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# PERFORMANCE AUDIT OF THE CITY'S EFFORTS TO ADDRESS HOMELESSNESS

The City Has Made Strategic Improvements But Needs Additional Planning, Coordination, Oversight, and Improved Outreach—including at Encampments—to Better Address Homelessness

Office of the  
City Auditor

City of San Diego



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## THE CITY OF SAN DIEGO

February 12, 2020

Honorable Mayor, City Council, and Audit Committee Members  
City of San Diego, California

Transmitted herewith is a performance audit report on the City's efforts to address homelessness. This report was conducted in accordance with the City Auditor's Fiscal Year 2019 Audit Work Plan, and the report is presented in accordance with City Charter Section 39.2. The Results in Brief are presented on page 1. Audit Objectives, Scope, and Methodology are presented in Appendix B. Management's responses to our audit recommendations are presented after page 96 of this report.

We would like to thank staff from the Homelessness Strategies Division, the San Diego Police Department, the Environmental Services Department, and other departments and outside agencies for their assistance and cooperation during this audit. All of their valuable time and efforts spent on providing us information is greatly appreciated. The audit staff members responsible for this audit report are Danielle Novokolsky, Luis Briseño, Danielle Knighten, and Andy Hanau.

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## Results in Brief

California has experienced a growing homelessness problem over the past decade, and cities and counties statewide are at the forefront of responding to this crisis. According to the San Diego Regional Task Force on the Homeless (RTFH), homelessness remains a concern that affects the quality of life for everyone in the region. In fact, in January 2019, the San Diego region had the fifth highest number of people experiencing homelessness among the 50 largest cities in the U.S.<sup>1</sup> The Mayor has acknowledged a serious housing shortage and homelessness crisis, noting that these conditions take an incredible toll on government agencies, non-profit service providers, residents, and the City's neighborhoods. The Mayor further described homelessness as a profound social and humanitarian crisis and the central issue that the City and other stakeholders must now act upon.

**Finding 1: The City Has Significantly Increased Its Efforts to Address Homelessness, But Several Additional Steps are Needed to Successfully Implement the Recently Adopted Strategic Plan on Homelessness**

The City has made significant efforts to address homelessness in recent years by establishing bridge shelters, storage centers, expanding the Safe Parking Program, and recently opening a Housing Navigation Center. However, until recently, the City had been operating without a strategic plan to guide its spending decisions, organizational structure, and overall strategy. As a result, some of the City's spending and programming decisions on homelessness have been reactive, and the City's resulting actions to reduce homelessness may not be as effective and efficient as possible.

Recognizing the need for a more strategic approach, City leaders collaborated with the San Diego Housing Commission to develop a strategic plan on homelessness for the City. The resulting City of San Diego Community Action Plan on Homelessness (Strategic Plan on Homelessness) was adopted by the City Council in

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<sup>1</sup> In the 2019 Annual Homeless Assessment Report to Congress (AHAR), HUD assigned the Continuum of Care (CoC) for the San Diego region, including San Diego City and County, to the Major City category. CoCs are local planning bodies responsible for coordinating the full range of homelessness services in a geographic area, which may cover a city, county, metropolitan area, or an entire state. In AHAR, the Major City category covers the CoCs that contain one of the 50 largest cities in the U.S.

October 2019. We commend the City for adopting the new Strategic Plan on Homelessness, but the City will need to take several additional actions to successfully implement the plan, including:

- Conduct a funding analysis and develop a financial plan that includes sustainable funding sources;
- Formalize coordination and oversight to ensure effectiveness;
- Ensure staffing resources and organizational structure are adequate for implementing the new plan and continuing existing duties;
- Monitor and report on progress to ensure accountability, transparency, and effectiveness; and
- Periodically reassess the plan to ensure strategies can adapt to changes in the environment.

**Finding 2: Homeless Outreach Efforts Can Be Improved Using a Comprehensive Strategy that Includes Additional Outreach Workers, Improved Coordination, and Data Utilization**

Many people experiencing homelessness may be reluctant to seek assistance or may face barriers that make it difficult for them to access available services, shelter, or housing on their own. For example, potential barriers to accessing available services or self-resolving homelessness may include mental illness and substance abuse. Therefore, outreach can play a vital role in helping end homelessness. In many cases, successful outreach requires significant time and effort to build relationships, trust, and rapport with homeless individuals who may be distrusting of the system.

Although the City's homeless outreach efforts have recently improved and continue to evolve, we found the City lacks a comprehensive outreach strategy, there is currently no regional system in place to take the lead on homeless outreach, and the region currently lacks the capacity and resources to implement a comprehensive outreach program. Specifically:

- The region lacks the capacity and resources to implement a comprehensive outreach program, at the city or regional level.
- Homeless outreach efforts should be persistent and use a person-centered approach, with a focus on building rapport and trust. However, in the absence of



a regional approach, the City lacks sufficient non-law enforcement outreach personnel to provide this type of outreach effectively on a large scale.

- The City has made some improvements in coordination, but these are likely insufficient to drive large-scale, systemic improvements of outreach efforts without additional financial, personnel, and organizational resources dedicated to this effort.
- Strong partnerships between outreach workers and law enforcement are necessary, but outreach should be driven primarily by non-law enforcement personnel. SDPD's Homeless Outreach Team (HOT) has been filling a void by acting as the City's leading provider of homeless outreach. The City needs additional non-law enforcement outreach personnel to provide proactive, person-centered outreach more effectively.
- High quality data should be used to support decision making and drive operational improvements. However, data collection and sharing related to the reasons for refusal of service has not been formalized, and the City is not utilizing that information to drive operational improvements.

**Finding 3: The City Is Not Maximizing the Effectiveness of Its Outreach Practices to Connect Individuals with Shelter and Services During Homeless Encampment Abatements**

To enhance the efficiency of both homeless outreach and the encampment abatement process, it is in the best interest of the City to take advantage of all opportunities to conduct effective outreach during contacts with homeless individuals. However, in practice, the City's pursuit of its various goals and responsibilities can conflict with its goals directly related to homelessness. For example, the City's current encampment abatement process focuses on removing waste and preserving public safety, but does not include outreach to homeless individuals that is sufficient to reach each individual affected by the abatement or connect each individual to shelter or services. If the City does not conduct effective outreach when abating encampments where individuals are found to be present, homeless individuals may relocate to another location that may later also require abatement—thereby sometimes resulting in a repetitive and costly cycle of abatement and inefficient use of City resources. Furthermore, frequent displacement without effective outreach may impact homeless individuals' ability to successfully resolve

their homelessness and does not support the Homelessness Strategies Division's goal of broadening access to resources and addressing the needs of people experiencing homelessness. To address these issues, the City should develop an outreach and encampment protocol aligned with federal guidance; whenever there is no immediate health or safety hazard, allocate outreach teams to provide persistent outreach far enough in advance of a scheduled abatement to allow for trust and rapport building; and use data to assess effectiveness and drive operational improvements.

