

August 9, 2018

## **MEETING NOTICE**

### **HOMELESS ENCAMPMENT AD HOC COMMITTEE**

Board Members of the Homeless Encampment Ad Hoc Committee:

Director Tony Estremera, Vice Chair  
Director Richard P. Santos, Chair  
Director John L. Varela

Staff Support of the Homeless Encampment Ad Hoc Committee:

Norma J. Camacho, Chief Executive Officer  
Melanie Richardson, Chief Operating Officer  
Stanly Yamamoto, District Counsel  
Anthony Fulcher, Senior Assistant District Counsel  
Rick Callender, Chief of External Affairs  
Sue Tippets, Deputy Operating Officer  
Sue Turner, Real Estate Services Manager  
Chad Grande, Field Operations Unit Manager  
James Choate, Senior Field Operations Administrator  
Meenakshi Ganjoo, Supervising Program Administrator  
Jessica Collins, Program Administrator

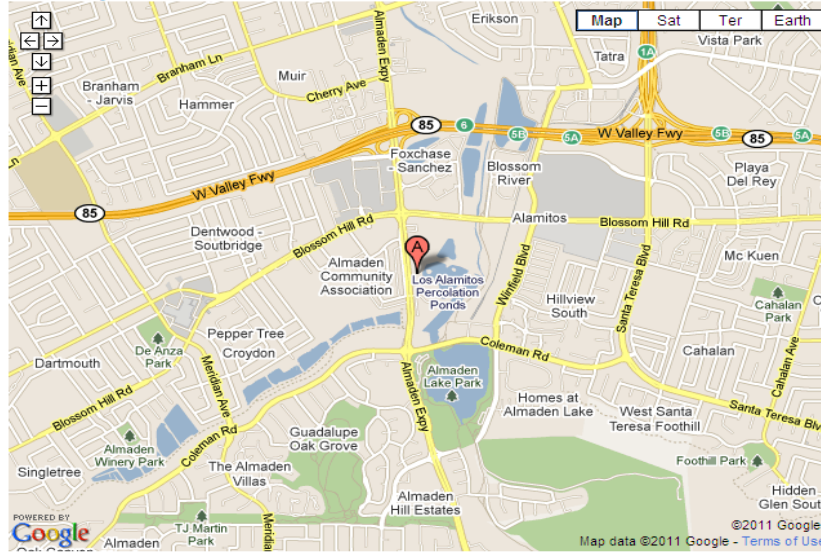
The meeting of the Homeless Encampment Ad Hoc Committee is to be held on **Monday, August 20, 2018, at 2:00 p.m.** in the Headquarters Building Boardroom located at the Santa Clara Valley Water District, 5700 Almaden Expressway, San Jose, California.

Enclosed are the meeting agenda and corresponding materials. Please bring this packet with you to the meeting.

Enclosures



**Santa Clara Valley Water District - Headquarters Building,  
5700 Almaden Expressway, San Jose, CA 95118**



**From Oakland:**

- Take 880 South to 85 South
- Take 85 South to Almaden Expressway exit
- Turn left on Almaden Plaza Way
- Turn right (south) on Almaden Expressway
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

**From Morgan Hill/Gilroy:**

- Take 101 North to 85 North
- Take 85 North to Almaden Expressway exit
- Turn left on Almaden Expressway
- Cross Blossom Hill Road
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

**From Sunnyvale:**

- Take Highway 87 South to 85 North
- Take Highway 85 North to Almaden Expressway exit
- Turn left on Almaden Expressway
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

**From San Francisco:**

- Take 280 South to Highway 85 South
- Take Highway 85 South to Almaden Expressway exit
- Turn left on Almaden Plaza Way
- Turn right (south) on Almaden Expressway
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

**From Downtown San Jose:**

- Take Highway 87 - Guadalupe Expressway South
- Exit on Santa Teresa Blvd.
- Turn right on Blossom Hill Road
- Turn left at Almaden Expressway
- At Via Monte (first traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

**From Walnut Creek, Concord and East Bay areas:**

- Take 680 South to 280 North
- Exit Highway 87-Guadalupe Expressway South
- Exit on Santa Teresa Blvd.
- Turn right on Blossom Hill Road
- Turn left at Almaden Expressway
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance



# Santa Clara Valley Water District Homeless Encampment Ad Hoc Committee Meeting

HQ Boardroom  
5700 Almaden Expressway  
San Jose CA 95118

## AGENDA

Monday, August 20, 2018  
2:00 PM

**District Mission: Provide Silicon Valley safe, clean water for a healthy life, environment and economy.**

HOMELESS ENCAMPMENT AD HOC  
COMMITTEE

Richard P. Santos - District 3,  
Committee Chair  
Tony Estremera - District 6,  
Committee Vice Chair  
John L. Varela - District 1

All public records relating to an item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the Clerk of the Board at the Santa Clara Valley Water District Headquarters Building, 5700 Almaden Expressway, San Jose, CA 95118, at the same time that the public records are distributed or made available to the legislative body. Santa Clara Valley Water District will make reasonable efforts to accommodate persons with disabilities wishing to attend Board of Directors' meeting. Please advise the Clerk of the Board Office of any special needs by calling (408) 265-2600.

