

# City of Sacramento

## Legislation Details (With Text)

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**Type:** Discussion Item    **Status:** Agenda Ready  
**File created:** 8/14/2019    **In control:** City Council - 5PM  
**On agenda:** 8/27/2019    **Final action:**  
**Title:** Update to the Homeless Services Funding Plan [To Be Delivered]  
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Date	Ver.	Action By	Action	Result
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**Title:**  
**Update to the Homeless Services Funding Plan [To Be Delivered]**

File ID: 2019-01244

**Location:** Citywide

**Recommendation:**

Pass a Motion 1) selecting Option A (attachment A), Option B (attachment B), or Option C (attachment C) as Addendum #1 to the Homeless Services Funding Plan; and 2) authorizing the City Manager or the City Manager’s designee to adopt the priorities for funding of shelters and other homeless services as detailed in the selected Addendum.

**Contact:** Emily Halcon, Homeless Services Manager, (916) 808-7896, Office of the City Manager, Homeless Services Division

**Presenter:** Emily Halcon, Homeless Services Manager, (916) 808-7896, Office of the City Manager, Homeless Services Division

**Attachments:**

- 1-Description/Analysis
- 2-Option A: Homeless Services Funding Plan: Addendum #1
- 3-Option B: Homeless Services Funding Plan: Addendum #1
- 4-Option C: Homeless Services Funding Plan: Addendum #1

## Description/Analysis

**Issue Detail:** The crisis of unsheltered homelessness is one that impacts an entire community, both those experiencing homelessness and the broader community of housed residents, businesses, and neighborhoods. Over the past several years, the City has made significant investments to increase access to and availability of shelter, services and permanent housing for people and families experiencing homelessness. Despite these efforts, homelessness and its impacts continue to rise:

- From 2015 to 2017, the Sacramento region saw an 85% increase of unsheltered homelessness.
- According to the most recent Sacramento County Homeless Deaths Report, death rates among the unsheltered homeless population are four times that of the general population and rose by almost 75% from 2016 to 2017.
- At the City's Railroad Drive Triage Shelter and through the City's Pathways to Health + Home program, we are seeing the aging of the homeless population; over half of the participants in both programs are over the age of 50, and the majority self-identify one or more disabling conditions.
- In 2018, the City's 311 system fielded over 5,000 reports regarding homeless encampments, an increase of 33% from 2017.
- In 2018, the City's Police IMPACT team responded to over 4,800 calls for service related to homelessness.

In the late fall of 2018, Mayor Steinberg challenged Councilmembers to help identify opportunities to expand re-housing shelter programs in their districts. On February 5, 2019, as part of the Fiscal Year (FY) 2018/19 Midyear Budget, the City Council approved one-time allocations of Measure U funds (\$15.7 million) to move to the Homeless Housing Initiative Project (I02000200) for potential use for homeless sheltering activities and to increase shelter and re-housing options for women and families with children (\$1 million). On February 12, 2019, Mayor Steinberg presented a plan for developing approximately 800 shelter beds over two years, using existing funds from Measure U, funds from the State Homeless Emergency Aid Program (HEAP) and private donations, as well as approximately \$11 million from future State funding allocations and additional fundraising. On March 26, 2019, Council approved the development and construction of the first re-housing triage shelter on Ethan Way, as well as additional staffing resources to support these activities. On April 23, 2019, City Council approved a Homeless Services Funding plan to allocate the remaining funds, prioritizing two additional sheltering programs: Capital Park Hotel and scattered site shelters.

Since these approvals, conditions have changed, and there are new funding requests as well as new opportunities at the sites identified for the sprung shelters. Exhibits A through C are addendums to

the Homeless Services Funding plan that detail the best estimates of costs, timeframes and potential impact of each program and which lay out three options for investments using unencumbered funds. The three options all recommend funding to continue or expand four existing programs:

1. Sacramento LGBT Center STEP Shelter
2. Sacramento LGBT Center Transitional Living Program
3. Wind Youth Shelter
4. River District Hot Shot Program

Assuming these investments in all three leaves \$7.8 million in HEAP and Measure U funds to support the development and operations of one or more large site for a new, re-housing shelter. The options differ in what they recommend in regard to the use of these funds and site options.

- Option A: Recommends re-allocating \$7.8 million in HEAP and Measure U for the development and initial operations of the Meadowview re-housing shelter. The total estimated cost for two years is \$10.1 million. The remaining \$2.3 million for operations could be funded through anticipated funds from the new Homeless Housing, Assistance, and Prevention Program (HHAP, or “HEAP 2”), which is expected to be available early in 2020.
- Option B: Recommends re-allocating \$7.8 million in HEAP and Measure U for the development and initial operations of the Broadway/Alhambra re-housing shelter. The total estimated cost for two years is \$11.2 million. The remaining \$3.4 million for operations could be funded through anticipated funds from the new Homeless Housing, Assistance, and Prevention Program (HHAP, or “HEAP 2”), which is expected to be available early in 2020.
- Option C: Recommends re-allocating \$7.8 million in HEAP and Measure U for the design and construction of both the Meadowview Re-Housing Shelter and the Broadway/Alhambra Re-Housing Shelter. The total estimated design and construction costs for both sites is \$8.7 million. The remaining \$900,000 for design and construction could be funded from anticipated funds from the new Homeless Housing, Assistance, and Prevention Program (HHAP, or “HEAP 2”), which is expected to be available early in 2020. Operations for both shelters would then also be funded through HHAP funds.

Staff seeks Council direction to select one of these options and the associated project and funding direction.

**Policy Considerations:** On October 16, 2018, the Council held a workshop on Homeless Sheltering Policies and adopted a resolution embracing Housing First principles for City-funded Triage Shelters. Funds provided under the California Homeless Emergency Aid Program (HEAP) require that programs comply with the principles of Housing First. However, Council also acknowledged the need for other shelter and service approaches, especially for vulnerable populations, including transition age youth and women and families. Using a combination of State and local funding allows for a

variety of sheltering options, recognizing different needs of different population and reflecting community preferences and priorities.

**Economic Impacts:** None.

**Environmental Considerations:** None.

**Sustainability:** Not applicable.

**Commission/Committee Action:** None.

**Rationale for Recommendation:** The numbers of people living and dying unsheltered in Sacramento is on the rise, and there are not sufficient shelter beds to meet the need. The United States Interagency Council on Homelessness recommends that “Shelters must be low barrier, focus on assessment and triage, and intentionally link to permanent housing resources so that people move through to housing quickly”. The Council made a significant commitment through the FY2018/19 Midyear Budget to address these critical needs, and staff has worked to prioritize those projects which can be expedited.

**Financial Considerations:** There is sufficient funding available in the Homeless Housing Initiative Project (I02000200) to cover the priorities identified in each of the three addendums.

With Council approval of one of the options as Addendum #1 to the Homeless Services Funding Plan (Exhibits A through C), staff will refine these estimates and bring any necessary budget revisions to Council for approval. Any contracts for construction and operation of the projects identified in Exhibits A through C will be brought to Council for approval.

**Local Business Enterprise (LBE):** Not applicable.