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OAKLAND

2015 APR 16 AM 1:53 **AGENDA REPORT**

**TO:** JOHN A. FLORES  
INTERIM CITY ADMINISTRATOR

**FROM:** Sara Bedford

**SUBJECT:** Recommendations for PATH  
Funding for FY 2015-2016

**DATE:** April 14, 2015

City Administrator  
Approval

Date:

4/17/15

**COUNCIL DISTRICT:** City-Wide

### **RECOMMENDATION**

Staff recommends that the City Council accept an informational report on the City's Permanent Access to Housing (PATH) strategy including key programs and outcomes, and including staff recommendations regarding strategic investments to address chronically homeless singles that are unsheltered, living on the street or other locations not meant for human habitation.

The proposed staff recommendations total approximately \$1,320,000 of which the funding sources have not been identified. This report is provided at the request of the Life Enrichment Committee to include in the City Council's deliberations for its Fiscal Year (FY) 2015-17 budget process.

### **OUTCOME**

This is an informational report and it is hoped that the City Council authorizes one or more of the staff recommendations for funding. Funding of any of the recommendations can ensure level, if not greater success than was realized for the FY 2014-2015 outcomes referenced below for Oakland's programs serving the homeless and near homeless individuals.

### **BACKGROUND/LEGISLATIVE HISTORY**

#### ***Approach***

Oakland's Permanent Access to Housing (PATH) Strategy is an Oakland-specific companion to Alameda County's EveryOne Home Plan, a Countywide plan to be used as a roadmap for ending homelessness in the County. EveryOne Home is a comprehensive plan for providing housing and wrap around support services to homeless people in Alameda County, to those people living with serious mental health illness and those with an HIV/AIDS diagnosis.

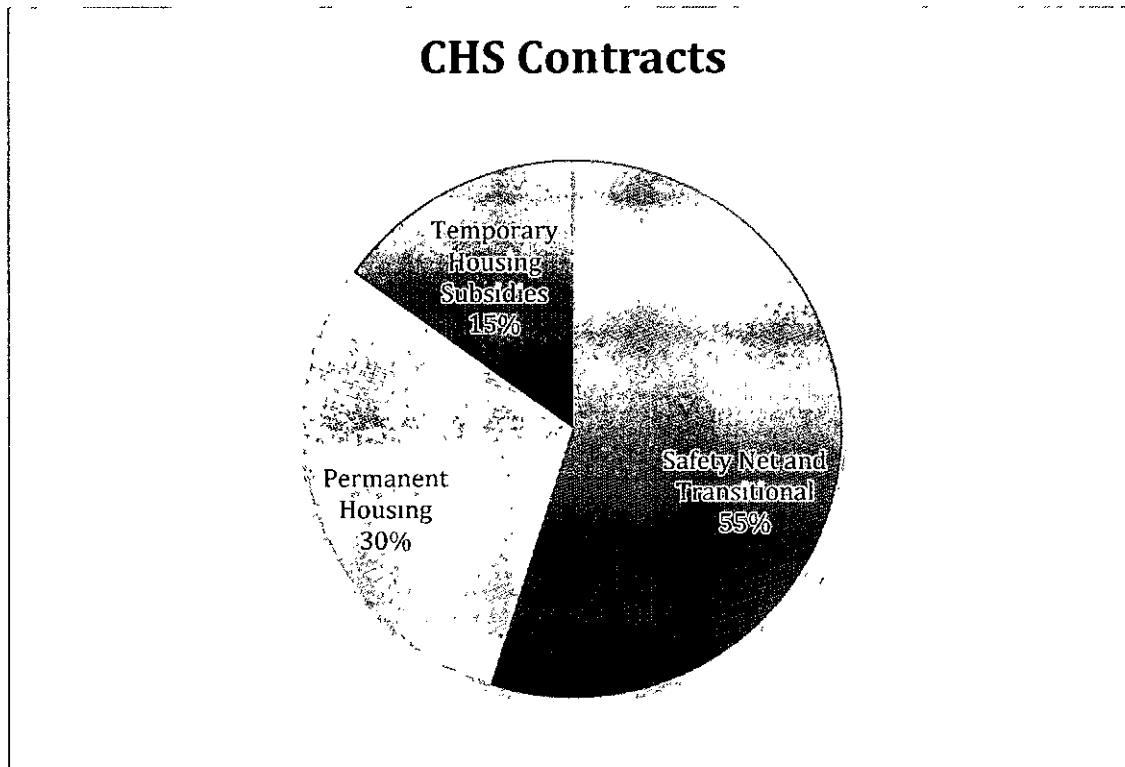
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Implementation of the PATH Strategy has focused on the areas listed below:

- Development of the Pipeline Process for Permanent Supportive Housing
- Capacity building for Homeless Service Providers and Housing Developers design of the Homeless Service Delivery system
- Rapid Rehousing Services
- Expansion of Street Action Team and Outreach Services

Both PATH and EveryOne Home are based on a *Housing First* program model that emphasizes rapid client access to permanent housing rather than prolonged stays in shelters and transitional housing. What differentiates a *Housing First* approach from traditional emergency shelter or transitional housing approaches is that it is “housing-based,” with an immediate and primary focus on helping individuals and families quickly access and sustain permanent housing. Once in housing, two types of other time-limited services are then provided to the client and his/her household: 1) services designed to stabilize the client in housing and prevent future episodes of homelessness, and 2) acclimation to the neighborhood and other services available within the new community. This approach has the benefit of being consistent with what most people experiencing homelessness want and seek help to achieve.

City of Oakland Services: Oakland’s Community Housing Services (CHS) Division contracts for shelter, transitional housing, temporary housing subsidies, and permanent housing assistance for homeless households. Current funding is detailed by type of intervention in Chart 1 below:



**Chart 1**

As is shown in Chart 1 above, the majority of the City's funding is directed toward transitional housing, emergency shelter services, or other non-permanent interventions. The City uses approximately 45 percent of its investment in permanent housing strategies: 30 percent of its funds in programs that provide subsidies and services to homeless households placed in permanent supportive housing, and an additional 15 percent in temporary housing subsidy and prevention programs that also place people into permanent housing, though the subsidies and services are typically time-limited and short-term. Both permanent housing strategies are needed. Short-term subsidies are best used for homeless households without permanent disabilities or other major barriers to stabilization, while deeper subsidies and long-term supportive services are a proven strategy for chronically homeless individuals with severe or multiple disabilities.

For your information, several other reports being heard today by City Council more specifically distinguish the type and source of dollars that come into or through the City of Oakland to fund the services and housing interventions mentioned above. Those reports seek authorization from the Council to apply for, accept, and appropriate dollars to the specific homeless and hunger interventions embedded in Chart 1 above.

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## ANALYSIS

### *Current Needs*

Oakland has more than 2,000 homeless men, women, and children at any point in time; an estimated 30 percent are chronically homeless, and many face significant barriers to employment and housing. For instance, Chart 2 below is an annual data analysis which indicates homeless characteristics by type

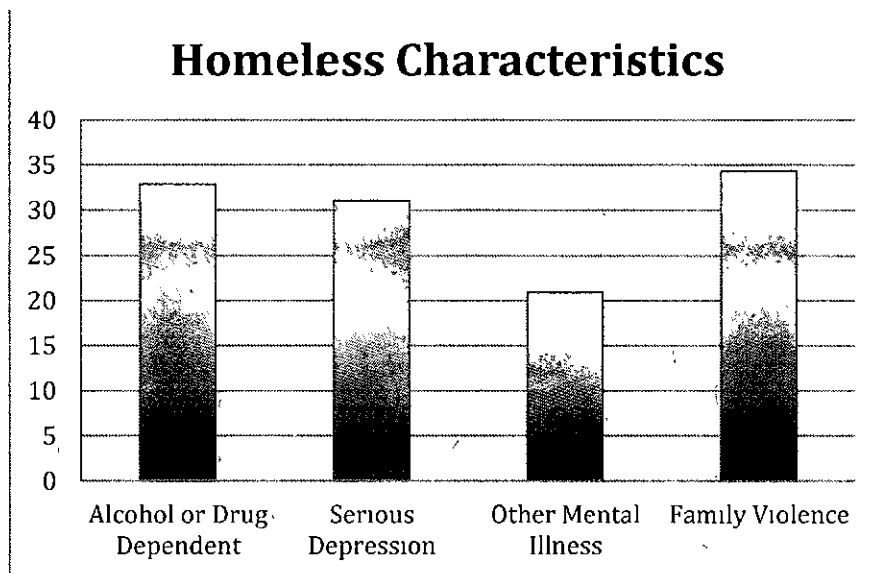


Chart 2

### *Demographics Snapshot*

The homeless population in Oakland is majority male (61 percent), disproportionately African-American (69 percent versus 28 percent of Oakland's total population), and more than 66 percent are between the ages of 41 and 60.