**Other Pertinent Information: The City Should Continue Exploring Innovative Short-Term Measures to Alleviate Unsheltered Homelessness While Permanent Supportive Housing and Affordable Housing is Developed**

Despite the City's efforts to address homelessness, there are still more unsheltered people in the City than there are shelter opportunities available for them. A leading cause of homelessness is a shortage of affordable housing. To that end, the City has recently made various efforts to increase the supply of both market rate and subsidized housing in the City. These changes, however, will take time to have a substantial effect on the housing market and will not resolve the problem of people experiencing homelessness right now.

Moreover, improvements to the City's homeless outreach efforts—which are discussed in Finding 2 and Finding 3—also depend on having additional housing solutions in place. Successful outreach is not simply getting people to accept assistance; the City must also be ready to deliver on the promise of help and offer people housing placements suited to their individual needs. Without a sufficient volume and variety of housing, shelter, and other interim measures, there is a risk of offering assistance without follow-through, which, according to the U.S. Interagency Council on Homelessness (USICH), may lead people experiencing homelessness to distrust the system and be reluctant to accept assistance in the future. The City has expanded its offerings significantly in recent years; the City should seek further expansion of its efforts.

Therefore, the City should revisit and explore innovative solutions for creating additional opportunities for shelter and services while at the same time continuing efforts to increase the supply of permanent housing in the City.

**Review of Management's  
Response**

We made a total of 12 recommendations to improve the City's response to homelessness. Management agreed to implement 7 of the recommendations and indicated "partial agreement" with the remaining 5 recommendations. However, the steps laid out in Management's response letter indicate that Management does not plan to fully implement several key recommendations. In further discussions with Management, they disagreed with this assessment, indicated that they do plan to implement each recommendation, and will provide clarification to this effect.

These recommendations pertain to the need for additional outreach workers to connect people experiencing homelessness with shelter and services to help them resolve their homelessness, and the need to develop protocols to align outreach efforts with best practices and track additional data to monitor their effectiveness. Management's response indicates that while they agree that more outreach workers are needed, they plan to encourage the Regional Task Force on the Homeless and other regional jurisdictions to contribute to a region-wide pool of outreach workers instead of the City directly hiring or contracting with additional outreach workers as we recommended.

We note that while a region-wide pool of outreach workers may be a successful approach in the long run, this option does not currently exist. In the interim period, the City is likely missing significant opportunities to connect people experiencing homelessness with shelter and services. This is especially true of encampment abatements—the City is issuing thousands of abatement notices per year, and as noted above, the City's current encampment abatement process does not include sufficient coordination with outreach workers or tracking of adequate data to monitor the effectiveness of outreach conducted during abatements. Without effective outreach, encampment residents may simply relocate to another location that may later also require abatement—thereby sometimes resulting in a repetitive and costly cycle of abatement and inefficient use of City resources. Approximately 63 percent of people experiencing homelessness in the region reside in the City of San Diego, and we maintain that in the absence of a regional outreach approach, the City needs to ensure that its

capacity to provide outreach to the City's large homeless population during encampment abatements or otherwise is sufficient.

# Background

California has experienced a growing homelessness problem over the past decade, and cities and counties statewide are at the forefront of responding to this crisis. In San Diego, homelessness remains a persistent problem that affects the quality of life for everyone in the region. The City Council described homelessness as an acute social problem with severe negative impacts on both the homeless themselves and on residents, neighborhoods, and businesses. In addition, according to the City Council's Comprehensive Policy on Homelessness, the scope of the homeless crisis across the City is significant, being visible in every community within the City.

## What is Homelessness?

Homelessness is a complex, multifaceted issue. The U.S. Department of Housing and Urban Development (HUD) defines an individual as homeless if they lack a fixed, regular, and adequate nighttime residence. According to the San Diego Regional Task Force on the Homeless (RTFH), which uses HUD's definition when conducting annual point-in-time counts of homeless San Diegans, an *unsheltered* homeless individual or household resides in a place not meant for human habitation, such as cars, parks, sidewalks, abandoned buildings, or on the street. A *sheltered* homeless individual or household resides in a supervised, publicly or privately operated shelter designated to provide a temporary living arrangement, including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs.<sup>2</sup>

According to RTFH, living unsheltered is traumatic, dangerous, and impacts the health and well-being of those who have to endure it daily. Moreover, homelessness is of significant concern to the general public and is costly to many social systems, including healthcare, public safety, commerce, sanitation, the environment, and tourism.

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<sup>2</sup> This definition does not capture all individuals who might also be considered homeless, including those without a residence of their own. For example, people living with family and friends, in prison, hospital, or other institutions, etc. would not be considered homeless under this definition.

Many jurisdictions, including the City of San Diego, have resolved to bring an end to homelessness. According to the U.S. Interagency Council on Homelessness (USICH), an end to homelessness means that every community will have a systematic response in place that ensures homelessness is prevented whenever possible or is otherwise a rare, brief, and non-recurring experience.

### Who are the Homeless?

People who become homeless do not fit one general description. For example, homelessness encompasses a variety of subpopulations (age, gender, and race and ethnicity), various sleeping conditions (on the street, in vehicles, tent structures, etc.), and diverse health challenges (including physical disabilities, mental illness, and substance abuse).



Source: Homeless Humans of San Diego [Facebook](#) Page

For example, of the unsheltered homeless people that RTFH counted in the San Diego region in January 2018, 43 percent self-reported having a physical disability, chronic health condition, and/or mental health issue. Moreover, 14 percent self-reported engaging in substance abuse. Notably, while many speculate that homeless people come from outside the region, 74 percent self-reported becoming homeless in San Diego.<sup>3</sup>

While the underlying need for each of these subpopulations is permanent housing, each group presents its own set of unique challenges that may create obstacles for achieving personal and residential stability. For example, some homeless people may need additional services such as mental health or drug treatment in order to remain securely housed. All of these needs and challenges must collectively be met to prevent and to end homelessness.

### How Does Homelessness Affect San Diego?

The Mayor has acknowledged that the San Diego region is in the midst of a serious housing shortage and homelessness crisis, noting that these conditions take an incredible toll on government agencies, non-profit service providers, residents, and the City's neighborhoods. The Mayor described homelessness as a profound social and humanitarian crisis and

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<sup>3</sup> We refer to 2018 figures because the 2019 figures specific to the City of San Diego were not available.

the central issue that the City and other stakeholders must now act upon.

