multiracial people, and Hawaiian Native/Pacific Islanders are all vastly overrepresented in homelessness, among those newly homeless, and in the rates at which they return to homelessness even after getting into housing.

Overall, more than 24,000 additional housing exits are needed over five years to reach a point at which the numbers of people who become homeless in a year and the numbers who leave homelessness in that time are in balance. These 24,000 interventions include everything from short-term prevention to permanent subsidies and housing with services, depending on the needs of the households.

Using the systems modeling in the Plan, the total cost to fully meet these needs, and significantly reduce homelessness, is \$2.5 billion over 5 years. With this level of investment, there is a hope that for every new household that experiences homelessness, there is a resource path to get them out of homelessness and into housing within an average of 90 days. These investments include:

- **Prevention of Homelessness: \$388 million** to add resources to rapidly rehouse those who have recently fallen into homelessness and do not need significant supportive services, and to target homeless prevention assistance to those who are most likely to wind up on the streets. This includes rapid rehousing and shallow (more limited) subsidies within the housing response system. This does not include the one-time development cost for new buildings, but covers operations and services and the subsidies to help people rent existing housing. Prevention also addresses racial disparities and prevents disproportionate returns to homelessness.
- **Connect People to Shelter and Needed Resources: \$430 million** to add new shelter beds (non-congregant), removing barriers to existing beds (allowing pets or removing curfews, for example), and providing more needed access for those with serious mental illness and substance use through the creation of

more treatment programs for unsheltered, sheltered and those in supportive housing programs.

- **Increase Dedicated Housing Solutions: \$1.68 billion** for new permanent housing units earmarked for homeless and increased spending to subsidize our existing housing units.

To reach these goals while decreasing racial disparities, the Plan recommends specific action steps in four categories:

- 1) Prevent Homelessness for Alameda County Residents
- 2) Connect People to Shelter and Needed Resources
- 3) Increase Housing Solutions
- 4) Strengthen Coordination, Communication, and Capacity

Taken together, the significant increase in investment and the creation of new models and pathways out of homelessness will lead to decreases in new homelessness, improved racial equity in outcomes, shorter time being homeless, and a reduced rate at which people return to homelessness. Specific measurable targets for reducing homelessness altogether, and for achieving greater equity in results, are included in the Plan.

Existing and Potential Resources Needed to Execute Plan

Homelessness in Alameda County is addressed through a wide variety of both homeless targeted and general population resources from federal, State, local specific and general funds, and private sources.

State Funding

The State of California has committed to a one-time investment of more than \$12 billion in homelessness and another \$10 million in affordable housing. Alameda County anticipates receiving a significant increase from this in funds from the Homeless Housing, Assistance and Prevention (HHAP) grant program, Homekey and new programs such as the Encampment Resolution Funds and Family Homelessness Challenge Grants.

In January, the City applied for State Homekey funding to create 46 units of dedicated housing for individuals experiencing homelessness.⁴ At the time of this staff report writing, staff is appealing the State's initial determination regarding award of Homekey funds. Staff are also working with local family service providers to prepare and submit applications for funding under the Family Homelessness Challenge Grant.

⁴ January 25, 2022 meeting of the Hayward City Council:
<https://hayward.legistar.com/LegislationDetail.aspx?ID=5390892&GUID=B276DA40-2A6A-46C1-A313-28235E575135&Options=ID|Text|&Search=homekey>

County Funding

In FY 2021, the County of Alameda allocated \$115.5 million in funding towards the homelessness response system. The majority of this funding was dedicated to shelter and housing, a total of 71% (\$37.9 million).

Alameda County voters also recently passed Measure W, a half-cent sales tax increase that is expected to generate up to \$150 million annually. This is a general tax, and while not set aside specifically for homelessness, the Board of Supervisors could set aside portions of it for strategic homeless investments. At the time of this staff report writing, Measure W was still in litigation with no anticipated date for resolution.

City Funding

In FY 2021, cities across Alameda County collectively allocated \$73 million in funding to address homelessness across the categories of shelter and housing, coordinated system, health and supportive services, outreach, and prevention. The majority of all funding was dedicated to shelter and housing (67% or \$48.7 million) followed by Coordinated System (13% of \$49.5 million). This figure includes funding from city General Funds and dedicated local tax revenue, as well as direct federal, State, and County grants. Notably, FY 2021 funding from cities across the County included many one-time funding awards, such as Coronavirus relief funds. This funding does not include American Rescue Plan Act stimulus funding, which many cities have also used to address homelessness.