### **Family Type:**

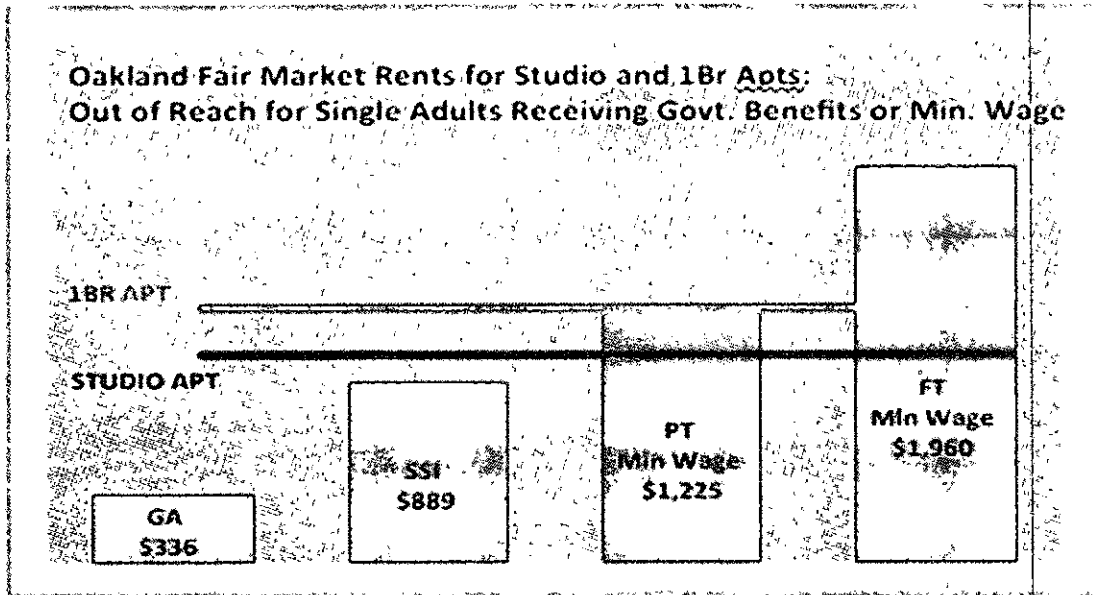
- Homeless Families with Children – For January 2013, it was estimated that in a single day, 22 percent of the homeless population in Oakland (456 people) were living in households with children. Over the course of the same year, Oakland Unified School District reported that more than 600 students experienced homelessness at least once. Rates of domestic abuse tend to be especially high among families.
- Single Adults – The majority of the population is comprised of single adults (nearly 78 percent, 1641 people) living alone or sometimes with other adults. The single adult population tends to be disproportionately male. In recent Countywide surveys 20 percent

of Oakland's homeless were veterans, while the 2013 U.S. Census showed only four percent of Oakland's adults were veterans. The veteran population in Oakland showed high rates of mental illness with 27 percent disabled by serious depression and 44 percent suffering from post-Traumatic Stress Disorder.

### ***Chronically Homeless***

Within the single adult population, a portion of that population is chronically homeless, defined as a person with a disability and currently homeless for a year or more or four or more episodes of homelessness within the last three years. Countywide, the chronically homeless constitute 22 percent of the homeless population; however 82 percent of them are unsheltered. A recent Countywide initiative called Home Stretch enrolled chronically homeless people to prioritize permanent supportive housing resources for the most vulnerable individuals. Data about the 259 people enrolled as of July 1, 2014, further show that a portion of the single adults in the homeless population has highly complex and severe needs. Of 259 chronically homeless people enrolled in Home Stretch, 60 percent are male, 49 percent report more than five years of homelessness in their lifetime, 76 percent self-report significant mental health problems, 82 percent have a record in the county mental health system, and nearly half (48 percent) have a record in the County substance use disorder treatment system.