### *San Diego Has a Large Number of Homeless People*

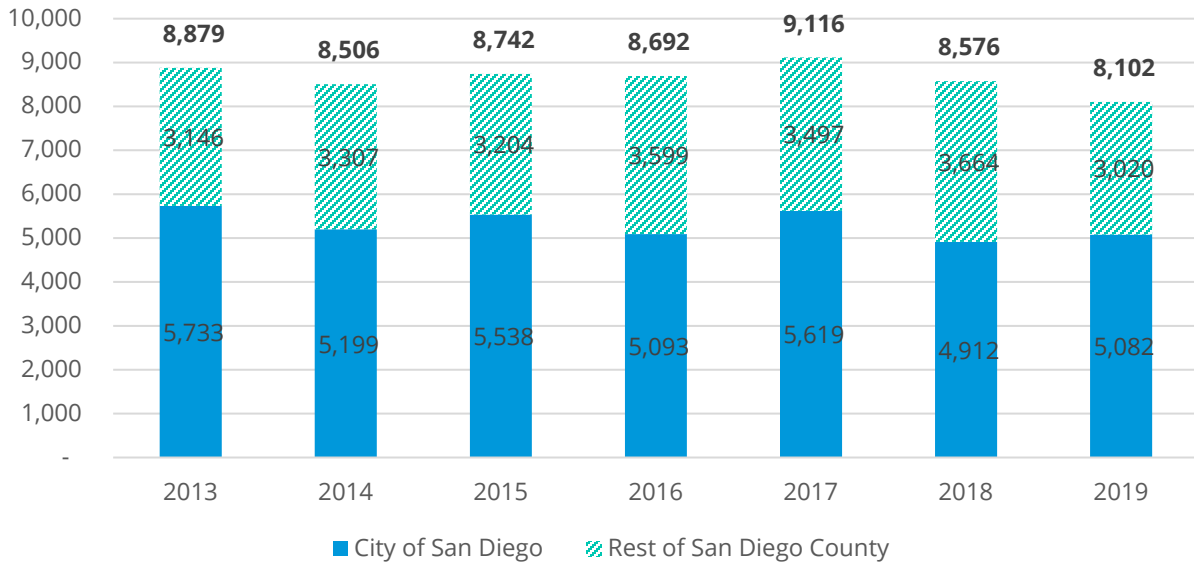
According to RTFH, in January 2019, there were 5,082 homeless people counted in the City of San Diego—the equivalent of about 63 percent of all homeless people counted within the county. Moreover, HUD noted that, in January 2019, the San Diego region had the fifth highest number of people experiencing homelessness among the 50 largest cities in the U.S., behind New York City, the Los Angeles region, the Seattle region, and the San Jose region.<sup>4</sup> **Exhibit 1** illustrates the homeless count in the San Diego region over the last seven years. While the overall homeless count in the San Diego region decreased by about 6 percent between 2018 and 2019, the number of homeless people in the City of San Diego actually increased slightly by about 3 percent in that same period. However, the count in 2019 may not be directly comparable to prior year counts because of a methodological change; refer to the note in the exhibit for more details.

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<sup>4</sup> In the 2019 Annual Homeless Assessment Report to Congress (AHAR), HUD assigned the Continuum of Care (CoC) for the San Diego region, including San Diego City and County, to the Major City category. CoCs are local planning bodies responsible for coordinating the full range of homelessness services in a geographic area, which may cover a city, county, metropolitan area, or an entire state. In AHAR, the Major City category covers the CoCs that contain one of the 50 largest cities in the U.S.

Exhibit 1

Annual Snapshot Count of Homeless Persons in the San Diego Region, 2013 – 2019



Note: The count in 2019 was developed using a different method than in previous years. According to the San Diego Regional Task Force on the Homeless (RTFH), its methodology for counting homeless individuals in 2019 changed based on direction from the U.S. Department of Housing and Urban Development (HUD). RTFH noted that, in regard to homeless people taking shelter in vehicles or structures, HUD instructed continuum of care organizations to count the actual number of people experiencing homelessness instead of estimating this based on a count of the number of vehicles or structures where homeless people are sheltered. In previous years, RTFH had estimated the number of homeless people sheltered in vehicles or structures through extrapolation instead of direct engagement and survey. It is unclear if and to what extent the extrapolation method was generally under- or over-estimating the number of homeless people taking shelter in vehicles or structures; therefore, it is difficult to know whether the method in 2019 produced a higher or lower count relative to previous years.

Source: Auditor generated based on point-in-time counts reported by the San Diego Regional Task Force on the Homeless.

It is important to note that the point-in-time counts shown in **Exhibit 1** reflect the minimum number of homeless individuals that volunteers were able to identify on one particular night in January of each year. They do not reflect the number of unsheltered homeless people that may not have been identified for any number of reasons, including being in a location that may have been too remote or hard to reach. Moreover, because they are snapshots in time, the counts do not factor in any variability that might result from seasonality. For example, the point-in-time counts would not reflect the increased number of



unsheltered homeless people that may exist outside of the wintertime, when overnight weather conditions are generally more tolerable. In addition, based on data from RTFH, the City's Fiscal Year 2020–2024 Consolidated Plan estimates that about 26,000 people were homeless in the City at some point during the span of the year in 2018. For these reasons, the true number of homeless people in San Diego is likely higher than reported in the annual point-in-time counts summarized in **Exhibit 1**.

*Homelessness Contributed to the Hepatitis-A Outbreak and Public Health Emergency in 2017*

The lack of shelter for homeless individuals negatively affects the City's residents, neighborhoods, and businesses and can have severe consequences for those experiencing homelessness. For example, the unsheltered homeless population has an increased risk of exposure to communicable diseases. The County of San Diego reported an outbreak of Hepatitis-A cases in March 2017 that centered on the local homeless population and illicit intravenous drug users.<sup>5</sup> Over the following months, this developed into the largest epidemic of Hepatitis-A in the country in over 25 years. The County's Department of Public Health Services declared a local public health emergency in September 2017. By the time the County's Health and Human Services Agency declared an end to the emergency on January 23, 2018, a total of 580 cases of Hepatitis-A and 20 associated deaths had been reported in the county.

**How is Homelessness Being Addressed in the San Diego Region?**


The complexity and scale of the homelessness problem throughout the country, including in San Diego, is being met by a network of stakeholders, programs, and services that is equally large and complex. Agencies from all levels of government—and within the private and non-profit sectors—have dedicated resources to assisting the homeless through various programs and services. However, because this audit is focused specifically on the City's efforts to address homelessness, **Exhibit 2** provides only a brief summary of other agencies that work to address homelessness; the exhibit does not reflect a comprehensive list of all stakeholders that contribute to the work of ending and preventing homelessness in the San Diego region.

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<sup>5</sup> According to the San Diego County Grand Jury, although other cities within the county were impacted and took action during the Hepatitis A crisis, the primary concentration of cases was located within the City of San Diego.