**Note: The finalized Board Agenda, exception items and supplemental items will be posted prior to the meeting in accordance with the Brown Act.**

# Santa Clara Valley Water District Homeless Encampment Ad Hoc Committee

## AGENDA

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Monday, August 20, 2018

2:00 PM

HQ Boardroom

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**1. CALL TO ORDER:**

1.1. Roll Call.

2. Time Open for Public Comment on any Item not on the Agenda.

*Notice to the public: This item is reserved for persons desiring to address the Committee on any matter not on this agenda. Members of the public who wish to address the Committee on any item not listed on the agenda should complete a Speaker Form and present it to the Committee Clerk. The Committee Chair will call individuals in turn. Speakers comments should be limited to two minutes or as set by the Chair. The law does not permit Committee action on, or extended discussion of, any item not on the agenda except under special circumstances. If Committee action is requested, the matter may be placed on a future agenda. All comments that require a response will be referred to staff for a reply in writing. The Committee may take action on any item of business appearing on the posted agenda.*

**3. APPROVAL OF MINUTES:**

3.1. Approval of Minutes.

[18-0600](#)

Recommendation: Approve the March 15, 2018, Meeting Minutes.

Manager: Michele King, 408-630-2711

Attachments: [031518 Homeless Encampment Ad Hoc DRAFT Mins](#)

**4. ACTION ITEMS:**

4.1. Homeless Encampment Cleanup Partnerships.

[18-0601](#)

Recommendation: That the Ad Hoc Committee receive information and if required provide staff direction on the following:

1. District's Homeless Encampment Cleanup Partnerships
2. District Pilot Project to Provide Dumpsters Near Homeless Encampments
3. New Pollution Prevention Partnership Agreement with City of San José to Support Downtown Streets Team

Manager: Melanie Richardson, 408-630-2035

4.2. Provide Feedback and Recommendations regarding the Operational Approach for the Safe, Clean Water and Natural Flood Protection Program (Safe, Clean Water) Project B4 Good Neighbor Program: Encampment Cleanup for Fiscal Years 2019 - 2028 (FYs 19-28).

[18-0602](#)

- Recommendation:
- A. Select one of the following operational approaches for the Encampment Cleanup Project for FYs 19-28 for recommendation to the Board, or provide other feedback as the Homeless Encampment Ad Hoc Committee deems appropriate for Board consideration:
    1. Limit the number of cleanups each year to the Key Performance Indicator (KPI) target of 52, which may be funded through Safe, Clean Water Fund (Fund 26) reserves;
    2. Limit the number of cleanups each fiscal year based upon the funding available, which may include 52 cleanups funded through Fund 26 reserves and funding from the Board's prior commitment to utilize 90 percent of the net rental income from properties purchased through Watersheds Fund 12 (Fund 12 rental properties);  
or
    3. Supplement FY 19 budget to increase funds to cover the anticipated community demand and moving forward, budget for anticipated community demand through Fund 12 for FYs 20-28, which may include 52 cleanups funded through Fund 26 reserves.

Manager: Ngoc Nguyen, 408-630-2632

Attachments: [Attachment 1: PowerPoint](#)

5. Clerk Review and Clarification of Committee Requests.

*This is an opportunity for the Clerk to review and obtain clarification on any formally moved, seconded, and approved requests and recommendations made by the Committee during the meeting.*

**6. ADJOURN:**

6.1. Adjourn

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**File No.:** 18-0600

**Agenda Date:** 8/20/2018

**Item No.:** 3.1.

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## COMMITTEE AGENDA MEMORANDUM

### Homeless Encampment Ad Hoc Committee

**SUBJECT:**

Approval of Minutes.

**RECOMMENDATION:**

Approve the March 15, 2018, Meeting Minutes.

**SUMMARY:**

A summary of Committee discussions, and details of all actions taken by the Committee, during all open and public Committee meetings, is transcribed and submitted for review and approval.

Upon Committee approval, minutes transcripts are finalized and entered into the District's historical records archives and serve as historical records of the Committee's meetings

**ATTACHMENTS:**

Attachment 1: 031518 Homeless Encampment Ad Hoc Comm Draft Minutes

**UNCLASSIFIED MANAGER:**

Michele King, 408-630-2711

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HOMELESS ENCAMPMENT AD HOC COMMITTEE MEETING

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# DRAFT MINUTES

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**MONDAY, MARCH 15, 2018  
2:00 PM**

(Paragraph numbers coincide with agenda item numbers)

A meeting of the Homeless Encampment Ad Hoc Committee (Committee) was held on March 15, 2018, in the Headquarters Building Boardroom at the Santa Clara Valley Water District (SCVWD), 5700 Almaden Expressway, San Jose, California.

**1. CALL TO ORDER/ROLL CALL**

A meeting of the Santa Clara Valley Water District Homeless Encampment Ad Hoc Committee was called to order at 2:02 p.m. on March 15, 2018, at the District Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California.

Board Members in attendance were: Director Tony Estremera-District 6, Director Richard P. Santos-District 3, and Director John L. Varela-District 1.

