



REPORT TO COUNCIL

City of Sacramento

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Staff Report
March 24, 2009

Honorable Mayor and Members of the City Council
Honorable Chair and Members of the Redevelopment Agency

Title: Approval of Funding and Strategy to Improve and Expand Homeless Program Options (Strategy)

Location/Council District: Citywide

Recommendation: Adopt 1) a **City Council Resolution** a) adopting the Strategy to Improve and Expand Homeless Program Options (Strategy) which includes shelter beds, transitional housing, permanent supportive housing, permanent housing, storage for personal properties, kennel services for pets and other supportive services; b) allocating up to \$500,000 of the City Multi-Family Housing Supplemental Annual Administrative Fees to the Sacramento Housing and Redevelopment Agency (SHRA) for the implementation of the Strategy; c) authorizing the SHRA Executive Director to amend the SHRA Budget to appropriate and expend City Supplemental Annual Administrative Fees in support of the Strategy; d) authorizing the SHRA Executive Director to accept Federal, State and Local funding to implement the strategy; e) authorizing the SHRA Executive Director to execute all agreements and contracts, as approved by SHRA Counsel, with the appropriate entities, and take all necessary actions in support of the Strategy; 2) a **Redevelopment Agency Resolution** a) approving additional housing under the Units through Leasing program and authorizing the SHRA Executive Director to appropriate and expend an additional \$380,000 of the Merged Downtown Tax Increment Housing Set Aside funds to provide transitional housing and permanent supportive housing; b) authorizing the SHRA Executive Director to execute all agreements and contracts, as approved by SHRA Counsel, with the appropriate entities, and take all necessary actions to carry out the Strategy consistent with California Redevelopment Law.

Approval of Funding and Strategy to Improve and Expand Homeless Program Options (Strategy)

March 24, 2009

Contact: Cassandra H. B. Jennings, Assistant City Manager, 808-5704; LaShelle Dozier, Executive Director, Sacramento Housing and Redevelopment Agency, 440-1319; Bruce Wagstaff, Director of Department of Human Assistance (DHA), County of Sacramento, 875-3619

Presenters: Cassandra H.B. Jennings, Assistant City Manager

Department: City Manager's Office and Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue: Homelessness is a national social problem that has impacted the lives of individuals and communities across the nation. Although homelessness is now evidenced throughout the City and County of Sacramento, a concentration continues within the central city and along the American and Sacramento rivers. In this economic downturn, homelessness has become even more visible. While the City and County have made significant strides with the 2006 adopted Ten Year Plan to End Chronic Homelessness and the County administered continuum of care programs, a strategy is needed to address the immediate short term issues facing over 150 persons and families camping and sleeping in unsafe and unsanitary conditions.

Annually, the County expends \$13 Million of HUD funds and leverages over \$30 million on prevention, emergency shelter, transitional housing, permanent supportive housing (PSH) and supportive services including outreach and engagement programs. Through the Ten Year Plan to End Chronic Homelessness the City and County have provided housing for 298 chronically homeless persons and are developing approximately 239 additional permanent supportive housing units in the next few years.

This report recommends approving a Strategy which builds upon existing programs by funding and expanding options and services in four key areas: shelter beds, permanent and transitional housing, storage for personal properties, and kennel services for pets.

Attachment 1 provides a full description of the Strategy; however in summary, the Strategy will offer 50 additional beds at the Winter Overflow facility increasing the total beds to 204 until July 1, 2009 and increase other shelter (St John's Shelter and Aid in Kind) capacity by 32 beds until the end of the year. It will provide housing for an additional 64 persons for one year through the Ten Year Plan's proposed Keys To Hope III Units Through Leasing Program and Faith and Families initiative. And lastly, it will provide for 500 safe and secure storage bins for personal belongings as well as nightly kennel services for up to 20 pets.

With this Strategy, the City can provide immediate services and housing options and address some of the barriers individuals face when trying to access services that effectively address homelessness.

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Partners/Stakeholder Participation

The development of this Strategy has included a wide spectrum of partners. City staff have worked closely with the Police and Neighborhood Services departments as well as the County and SHRA. SHRA will administer the funds on behalf of the City and is prepared to expedite the programs identified in the Strategy. County staff will be recommending approval of the Strategy and funding to their Board in early April. The County will also help administer programs by requesting an extension of the existing contracts with shelter providers and providing outreach and intake services at the shelters to assist persons with access to permanent or transitional housing and services. The City has also been working with the Governor's Office and the State to leverage resources.

Others partners who have been working with staff and will help to implement the Strategy include: Volunteers of America, Salvation Army, Cal Expo, and St. Johns Shelter. Upon approval, staff anticipates working closely with the interfaith community and the Keys to Hope Program non-profit housing providers (TLCS, Turning Point, Self Help Housing and the Effort).

