



DATE: April 20, 2021

TO: Mayor and City Council

FROM: Assistant City Manager

SUBJECT: Let's House Hayward! Strategic Plan: Review Update on Planning Process, Vision, Goals, and Priority Projects for the Let's House Hayward Homelessness Reduction Strategic Plan

RECOMMENDATION

That Council reviews this report and provides feedback on the vision, goals, and priority projects identified in the Let's House Hayward! (LHH) Strategic Plan.

SUMMARY

The Council has long identified homelessness, housing affordability, and eviction prevention as key community concerns. Most recently, Council included Preserve, Protect, and Produce Housing as a priority in the City's Strategic Roadmap, and listed "Create a Homelessness Reduction Strategic Plan modeled on an empowerment approach and best practices, as well as after Alameda County's EveryOne Home Plan," as a key project for achieving the goals of that priority area.

In November 2020, staff partnered with Homebase to develop the Let's House Hayward! Strategic Plan. Over the past five months, Homebase has engaged a diverse set of community stakeholders, including individuals with lived experience of homelessness, to produce a set of community-informed goals and strategies for reducing and preventing homelessness in Hayward. Stakeholders expressed consensus that acting now on homelessness response is imperative for preventing an even greater expansion of homelessness that may result from the economic, social, and public health impacts of COVID-19. Further, many have called out the important context that, as with homelessness in Hayward, the negative impacts of COVID-19 have disproportionately impacted Black, indigenous, and people of color.¹

Once approved by Council, the LHH Plan will guide funding and policy decisions over the next five years as Hayward continues to take a leadership role in reducing and preventing

¹ Centers for Disease Control and Prevention (December 2020). *COVID-19 Racial and Ethnic Health Disparities*. Retrieved from: <https://www.cdc.gov/coronavirus/2019-ncov/community/health-equity/racial-ethnic-disparities/index.html>

homelessness. This report provides an overview of the draft vision, goals, and priority projects identified in the planning process. The vision and goals were drafted using community input and were further vetted with the LHH Steering Committee, a group of community experts and leaders. The priority projects are categorized into two separate tiers based on their implementation readiness. Staff requests that Council provide their input and feedback on the draft vision, goals, and priority projects.

Staff will work with Homebase to integrate Council feedback. In June, staff will present the completed five-year plan to the Homelessness-Housing Task Force, then return to Council later in the summer for final approval.

BACKGROUND

As of January 2019, approximately 487 people experience homelessness in Hayward each night, with three out of four of those individuals sleeping outside. This represents a 23% increase in the number of homeless people in Hayward since 2017 and it is likely an underrepresentation of the actual number of people experiencing homelessness in Hayward. While more recent local data are not available due to COVID-19-related delays in the 2021 point-in-time count, state-level data showed a 7% increase in homelessness from 2019 to 2020.² Further, national data indicates increases in risk factors that lead to homelessness, including increased food insecurity and the inability to pay rent or mortgage.³ Despite data limitations, it is widely recognized that homelessness is a rapidly growing issue regionally and across the state.

On January 28, 2020,⁴ the Council approved the City's Strategic Roadmap, which includes the priority area to Protect, Preserve, and Produce Housing. That priority area includes the project to create and implement a homelessness reduction strategic plan. Developing a strategic plan to address homelessness enables the City to proactively position and prioritize the City's work toward helping to resolve this regional issue and prepare for accessing additional resources as they become available (e.g., one-time funds, grants). To begin this project, Council authorized an agreement with Homebase to prepare the five-year Let's House Hayward! (LHH) Strategic Plan.⁵ As authorized by Council, the plan uses a racial equity analysis, aligns with regional plans, includes people with lived experiences of homelessness in the outreach process, and addresses

² Department of Housing and Urban Development. 2020 CoC Homeless Populations and Subpopulations Report – California. Retrieved from <https://www.hudexchange.info/programs/coc/coc-homeless-populations-and-subpopulations-reports/?filter Year=2020&filter Scope=State&filter State=CA&filter CoC=&program=CoC&group=PopSub>