Staff members in attendance were: Glenna Brambill, Rick Callender, Usha Chatwani, James Choate, Mike Cresap, Ray Fields, Meenakshi Ganjoo, Chad Grande, Jay Lee, Tracy Peña, Melanie Richardson, Kirsten Struve, Sue Tippets, Sherilyn Tran and Sue Turner

**2. TIME OPEN FOR PUBLIC COMMENT ON ANY ITEM NOT ON AGENDA**

There was no one who wished to speak.

**3. APPROVAL OF MINUTES**

It was moved by Director Tony Estremera seconded by Director John L. Varela, and unanimously carried, to approve the minutes of the September 6, 2017, Homeless Encampment Ad Hoc Committee meeting, as presented.

4. **ACTION/DISCUSSION ITEMS**

**4.1 UTILIZATION OF DISTRICT PROPERTIES AND LANDS**

**1. UTILIZING DISTRICT-OWNED RESIDENTIAL PROPERTIES**

Ms. Meenakshi Ganjoo, reviewed the materials as outlined in the agenda item. The property locations should be feasible so people are not returning to the creeks. Legal will need to change the resolution to make this happen.

No action taken.

**2. DISTRICT EFFORT TO PARTNER WITH THE CITY OF SAN JOSÉ ON BRIDGE HOUSING COMMUNITIES (TINY HOME COMMUNITIES)**

Ms. Meenakshi Ganjoo, reviewed the materials as outlined in the agenda item.

Director Richard P. Santos advised that the District is not qualified to set up tiny homes.

Director John L. Varela attended a Chamber meeting in South County and there were some concerns about repeat offenders committing crimes and not being processed because of overcrowded conditions.

Ms. Michelle Covert of Santa Clara County Office of Support Housing reported that the space regulations were changed last year to October 15<sup>th</sup> through April 15<sup>th</sup>, as opposed to Thanksgiving to March 31<sup>st</sup>. The spaces are limited and on a referral basis because of the high crime concerns.

No action taken.

**3. DOWNTOWN STREETS TEAMS UPDATE**

Ms. Meenakshi Ganjoo introduced Mr. Cliff Navales, Lead Project Manager of Downtown Streets Team to present the update. Mr. Navales spoke about the various teams, volunteerism, achievements, employment, housing and best practices Ms. Sherry Flores gave her personal success and achievement of being in the program.

There is a community meeting held on Wednesdays at 12:30 p.m., at Grace Baptist Church on 10<sup>th</sup> Street.

Ms. Maureen Damrel, recently promoted gave an update on the partnerships within the Northern California areas. Teams are paid by gift cards to assist them with their living expenses.

Mr. Robert Aguirre, of the public spoke regarding the stipend program and perhaps having different types of gift cards to help with other than groceries, suggested Walmart to buy clothing, shoes, etc. Also, having the stipend increased to minimum wage.

Director Santos mentioned about the \$350,000 funding the District provides goes toward clean up, debris removal and the Committee would like to see this funding continued.

Ms. Sue Tippets, Mr. Chad Grande and Ms. Melanie Richardson were available to answer questions.

Director John L. Varela noted this is a short-term solution are there any long-term assessments done? Ms. Damrel was available to answer.

Ms. Abiola Awolowo, San Jose State University student spoke regarding the program and perhaps having more volunteers would help.

No action taken.

**5. DISCUSS NEXT STEPS**

Committee discussed increasing funding but they need more data to see what funding source is available if any. Staff research dumpsters and/or porta-potties on an experimental basis; check on the cost, where they can be placed and problems with having these on the sites in question.

**6. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS AND RECOMMENDATIONS**

There was no formal Committee action, however a few items for staff to research and bring back to meeting suggested for August 2018.

- Additional funding for Downtown Streets Team (looking at homeless budget)
- Have staff investigate having dumpsters and/or porta-potties in the homeless areas along with the problems that may arise or the history

**7. ADJOURNMENT**

Chair Director Richard P. Santos adjourned the meeting at 3:21 p.m.

Glenna Brambill  
Board Committee Liaison  
Office of the Clerk of the Board

Approved:



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**File No.:** 18-0601

**Agenda Date:** 8/20/2018

**Item No.:** 4.1.

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## COMMITTEE AGENDA MEMORANDUM

### Homeless Encampment Ad Hoc Committee

**SUBJECT:**

Homeless Encampment Cleanup Partnerships.

**RECOMMENDATION:**

That the Ad Hoc Committee receive information and if required provide staff direction on the following:

1. District's Homeless Encampment Cleanup Partnerships
2. District Pilot Project to Provide Dumpsters Near Homeless Encampments
3. New Pollution Prevention Partnership Agreement with City of San José to Support Downtown Streets Team

**SUMMARY:**

As the agency responsible for managing an integrated water resources system in Santa Clara County, the District invests valuable public resources to address the impacts of homeless encampments along local waterways. Impacts on the waterways include:

- Increased trash and debris
- Degraded water quality
- Damage to creek banks and reduced flow conveyance
- Degradation of the health of watersheds

The Board's Homeless Encampment Ad Hoc Committee (Ad Hoc Committee) deliberates on homelessness and encampment issues and brings discussion and recommendations to the Board.