Exhibit 2

Other Agencies Addressing Homelessness

	<p><b>U.S. Department of Housing and Urban Development (HUD)</b></p> <ul style="list-style-type: none"> <li>• HUD's homelessness assistance programs provide funding to states and local governments and nonprofit providers to serve individuals and families across the country who are affected by homelessness.</li> <li>• HUD serves over one million people through emergency, transitional, and permanent housing programs each year.</li> </ul>
	<p><b>U.S. Interagency Council on Homelessness (USICH)</b></p> <ul style="list-style-type: none"> <li>• USICH is composed of 19 federal member agencies and is charged with coordinating the federal response to homelessness by fostering partnerships at every level of government and with the private sector.</li> <li>• USICH provides expert guidance to communities and leads interagency working groups to design and implement strategies to end homelessness.</li> <li>• USICH develops tools and guidance to support all communities in implementing best practices and leads the interagency implementation of the federal strategic plan to prevent and end homelessness, <a href="#">Home Together</a>.</li> </ul>
	<p><b>State of California</b></p> <ul style="list-style-type: none"> <li>• Multiple state entities in California administer a variety of homeless services programs, including:             <ul style="list-style-type: none"> <li>▪ The Business, Consumer Services, and Housing Agency (BCSH) administers the Homeless Emergency Aid Program (HEAP), which will provide a total of \$500 million in one-time funding to localities through flexible block grant funds. This funding is meant to assist localities in addressing their immediate homelessness challenges.</li> <li>▪ The Department of Housing and Community Development, the California Department of Social Services, the California Department of Education, and the California Governor's Office of Emergency Services administer programs that provide housing, housing-related supports, and outreach and advocacy services.</li> <li>▪ Other departments administer programs that likely address homelessness indirectly. Those departments include the Department</li> </ul> </li> </ul>

of Health Care Services, the California Department of Public Health, and the California Department of Corrections and Rehabilitation.

### County of San Diego – Health and Human Services Agency (HHSA)



- HHSA provides a range of health and social services to promote wellness, self-sufficiency, and a better quality of life. HHSA includes the Behavioral Health Services Department (BHS) and the Department of Housing and Community Development (HCD).
- BHS provides mental health and substance use disorder services to county residents. BHS includes the Psychiatric Emergency Response Team (PERT), which provides emergency assessment and referral for individuals with mental illness who come to the attention of law enforcement through phone calls from community members or in-field law enforcement request for emergency assistance. BHS also operates the Access and Crisis Line, which receives calls related to suicide prevention, crisis intervention, community resources, mental health referrals, and alcohol and drug support services.
- HCD serves as the Housing Authority for the county; services include assisting low-income people find safe, affordable housing and increasing the amount of affordable housing within the county.

### San Diego Regional Task Force on the Homeless (RTFH)



- RTFH serves as the Continuum of Care (CoC) organization in the San Diego region, which means it is the primary decision-making entity for purposes of applying for and administering certain funds from HUD. RTFH is also the official representative body organized to carry out the CoC program's responsibilities.
- RTFH consists of representatives from organizations within San Diego County, including nonprofit homeless service providers, victim service providers, faith-based organizations, governments, businesses, advocates, and public housing agencies.
- The purposes of the CoC program include promoting communitywide commitment to ending homelessness; providing funding for nonprofit, state, and local government efforts that promote access and use of mainstream programs by homeless people; and optimizing self-sufficiency among those experiencing homelessness.

### San Diego Housing Commission (SDHC)

- Under the direction of the City's Housing Authority, SDHC implements much of the Mayor's programming on homelessness.
- SDHC administers many of the City's homeless shelters and related services—currently about 15 contracts.
- SDHC manages program operations at the City's temporary bridge shelters by contracting with outside vendors and overseeing their work:
  - For example, at the bridge shelters, the City contributes the space and facilities, while SDHC is responsible for overseeing their operations;
  - SDHC contracted with the Alpha Project, Father Joe's Villages, and Veterans Village of San Diego to operate the four Bridge Shelters;
  - According to SDHC, they regularly monitor the contracts they oversee on behalf of the City by conducting monthly reviews and regular site visits to ensure that contractors are meeting contract terms.
- SDHC's current strategic plan includes a goal of increasing the number of housing opportunities for low-income and homeless individuals and families in the City.
- SDHC's "Housing First - San Diego" homelessness action plan directs funding across six programs to create permanent housing opportunities for 3,000 homeless individuals and families in the City. SDHC has also committed more than 3,600 federal rental housing vouchers to address homelessness in the City.



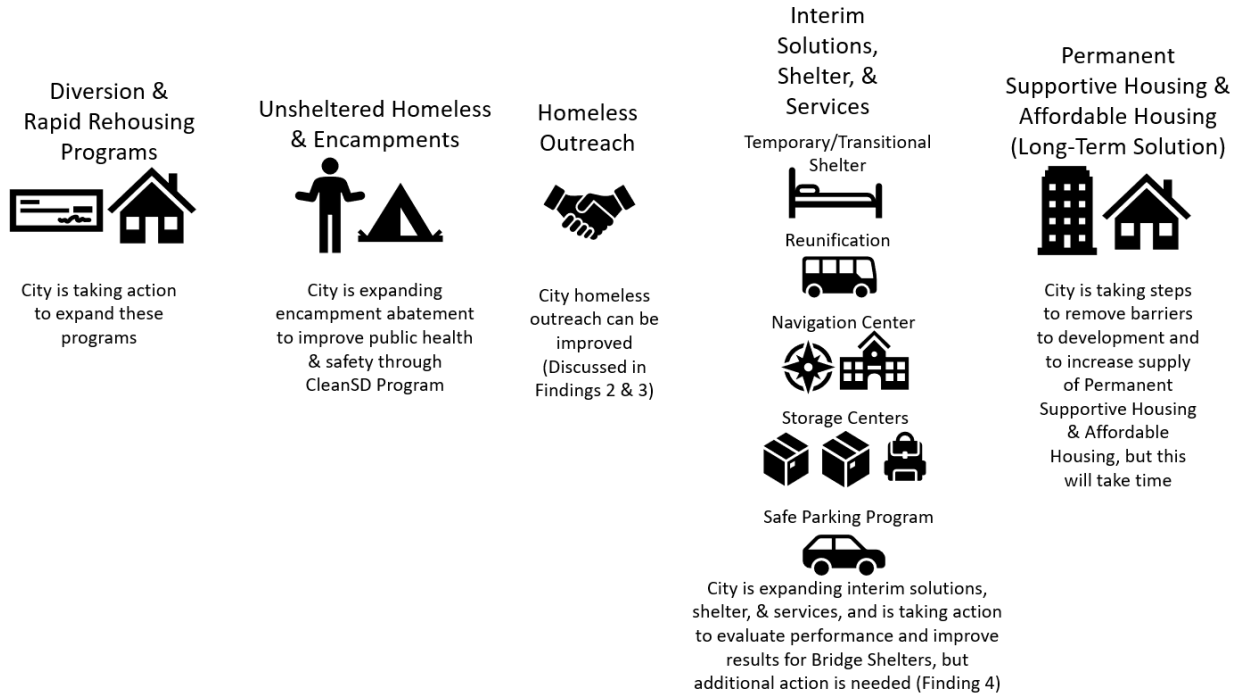
Source: Auditor generated based on review of other agency websites.

