

ADDRESSING HOMELESSNESS IN SACRAMENTO COUNTY: AN EXTRAORDINARY COMMUNITY CHALLENGE

SUMMARY

The brunt of homelessness certainly has its most profound impact on those individuals and families who are experiencing it. But homelessness also has significant consequences for the public at large and, to be addressed effectively, must be viewed as a challenge for the whole County. The 2018/19 Grand Jury investigation focused on the challenges a community of organizations in Sacramento County is confronting in their efforts to most effectively address the many issues presented by homelessness.

The homeless population in Sacramento County grew by 30% from 2015 to 2017. While the results of the latest Point in Time (PIT) count of the homeless population conducted in January 2019 have not yet been released, there is a very strong possibility that the results of the 2019 PIT count will show a continuing increase in the number of individuals and families that are homeless in the County^a. There is a community of organizations – governmental, non-profit, faith-based, advocate, volunteer, collaborative, advisory committees and boards – that is actively working to address the challenges presented by homelessness in Sacramento County. The leaders and workers in this community of organizations have demonstrated an impressive level of both dedication and competence in assisting and supporting the County’s homeless population. However, the challenges presented by homelessness are extraordinarily formidable and complex and, as such, very difficult for the community, as it is currently organized, to most effectively address.

BACKGROUND

Homelessness is very evident in Sacramento County. It can be readily seen just driving down the street in many areas. Some aspect of homelessness is very often the subject of some form of media coverage and the topic is frequently an item on the agendas of the boards and councils of elected officials in the County.

The issues and challenges presented by homelessness are persistent and complex and have been with us for some time. While some facet of homelessness has been the subject of a report by each of the three immediately prior Sacramento County Grand Juries, the 2018-19 Sacramento County Grand Jury was interested in gaining a better understanding of the nature and issues of homelessness in Sacramento County and some insight into the challenges it presents to the community of organizations, including the County and City governments, that are working to address it.

^a The Continuum of Care submitted a partial homeless count in 2018 to HUD of sheltered homeless only.

Nature of Homelessness

The federal Department of Housing and Urban Development (HUD) requires a regional designated agency (Continuum of Care [CoC] in Sacramento County) seeking federal homelessness funds to conduct a Point-in-Time (PIT) count every other year. The 2017 PIT count identified 3,665 people as experiencing homelessness. This count, which includes both individuals and families, represents a nearly 30% increase over the number of homeless in 2015. The 2019 count was conducted in January and, while the data has not yet been released, there is a very strong possibility the 2019 count will show a continuing increase in the homeless population in Sacramento County.

Data on the County's homeless population in 2017 showed that more than half of the population was unsheltered and over 30% were identified as experiencing chronic homelessness. Other data from the Homeless Management Information System (HMIS) collected in 2017/18 from people served by homelessness programs shows a prevalence of mental illness, substance abuse, and other conditions among homeless individuals.

This and other data reviewed provided insight not only into the nature of homelessness but also to how complex and formidable an undertaking it is to address homelessness successfully in Sacramento County.

Issues and Challenges

Under the leadership of the County Office of Homeless Initiatives and with the support and collaboration of many of the community organizations involved in addressing homelessness, an excellent County of Sacramento Homeless Plan (Homeless Plan or Plan) was developed and, subsequently in December 2018, adopted by the Board of Supervisors. The Plan identifies the significant strides the community of organizations is making in addressing homelessness but it also acknowledges there are four persistent challenges in the County that will continue to require to be addressed for community-wide action to be successful. These include:

- Shortage of affordable housing and changing rental market
- Entry points (access to services) are not coordinated
- Lack of comprehensive, real-time data
- No single vision or oversight

This report provides some insight into the first three of these challenges but concentrates primarily on the fourth. The report discusses the issues presented by the funding for homelessness initiatives, the number and diversity of the organizations making up the community working to address homelessness and the community's past and current organizational models. It also discusses how each of these issues influences the persistent challenge of "No single system vision or oversight" and makes it very difficult for the community, as currently organized, to most effectively address homelessness in Sacramento County.