In FY 2021, the City spent approximately \$2 million in General Fund monies towards homeless projects and services, which was just over 1% of the City's \$169.6 million General Fund budget for FY 2021. Additionally, the City allocated \$4 million in direct federal, State, or County grant funds to address homelessness in Hayward. Of this \$4 million, approximately \$1.88 million was in one-time COVID-19 emergency relief funding. Notably, in the 2021 City of Hayward Resident Satisfaction Survey, residents cited addressing homelessness and poverty as the most important thing the City can do to improve its services for the people who live and work here.

The FY 2021 figures represent significant investment across all levels of government yet are still much lower than the roughly half billion dollars per year needed to meet the Plan targets. Homelessness is a growing crisis and will require an unprecedented investment of new resources. Some of these are anticipated to come from anticipated increases in federal and particularly in State resources dedicated to expanding affordable housing and ending homelessness.

City/County Funding Allocation Framework

In 2021, representatives from cities and county agencies proposed a method for allocating funds that pass through the county intended for homelessness response. Because the County is a direct recipient of many funds and has the ability to support efforts throughout the entire geography, Alameda County will coordinate a countywide effort to leverage city and county resources. The cities will play a critical role, both through the provision of local and some dedicated federal and state resources and as overseers of land use planning for shelters and permanent housing.

Together these partners will work to align efforts and stretch both the existing resources and new funding as it emerges. Project funding through this collaborative allocation plan will be tied to the programs meeting the performance goals outlined in this Plan or that show a plan for targeted capacity for small, emerging, and/or BIPOC led (and serving) agencies or new, innovative programs.

The City/County funding allocation framework represents not only a commitment from the County to prioritize funding local efforts to address homelessness, but also a positive working collaboration between local jurisdictions and the County.

Alignment with Let's House Hayward!

In July 2021, the Council approved the Let's House Hayward! (LHH) homelessness reduction strategic plan.⁵

The first goal in the LHH plan is to formalize a coordinated and compassionate citywide response to homelessness. In Strategy 1.1 of that goal, the City commits to formalizing interdepartmental and interjurisdictional partnerships. Endorsing the Plan formalizes the City's commitment to regional solutions and positions the City to be eligible for County passthrough funding for homelessness.

The goals of the City's LHH plan is well aligned with the Plan, including an explicit focus on centering racial equity. Additionally, both plans focus on prevention and dramatically reducing the inflow into homelessness, compassionate and rapid response to homelessness, and increasing the housing options to permanently house individuals and families experiencing homelessness.

ECONOMIC IMPACT

Failure to address the homelessness crisis is enormously costly, both economically and ethically. According to estimates from All Home, the indirect costs of homelessness on healthcare, criminal justice, and social services are nearly \$2 billion annually, based on estimates All Home made using real costs from Santa Clara County.⁶

In Hayward, countless businesses have expressed a growing frustration with homelessness and the impact on their businesses, with at least one local business citing homelessness as the primary reason for vacating downtown Hayward. While Hayward is not unique in the economic impacts of homelessness, it is important to explicitly cite the impacts the Hayward community and staff face.

FISCAL IMPACT

⁵ July 13, 2021 meeting of the Hayward City Council:
<https://hayward.legistar.com/LegislationDetail.aspx?ID=5028014&GUID=E5369F11-C504-413E-B317-E2797DF45328&Options=&Search=>

⁶ https://www.allhomeca.org/wp-content/themes/allhome/library/images/plan/210413_Regional_Action_Plan_Final.pdf

There is no immediate fiscal impact for endorsing the Plan. However, in order to be eligible for County passthrough funding for homelessness, including the State of California HHAP funding, the City must endorse the Plan.

Staff are continuously evaluating potential funding sources outside of the City's General Fund to support projects to end and prevent homelessness in Hayward.

STRATEGIC ROADMAP

This agenda item supports the Strategic Priority of Preserve, Protect, and Produce Housing, under Project 2b: Implement the Homelessness Reduction Strategic Plan.

This agenda item supports the following strategies in the Let's House Hayward! Strategic Plan, including:

- Strategy 1.1: Formalize Interdepartmental and Interjurisdictional Partnerships
- Strategy 1.2: Develop Funding and Evaluation Strategy Reflecting Community Priorities Identified in this Strategic Plan

PUBLIC CONTACT

The Plan and its companion CRE report engaged an extensive community input process which included participation of system leaders, program participants, service providers and other partners in homelessness response. The process included research using local data and multiple focus groups with people of color who were currently or recently homeless regarding their race-impacted experiences.

NEXT STEPS

Staff will continue implementing the LHH Plan as adopted by Council in July 2021. Additionally, staff will continue partnership with Alameda County to identify ways to collaborate and leverage regional resources and relationships to achieve the goals set out in both plans.

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Approved by:



Kelly McAdoo, City Manager