#### 1. District's Homeless Encampment Cleanup Partnerships

Homelessness is on the rise, especially in California. The state experienced the largest increase in homeless population in the country between 2016 and 2017. Like many counties throughout the state, Santa Clara County is grappling with how to deal with these homeless encampments. A recent survey in Santa Clara County counted over 7,000 individuals as homeless in 2017, with 74% unsheltered. Many of the homeless in the county end up living in riparian areas along urban creeks and streams, thus contributing to water pollution and degradation of water quality. As a public agency providing water supply, flood protection and stream stewardship, the District is actively involved in reducing the number of homeless encampments in waterways and the pollution associated with

them.

### Encampment Cleanups

As defined in the Safe, Clean Water and Natural Flood Protection Program (Safe, Clean Water Program), an encampment consists of one or more structures occupied by an individual or family that is located on District or other public property. An area where there are no structures, but where personal property is stored is also considered an encampment. A cleanup consists of the removal of trash and debris resulting from encampments by the District or by the District in coordination with other agencies.

The District conducts creekside homeless encampment cleanups in coordination with cities and other agencies to reduce the amount of trash and pollutants entering local waterways, where it can harm water quality and wildlife as well as increase flood risk.

- Encampment cleanups in Fiscal Year (FY) 2018: 571
- District funds spent: \$1,435,298\*
- Trash removed: 1,194 tons\*
- Annual encampment cleanup target: 52
- Average number of cleanups annually during the last five years: 400\*

Since the District has neither police powers nor the supportive housing and social services, it partners with local cities, agencies and nonprofits to cleanup encampments along creeks. Through this cooperative effort, local agencies provide police and security support, and social services, while nonprofits also help provide assistance.

For example, under this partnership model, the City of San José provides 72-hour notice to encampment residents by posting notices at encampments, security during cleanup, sorting, bagging and storage of personal belongings as required by the State for at least 90 days following the cleanup, outreach and support services, landfill disposal costs and disposal of any hazardous wastes. The City's Department of Housing arranges for social service providers to offer shelter beds and other services to individuals found occupying the encampments, in hopes that they can use these services to help them permanently vacate the encampments. The District provides the cleanup crews and any protective equipment, transportation of the trash to the landfill, any other equipment needed at the site, and permit coverage. The District follows the same model with all partner cities, but most of the encampment cleanups by the District are carried out in San José and Gilroy. The District has an existing Memorandum of Agreement with the City of San José for encampment cleanup, trash removal and prevention, and will be developing a similar one with the City of Gilroy.

### Patrol and Enforcement

The District has agreements in place to fund patrol and enforcement services provided by the City of San José Park Rangers and California Department of Fish and Wildlife officers to prevent re-establishment of homeless encampments along the Coyote Creek and Guadalupe River. The effort has been funded at \$245,000 per year by the Impaired Water Bodies Improvement project under the Safe, Clean Water Program priority to Reduce Toxins, Hazards and Contaminants in Our Waterways. The partnership had been effective in the early years of FY 2014-2016, but since then, staff shortages at the California Department of Fish and Wildlife and the San José Park Rangers Program

have resulted in reduced efforts.

### Grants and Partnerships

The District currently has a partnership with the City of San José to support the San José Watershed Community Stewardship and Engagement Project. Funding for the project provides support for Downtown Streets Team (DST) to engage homeless individuals through outreach and education on the importance of clean waterways and participation in creek cleanups. The agreement was originally for \$196,250 and was later amended to add an additional \$350,000 to continue supporting DST's efforts. Funded by the Pollution Prevention Partnerships project of the Safe, Clean Water program, the one-time agreement ends in FY 2018. Under the Safe, Clean Water program, up to \$200,000 per year goes toward partnerships with municipalities for specific programs to reduce contaminants in surface or groundwater and reduce emerging contaminants.

The District recently awarded several Safe, Clean Water grants specifically related to engaging homeless individuals in cleanup and outreach efforts. Under the Support Volunteer Cleanup Efforts and Education (B7) program, the Water District awarded a \$15,000 grant to Gilroy Compassion Center to engage homeless individuals living along South County creeks to help keep the creeks free of toxic materials, garbage and other waste. Additionally, the District awarded two separate grants to Downtown Streets Team under the Pollution Prevention (B3) program to support their cleanup projects in San José (Penitencia Creeks Team) and Sunnyvale (El Camino Clean Up). Each grant award is for \$122,280. The District is currently working to execute the final agreements for each of the three grant-funded projects.

Additionally, the District is the co-chair of the Santa Clara Valley Zero Litter Initiative (ZLI), a consortium of public agencies and other stakeholders in Santa Clara County interested in eliminating litter and its impacts. ZLI is helping to coordinate a meeting in August 2018 for agencies that are addressing encampment cleanups in the county. The objective of the meeting is to provide a forum for discussing coordination among staff within these agencies and receive information on the activities conducted relating to homelessness and encampments. Planned presenters include the City of San José, County of Santa Clara, Valley Transportation Authority (VTA), Caltrans, Union Pacific Railroad and the District.