METHODOLOGY

The 2018/19 Grand Jury:

- Conducted extensive internet research to gain a better understanding of the nature of homelessness and the issues and challenges it presents, including:
 - Data on numbers and characteristics of homelessness
 - Most persistent issues currently being addressed
 - Status of these issues
 - Community of organizations involved in addressing the issues
 - Funding sources and their characteristics
 - Past and current organizational model to provide direction, control, accountability to community of organizations
- Reviewed available documentation of the five principle organizations - County of Sacramento, City of Sacramento, Sacramento Steps Forward, Sacramento Housing Redevelopment Agency and the Continuum of Care Advisory Board – including:
 - Strategic Plans
 - Governance Charters
 - Organization charts
 - Related budget documents and contracts
 - County Board of Supervisors Resolutions
 - Sacramento City Council meeting minutes and Resolutions
 - HMIS Requirements
- Reviewed documentation on several of the federal and State programs providing support to local efforts to address homelessness
 - Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act) administered by HUD
 - No Place Like Home (NPLH)
 - California Emergency Solutions and Housing (CESH)
 - Homeless Emergency Aid Program (HEAP)
- Interviewed representatives from each of the five principle organizations involved in the community supporting homeless persons

DISCUSSION

The issues and challenges presented by homelessness today are very significant. However, progress in addressing them is being made every day by the dedicated, competent leaders and workers of the various organizations supporting homeless persons. More individuals and families are being sheltered, transitioned into permanent housing, provided access to necessary services and programs and guided to a pathway out of homelessness than in the past. Many community organizations supporting homeless programs and initiatives who have operated independently in the past are now acknowledging the need for coordination between organizations and the value in collaboration in providing the most effective support to the homeless population.

There is also now an initial strategic direction for addressing homelessness in Sacramento County offered by the Plan developed by the County to secure NPLH funds and recently adopted by the Board of Supervisors. Many organizations providing services and programs for the homeless collaborated with the County on the development of the Plan and support its direction and implementation. The Grand Jury applauds this effort and supports the direction provided in the Plan.

The Plan also acknowledged there are four “persistent challenges” that have profound impacts on homelessness in the County and will continue to require significant community-wide action to be successfully addressed:

- **Shortage of affordable housing and changing rental market** – the shortage of affordable housing available to the homeless population is the most significant barrier to addressing homelessness. There are currently initiatives being developed and worked to provide more shelters and transitional housing. SHRA is actively working with the County and City to make more permanent housing units available through their voucher program and the identification of new units.
- **Entry points (access to services) are not coordinated** – this creates barriers to basic services – shelter, health care, behavioral health care, etc.- for the homeless persons. The Coordinated Entry System currently being adopted by many of the community’s service providers will help but will require additional coordination and collaboration to broaden its reach and impact.
- **Lack of comprehensive, real-time data** – this hinders the community’s ability to make timely, effective data-driven decisions on the programs and services targeting the homeless population. The first phase of interactive, real-time data dashboards supported by the HMIS database will be released by Sacramento Steps Forward (SSF) to the community users in the near future.
- **No single system vision or oversight** – no evidence could be found that any formal organizational model is being used by the community of organizations to guide their support efforts. As a result, there is not an adequate organizational structure in place to create or adopt a formal shared vision for addressing homelessness in Sacramento County; make decisions on program funding, implementation or changes; track the impact of programs and services; provide guidance and direction on essential efforts to promote coordination and collaboration among the organizations in the community. In essence, there is no organizational model in place that will ensure the most effective use of the critical resources available to most successfully address homelessness in the County.

Issues Influencing an Organizational Model

Efforts to address homelessness are funded from many different sources. Table 1 shows various sources of over \$98,000,000 for FY 2018/19 in public funds for homeless programs in Sacramento County that the Grand Jury was able to identify (there are also private funds supporting homeless programs in the County but the Grand Jury did not try to identify the source or amount of these funds).

**Table 1
Public Funding Sources for Homeless Programs Within Sacramento County**

PUBLIC FUNDING SOURCE	ANNUAL AMOUNT	PURPOSE
State/County ^b	\$ 34,051,401	Alcohol & Drug Treatment
Federal/HUD ^c	\$ 20,180,083	Housing/HMIS/Planning
State/MHSA ^d	\$ 14,666,667	Services & Support for Mentally Ill
State SB 82 Grant ^b	\$ 4,984,771	Mobile Crisis Support Teams
County ^b	\$ 4,700,320	Mather Community Campus
Federal/State/County ^b	\$ 3,639,227	Mental Health Services
County ^b	\$ 3,395,000	Housing/Intensive Case Management Services
Federal/State/County ^b	\$ 2,843,416	CalWorks Housing Support Allocation
County ^b	\$ 2,650,000	Low Barrier Shelters
State/MHSA ^b	\$ 2,500,000	Behavioral Health Crisis Center
Federal/State/County ^b	\$ 1,630,552	CalWorks Family Stabilization
County ^b	\$ 1,352,993	Emergency Shelter
State/County ^b	\$ 860,100	Child Welfare Services Housing Program
County ^b	\$ 504,000	Prevention, Intervention, Diversion
City of Sacramento ^e	\$ 400,000	Homeless Mitigation Services
County ^b	\$ 216,000	Outreach, Navigation, Rehousing
Total	\$ 98,574,530	

NOTES: Excluded from annual amount are funding from California Department of Social Services Single Allocation and Mental Health Single Allocation, which are used in certain circumstances to support homeless related programs and services.