³ Center on Budget and Policy Priorities (March 2021). *Tracking the COVID-19 Recession's Effects on Food, Housing, and Employment Hardships*. Retrieved from <https://www.cbpp.org/research/poverty-and-inequality/tracking-the-covid-19-recessions-effects-on-food-housing-and>

⁴ January 28, 2020, City Council Meeting Agenda and Materials: <https://hayward.legistar.com/LegislationDetail.aspx?ID=4315589&GUID=1F328D58-C3FC-41E5-8BF7-A17E4E09DDCB&Options=&Search=>

⁵ September 22, 2020, City Council Meeting Agenda and Materials: <https://hayward.legistar.com/LegislationDetail.aspx?ID=4646746&GUID=5852A012-464E-410B-85F2-2C8F1CDB0400&Options=&Search=>

the unique issues of Hayward within the broader regional response to homelessness. Grounded in community feedback, the LHH plan is intended to guide policy and funding decisions related to reducing and preventing homelessness in Hayward over the next five years.

The LHH plan also aligns with the City's broader public safety community outreach project and corresponding Policy Innovation Workshop on Community Safety.⁶ Findings from the Citywide community conversations on public safety identified that homelessness was a top concern among Hayward residents, with some noting their concerns about homeless individuals' safety and others expressing concerns about the public health risks of homelessness.⁷ Given these findings, the LHH plan draws explicit connections to the ongoing Policy Innovation Workshops in order to leverage the opportunity to pilot test outreach and engagement alternatives.

DISCUSSION

The City is at a key moment in the development of the LHH plan. As discussed below, Homebase has collected a substantial amount of research and community input, which has been integrated to create a guiding vision statement for the plan as well as three community-informed goals to help make that vision a reality. Concurrent to this work, the City is embarking on significant financial decisions regarding not only its FY 2022 budget, but also the allocation of federal stimulus funds from the American Rescue Plan.⁸

Staff are bringing this item to Council for two main purposes:

- 1) To solicit input and feedback on the draft vision and goals for the plan, and
- 2) To update Council on the emerging priority projects identified through the planning process to help inform discussions of the use of federal stimulus and other funding opportunities.

Staff will work with Homebase to integrate Council feedback. In June, staff will present the completed five-year plan to the Homelessness-Housing Task Force, then return to Council later in the summer for final approval.

Engaging the Community in the Planning Process

Homebase, City staff, and partners throughout the Hayward community have worked together to engage a diverse set of stakeholders. Since the project launch in October 2020, Homebase has collected a wide range of data and input from City stakeholders, including:

- Interviews with individuals with lived experience of homelessness

⁶ <https://www.hayward-ca.gov/your-government/departments/city-managers-office/public-safety-community-outreach>

⁷ <https://hayward.legistar.com/LegislationDetail.aspx?ID=4677304&GUID=52E170E7-7C7A-4B62-AEA8-32BB683AC71D&Options=&Search=>

⁸ April 6, 2021, City Council Meeting Agenda and Materials:

<https://hayward.legistar.com/LegislationDetail.aspx?ID=4900849&GUID=ADD8C542-EA4A-4321-9FA9-ED43530240FC&Options=&Search=>

- Focus groups and interviews with City staff from the City Manager’s Office, Maintenance Services Division, Code Enforcement, Fire Department, and Police Department
- Focus group and interviews with community-based organizations, including non-profit service providers and housing developers
- Focus group with Downtown Hayward Improvement Association
- Focus group with education partners from Hayward Promise Neighborhood and HUSD Child Welfare and Attendance
- Four virtual community forums attended by between 55 and 80 individuals, including those listed above and other non-affiliated members of the community
- Guided discussion at the Homelessness-Housing Task Force meeting on December 3, 2020
- Guided discussion at the Community Services Commission meeting on December 16, 2020

Additionally, throughout the planning process, the Homebase team has gathered feedback and input from the Steering Committee, which is a group of individuals with lived experience, service providers, housing developers, business leaders, and City staff from the City Manager’s Office, Hayward Police Department, and Library. The Steering Committee functions as a panel of experts who provide overarching guidance and input on the plan.