#### How Does the City Address Homelessness?

The City addresses aspects of homelessness every day through the work of several City departments and by coordinating efforts with other stakeholders. **Exhibit 3** summarizes the various programs and services the City uses to address homelessness, including actions the City is taking to expand and improve those programs and services.

Exhibit 3

The City Addresses Homelessness Through Various Programs and Services



Source: Auditor generated based on various City documents, including the City of San Diego's Workplan for Addressing Immediate and Long-Term Homelessness Needs, the FY2019 Adopted Citywide Budget Overview, the CleanSD Brochure, staff reports to the City Council, and the City of San Diego Community Action Plan on Homelessness.

Despite the City's efforts to address homelessness, there are still more unsheltered people in the City than there are shelter opportunities available for them. Therefore, the City should revisit and explore innovative solutions for creating additional shelter opportunities while at the same time continuing efforts to increase the supply of permanent affordable housing in the City. The Other Pertinent Information section of this report addresses this need in more detail.

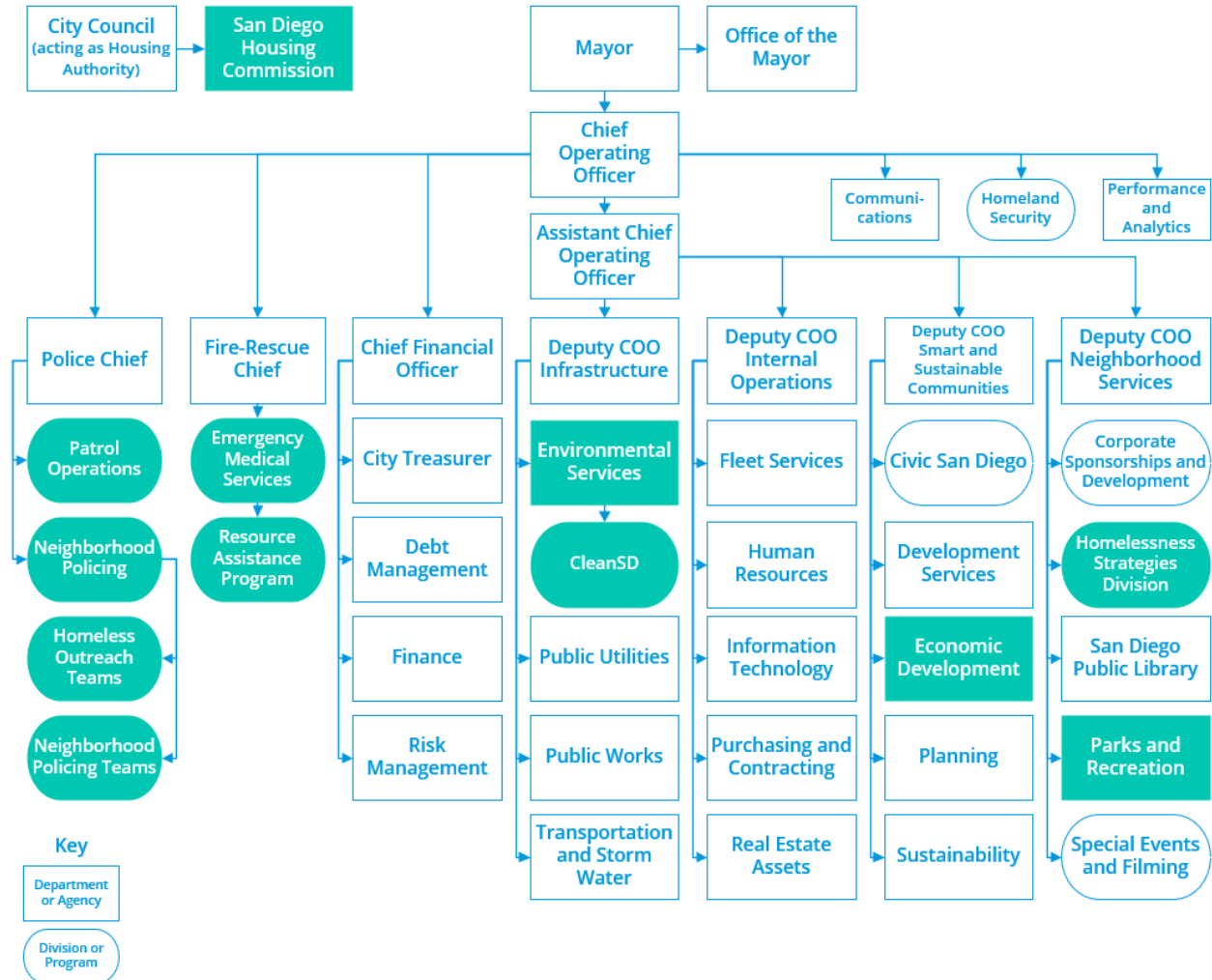
*The City Provides Homeless-Related Programs and Services Through the Normal Course of Business and Via Contracting*

The City provides homeless-related services in essentially two ways. First, several City departments interact with homeless individuals or provide services in response to homelessness on a daily basis through the normal course of conducting business. Some of this work addresses homelessness directly and some of it addresses homelessness indirectly because several departments' work naturally intersects with homelessness.

**Exhibit 4** provides an overview of City departments and programs that address homelessness through their work.

**Exhibit 4**

**City Agencies, Departments, and Programs That Provide Homeless-Related Services**



Note: Business units with significant programs or services that address homelessness are shaded in green.

Source: Auditor generated based on the City of San Diego's organizational chart as of June 7, 2019.

Second, the City provides funding and contract oversight for certain homeless-related programs and services. **Exhibit 5** provides an overview of the City departments and programs that address homelessness and the work they do.

Exhibit 5

Overview of City Departments and Programs that Provide Homeless-Related Services



**Homelessness Strategies Division (HSD)**

- Coordinates and oversees various programs that serve the City's homeless.
- Works with partners to connect homeless individuals to resources, including permanent housing and supportive services.
- HSD's goals are to:
  - Address the needs of the unsheltered homeless population by increasing opportunities to access short-term shelter and long-term housing and other services designed to provide stability;
  - Broaden access to resources for all individuals experiencing homelessness by increasing the amount of programming, supportive services, and housing opportunities; and
  - Improve existing programs for all individuals experiencing homelessness by exploring opportunities to improve, innovate, and create new services within existing programs.