Does not include \$40 million in State and City funds for temporary shelter that is awaiting Sacramento City Council approval for future years.

b. County of Sacramento Homeless Plan. Final Draft. November 30, 2018.

file:///C:/Users/mfine/AppData/Local/Microsoft/Windows/INetCache/Content.Outlook/ICZO7OEW/20181130%20Sacramento%20NPLH%20Plan%20with%20Appendices%20(2).pdf.

c. Sacramento Steps Forward. <https://sacramentostepsforward.org/>.

d. Sacramento County. Sacramento County News. <http://www.saccounty.net/news/>.

e. City of Sacramento. Council Agenda, November 27, 2018.

http://sacramento.granicus.com/MediaPlayer.php?view_id=22&clip_id=4295#.

These public funds represent a very significant investment in the community's efforts to address homelessness. However, the funding is not made available to the organizations and programs aiding homeless persons without presenting its own set of management challenges. Virtually all the funding is "stovepipe" in nature. This means the source of the funds – Federal HUD, State programs, County General Fund, etc. – essentially defines the terms and conditions surrounding the funds, including: who is eligible for the funds; the application process and schedule; how the funds must be used; time period for use, and; accountability and reporting requirements. The stovepipe nature of funds makes it very difficult to effectively braid funding with like programs across the community of services and programs to achieve the most effective outcomes. In addition to the stovepipe nature of the homelessness funds there are also management challenges presented by two other related characteristics of homelessness funds. The first of these is the uncertain availability of funds from one budget cycle to the next. Simply put, the availability of a sustained annual level of government funding can be influenced by many things (economic downturn, priority changes, sunseting legislation, changing requirements, etc.) and is not guaranteed. The second characteristic is the requirement that the various sources for the majority of these funds require both an annual application be made for the funds and periodic reporting on their use be provided. This results in a significant investment in administrative overhead by the organizations in the community of providers.

A simple example of the funding issue and its relationship to the fourth persistent problem cited earlier was presented during one of the interviews conducted by the Grand Jury. There are four temporary shelters for homeless persons in Sacramento County – the City of Sacramento's Rail Yard shelter, the County's Mather Field shelters, and shelters sponsored by the cities of Elk Grove and Citrus Heights. Each is separately funded and managed. Each also requires a separate investment in administrative overhead to operate it. Some of this investment represents funds that would be available to be re-directed, under an organizational model that would support collaboration and the consolidation of these administrative functions, to services directly supporting homeless persons. This would be a more effective use of this resource only available with the adoption of a new organizational model.

As mentioned previously, there is a community of organizations that are contributing significant resources to the effort to address homelessness in Sacramento County. Table 2 shows all the organizations, both public and private, the Grand Jury was able to identify that are engaged in some manner.

**Table 2
Homeless Services Community**

Identified Organizations	Type
California Emergency Services and Housing (CESH)	State Agency
City of Citrus Heights	Municipality
City of Elk Grove	Municipality
City of Folsom	Municipality
City of Galt	Municipality
City of Rancho Cordova	Municipality
City of Sacramento	Municipality
Continuum of Care Advisory Board	HUD Designated Agency
Department of Human Assistance (DHA)	County Department
Behavioral Health Services (BHS)	County Department
Department of Health Services (DHS)	County Department
Homeless Assistance Resource Team (HART) Carmichael	Not For Profit (NFP)
HART Citrus Heights	NFP
HART Elk Grove	NFP
HART Folsom	NFP
HART Rancho Cordova	NFP
Homeless Emergency Aid Program (HEAP)	State Funding
Sac County Sheriff Homeless Outreach Team (HOT)	Law Enforcement Agency
Lutheran Social Services	Faith Based NFP (FB NFP)
Resources for Independent Living	NFP
Roads Home	NFP
Sacramento ACT	FB NFP
Sacramento Loaves and Fishes	FB NFP
Sacramento Employment and Training Agency (SETA)	JPA
Sacramento Housing and Redevelopment Agency (SHRA)	JPA
Sacramento Police Department	City Agency
Sacramento Regional Coalition to End Homelessness (SRCEH)	NFP