### Challenges

Homelessness is a growing problem and cleanup efforts are continuous and must be repeated constantly. It is challenging to prevent new encampments or re-encampments when homelessness is on the rise.

Furthermore, there has been a decline in shared duties. For example, over the last six months, the City of San José has not been able to provide police security at the cleanup events. This is happening at a time when there has been growing safety concern for field staff conducting encampment cleanups due to multiple incidents. As a result, the District has been funding police presence at cleanups.

### Opportunities

Meanwhile, some new opportunities for partnerships and collaboration have also emerged following

new initiatives by the District, Santa Clara County and the City of San José and these are:

**A. Stream Maintenance Program Mitigation:** As part of vigorous negotiations with regulators on the implementation of the Stream Maintenance Program 2 (SMP2), the District has proposed to the Regional Water Quality Control Board (RWQCB) that the District receive mitigation credit for carrying out homeless encampment cleanups along the local waterways.

To ensure flood protection projects continue to function as designed to protect homes and businesses along District streams, the District removes sediment, manages vegetation, clears trash and debris and stabilizes eroded stream banks. The District conducts these maintenance activities using best management practices to minimize undesired effects on the environment. The District is also required to mitigate or offset any potential environmental impacts by undertaking a variety of actions that include invasive plant management, riparian planting, installation of instream habitat features (such as Large Woody Debris), land acquisition and other measures.

In July, the District presented an initial proposal to the RWQCB that would allow the District to offset temporary impacts of stream maintenance on vegetation and wetlands by carrying out encampment cleanups.

The proposal provides the District another mitigation option that can be used to compensate for authorized impacts to aquatic resources. Under this proposal, the District would spend money doing encampment cleanups and providing resources, such as the ranger patrols, instead of doing more traditional mitigation such as revegetation or invasive plant management. The District currently spends about \$100,000-150,000 per acre each year on mitigation-related revegetation and the invasive plant management program, and this proposal is to allow the District to instead get credit for spending an equivalent amount of money on cleanups.

The RWQCB is supportive of the District doing the cleanups and has committed to working with District staff to refine the approach and assist the District in getting support from other regulatory agencies as the District moves through the SMP2 permit renewal process this fall. This approach would be most attractive to the state agencies and the EPA, while the US Army Corps of Engineers and other federal resource agencies would present a challenge.

RWQCB staff has offered some suggestions on how to modify the proposal and District staff will work on fleshing out the program in greater detail. The District plans to present the revised proposal to the RWQCB September-October 2018, as part of the annual permit application.

**B. DA Task Force and Park Ranger Task Force Updates:** Recently, District staff began participating in two new efforts that have been initiated to address encampments. These are:

- The District Attorney's Office of Environmental Crimes Unit is coordinating meetings to begin discussion of the creation of a Watershed Protection Partnership. The Watershed Protection Partnership would address pollution and streambed alteration violations to local waterways, caused primarily by the existence of encampments.



- The City of San José has begun a Park Ranger Working Group to identify and develop recommendations for the Park Ranger Program, which includes the watershed team which was assigned to patrol creeks.

**2. District Pilot Project to Provide Dumpsters Near Homeless Encampments**

In late June 2018, the District began a pilot project to provide dumpsters near homeless encampments so that homeless campers can keep their sites clean. Under the pilot project, the District has placed dumpsters at three sites near areas of frequent encampments. Two of the sites are in San José, one each on Guadalupe River and Coyote Creek, and the third site is on Llagas Creek in Gilroy. The dumpsters are available 24 hours a day and these sites are monitored weekly, at a minimum. Staff will provide a more detailed report on the progress of the pilot project at the August 20, 2018, Ad Hoc Committee meeting.

**3. New Pollution Prevention Partnership Agreement with the City of San José to Support Downtown Streets Team**

The District is currently working with the City of San José's Housing Department to enter into a partnership to support their Encampment Abatement Program. The program provides resources to Downtown Streets Team to engage homeless individuals to assist with creek cleanups and conduct outreach in the creeks to inform them of the importance of keeping the creeks and other waterways clean. The District is contributing \$195,000 to the partnership. The total budget for the project is \$495,000. The partnership is for one year, beginning in FY 2019.

**ATTACHMENTS:**

None.

**UNCLASSIFIED MANAGER:**

Melanie Richardson, 408-630-2035



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**File No.:** 18-0602

**Agenda Date:** 8/20/2018

**Item No.:** 4.2.

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## COMMITTEE AGENDA MEMORANDUM

### Homeless Encampment Ad Hoc Committee

**SUBJECT:**

Provide Feedback and Recommendations regarding the Operational Approach for the Safe, Clean Water and Natural Flood Protection Program (Safe, Clean Water) Project B4 Good Neighbor Program: Encampment Cleanup for Fiscal Years 2019 - 2028 (FYs 19-28).