This month, Mayor Johnson convened the Mayor's Homeless Task Force with representatives from businesses, property owners, residents, non-profit organizations, City, State, and County elected officials and staff, homeless advocates and homeless persons to address the short and long term issues facing homelessness. Over 40 people attended each of the meetings and a third meeting is planned for this week. The Task Force is expected to continue for approximately two months.

The Strategy to Improve and Expand Homeless Program Options is an essential step to addressing the growing needs of the homeless. It opens up the possibilities, provides new options, increases the capacity and bridges the services and housing in a time when the need is paramount.

Next Steps

The homelessness problem that we are facing today is a multi-faceted complex issue which will require various solutions. The Strategy proposed in this report addresses a short term solution to some very immediate problems. The City and County anticipate that additional resources may become available through the Economic Recovery Act's Rapid Re-housing and Homeless Prevention Program, and Community Development Block Grant Program funds to continue to provide services and housing. While all of the sources might not allow such proposed uses, staff believes that some funds will be eligible for ongoing support for the activities recommended.

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To address long term solutions, staff recommends that the City continue to work with the County, SHRA, Policy Board and Interagency Council as well as other regional partners and advocates on the Ten Year Plan and continue to look at policies, operations, goals and best practices to most effectively develop a regional approach to homelessness.

Policy Considerations: This Strategy is consistent with the 2006 adopted Ten Year Plan to End Chronic Homelessness and the Continuum of Care program developed by the community to deal with homelessness.

Environmental Considerations:

California Environmental Quality Act (CEQA): The proposed activities are exempt from CEQA pursuant to Guidelines Section 15301, which exempts leasing of existing facilities, Guidelines Section 15301(e), which exempts minor additions to existing structures, Guidelines Section 15303, which exempts the construction or location of limited numbers of small structures, and Guidelines Section 15304(e), which exempts minor temporary use of land. The National Environmental Policy Act (NEPA) does not apply.

Sustainability Considerations: The Strategy will provide safe and healthy environments and viable options for those experiencing homelessness. It will also eliminate trash, waste and other items on the streets and within our communities as a result of inadequate services and will help to keep our rivers and parkways clear.

Commission/Committee Action: None.

Rationale for Recommendation: Similar to other communities around the world, homelessness continues to be visible throughout the City of Sacramento. There are defacto tent cities prevalent along our rivers, under bridges and on vacant public and private property that are unhealthy and unsafe places for people to live. To protect the most fragile population in our community and to provide responsive government, staff is recommending this short-term immediate strategy to provide a decent, clean and sanitary environment to the homeless. Staff recommends that Council approve the funding and Strategy.

Financial Considerations: Staff is recommending adoption of strategy to improve and expand housing options for homeless persons. The total funding for the proposed Strategy is \$1,030,000, of which \$ 880,000 would come from City resources. The other \$150,000 is proposed to be paid by the County of Sacramento. Of the City's portion, staff is recommending \$380,000 from the Merged Downtown Tax Increment Housing Set Aside funds to provide transitional housing and permanent supportive housing. These funds are restricted for use only on low and moderate income permanent

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(Strategy)

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housing. In addition, staff is recommending that \$500,000 be allocated from the City Multi-family Housing Annual Supplemental Administrative Fee Program. These funds are property fees collected by SHRA on behalf of the City from the SHRA financed multifamily mixed income affordable housing. The intended use of the funds is to provide services which support families and youth as well as low income persons. County staff is expected to present a recommendation to the County Board of Supervisors in early April for use of its funds. Staff is optimistic that the County will support the Strategy. If the County does not fund at the recommended level or at all, staff will have to reduce the number of shelter beds accordingly. The proposed sources and uses for funding are described below.

Funding Uses

Shelter Beds (236 beds)	\$ 596,737
Permanent Housing (68)	400,763
Other Services	<u>32,000</u>
TOTAL	\$1,030,000

Funding Sources

Annual Admin Fee (City)	\$ 500,000
Annual Admin Fee (County)	150,000
Housing Funds (TI)	<u>380,000</u>
TOTAL	\$1,030,000

Emerging Small Business Development (ESBD): Not applicable. There are no ESBD considerations with this report.