**Environmental Services Department (ESD)**

- Manages CleanSD, a Citywide program to clean up the City's streets, alleyways, canyons, sidewalks, and waterways through litter removal, sidewalk sanitation, and the abatement of encampments located within the public right-of-way, City-owned property, and private property. CleanSD's mission is to create a cleaner, safer, and healthier San Diego.
- Conducts regularly scheduled waste abatements downtown and in the San Diego River area and additional abatements in other areas of the City as needed or requested.
- Coordinates these efforts with other City departments and external agencies.



## Neighborhood Policing Division (NPD)

- Provides two primary services related to homelessness: outreach and enforcement:
  - *Outreach:* Officers in Homeless Outreach Teams (HOT) seek out and engage chronically homeless individuals and place willing participants into housing linked with needed services.
  - *Enforcement:* Officers in Neighborhood Policing Teams (NPT) are focused primarily on enforcing quality of life violations that are reported by the community via the Get it Done app.
- NPD uses a progressive enforcement model intended to provide a consistent and compassionate approach that encourages homeless individuals to accept services.



## Resource Access Program (RAP)

- The San Diego Fire-Rescue Department (SDFR) administers this program through its Emergency Medical Services Division.
- RAP uses analytics in real-time to identify vulnerable 9-1-1 callers experiencing social difficulties such as chronic homelessness, mental illness, substance abuse disorders, or difficult social or medical situations.
- Once identified, specialized staff provides intervention and service navigation.
- RAP seeks to reduce dependence on acute care services by linking the individual with appropriate resources for their underlying medical, mental health, and social needs.
- According to SDFR, approximately 80 percent of RAP clients are homeless.



## Parks and Recreation Department (PRD)

- Coordinates large scale encampment abatements on park property with ESD and SDPD.
- Coordinates facilities services at the City's four bridge shelters with providers for porta-potties, lighting, bathrooms, etc.
  - Administers funding, oversees those contracts, and is responsible for approving invoices for payment.





## Economic Development Department (EDD)

- Administers funding for several homeless programs and services, including:
  - Year-Round Interim Housing Program\*
  - Connections Housing/PATH Interim Bed Program\*
  - Serial Inebriate Program (SIP)\*
  - Transitional Storage Center located at 252 16th Street\*
  - Safe Parking Program
  - Housing Navigation Center<sup>6</sup>
  - San Diego Misdemeanants at Risk Track (S.M.A.R.T.) Program
  - Several Community Development Block Grant entitlement allocations set aside for homelessness programs and services

\*Per a Memorandum of Understanding with the San Diego Housing Commission (SDHC), SDHC administers the contracts for these programs.



## City Attorney's Office (CAO)

- CAO handles litigation related to homelessness issues and works with the Mayor and City Council to come up with innovative solutions, such as:
  - Creating Safe Parking Lots that provide a safe overnight parking and wraparound services for individuals sheltering in cars and recreational vehicles.
  - Establishing Transitional Storage Facilities that allow individuals a safe place to store belongings and an opportunity to work with licensed social services providers who run the storage program.
  - Expanding the Homeless Court's Clean Plates program for homeless individuals working to get back on their feet by making it easier for them to reduce or eliminate outstanding parking fines.
- In addition, CAO partners with outside agencies to advance other innovative solutions, including:
  - Creating, in collaboration with the San Diego Police Department and the San Diego County Sheriff's Department, the [San Diego Misdemeanants at Risk Track program \(S.M.A.R.T.\)](#), which offers chronic misdemeanor offenders a case manager, individualized substance use disorder treatment, and community based supportive housing.

<sup>6</sup> See page 21 for additional information.

- Participating in [Collaborative Courts](#), including Veterans Treatment Court, Drug Court, Behavioral Health Court, and [Homeless Court](#).
- Reviewing and resolving open cases for homeless veterans during the annual [Stand Down](#) event.
- The [Prosecution and Law Enforcement Assisted Diversion Services program \(PLEADS\)](#), which offers low-level drug offenders the opportunity to seek treatment for drug addiction instead of being arrested.
- The [Serial Inebriate Program \(SIP\)](#), which gives chronic offenders facing public intoxication charges the option to complete substance abuse treatment in County-funded treatment programs in lieu of serving custody time.



## Other City Departments

- The City Council's Select Committee on Homelessness was formed to investigate and develop new programs and strategies, improve collaboration between City departments and partner agencies, and strengthen and clarify the City's plan of action to address the homelessness crisis. The Committee's work plan focused on four main categories related to homelessness: land use; housing and public facilities; programs and protocols; and legislative policies, declarations, and revenue. The Committee was convened between June 2017 and November 2018.
- The Transportation and Storm Water Department is involved in performing waste abatements in storm water channels and the San Diego River bed since homeless encampments impact storm water quality.
- The San Diego Public Library has no formal role, but Library staff can refer homeless to services and the County is onsite at the Central Branch on certain days/times.
- The Department of Finance oversees accounting for the dollars the City allocates and spends to address homelessness.
- The Performance and Analytics Department reviewed the City's bridge shelters and made recommendations to streamline processes.
- According to the Homelessness Strategies Division, the Government Affairs Department also worked to ensure that the State of California included homelessness resources for cities in the two most recent state budgets.

Source: Auditor generated based on public websites, interviews, and documents provided by respective departments.

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*The City Recently Opened a Housing Navigation Center to Centralize Homeless Services*

In addition to these newly established or expanding programs, the City recently opened a new Housing Navigation Center (Navigation Center) on the property located at 1401 Imperial Avenue. The Navigation Center is intended to serve as an entry point to the Coordinated Entry System (CES)<sup>7</sup> and connect the homeless with services. It is designed to centralize services and resources for persons experiencing homelessness and is advertised to provide on-site intake, assessment, triage and referrals for permanent and longer-term housing opportunities. The Navigation Center is intended to operate in accordance with the national "housing first" model to provide housing for homeless individuals as quickly as possible, with supportive services as needed.