Setting the Let’s House Hayward! Vision and Goals

A vision statement is an important component of a strategic plan, as it sets forth the City’s meaning and purpose for addressing and preventing homelessness in Hayward. Through the engagement work described above, the Homebase team drafted multiple versions of a vision statement for the Let’s House Hayward! Strategic Plan Steering Committee to review and discuss. Through that process, the following vision statement was identified:

Our vision is for the City of Hayward to be a leader in ensuring an end to homelessness through accessible, dignified treatment and services.

As with the vision statement, community feedback and input informed the development of three goals, which are intended to guide the City’s response to homelessness over the next five years. These goals encompass a wide span of work, including internal and external communication and coordination, increasing service availability and capacity, and increasing prevention efforts to reduce homelessness upstream. The three goals for the LHH plan are:

- 1. Goal 1: Formalize a Coordinated and Compassionate Citywide Response to Homelessness and Develop Wider Community Understanding and Engagement**
 - To achieve this, the City will continue its innovative approach to internal collaboration across divisions, increase communication with providers and individuals with lived experience, and work to educate the community about the issues of homelessness to reduce stigma.

2. Goal 2: Increase Availability of and Reduce Barriers to Homeless Crisis Response Services

- To achieve this, the City will expand its capacity to provide shelter that leads to permanent housing and test new ways to improve outreach and engagement.

3. Goal 3: Ensure Access to and Retention of Affordable Permanent Housing

- To achieve this, the City will continue investing in eviction prevention and anti-displacement resources and will prioritize developing housing for those experiencing and most at-risk of experiencing homelessness.

Establishing the Let’s House Hayward! Priority Projects

The approved Let’s House Hayward! Strategic Plan will contain a detailed breakdown of projects and activities necessary to achieve the goals listed above. The plan will scaffold activities and projects that build on each other over time and will articulate the assumptions built into implementing them, such as the staffing, funding, and partner resources required for success.

Existing Projects

There are several existing, ongoing projects to address homelessness that were identified in the planning process as priority projects that already have funding and staffing resources identified. These projects are listed below in Table 1.

Table 1. Existing Let’s House Hayward! Projects

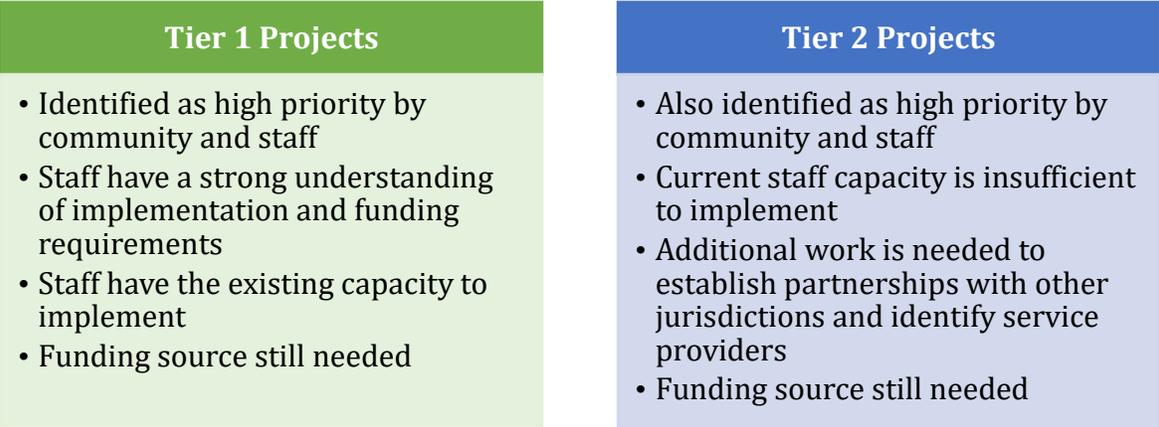
| Supporting Goal | Project |
|------------------------|---|
| Goal 1 | Continue to leverage the City’s cross-departmental collaboration around encampment response |
| | Provide trauma informed racial equity training for City staff |
| | Continue refining clear community agency funding application, award and oversight processes , including integrating racial equity and program evaluation metrics. |
| Goal 2 | Continue oversight and management of the Navigation Center , which includes the Annex . |
| | Continue current shelter programming (i.e., General Fund social services agreements with local non-profit shelters). |
| | Develop funding for and increase availability of non-congregate shelters through motel/hotel conversion or underutilized property with formalized exit plans to decrease returns to homelessness |
| | Leverage policy innovation workshops to explore alternative outreach programs/ outreach services expansion and implementation of recommendations |
| | Provide resources for home repair to prevent displacement of very low-income households. |