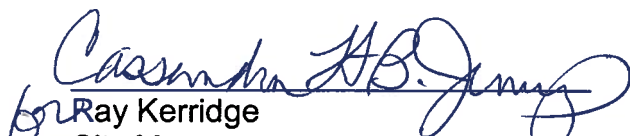
Respectfully Submitted by:


Cassandra H. B. Jennings
Assistant City Manager

Approved by:


LA SHELLE DOZIER
Executive Director

Recommendation Approved:


Ray Kerridge
City Manager

Approval of Funding and Strategy to Improve and Expand Homeless Program Options
(Strategy)

March 24, 2009

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Attachment 1

STRATEGY TO IMPROVE AND EXPAND HOMELESS PROGRAM OPTIONS

This Strategy builds upon existing programs by funding and expanding options and services in four key areas: shelter beds, permanent and transitional housing, storage for personal properties, and kennel services for pets.

Shelter Beds

The existing 154 shelter beds at the Winter Overflow Shelter will be extended and 50 more beds added through June 2009. The additional beds are private spaces to accommodate more flexible living styles for individuals and couples. The Winter Overflow Shelter will have more open space available for recreation or outdoor enjoyment. In addition, the Winter Overflow Program will extend its hours of operation by two to three hours so that more persons can experience the outdoors, relax, sleep, engage in fellowship or prepare for the day. This change addresses a significant concern raised by the homeless and advocates regarding persons having to wake up early to receive transportation. With the extended hours, staff hopes persons will be better able to connect to the services available during the day. With this Strategy, the Winter Overflow capacity is 204 beds of which 50 are new beds.

The Strategy also includes an additional 12 beds at the St. Johns Shelter for Women and Children and 20 beds at Aid in Kind through the end of the year. This approach would expand serves for women and children and provide an all day shelter program with services at Aid in Kind. This will provide an additional 32 new beds.

Housing

As part of the Ten Year Plan to End Chronic Homelessness, the City and County provide housing through the Units through Leasing Program. This program provides rental subsidies for scattered site housing and is referred to as "Keys to Hope I and II". There is capacity under the existing program to provide housing for 40 additional persons. In addition to the current program, this Strategy proposes funding a "Keys to Hope III" program which will assist an additional 40 homeless persons with housing. The Keys to Hope III program is a one-year funding commitment.

Housing will also be considered within the Faith and Homeless Families Initiative that helps to connect the interfaith community and homeless families. Local shelters will refer families to the program who will receive housing assistance and guidance. This program was launched in February 2009 and to build upon its success, the Strategy proposes to support the efforts by working with the interfaith community to house and assist homeless families. The goal is assist

24 persons.

Housing Programs

Existing Keys to Hope II	40
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New Programs

New Keys to Hope III	40
Faith and Homeless Families	<u>24</u>
Total	64

Other Services

Recent studies and surveys have indicated that the lack of security for personal property and pets are barriers to homeless persons accessing shelters. Homeless advocates, providers and case workers that work closely with homeless community concur that this barrier exists. To address these concerns, the Strategy includes a storage area for personal properties. The storage will be available on a regular basis and allow persons to check their belongings and return to retrieve them, hassle free. This will allow the freedom to move around during the day and participate in services available as well as provide a safe place to store one's property. This storage will allow up to 500 bins.

Over the years there has been discussion regarding a need to address homelessness and pets. Many persons do not feel safe leaving their pets unattended. As a first step, the Strategy will provide a viable option of care for pets. The kennel will be staffed in the evening to accommodate pets while the persons are at the shelters. The kennel will provide a temporary safe place for pets until more transitional or permanent housing is available. The kennel will accommodate 20 pets.

Supportive Services are essential to the success of any program or strategy. The existing programs will have some services and the County of Sacramento Department of Human Assistance (DHA) staff will provide limited services and case management to those using the new shelter beds. The County will also provide Central Intake to the homeless persons to connect them to the shelters while providing connectivity within the continuum of care to ultimately get persons into permanent housing. Staff will continue to identify resources to provide case management and supportive services to both those in shelters and in permanent housing. Staff has been working to secure additional resources from the State of California and the Community Services Block Grant administered by Sacramento Employment and Training Agency. Staff will also continue to seek grants for essential supportive services.

RESOLUTION NO. 2009 -

Adopted by the Sacramento City Council

On date of

APPROVAL OF FUNDING AND STRATEGY TO IMPROVE AND EXPAND HOMELESS PROGRAM OPTIONS (STRATEGY)

BACKGROUND

- A. Housing is a basic human right.
- B. We envision a community in which every Sacramentan has safe, decent, affordable and accessible housing.
- C. The City and County of Sacramento implement a comprehensive continuum of care offering a range of housing options and services to homeless individuals and families through partnerships with non-profit, civic and faith organizations.
- D. In 2006, the City and County adopted a Ten-Year Plan to End Chronic Homelessness that provided additional solutions to longer term homelessness focusing on permanent supportive housing options. In the first two years of this program 298 individuals were permanently housed with additional 239 units in the pipeline.
- E. Sacramento has been hit hard by the national economic downturn and rising unemployment increasing the number of homeless individuals and families, straining public resources, and hindering the development of permanent supportive housing.
- F. The presence of a tent city presents an unsafe and unsanitary situation for its inhabitants.
- G. Collaborative and innovative approaches are needed to deliver a combination of emergency shelter, transitional, and permanent supportive housing options.
- H. The City remains committed to permanent housing solutions for homelessness but recognizes that the present health and safety concerns necessitate short-term housing and case management solutions.
- I. Additional funding is needed to help continue the efforts of the Ten Year Plan and provide for interim housing and case management services.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