**How Much Money Does the City Spend on Homeless-Related Services?**

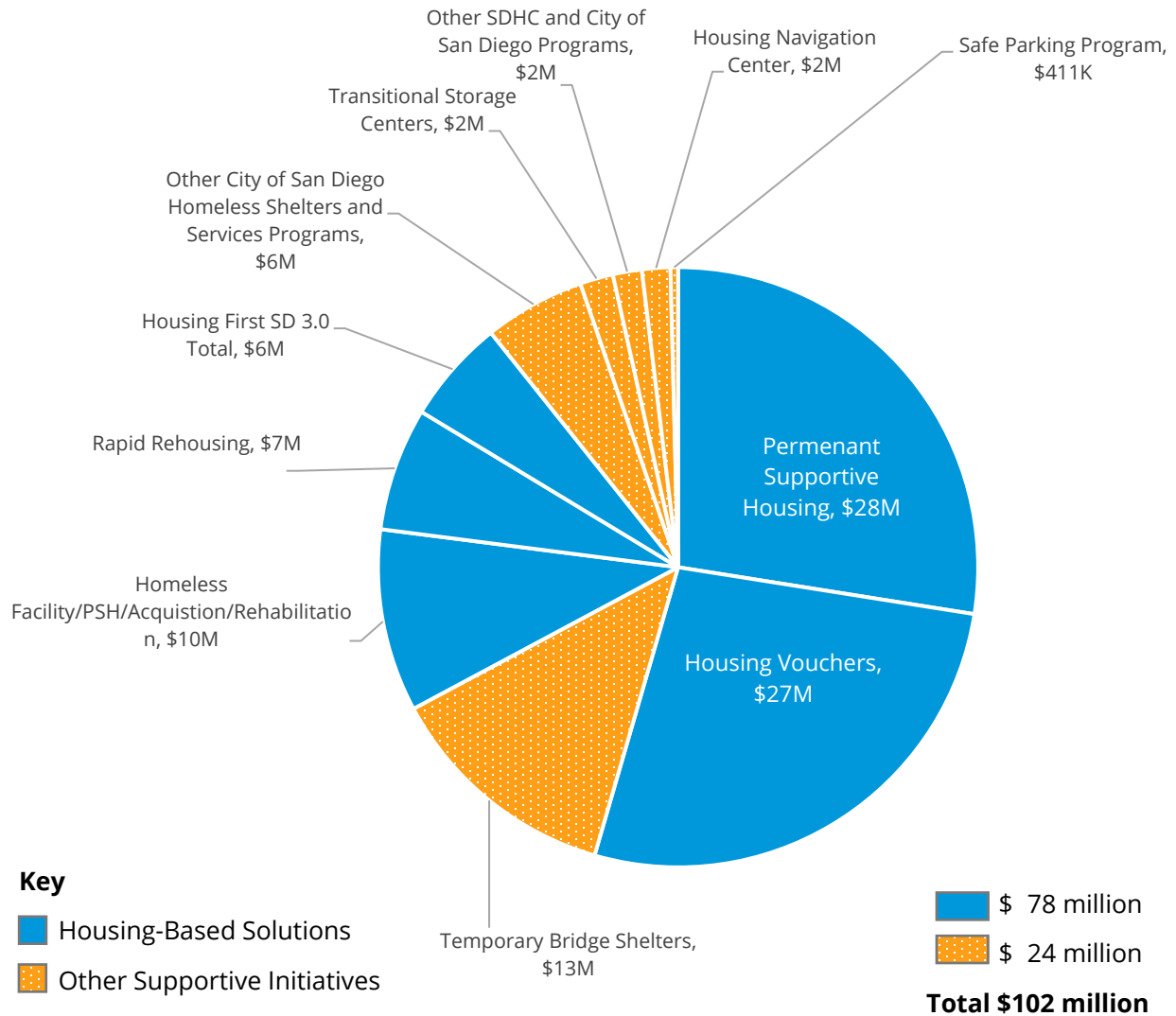
In fiscal year 2019, the City budgeted approximately \$25 million for homeless-related programs and services, including bridge shelters, other interim housing programs, and the Navigation Center project. However, in addition to what the City spends, many other expenditures for homeless-related programs and services come from sources outside of the City. For example, the funding sources reported in *The City of San Diego's Workplan for Addressing Immediate and Long-Term Homelessness Needs* include Federal grants, such as Community Development Block Grants (CDBG), and a State Homeless Emergency Aid Program (HEAP) grant. In fiscal year 2019, approximately \$77.8 million was designated for housing-based programing, such as Federal housing vouchers or housing construction, rather than homeless services. In total, about \$102 million was set aside in fiscal year 2019 to fund homeless-related programs and services in the City, as shown in **Exhibit 6**. According to HSD, budgeted figures in fiscal year 2020 were even higher.

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<sup>7</sup> [CES](#) is a list of all people in the region experiencing homelessness, prioritized by community standards, to be referred to available housing inventory. CES is embedded in the work that service providers offer at access points throughout the system, which can include dedicated sites that offer emergency shelter, meals, laundry services, day centers, and support.

Exhibit 6

Fiscal Year 2019 Budget for Homelessness Expenditures by Program or Initiative



Note: The total amount reflects approximately \$25 million in City funds, with the remainder being non-City funds.

Source: Auditor generated based on The City of San Diego's Workplan for Addressing Immediate and Long-Term Homelessness Needs.

*Programmatic Expenditures Do Not Reflect Incidental Costs of Providing Services*

It is important to note that the amounts budgeted by the City for programmatic expenditures and shown in **Exhibit 6** do not include costs for the time that City staff spend interacting with homeless people while conducting their regular duties—what we refer to as incidental costs. For instance, departmental budgets do not reflect the cost of police officers on patrol responding to quality of life issues related to homelessness, such as noise

complaints or business disruptions, or the cost of Library staff performing non-Library tasks related to homelessness, such as referring homeless patrons to specialized services. This is also true for the significant amount of time that the City's public safety teams spend responding to mental health related calls for services, transporting clients, and waiting for individuals to be transferred to local emergency departments and mental health facilities. Although not all of these calls are made in response to homeless individuals, the Mayor's Homelessness Workplan suggests there is a relationship between mental health and homelessness. The Workplan also estimates that police officers collectively spend approximately 86 hours per day transporting individuals to mental health facilities in response to calls—the equivalent of taking 8.5 police officers out of duty and making them unavailable to respond to calls and other critical public safety needs. These are incidental costs that come from SDPD's police patrol budgets rather than separate, programmatic expenditures specifically tied to homelessness. Other homelessness-related costs—such as costs associated with additional maintenance for expanded public restroom hours or additional storm drainage clean-ups—similarly come from departments' operational budgets and are not captured by the figures in **Exhibit 6**. For these reasons, it is difficult to estimate the City's full and true cost of providing homeless-related services.

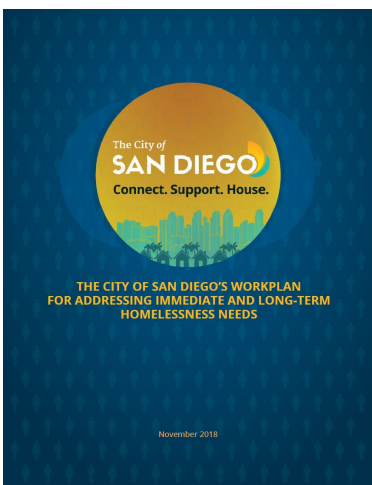
**Which Policies and Plans Guide the City's Efforts to Address Homelessness?**

The City and its partners have created several policies and plans that guide stakeholder efforts to address homelessness, both within the City and across the region. The following table briefly describes these documents.