The majority of homeless people in Oakland are unsheltered. With a very limited number of shelter beds and housing options, homeless adults in Oakland with the barriers described are likely to remain homeless for lengthy periods. Those with disabilities may spend close to two years applying for SSI disability income. If they receive SSI, they will have nearly \$900 per month. Unfortunately, this does not put them in reach of an apartment, with studio units renting for over \$1,200 per month. The U.S. Department of Housing and Urban Development's Fair Market Rent Summary suggests that the average rental price for a one-bedroom apartment in Oakland is between \$1260 and \$1514 per month. For those who cannot afford a one bedroom, HUD has estimated the fair market rent for efficiency in the Oakland - Fremont Metro Area at \$1039 for fiscal year 2015.<sup>11</sup> Chart 3 below outlines Oakland's fair market rents for studio/one bedroom apartments in comparison to income.



**Chart 3**

Exacerbating the problem, the end of redevelopment has resulted in far fewer new units for this population. Thus far, the City has been unable to provide new resources for housing the 2,000 people in need. The substantial efforts by City staff and non-profit providers have little effect when there are no available housing units for people under 25 percent of median income, particularly if they also have disabilities that limit their income.

***Trends in Alameda County***

Data from the Countywide 2013 Homeless Count report show a shift away from families to singles, an increase in street homelessness, and an increase in chronic homelessness. The anticipated data later this year from the 2015 count will show the degree to which Oakland mirrors or deviates from the Countywide trend.

An unprecedented amount of funding has been released at the State and County level to address family homelessness and has become a primary resource for Oakland providers to focus on ending family homelessness. This infusion of targeted resources shows early signs of being impactful for CalWORKs families and legislative analysts at the State level are predicting the funding will be renewed again for the FY 2015/16 fiscal year.

Veteran homelessness has also been targeted with resources from the Federal government and Oakland has the largest program Countywide for outreach to veterans and their families. Until the last eight months the success rates for outreach and housing connection were impressive. The shift in housing prices in the rental market has caused a slow-down in housing placements for veterans and families. Increasingly, providers must house clients in Vallejo, Fairfield, and

Sacramento. Service providers are creative and are using Skype as a way to support their client population when housed at a distance.

### **PUBLIC OUTREACH/INTEREST**

This report did not require public outreach other than the publication on the City's website.

### **COORDINATION**

This item required coordination with EveryOne Home and Alameda County Housing and Community Development's Homeless Management Information Systems staff, U.S. Department of the Census, and various experts on homelessness trends and Housing First interventions.

### **COST SUMMARY**

#### **Current Year CHS Contracts for Homeless and Housing Assistance**

Type of Assistance	Oakland's Cost per Client Served	Persons Served	% Exiting Homelessness
Shelter and Transitional Housing	\$4,360	841	85%
Subsidies/Services Permanent Housing	\$10,066	185	99%
Temporary Permanent Housing Subsidies	\$9,786	116	97%
Total persons exiting homelessness last fiscal year			1,011

**Table 1**

As the numbers in Table 1 above show, Oakland's current investments are effectively ending homelessness for the people they serve. However, turnover in these programs is low, and quantity of resources is not to scale of the need. Since new people become homeless on a daily basis, the current configuration of programs and investments will not result in a dramatic reduction of the homeless population. A greater impact to reducing street homelessness could be achieved by a few core changes

- Invest additional funding into permanent housing strategies which show the highest success rate;
- Implement a shelter diversion program that helps people resolve housing crises so that they are not forced to reside in a shelter, which will in turn free up shelter beds to house more people from the streets;
- Improve outreach efforts to reach more people living outdoors to connect them to resources via expanded outreach activities totaling a greater number of hours per week and modified hours to later in the evening when people have returned to their sleeping areas; and,

Continue registry efforts to identify all people currently residing outdoors and each person's needs, to enable outreach, housing, and services staff to understand each person's needs, best target the appropriate service to each, and to prioritize the deepest subsidies and most comprehensive services to the most vulnerable.

Additional assistance for housing subsidies and supports is particularly needed among single adults with disabilities. Expanding the scale of partnerships between CHS and non-profit housing providers and the Oakland Housing Authority would be an important and strategic step.

Costs to provide services to 25 homeless single adults in a subsidized setting (such as new MLK building) would be less than \$75,000 ongoingly per year because of leveraged services and operating budget provision for services coordination

Services costs for a "step-down" program from higher cost supportive housing would be only \$60,000 for 25 formerly homeless Oakland PATH Rehousing Initiative (OPRI) clients with Oakland Housing Authority subsidy match.