**RECOMMENDATION:**

- A. Select one of the following operational approaches for the Encampment Cleanup Project for FYs 19-28 for recommendation to the Board, or provide other feedback as the Homeless Encampment Ad Hoc Committee deems appropriate for Board consideration:
1. Limit the number of cleanups each year to the Key Performance Indicator (KPI) target of 52, which may be funded through Safe, Clean Water Fund (Fund 26) reserves;
  2. Limit the number of cleanups each fiscal year based upon the funding available, which may include 52 cleanups funded through Fund 26 reserves and funding from the Board's prior commitment to utilize 90 percent of the net rental income from properties purchased through Watersheds Fund 12 (Fund 12 rental properties); or
  3. Supplement FY 19 budget to increase funds to cover the anticipated community demand and moving forward, budget for anticipated community demand through Fund 12 for FYs 20-28, which may include 52 cleanups funded through Fund 26 reserves.

**SUMMARY:**

***Encampment Cleanup Project Background***

The Safe, Clean Water Program's Project B4 Good Neighbor Program: Encampment Cleanup (Encampment Cleanup Project) supports the District's ongoing coordination with local cities and agencies to clean up large creekside encampments that contaminate waterways and damage District facilities. This cooperative effort includes local police departments, social services, and nonprofit advocacy groups that help provide alternatives to homelessness. The project benefits include reducing trash and other pollutant loads in surface water, including streams, reservoirs and wetlands; improving the aesthetics of creeks in neighborhoods and parks; and coordinating efforts among multiple agencies to create lasting solutions. The KPI for the project is to perform 52 annual cleanups for the duration of the Safe, Clean Water Program. As defined in the Safe, Clean Water Program, an encampment consists of one or more structures occupied by an individual or family that is located on District or other public property. An area where there are no structures, but where personal property is stored is also considered an encampment. A cleanup consists of the removal of trash and debris

resulting from encampments by the District or by the District in coordination with other agencies.

In response to growing community demand for encampment cleanups, the District has far exceeded the annual KPI by performing an average of 400 encampment cleanups a year during the last five years. As a result, in first five years of the program the project has exhausted the funds that were planned to be expended over a 15-year period.

### ***Encampment Cleanup Project Current Financial Status***

On April 11, 2017, the Board approved utilizing up to 90 percent of each Fiscal Year's (FY's) net rental income from Fund 12 rental properties to fund the Encampment Cleanup Project for FY 20 through FY 28. In FY 18, 90 percent of the net rental income from Fund 12 rental properties equates to approximately \$750,000; however, each FY the funds available through the net rental income from Fund 12 rental properties may vary depending on whether there are rent increases, tenant defaults in rent payments, or increased costs of maintaining and managing the properties. The available net rental income will also depend upon the district's flood improvement project schedule for demolishing residences along the Upper Guadalupe River, as that rental income will discontinue once residences are removed.

At the time the Board made the decision to utilize up to 90 percent of each FY's net rental income from Fund 12 rental properties, it was anticipated that the Encampment Cleanup Project would have sufficient funding to meet its KPI in FY 19 through revenue generated by the Safe, Clean Water Program without this rental income. Due to significant increased community demand for cleanups, resulting in higher expenditures than anticipated, those funds are no longer available for FY 19.

As of the May 23, 2018 board meeting, the Encampment Cleanup Project was over-spent at 96 percent of its total Safe, Clean Water 15-year allocation and was projected to be more than 100 percent spent before the end of FY18, with 10 years remaining in the Program.

Based upon this information, at the May 23, 2018 special board meeting, the Board directed staff to supplement the FY 18 Project budget with Safe, Clean Water Program Fund 26 Reserves resulting from the Project A2: Safe, Clean Water Partnerships and Grants (Nitrate Treatment System Rebate Program) modification. The Board also approved utilizing 90 percent of the FY 18 net rental income from properties purchased through Watersheds Fund 12 (Fund 12 rental properties) to fund the Project in FY 19.

The Board then directed staff to present the operational approaches for the Encampment Cleanup Project for FYs 20-28 to the Homeless Encampment Ad Hoc Committee to receive their feedback and recommendations.

In the last month of FY 18, the Encampment Cleanup Project utilized nearly 100 percent of the funds transferred from the Fund 26 Reserves, leaving less than \$30,000 to supplement the approximately \$750,000 scheduled for transfer from the Fund 12 rental properties to fund the Project in FY 19. The Project's current budget for FY 19 is approximately \$927,000.

Should the Homeless Encampment Ad Hoc Committee recommend Operational Approach #2, the Project's FY 19 budget would need to be adjusted downward from approximately \$927,000 to approximately \$780,000 to reflect the available funding from Fund 12 rental properties. This may be supplemented with an additional \$175,000 from Fund 26 reserves to fund 52 cleanups.

If the Committee recommends Operational Approach #3, the Project's FY 19 budget would need to be supplemented with approximately \$720,000 in additional funding from Fund 12 reserves, or alternatively \$545,000 from Fund 12 reserves and \$175,000 from Fund 26 reserves to fund the 52 cleanups.

Based upon this new financial information, staff is requesting that in addition to providing feedback and making recommendations regarding the proposed operational approaches for FYs 20-28, the Homeless Encampment Ad Hoc Committee also review and provide feedback regarding the operational approach for FY 19.