| | |
|--------|---|
| | Identify opportunities to align workforce development activities from the Strategic Roadmap with employment needs for individuals currently experiencing or at risk of experiencing homelessness. |
| Goal 3 | Continue existing eviction prevention programs. |
| | Provide non-emergency mediation services to resolve rent delinquency for eligible rental housing |
| | Continue streamlining development processes for building affordable housing units |
| | Identify zoning barriers to implementing innovative shelter and housing models , such as tiny homes, safe parking, safe camping, and multi-unit development in city planning codes and ordinances |
| | Continue public/private partnerships to create a "shovel ready" hotel conversion project to be ready for any State funding to support property acquisition and rehabilitation, and program operations for long-term permanent supportive housing |

New Priority Projects

In addition to the existing projects listed above, through the community planning process, several projects have been identified by community participants and the Steering Committee as high priority with the likelihood of having a significant impact on reducing or preventing homelessness in Hayward. Staff have categorized these projects into two groups, based on readiness for implementation (see Figure 1).

Figure 1. Categorizing Let’s House Hayward! Projects



Importantly, projects in both categories have been identified as high priority. Each project would be designed using a racial equity lens, with consideration of the significant racial disparities seen in homelessness and displacement throughout the region. Further, projects in both categories are innovative options for use of federal stimulus funds, though Tier 2 projects would need additional start-up time before implementation could begin.

The key distinction between the two categories of projects is their current readiness. **Tier 1 projects** are those that, were funds currently available, staff could act almost immediately to begin development and implementation. **Tier 2 projects** are those that require additional staff capacity (in the form of additional staff or part-time consultants), as well as additional funding. They also may require additional feasibility work to bring in appropriate partners and conduct outreach to educate the community in advance of implementation.

Tier 1 Projects

As listed in Table 2, Tier 1 projects are extensions of existing work. While each project would require additional funding, the internal City staffing infrastructure is in place to continue managing the projects beyond their current timelines. Two of the three projects address Goal 2 of the LHH plan by increasing temporary shelter in conjunction with services that will help with housing problem solving and linking individuals and families to permanent housing. The third project addresses Goal 3 by reducing the likelihood of displacement and homelessness through rent assistance for extremely low-income households. Importantly, the shallow subsidy program is distinct from the City’s emergency rent relief program that was enacted in response to COVID-19 and has now ended. Shallow subsidies provide a small stipend (e.g., \$400) each month to extremely low-income households to reduce their housing cost burden and prevent displacement.

Table 2. Tier 1 Projects

| Project | Annual Cost/Individuals served | Supporting Goal |
|--|--|-----------------|
| Extend the Hayward Navigation Annex beyond current six-month contract to increase temporary shelter capacity | \$2M annually/ 70 individuals given temporary shelter and services to connect to permanent housing | Goal 2 |
| Extend the Winter Warming Shelter to year-round operations to increase temporary shelter capacity | \$1M annually/ 100 individuals given temporary shelter | Goal 2 |
| Develop a shallow subsidy rental assistance pilot program for extremely low-income households to receive monthly subsidy to reduce housing cost burden | \$400,000 annually /55 households given monthly assistance | Goal 3 |

