



CITY COUNCIL

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January 16, 2015

MEMORANDUM

TO: Clayton Wong, Fiscal Administrator
Honolulu City Council

FROM: Councilmember Carol Fukunaga, District 6

SUBJECT: Travel Report – Visit to San Francisco Homeless Housing and Support Programs (December 16-18, 2014)

Attached is my travel report for my visit to San Francisco homeless housing programs and services between December 16-18, 2014, with Councilmember Ann Kobayashi.

Our visits to a range of city agencies, homeless services and housing providers, community project coordinators and others demonstrated the impact that integrated housing and services has had in reducing San Francisco's chronic homeless population.

I was particularly impressed by the high level of coordination between housing for specific homeless populations, services for each population to improve their chances of success in transitioning out of homelessness, and innovative financing strategies utilized throughout this process.

Please contact my Office Manager Doris Lam if you have additional questions.

**SUMMARY OF MEETINGS WITH HOMELESS SERVICES
AGENCIES AND PROVIDERS**

December 16-19, 2014 • San Francisco, California

Councilmember Kobayashi and I visited a range of San Francisco agencies responsible for carrying out the City of San Francisco's strategies to end homelessness. The agencies, their nonprofit service providers and nonprofit/philanthropic partners provided a compelling case for careful integration between housing and services to insure successful transitioning out of homelessness.

The City of San Francisco is responsible for providing most, if not all, of the programs dealing with homeless individuals -- health/social services, education, workforce training, housing and emergency services. On the other hand, Hawaii state government is responsible for overseeing health/social services, education, workforce training, low-income housing services within our state.

The City of Honolulu is responsible for providing police/emergency services, administering HUD funds designated for homeless shelters/services and Section 8 housing vouchers, and has a smaller inventory of low-income housing under its jurisdiction. Achieving similar levels of integrated housing/services to end homelessness in Hawaii will require a more intensive integrated effort between state/county governments than has been the case in the past.

Introduction

In 2004, Mayor Gavin Newsom convened the Ten-Year Planning Council to draft a plan to end chronic homelessness in ten years. Its resulting Plan recommended creation of 3,000 new units of permanent supportive housing by 2014 to address the roughly 3,000 chronically homeless persons in San Francisco (compared with an estimated 6,514 number of homeless persons identified during annual PIT counts).

The City met its goal of creating 3,000 new units of permanent supportive housing by 2014, resulting in a total of 6,355 units of permanent supportive housing units administered by the City and funded through a mix of federal, state and local funds.

Of this amount, 5,381 units are located in large housing developments with onsite supportive services. The remaining 974 units are located at different scattered sites or are voucher-based. Tenants of scattered-site housing have access to onsite supportive services, and tenants of voucher-based housing have access to the same City-funded services at other locations.

Among innovative homeless housing strategies are San Francisco's "Local Operating Subsidies (LOSP)" and "Care not Cash" Programs, which provide 'gap' financing to cover the costs of operating permanent supportive housing facilities and comprehensive wrap-around outreach, counseling, training and employment support to successfully transition formerly-homeless individuals into stable housing, education and/or employment alternatives.

The Local Operating Subsidy Program (LOSP) pays the difference between the cost of operating housing for homeless persons and all other sources of operating revenue for a given project. Out of roughly 3,751 permanent supportive housing units administered by the Department of Human Services (HAS), 485 units were subsidized by LOSP funding – which amounted to \$10,000 per unit towards operating costs, and \$4,250 per unit towards supportive services costs per year.

The 'Care not Cash' Program was approved by San Francisco voters in November 2002, and implemented in May 2004; it requires a reduction of the monthly county welfare cash benefit received by homeless clients and provides housing, utilities and meals in-lieu of the deducted portion of the cash benefit.

The program's objective is to place 'Care not Cash' clients in permanent supportive housing that is funded in part by savings from the reduced monthly cash benefits. Out of a total of 3,751 permanent supportive housing units administered by the Department of Human Services, 2,523 of the units were covered by Care not Cash subsidies to help cover the operating costs of permanent supportive housing.