### ***Encampment Cleanup Project Anticipated Expenditures Required to Meet Community Demand***

Based upon the increasing number of encampments along our waterways, District staff does not anticipate that up to 90 percent of the net rental income estimated to be generated from Fund 12 rental properties each year between FYs 19-27 will be sufficient to address the water quality impacts from encampments or meet the community's demands for encampment cleanups. Spending trends indicate that to meet the community demand, the Encampment Cleanup Project could expend up to \$1.5 million, with incremental inflation cost increases, each fiscal year.

Below is the analysis for each of the operational approaches under consideration. For an overview of the pros and cons of each operational approach, please see Attachment 1.

### ***Operational Options to Meet Encampment Cleanup Project Expenses***

#### **1. Limit the number of cleanups each year to the KPI target of 52**

While this approach will allow the District to meet the Safe, Clean Water Program's commitment to the voters, the benefits of the project will be limited due to the high re-encampment rate along our waterways. During the past five FYs, the project has performed an average of 400 encampment cleanups annually (a cleanup consists of the removal of trash and debris resulting from encampments by the District or by the District in coordination with other agencies). Performing only 52 encampment cleanups a year will leave trash and other pollutant loads that result from the encampments to contaminate our waterways and damage District facilities; while impacting the aesthetics of creeks in neighborhoods and parks. Additionally, this approach would not leave sufficient funds or staff resources to support partnership opportunities with other agencies.

Based upon the average expenditures and average number of cleanups performed, the District estimates that performing 52 encampment cleanups to meet the project's KPI would cost

approximately \$175,000, plus incremental inflation cost increases, per year through FY 28. These costs could be fully funded through allocating approximately 23-26 percent of the net rental income from Fund 12 rental properties or alternatively, through utilizing Fund 26 reserves.

This approach has the least impact to Fund 12 because depending on the funding source the Board approves, it utilizes between zero to approximately 23 to 26 percent of the net rental income from rental properties that could otherwise be used for watershed activities. The impact to Fund 26 reserves is approximately \$175,000 each FY.

**2. Limit the number of cleanups each year based upon the funding available each fiscal year**

In FY 18, 90 percent of the Fund 12 net rental income totaled approximately \$750,000, which includes funding from properties that were purchased for projects and are slated for demolition in the coming FYs. The funding from properties purchased in-lieu of a project are not slated for demolition and bring in approximately \$650,000 in net rental income each year.

If Fund 12 net rental income is the sole funding source for the project, the District estimates that the project could perform between 200 - 230 cleanups each year.

If the approximately \$175,000 from Fund 26 reserves is utilized to meet the KPI by funding 52 cleanups and that amount is added to 90 percent of the Fund 12 net rental income, the District estimates that the project could perform between approximately 250 - 280 cleanups each year.

While either of these funding scenarios results in significantly greater encampment cleanups than the KPI requirement of 52, it still falls short of the average of 400 annual encampment cleanups. Further, the demand for cleanups has been increasing and the net rental income will decrease as rental properties purchased as part of Upper Guadalupe Flood Protection Project are demolished. This will further reduce the number of cleanups the District can perform each FY, which will leave a larger gap between our level of service and community demand and result in an increase in trash and other pollutant loads contaminating our waterways and damaging District facilities. This level of funding could be sufficient to support limited staff participation in partnership opportunities with other agencies.

Should the Homeless Encampment Ad Hoc Committee recommend Operational Approach #2, the Project's FY 19 budget would need to be adjusted downward from approximately \$927,000 to approximately \$780,000 to reflect the available funding from Fund 12 rental properties. This may be supplemented with an additional \$175,000 from Fund 26 reserves to fund 52 cleanups.

**3. Aim to meet the community demand for cleanups in FY19 and budget for anticipated community demand through Fund 12 for FYs 20-28**

The cost to meet the demand for encampment cleanups is anticipated to go as high as \$1.5 million. To meet the anticipated demand, the Project's FY 19 budget would need to be supplemented with approximately \$720,000 in additional funding from Fund 12 reserves, or alternatively \$545,000 from

Fund 12 reserves and \$175,000 from Fund 26 reserves to fund the 52 cleanups. In FYs 20-28, the expenditures would be budgeted through Fund 12 according to the anticipated demand for encampment cleanups, which may include 52 cleanups funded through Fund 26 reserves. To offset the impact to Fund 12 and Fund 26, the District will seek additional partnership opportunities and mitigation credit for encampment cleanups.

This option will best enable us to meet the community demand in FYs 19-28 and maintaining the level of service aims to deter re-encampments and reduce the impact of encampments on our waterways by limiting trash and other pollutant loads contaminating our waterways and damaging District facilities, along with improving the aesthetics of creeks in neighborhoods and parks. This option does, however, utilize Fund 12 reserves that could otherwise be used for watershed activities. Additionally, demand for cleanups continues to increase and offsetting costs through partnerships and mitigation credit is not guaranteed.

In consideration of the funding limitations relating to ongoing efforts to perform Project B4 Good Neighbor Program: Encampment Cleanup, staff is requesting the Encampment Ad Hoc Committee's direction on the Project's operational approach for FYs 19-28.