New housing placements for chronically homeless will cost approximately \$12,000 per client per year for subsidy and approximately \$100,000 per year (\$4,000 per client) for case management and additional assistance for 25 clients.

### **PAST PERFORMANCE, EVALUATION AND FOLLOW-UP**

Permanent Supportive Housing had the lowest rates of participants exiting to homelessness, at one percent, followed by Rapid Rehousing programs (temporary permanent housing subsidies) at three percent. Transitional Housing and Emergency Shelter had a higher percentage of participants exiting to homelessness at 10 percent and 15 percent respectively.

#### ***Rapid Rehousing Program Outcomes***

Rapid Rehousing in Oakland is geared toward households likely to be able to assume their own rental costs within 24 months. Overall, Rapid Rehousing programs run by three service providers (East Oakland Community Project, First Place Fund for Youth, and Saint Mary's Center) showed extremely positive results. The vast majority of homeless persons served (91 percent) either maintained in housing for over a year or exited into a permanent housing placement. Of the 116 persons served by Rapid Rehousing programs in FY 2013-2014, only three percent of participants exited to homelessness.

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Most housing placements were into a rental unit leased by the client. Of those 60 individuals who participated in the program for at least 90 days and exited to housing, 87 percent transitioned to their own apartment rental, 12% exited to permanent placements with friends or family, and two percent (1 participant) moved to permanent supportive housing. Table 2 below outlines:

**Table 2**

<b>RAPID REHOUSING PROGRAM OUTCOMES FY2013-2014</b>			
		<b>% of those served</b>	<b>% of those exiting</b>
<b>Persons Served</b>	116		
<b>Housed in program &gt;1year</b>	22	19%	
<b>Exited to Housing</b>	84	72%	97%
<b>Exited to Homelessness</b>	3	3%	3%

\* Not included in overall percentages are the 7 deceased clients during FY2013/14

***Permanent Supportive Housing Outcomes***

The two Permanent Supportive Housing programs analyzed one run by Abode and one by Lifelong Medical Care, showed strong positive results in maintaining stable housing for participants. This type of housing is targeted to those who need the deepest subsidies and greatest level of support. Retention in housing is the expected outcome for most clients. Of those who do move out of permanent supportive housing, it is also successful to move to other permanent housing. Of those who exited the program, more than half transitioned to another permanent housing placement. One percent of total participants (or two out of 185) exited to homelessness. Table 3 below outlines the permanent housing outcomes:

**Table 3**

<b>Permanent Housing Outcomes</b>		<b>% of those served</b>
<b>Individuals Served</b>	185	
<b>Housed in program &gt;1year</b>	161	87%
<b>Exited to other permanent Housing</b>	11	6%
<b>Exited to Homelessness</b>	2	1%

***Transitional Housing Program Outcomes***

Overall, nearly 80 percent of individuals participating in transitional housing programs in fiscal year 2013-2014 were either maintained in housing, or exited to permanent housing. Of the 389 homeless persons served, 166 (about 43 percent) exited to housing, and 142 (37 percent) were maintained in housing. About 10 percent exited to homelessness. The transitional housing outcome is highlighted below in Table 4.

**Table 4**

Transitional Housing Outcomes		% of those Served
Persons Served	389	
Persons Maintained in housing	142	37%
Persons Exited to Housing	166	43%
Persons Exited to Homelessness	37	10%

Statistics for Emergency Shelter outcomes for Oakland include just the participants under City of Oakland contracts, receiving case management assistance outlined in Table 5 below.

**Table 5**

EMERGENCY SHELTER OUTCOMES FY 2013-2014						
Agency	Program	Number Served 13-14 Contract Year	# Exited to Permanent Housing	% Exited to Permanent Housing	# Exit to Shelter or Streets	% Exiting to Shelter or Streets
EOCP	Crossroads PATH, ESG & Supportive Housing Programs	452	131	29%	90	20%

### *Summary Observations*

The City of Oakland has, in partnership with its nonprofit, County, and jurisdictional partners, implemented several strategies as interventions to more successfully address the needs of its overall homeless population in Oakland such as at risk adults and youth, families, emancipated youth, veterans, special needs and disabled adults and youth, as well as unsheltered homeless.