The city's permanent supportive housing services include subsidized rents, intake/assessment, outreach and engagement, case management, clinical services, roving behavioral health support (at some sites), benefits advocacy and assistance, information and referral, mediation with property management/housing stability support, conflict resolution support groups, social events and organized activities, community meetings and food pantries (at some sites).

A 2013 study of several Direct Access to Housing (DAH) facilities found that costs associated with high users of the medical system (e.g., emergency room, in-patient medical care and psychiatric healthcare) dropped from \$3 million the year before individuals were housed, to \$1 million the year after placement in housing. The housed residents experienced stabilized housing, improved freedom and quality of life.

Other jurisdictions have reported declines in criminal justice system costs, improved client health, increased substance abuse treatment and decreased substance abuse, improved employment and SSI Disability Benefit outcomes, and overall savings from lower utilization of public services.

Tuesday, December 16, 2014

1. **Mayor's Office of Housing and Community Development, City of San Francisco – Mrs. Teresa Yanga, Director:** This agency coordinates development of permanent supportive housing for the City of San Francisco, and works closely with the Director of the Mayor's Office of Housing Opportunity, Partnerships and Engagement (HOPE) to increase the level of supportive housing and services that are developed throughout the city. The agency leverages private, federal, state and smaller local amounts to fund

development/capital costs associated with acquisition and development of City-owned affordable housing facilities.

Since 2013, San Francisco has required that all affordable housing built in the city (public or private) include 20% permanent supportive housing units.

A substantial portion of the City of San Francisco's direct homeless service expenditures of \$165,710,629 in 2013 (of which \$123,181,587 million – or 74% - was comprised of City General Fund/local revenues and \$42,529,042 – or 26% - was comprised of federal/state funds) was budgeted towards permanent supportive housing: \$81.5 million, or 49%. This amount covers the operating costs of the city's 5,147 supportive housing units.

The remaining \$84.2 million was budgeted for a variety of services and programs in nine categories that included transitional housing, emergency shelters, resource centers and drop-in clinics, outreach and case management, substance abuse and mental health, primary care, education and employment services, and eviction prevention/rapid rehousing.

2. ***San Francisco Department of Public Health – Ms. Margot Antonetty, Dep. Director, Housing and Urban Health:*** Department of Public Health (DPH) and Human Services Agency (HSA) are the two city agencies responsible for administering San Francisco's permanent supportive housing facilities. Under the Ten-Year Plan, they were to master-lease 1500 units in private SRO facilities (e.g., available hotel, apartment and other under-utilized inventory), and develop 1500 units to meet the target of 3,000 permanent supportive units needed.

Today, DPH oversees 1707 units at 36 sites as part of its 'Direct Access to Housing' (DAH) permanent supportive housing program, which provides subsidized housing in SRO's and apartments to clients with mental health, substance abuse or chronic health conditions (although DAH housing is not restricted to clients with such conditions). It also operates 150 units through a scattered sites/rental subsidy program, 690 units through a separate rental subsidy program, 361 units involving emergency stabilization and 60 beds at a medical respite and sobering center. Its clients include families with children, single adults, couples, homeless transitional age youth (TAY), persons living with HIV and AIDS, seniors and adults with disabilities.

The department has tracked improved mortality rates for individuals who entered DAH housing, compared with those who remained on the streets (between 1996-2013); its statistics validate the finding that use of permanent supportive housing and intensive wrap-around services reduce healthcare utilization costs for hospitals and other healthcare institutions in terms of emergency room visits, inpatient days, psych inpatient days, and skilled nursing facilities. It also administers city transitional housing, emergency shelters, drop-in clinics, outreach and case management, substance abuse and mental health programs, primary care and SSI Disability legal advocacy programs.

3. **Human Services Agency (HSA) - Scott Walton, Manager, Adult Services/Housing and Homeless Division:** The department is responsible for administering 2,494 permanent supportive housing units under the *SRO Master Lease Program*/*Care not Cash* Program, which provides Single-Room Occupancy hotel rooms to single adults. Rent is subsidized by contracts with hotel owners and a further subsidy is provided to *Care not Cash* clients, with homeless service providers contracted to provide supportive services at all sites. San Francisco's general assistance program (County Adult Assistance Programs, or CAAP) includes a homeless-specific component called *Care not Cash,* which offers \$56/65 cash + \$282/\$357 in-kind services to homeless clients in lieu of cash benefits until they are housed.