Identified Organizations	Type
Sacramento Steps Forward (SSF)	NFP
Sacramento Self Help Housing (SSHH)	NFP
Sacramento Veterans Resource Center	NFP
Salvation Army	FB NFP
Transforming Lives, Cultivating Success (TLCS)	NFP
Turning Point Community Programs	FB NFP
Union Gospel Mission	FB NFP
Volunteers of America (VOA)	NFP
WellSpace Health	NFP
Wind Youth Services	NFP
Women Escaping A Violent Environment (WEAVE)	NFP

While all of the organizations play an important role in their own right, there are five primary organizations:

- County of Sacramento – prior to 2011 the County was the lead organization addressing homelessness. It was responsible for the administration of the Continuum of Care and was the designated agency for HUD funding. As a result of government funding pressures created by the recession, the County relinquished its lead role but remained active in the community. In 2016 the County established the position of Director of Homeless Initiatives and in 2018 led the development of the NPLH Homeless Plan discussed earlier.
- City of Sacramento – also established a position of Director of Homeless Initiatives and is active in the community. Current Mayor has taken a leadership role in addressing homelessness both locally and at the State level.
- Continuum of Care (CoC) Advisory Board – an unincorporated association required by the HEARTH Act to be eligible for HUD funding. Advises on policy related to homeless initiatives for community organizations receiving HUD funds.
- Sacramento Steps Forward (SSF) – a non-profit organization established in 2010 to be the lead agency for the CoC. Provides staff support to the County and City related to homelessness and to the CoC. Supports HMIS for the community of users and coordinates the PIT count.
- Sacramento Housing and Redevelopment Agency (SHRA) – A Joint Powers Agency (JPA) that serves as the housing authority for the County and City of Sacramento. SHRA administers a voucher program and identifies housing units that support the permanent housing needs of homeless persons.

Taking all the organizations together, their sheer number and the diversity of their make-up, interests and actions in supporting the homeless population represent significant coordination,

management and oversight challenges. In the absence of a working organizational structure it becomes virtually impossible to make the most effective use of the valuable resources they offer.

Responsive Organizational Model

In 2010, the County of Sacramento was recognized as the regional lead agency for homelessness by HUD. However, with the strain placed on local government budgets as a result of the recession, it became clear that local governments in Sacramento could not continue as the lead agency on homelessness and plans began to be made to transition to a new organizational model.

A team of representatives from key organizations was formed to explore options and make a recommendation for an organization model that would provide centralized direction and control to regional efforts to address homelessness. The team visited Columbus, Ohio, a city with many similarities to Sacramento and an effective centralized management model for organizations and activities addressing homelessness. The team also visited Oakland, California to gain some insight into a model that was proving to be effective for an organization there.

In December 2010, the County Board of Supervisors and the Sacramento City Council, acting on the recommendations of the team, each passed resolutions calling for the transition to a new organization model to provide management direction and oversight to the efforts to end homelessness in Sacramento County. The significant elements to these resolutions were:

- Adopted, in concept, the establishment of a public-private structure for addressing homelessness
- SSF would be the private side to administer homeless programs and become the designated agency for HUD funds
- A JPA representing the public side of the structure would be established to set policies and procedures
- CoC administration was to transfer from the County to SSF by June 2011 (the administration of the CoC was transferred from the County but not to SSF. The CoC Advisory Board became responsible for administering CoC and providing advisory on policies and procedures)

However, for reasons that could not be fully documented, the effort to establish the JPA and, ultimately, a public-private structure as the lead management organization for homelessness in the County were abandoned in early 2011. This was confirmed in March 2011, when the Board of Supervisors and the City Council each passed a resolution “endorsing” SSF as the “new entity” to administer homeless programs throughout the County. There have not been any other efforts to adopt an operational model since 2011.

Many in the community of organizations have begun to acknowledge that the challenges and issues presented by homelessness are extraordinarily formidable and complex and, as such, very difficult for the community, as it is currently organized, to most effectively address. The Grand Jury agrees with this position.

The community, in response to this issue, is beginning to express the need for a new organizational model that will create a shared vision for addressing homelessness in Sacramento

County. This new organizational model would make/facilitate decisions on program funding, implementation and operations; ensure fiscal accountability; track and report on the performance and impact of programs and services; and provide guidance and direction on the essential efforts to foster coordination and collaboration among the members of the community. A new model that would be able to successfully address this agenda would need a lead entity that is actively supported by the leadership of both the public and the private sector organizations involved in County homelessness and be appropriately empowered.