Oakland's safety net of services is stable, but insufficient to meet the needs of the unsheltered and those at risk of becoming homeless. Actions possible to further bolster our safety net services include:

1. Provide funding to open an every night winter shelter for 50 persons from November through April. Secure a facility that can accommodate that number and supplement with overnight motel voucher for overflow. Price tag \$150,000 for beds and staffing may increase depending on real property costs (current budget \$85,758) the difference is approximately \$64,242;
2. Expand the City's outreach and harm reduction capacity from four days a week, 4pm to 8pm to five days per week from 11pm to 2am (or six days a week from 7 pm to 12 am) with an incentivized service approach to leave the streets and street encampments to a sanctioned campground(s) operated like a full service emergency shelter. Price tag for outreach only is \$350,000 (current budget for Outreach and harm reduction is \$179,310) the difference is approximately \$170,690;
3. Expand bed capacity at Crossroads Shelter and St. Mary's Center shelter from December through April. Price tag \$40,000 (Current budget is \$15,000 from City of Emeryville) the difference is approximately \$25,000;
4. Continue to request maintenance of effort support from Alameda County to support permanent housing support for most vulnerable unsheltered population at a pro rata share of their North County contribution for winter shelter; and,
5. Increase both graduated and permanent housing subsidies for those coming through the Henry Robinson Multi-Service Center (HRMSC). Provide a path and pipeline to move unsheltered homeless from the streets (through our Outreach Program) into the Henry Robinson Multi-Services Center and out into permanent housing. Price tag \$1,000,000 (current budget for subsidies approximately \$200,000) the difference is approximately \$800,000.

The City's effort to provide safety net housing to its unsheltered population on the streets has been operating for the past 17 months at the HRMSC; 266 unsheltered, street homeless have been housed at the HRMSC and in that time 68 percent have exited to permanent housing (178

individuals). Staff believes this number should be targeted for interim housing services and wrap around services with a temporary housing subsidy that decreases over time until they are more stable and able to support their housing independently.

Of the 266 unsheltered homeless, there are another 125 who are having more challenges of living independently without more intensive support over a longer period of time. Those tenants are profiled as longer term, chronic homeless with multiple disabilities that are often physically and mentally debilitating. This population would be served more adequately through permanent supportive housing support, which includes permanent subsidies and services. The cost of a permanent subsidy and service is estimated at \$20,000 per person per year. Staff proposes that the City negotiate specifically with the OHA to set aside vouchers for this population and attach to those coming out of the HRMSC. The City in turn provides a services match to provide the housing services to support the stability of those moved into housing. Estimated cost is \$238,000 for a service team. There is currently no funding identified for this intervention.

Internally, staff proposes the City update its housing policy to carve out an ongoing percentage of units be set aside for those at 15 -25 percent of area median income in order to create a stock of housing affordable to those that are in need of permanent supportive housing.

### **SUSTAINABLE OPPORTUNITIES**

***Economic:*** All funds recommended for possible funding in this report are for the purpose of providing housing and services to homeless to eliminate and prevent homelessness. Such outcomes are achieved through rapid rehousing assistance, homelessness prevention, transitional housing, shelter services, homeless encampment services, and outreach.

***Environmental:*** The provision of housing for at-risk and homeless persons is intended to address the environmental degradation caused by homeless families and individuals precariously housed or unsheltered and living on the street.

***Social Equity:*** The intended use of funds recommended in this report is targeted to the most vulnerable and at-risk populations in this City and is providing essential and basic human services, housing and support.

For questions regarding this report, please contact Susan Shelton, Community Housing Services Manager, at 238-6186.

Respectfully submitted,

  
SARA BEDFORD  
Director, Human Services Department

Prepared by: Susan R. Shelton, Manager  
Community Housing Services Division

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' 2009, 2011, 2013 Alameda Countywide Homeless Count and Survey" reports prepared for EveryoneHome  
" Median rent for a one bedroom in Oakland as of January 2015 reported as \$1295 "January 2015 California  
Rental Price Monitor", Apartment List <https://www.apartmentlist.com/rentonomics/january-2015-california-rental-price-monitor/>,

Fair market price in the Oakland / Fremont metropolitan area (and in Alameda County) is set at \$1039 for an  
efficiency and \$1260 for a one bedroom for FY2015 by HUD  
[http://www.huduser.org/portal/datasets/fmr/fmrs/FY2015\\_code/2015summary.odn](http://www.huduser.org/portal/datasets/fmr/fmrs/FY2015_code/2015summary.odn)

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