Section 1. The proposed actions are exempt from environmental review pursuant to California Environmental Quality Act (CEAQ) Guidelines Section 15301, which exempts leasing of existing facilities, Guidelines Section 15301(e), which exempts minor additions to existing structures, Guidelines Section 15303, which exempts the construction or location of limited numbers of small structures, and Guidelines Section 15304(e), which exempts minor temporary use of land;

Section 2. To adopt the Strategy to Improve and Expand Homeless Program Options (Strategy) which includes shelter beds, transitional housing, permanent supportive housing, permanent housing, storage for personal properties, kennel services for pets and other supportive services;

Section 3. To allocate up to \$500,000 of the City Multi-family Housing Supplemental Annual Administrative Fees to the Sacramento Housing and Redevelopment Agency (SHRA) for the implementation of the Strategy;

Section 4. To authorize the Executive Director (SHRA) to amend the SHRA Budget to receive, appropriate and expend up to \$500,000 of City Multi-family Housing Supplemental Annual Administrative Fees in support of the strategy;

Section 5. To authorize the Executive Director (SHRA) to accept Federal, State, and Local funding to implement the Strategy;

Section 6. To authorize the Executive Director (SHRA) to execute all agreements and contracts, as approved by SHRA Counsel, with the appropriate entities and take all necessary actions to carry out the Strategy.

RESOLUTION NO. 2009 -

Adopted by the Redevelopment Agency of the City of Sacramento

On date of

APPROVAL OF FUNDING TO IMPROVE AND EXPAND HOMELESS PROGRAM OPTIONS

BACKGROUND

- A. Housing is a basic human right.
- B. We envision a community in which every Sacramentan has safe, decent, affordable and accessible housing.
- C. The City and County of Sacramento implement a comprehensive continuum of care offering a range of housing options and services to homeless individuals and families through partnerships with non-profit, civic and faith organizations.
- D. In 2006, the City and County adopted a Ten-Year Plan to End Chronic Homelessness that provided additional solutions to longer term homelessness focusing on permanent supportive housing options. In the first two years of this program 298 individuals were permanently housed with additional 239 units in the pipeline.
- E. Sacramento has been hit hard by the national economic downturn and rising unemployment increasing the number of homeless individuals and families, straining public resources, and hindering the development of permanent supportive housing.
- F. The presence of a tent city presents an unsafe and unsanitary situation for its inhabitants.
- G. Collaborative and innovative approaches are needed to deliver a combination of transitional and permanent supportive housing options.
- H. The City remains committed to permanent housing solutions for homelessness but recognizes that present health and safety concerns necessitate interim housing solutions.
- I. Additional funding is needed to help continue the efforts of the Ten Year Plan and provide for transitional and permanent housing options.
- J. The expenditure of Merged Downtown Redevelopment Project Area tax increment to fund the Units through Leasing Program will benefit the Merged Downtown Redevelopment Project Area in that it will provide transitional housing

for low-income persons and promote safe and sanitary transitional housing for a minimum of one month or more.

- K. The Units through Leasing Program outlined in the approved City and County Ten-Year Plan to End Chronic Homelessness is a rent subsidy program authorized and allowed under California Health and Safety Code Section 33334.2.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE REDEVELOPMENT AGENCY RESOLVES AS FOLLOWS:

Section 1. The Units through Leasing program is exempt from environmental review under California Environmental Quality Act (CEQA) Guidelines Section 15301, which exempts the leasing of existing facilities, because lease payments will be made for tenants for whom existing housing has been located;

Section 2. To approve the "Units Through Leasing Program" as described in the Ten Year Plan to End Chronic Homelessness currently allocated at \$600,000 annually and; authorize the Executive Director to appropriate and expend an additional \$380,000 of Merged Downtown Tax Increment Housing Set Aside funds to provide transitional housing and permanent supportive housing;

Section 3. Authorizing the Executive Director of the Sacramento Housing and Redevelopment Agency (SHRA) to execute all agreements and contracts, as approved by SHRA Counsel, with the appropriate entities and take all necessary actions to carry out the Units through Leasing Program, consistent with California Redevelopment Law.