**ATTACHMENTS:**

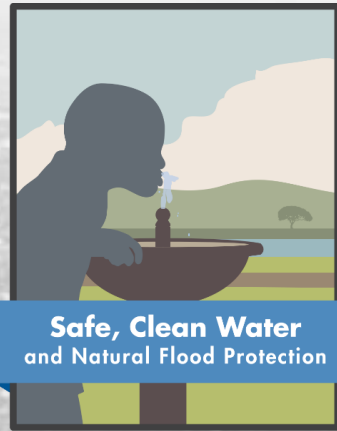
Attachment 1: PowerPoint

**UNCLASSIFIED MANAGER:**

Ngoc Nguyen, 408-630-2632







**Safe, Clean Water  
and Natural Flood Protection**

# **Safe, Clean Water and Natural Flood Protection Program**

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Project B4: Encampment Cleanup  
Operational Approach Alternatives

**August 20, 2018**

Santa Clara Valley  
Water District



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# Operational Approach Alternatives

## **Recommendation:**

- A. Select one of the following operational approaches for the Encampment Cleanup Project for FYs 19-28 for recommendation to the Board, or provide such other feedback as the Homeless Encampment Ad Hoc Committee deems appropriate for Board consideration:
1. Limit the number of cleanups each year to the Key Performance Indicator (KPI) target of 52, which may be funded through Safe, Clean Water Fund (Fund 26) reserves;
  2. Limit the number of cleanups each fiscal year based upon the funding available, which may include 52 cleanups funded through Fund 26 reserves and funding from the Board's prior commitment to utilize 90 percent of the net rental income from properties purchased through Watersheds Fund 12 (Fund 12 rental properties); or
  3. Supplement FY 19 budget to increase funds to cover the anticipated community demand and moving forward, budget for anticipated community demand through Fund 12 for FYs 20-28, which may include 52 cleanups funded through Fund 26 reserves.

# Operational Approach Alternative A.1.

Limit the number of cleanups each year to the KPI target of 52, which may be funded through Fund 26 reserves:

Pros	Cons
Meets KPI of 52 cleanups	Does not meet community demand (average is 400 cleanups)
Sufficient funds exist in Fund 26 reserves, or alternatively through the net income from Fund 12 rental properties for FYs 19-28	Limited water quality benefits and potential damage to facilities
This approach has the least impact to Fund 12 because depending on the funding source the Board approves, it utilizes between zero to approximately 23 -26 percent of the net rental income from rental properties that could otherwise be used for watershed activities.	High re-encampment rate resulting in trash and pollutants in water
	Impact to aesthetics of creeks in neighborhoods and parks
	Insufficient funding for partnership opportunities with other agencies

# Operational Approach Alternative A.2.

Limit the number of cleanups each fiscal year based upon the funding available, which may include 52 cleanups funded through Fund 26 reserves and funding from the Board's prior commitment to utilize 90 percent of the net rental income from properties purchased through Fund 12 rental properties.

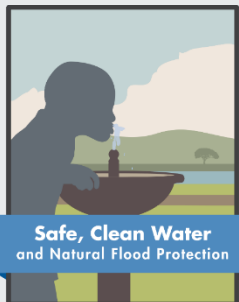
Pros	Cons
Exceeds KPI by providing between approximately 200 - 280 cleanups	Does not meet community demand (average is 400 cleanups)
FY 19 budget would be adjusted downward to approximately \$780,000 to reflect the available funding from Fund 12 rental properties and may be supplemented with \$175,000 in Fund 26 reserves to fund 52 cleanups. For FYs 20-28, sufficient funds exist either through: utilizing Fund 26 reserves to fund 52 cleanups, with the remainder of the cleanups to be funded through the net income from Fund 12 rental properties; or solely utilizing the net income from Fund 12 rental properties.	Each FY the funds available through the net rental income from Fund 12 may vary depending on rent, maintenance cost, and the demolition schedule of residences along the Upper Guadalupe River. Additionally, this approach utilizes net income from Fund 12 rental properties that could otherwise be used for watershed activities
	Limited water quality benefits and potential damage to facilities
	High re-encampment rate resulting in trash and pollutants in water
	Impact to aesthetics of creeks in neighborhoods and parks
	Limits partnership opportunities with other agencies

# Operational Approach Alternative A.3.

Supplement FY 19 budget to increase funds to cover the anticipated community demand and moving forward, budget for anticipated community demand through Fund 12 for FYs 20-28, which may include 52 cleanups funded through Fund 26 reserves.

Pros	Cons
Exceeds KPI by attempting to meet community demand (average is 400 cleanups)	Demand for cleanups continues to increase
Based upon projected surplus reserves for Fund 12, there is sufficient Fund 12 reserves to fund the project through FY 28; and sufficient funds exist in Fund 26 reserves to fund 52 cleanups each FY	Without factoring in inflation, FY costs are anticipated to go as high as \$1.5 million (offset of costs through partnerships and mitigation credit not guaranteed)
Maintaining level of service aims to deter re-encampments and reduce trash and pollutants in the water	This approach utilizes surplus reserves from Fund 12 that could otherwise be used for watershed activities
Improves aesthetics of creeks in neighborhoods and parks	
Maintains existing and seeks additional partnership opportunities with other agencies	

# Questions?



Safe, Clean Water  
and Natural Flood Protection