With the Mayor's Office of Housing, HSA also administers 430 permanent supportive units under the Local Operating Subsidy Program (LOSP) to single adults and families, with homeless services providers providing supportive services at all sites.

Its Youth Housing program provides 22 subsidized housing units and supportive services to transitional age youth (TAY) between 18-24 years of age; operating costs and supportive services are funded by a single contract. HSA also administers HUD-funded programs like the Supportive Housing Program (SHP) with 181 units for disabled homeless individuals, the 'Shelter Plus Care' Program with 715 units for disabled homeless individuals, and site-based, supportive services contracts.

In addition to these permanent supportive housing programs, HSA is responsible for transitional housing for particular target populations (106 beds for family transitional housing, women leaving prostitution, homeless women with children), emergency shelters, resource centers, outreach and case management, employment and training programs, and eviction prevention/rapid rehousing programs.

4. **Mayor's Office of Housing Opportunity, Partnerships & Engagement (HOPE) - Bevan Dufty, Director:** As a coordinating agency, HOPE has pursued new initiatives designed for specific target populations with alternative financing strategies.

For example, HOPE launched the *San Francisco Homes for Heroes 100 Days Campaign* in May 2013, with a challenge to house 50 chronically-homeless veterans within 100 days. The agency collaborated with Swords to Plowshares (a nonprofit), the San Francisco Housing Authority, the Department of Veterans Affairs (VA) and HUD in leveraging VA housing vouchers and ongoing case management.

HOPE also organized a collaboration with Animal Care and Control and Community Housing Partnership (CHP) to place hard-to-adopt dogs with residents of permanent supportive housing; and partnered with Project Homeless Connect and AIDS Housing Alliance to organize the first LGBTQ Connect for over 600 participants with onsite vision care, housing assistance,

employment counseling/job placement services in an accessible, welcoming environment.

Wednesday, December 17, 2014

5. ***Project Homeless Connect – Ms. Kara Zordel, Executive Director:*** *In 2004, Mayor Gavin Newsom and the San Francisco Department of Public Health created Project Homeless Connect (PHC) as a way to bring necessary services to people experiencing homelessness in San Francisco. PHC uses a unique approach to service delivery to meet the needs of homeless San Franciscans.*

In one day at a Project Homeless Connect event, a person experiencing homelessness can find services that would otherwise take months to secure. During each event, corporations, nonprofits, and government agencies provide participants with services through PHC. These services include dental care, eyeglasses, HIV testing, housing information, food, hygiene products, medical care, mental health services, SSI benefits, legal advice, California identification cards, voice mail accounts, employment counseling/job placement, wheelchair repair, addiction services, and more. By leveraging the power of thousands of Bay Area volunteers and hundreds of local nonprofits and government agencies, PHC represents a community response to a community problem.

Project Homeless Connect 10th Anniversary Breakfast Gala and Awards Ceremony: held at the Twitter Building at 1535 Market Street, the event highlighted event organizers and community leaders who had contributed to the project's success during the past decade: *"as of October 2014, close to 50,000 volunteers provided services to more than 75,000 homeless and low-income San Franciscans. The federal government's Interagency Council on Homelessness has declared Project Homeless Connect a national best practice model. PHC has been replicated in over 200 cities across the United States, as well as in Canada and Australia."*

PHC 57: held at The Bill Graham Civic Auditorium at 99 Grove Street, the event highlighted the following activities over the course of the day: 1,605 individuals connected to services with the help of 743 volunteers:
<http://www.projecthomelessconnect.org/about/results/>

6. ***Episcopal Community Services (ECS) - Ken Reggio, Executive Director:*** *ECS is a nonprofit leader in creating more supportive housing for homeless individuals and families, having built the first new-construction supportive housing facility in San Francisco. Its current supportive housing programs operate at nine different sites, combining nearly 900 permanent housing units with on-site social services to roughly 1,200 formerly homeless men, women and children.*

It provides a wide range of supportive services that enables 97% of its tenants to retain permanent housing: they include case management, food pantries, community meals, employment counseling, health education and clinics, various support and 12-step programs and programs for children and youth in the family building.