Tier 2 Projects

Tier 2 projects are all new programs and would require additional development work prior to implementation (see Table 3). In some instances, realistic cost estimates are still not available, as development work includes establishing collaboration with other jurisdictions, which would impact cost estimates. Tier 2 projects primarily address Goal 2 of the plan by increasing the availability of temporary shelter resources, with a focus on housing problem solving to connect individuals and families to permanent housing. Importantly, Steering Committee members and other stakeholders highlighted the importance of ensuring that all shelter programs include plans for linking individuals and families to long-term housing, beyond temporary shelter

solutions. Individuals served estimates are unknown at this time and would be determined through the additional planned feasibility work (e.g., identifying a site would impact the number of individuals who could be served in a safe parking or sanctioned encampment site).

Table 3. Tier 2 Projects

| Project | Annual Cost | Supporting Goal |
|--|--------------------|------------------------|
| Safe Parking site, with spots for RV parking, to create a space for individuals and families living in their cars to park with access to resources and services to support transition to permanent housing | \$500K annually | Goal 2 |
| Sanctioned encampment to create a space for individuals to camp safely and access resources and services to support transition to permanent housing | Cost TBD | Goal 2 |
| 24-hour drop-in center for individuals seeking resources or shelter | \$500K annually | Goal 2 |
| Student-specific housing collaboration with local colleges and/or expansion of existing transition age youth rent subsidy program to support vulnerable 18-25 year old youth | Cost TBD | Goal 2 |
| Tiny home village to provide temporary shelter for individuals experiencing homelessness | Cost TBD | Goals 2 and 3 |

ECONOMIC IMPACT

There is a positive economic impact from reducing homelessness and severe housing cost burden.

FISCAL IMPACT

A sustainable reduction in homelessness in Hayward requires an ongoing funding source. Currently, staff have identified several potential funding sources for supporting the Tier 1 and Tier 2 projects listed in this report:

- General Fund (reserves or if increased over projections)
- Federal stimulus funds, available in FYs 2022- 2025
- Increase to RRSO fee, requires Council action
- Parcel Group 6 sale proceeds, would require Council action under one-time funds policy
- Lobbying for local or state tax measure for homeless services, would require a 50%+1 affirmative vote

- Measure C revenue beginning in FY 2023, assuming funds are available
- Parcel Group 7 sales tax revenue, previously considered for other services
- Measure W (Alameda County) once current litigation resolved
- Allocation of funds resulting from Policy Innovation Workshops

Some of the ideas outlined above would provide one-time funds and would not be sustainable over time. This is an important consideration when determining which projects to pursue and how to fund them. Staff continue to seek external grant funding to offset expenditures for homeless services.

STRATEGIC ROADMAP

This agenda item supports the Strategic Priority of Preserve, Protect & Produce Housing. Specifically, this item relates to the implementation of the following projects:

- 2a. Create a Homelessness Reduction Strategic Plan modeled on an empowerment approach and best practices, as well as after Alameda County’s EveryOne Home Plan
- 2b. Implement the Homelessness Reduction Strategic Plan

PUBLIC CONTACT

As described in the “Engaging the Community in the Planning Process” section of this report, community outreach and engagement efforts directly informed the formation of the vision, goals, and priority projects reviewed in this report.

NEXT STEPS

Over the next two months, Homebase will continue developing the remainder of the Let’s House Hayward! Strategic Plan. This work will include several work sessions with Steering Committee members and other community partners to build out the resource and timeline details of the plan, with the goal of having a completed plan in May 2021. Staff will present the completed plan to the Homelessness-Housing Task Force in June, then return to full Council for final authorization.

The LHH planning process is also closely integrated with other important Citywide efforts, including the allocation of federal stimulus funds and pilot projects funds as part of the Policy Innovation Workshop process. Potential pilot solutions identified in the Policy Innovation Workshop related to homelessness will be presented at the Council Budget and Finance Committee meeting on Monday, April 26, 2021.

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Approved by:

A handwritten signature in black ink, appearing to read 'K. McAdoo', written in a cursive style.

Kelly McAdoo, City Manager