During Grand Jury interviews, two very preliminary ideas for the structure of this lead organization were shared:

- Re-consider a Joint Powers Agency – While this has the attraction of having a separate government agency dedicated to homelessness as the lead entity in the County, a JPA was the key element in the approach that was explored and abandoned in 2010/11. There are also some difficult barriers - political, budget and organizational - that would have to be effectively addressed for this approach to begin to be considered viable.
- Create a New Partnership – Create a partnership made up of the Funders Collaborative, the CoC Advisory Board and the “Electeds” to be the lead entity. The Funders Collaborative (which is currently being re-constituted at the staff level and would have to mature to management level representation) would provide oversight of the fiscal responsibilities and operations of the community. The CoC Advisory Board would provide policy, procedure and fund distribution advisory for the programs of the community. The “Electeds” would be members of the County Board of Supervisors and Councils of the cities within the County. They would provide vision, direction, guidance, decision making, and promote and create opportunities for coordination and collaboration across the community. SSF would provide staff support to the partnership. This would include continuing to be the designated agency for HUD funds, HMIS and data support, PIT count coordination, and coordination of program measurement, evaluation and reporting.

It is evident from these very brief, high-level discussions of two alternatives that finding the right organizational model for Sacramento County to adopt to most effectively address homelessness is, in itself, going to be a very significant challenge. Local government is a logical place to look for a lead entity that could provide organizational leadership to a public/private community of organizations supporting the County’s homeless and also be accountable for the performance and outcomes of the programs of the community and the use of public funds.

However, it is clear from past experiences that budget constraints will not allow a current local government entity to take the lead role in a new organizational model for homelessness. Individuals and organizations involved in Sacramento County homelessness recognize that the identification and implementation of a new organizational model that is responsive to the needs of the community and the challenges of homelessness will not be simple and will take both significant time and commitment. They also recognize that such a change is essential to achieving the magnitude of positive impact on homelessness the community and the general population of Sacramento County are seeking. The Grand Jury concurs with both these positions.

FINDINGS

- F1. There is no formal organizational model being used by the community of organizations that will ensure the most effective use of the critical resources available to be used to address homelessness in Sacramento County.
- F2. The leaders and workers in the community of organizations actively working to address the challenges presented by homelessness in Sacramento County have demonstrated an impressive level of both dedication and competence in assisting and supporting the County's homeless population.
- F3. A County of Sacramento Homeless Plan to secure NPLH funds was recently developed by the County and adopted by the Board of Supervisors. The plan presents a significant initial strategic direction for addressing homelessness in Sacramento County and many of the organizations providing services and programs for the homeless collaborated with the County on the plan's development and support its direction and implementation.

RECOMMENDATIONS

- R1. The community of organizations working to address homelessness in Sacramento County should initiate a process during Fiscal Year 2019/20 to identify an organizational model that will be responsive to needs expressed by the community. This process should be coordinated by the five primary organizations providing resources to the homelessness effort. They are:
 - County of Sacramento
 - City of Sacramento
 - Continuum of Care Advisory Board
 - Sacramento Steps Forward
 - Sacramento Housing Redevelopment Agency

REQUIRED RESPONSES

Pursuant to Penal Code sections 933 and 933.05, the grand jury requests responses as follows:
From the following elected county officials within 60 days:

- Mayor Darrell Steinberg
City of Sacramento
915 I Street, 5th Floor
Sacramento, California 95814
- Patrick Kennedy, Chair
County Board of Supervisors
700 H Street, Suite 1450
Sacramento, California 95814

From the following governing bodies within 90 days:

- La Shelle Dozier, Executive Director
Sacramento Housing and Redevelopment Agency
801 12th Street
Sacramento, California 95814

Mail or deliver a hard copy response to:

David De Alba, Presiding Judge Sacramento County Superior Court
720 9th Street, Dept. 47
Sacramento, CA 95814

In addition, please email response to:
Becky Castaneda, Grand Jury Coordinator at castanb@saccourt.com

INVITED RESPONSES

- Sarah Bontrager, Chair,
Continuum of Care Advisory Board
1331 Garden Hwy, Suite 100
Sacramento, California 95833
- Lisa Bates, Chief Executive Officer
Sacramento Steps Forward – CEO
1331 Garden Hwy, Suite 100
Sacramento, California 95833

Mail or deliver a hard copy response to:

David De Alba, Presiding Judge Sacramento County Superior Court
720 9th Street, Dept. 47
Sacramento, CA 95814

In addition, please email response to:
Becky Castaneda, Grand Jury Coordinator at castanb@saccourt.com

Reports issued by the Grand Jury do not identify individuals interviewed. Penal Code section 929 requires that reports of the Grand Jury not contain the name of any person or facts leading to the identity of any person who provides information to the Grand Jury.
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