We visited **Canon Kip Community House (CKCH)**, located south of Market, which was built by ECS and opened in 1994 (property management is provided by Caritas Management Corporation). The site provides housing for 104 single adults who are dual- and poly-diagnosed with mental health, physical disability, substance abuse, and/or HIV/AIDS. ECS's Education and Employment Services include CHEFS culinary training and the Adult Education Center - 70% of CHEFS graduates have become employed.

We also visited **Canon Barcas Community House (BSCH)**, which is ECS' second Supportive Housing development located at 760 Natoma Street. It is comprised of one- to four-bedroom apartments for 47 homeless families, including nearly 80 children. The building includes an after-school program with the YMCA, a teen program, food pantries, the Adult Education Center offering adult education and GED classes and other programs to help families successfully exit homelessness. ECS' administrative offices are also housed in this building.

7. ***Community Housing Partnership (CHP) - Gail Gilman, Executive Director:***

Founded in 1990, **CHP** specializes in housing development and property management, case management and community involvement, and training/employment preparation to achieve its mission of helping homeless people secure housing and become self-sufficient. It pairs affordable housing with support services, employment preparation, job training, a transitional employment social enterprise, and community organizing activities. Together these services offer clients a direct pathway from homelessness to self-sufficiency. The non-profit utilizes safe, stable housing as a platform to deliver services to clients that result in increased self-sufficiency.

CHP owns, manages, or provides services at 14 buildings with over 1,000 units and has 198 units in development. Its housing and services annually impact the lives of over 1,500 formerly homeless adults and children. CHP's training and employment programs include **Solutions SF**, an on-call lobby services provider that operates under the CHP umbrella. Its formerly homeless employees work between 20-40 hours per week and receive support to guarantee their success, including a job coach, support groups and recognition incentives. In 2014, the program grossed over \$1.5 million in revenue, employed more than 110 individuals and assisted more than 50 individuals to permanent employment.

We visited the **5th Street Apartments**, which houses, serves and supports Transitional Aged Youth (TAY) who are between 18-25 years of age and homeless or at-risk of being homeless. The ground floor includes CHP's newly-opened Training & Development Center. The classroom space will allow multiple set-up options for various training course's specific needs, a computer lab and will allow CHP clients to build their professional skill sets and become self-sufficient.

Thursday, December 19, 2014

8. City of San Francisco - Mayor Ed Lee: I visited briefly with Mayor Lee to learn more about San Francisco's affordable housing strategies, particularly since Honolulu and San Francisco share a number of unique issues: the high cost of living, urgent needs for affordable and low-income housing and homeless solutions. With over twenty years of experience in City government, including serving as Director of Purchasing, Director of Public Works and two terms as City Administrator, he spoke knowledgeably about developing homeless housing and affordable housing solutions tailored to the needs of San Francisco's diverse community. There is much that we in Honolulu can learn from the San Francisco experience.

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City and County of Honolulu
HONOLULU, HAWAII

CLAIM FOR TRAVEL REIMBURSEMENT

Date: 1/20/2015

Traveler: Councilmember Carol Fukunaga
 Event: Visit to Homeless Housing and Support Programs
 Location: San Francisco, CA
 Dates: From 12/16/2014 To 12/18/2014

Description	Amount	Notes:
1. Registration Fee	-\$0.00	
2. Airfare	-\$836.60	
3. Hotel	-\$967.20	
4. Meals	\$38.92	
5. Ground Transportation	\$15.00	Airport Shuttle
6. Tips	\$6.00	
7. Other	\$60.00	Checked Baggage
Other		
Other		
8. Adjustment		
TOTAL REIMBURSEMENT	1923.72 119.92	

This is to certify that the above data, based upon receipts submitted to Council Administrative Support Services via a CCLTRVL02 form, is accurate. Further, I am claiming reimbursement for expenses associated with a trip in which City business was conducted and personal funds were used to advance payment:

Carol Fukunaga
Signature of Traveler

1/20/15
Date