*The City Council's Comprehensive Policy on Homelessness (May 2018)*

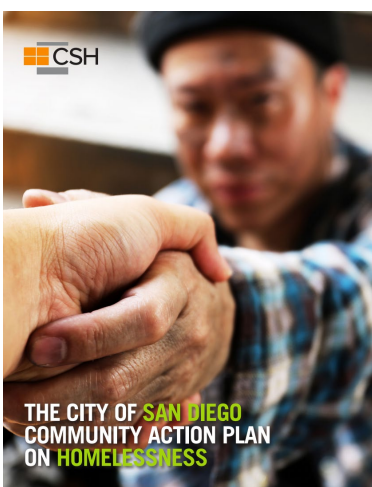
- Provides high-level guidelines for the City's response to ending homelessness. According to the policy, the City Council will seek to partner with the Office of the Mayor, the San Diego Housing Commission, and other entities and will support the core strategies of a system to effectively end homelessness.
- The policy is available online at [https://docs.sandiego.gov/councilpolicies/cpd\\_000-51.pdf](https://docs.sandiego.gov/councilpolicies/cpd_000-51.pdf)

*The City of San Diego's  
Workplan for Addressing  
Immediate and Long-Term  
Homelessness Needs  
(November 2018)*



- Provides an overview of the City's approach, current efforts, and future plans to address homelessness.
- The City's approach to addressing homelessness is centered on five action items:
  1. Increase successful outcomes from the bridge shelters;
  2. Introduce a new model of housing navigation and supportive services;
  3. Expand access to existing housing stock;
  4. Incentivize the creation of affordable and market-rate housing supply; and
  5. Perform concurrent, comprehensive system analysis.
- The Workplan commits the City to addressing homelessness by collaborating with its partners, taking a reasoned approach, and using a clear methodology.
- The City intends to apply data-driven decision-making to its efforts and to measure outcomes in a manner that can be used to make improvements.
- The Workplan is available online at [https://www.sandiego.gov/sites/default/files/workplan\\_-\\_connect\\_support\\_house\\_-\\_nov\\_2018.pdf](https://www.sandiego.gov/sites/default/files/workplan_-_connect_support_house_-_nov_2018.pdf)

*The City of San Diego  
Community Action Plan on  
Homelessness  
(October 2019)*



- Delivered to the City Council by a consulting firm retained by the San Diego Housing Commission, the plan is intended to serve as the City's Strategic Plan on Homelessness.
- The plan describes the City's vision: a client-centered system that aims to prevent homelessness and creates a path to safe and affordable housing for people that experience homelessness.
- According to the plan, the implementation structure should include agency leadership, an implementation team, and staffing to carry out the work of the plan.
- The plan identifies five strategies to accomplish the goals of the action plan:
  1. Implement system-level approach to homeless planning;
  2. Create a client-centered homeless assistance system;

3. Decrease inflow into homelessness by increasing prevention and diversion;
  4. Improve the performance of the existing system; and
  5. Increase the production of/access to permanent solutions.
- According to the plan, the following goals are achievable within three years:
    1. Decrease unsheltered homelessness by 50 percent;
    2. Finish the job of ending Veteran homelessness; and
    3. Prevent and end youth homelessness.
  - The plan calls on the City to invest in and create more housing and recommends significant investment in supportive housing, rental assistance with services, and diversion assistance.
  - The City needs approximately 5,400 units of supportive housing, low-income housing, or Rapid Re-housing over the next ten years at a cost of approximately \$1.9 billion. This includes the cost of building new units, rent, services, and diversion.
  - The City Council accepted the plan on October 14, 2019.
  - The plan is available online at [https://www.sdhc.org/wp-content/uploads/2019/10/SD\\_Homeless\\_CSH\\_report\\_final\\_10-2019.pdf](https://www.sdhc.org/wp-content/uploads/2019/10/SD_Homeless_CSH_report_final_10-2019.pdf)

# Audit Results

## **Finding 1: The City Has Significantly Increased Its Efforts to Address Homelessness and Recently Adopted a Strategic Plan on Homelessness, But Several Additional Steps are Needed to Successfully Implement the Plan**

**Summary** The City of San Diego (City) has made significant efforts to address homelessness in recent years, including by substantially increasing funding for homelessness-related programs and housing services since fiscal year 2013. Notably, the City has increased crisis response measures by establishing bridge shelters, storage centers, expanding the Safe Parking Program, and recently opening a Housing Navigation Center.

However, until recently, the City had been operating without a strategic plan to guide its spending decisions, organizational structure, and overall strategy. As a result, some of the City's spending and programming decisions on homelessness have been reactive, and the City's resulting actions to reduce homelessness may not be as effective and efficient as possible.

Recognizing the need for a more strategic approach, in September 2018, City leaders collaborated with the San Diego Housing Commission to hire a consultant to develop a strategic plan on homelessness for the City. The resulting City of San Diego Community Action Plan on Homelessness (Strategic Plan on Homelessness) was adopted by the City Council in October 2019.

We commend the City for adopting the new Strategic Plan on Homelessness, but the City will need to take several additional actions to successfully implement the plan. We completed this audit concurrently with the development of the Strategic Plan on Homelessness and reached similar conclusions. Specifically, we found:



- Significant funding will be necessary to accomplish the goals in the new Strategic Plan on Homelessness, and some existing funding sources for homelessness-related programs are unsustainable. However, the City has not developed a financial plan or funding analysis for homelessness; the Strategic Plan on Homelessness recommends that the City develop a City-wide funding plan for homeless services as part of plan implementation. Without a financial plan and sustainable funding sources, the City risks not being able to implement the Strategic Plan on Homelessness or continue existing programs.
- Ending homelessness requires strong coordination and interagency collaboration. However, the City's coordination efforts have not been formalized to ensure effectiveness. The City's plan establishes a means to accomplish this.
- Resources should be aligned to match need and to position the City to accomplish its goals. Specifically, staffing resources should be adequate and organizational structure should be ideal for effectively and efficiently implementing the new plan and continuing existing duties.
- Successful implementation of strategic plans requires monitoring and reporting on progress to ensure accountability, transparency, and that the actions recommended by the plan are effective. However, in the past, the City has not consistently reported on its progress implementing homeless initiatives. Current staffing levels restrict this ability; the Plan acknowledges that identifying staff to implement the plan should be an "immediate priority."
- Beyond successful initial implementation of the plan, it is important for the City to periodically reassess the plan to ensure that strategies adapt to changes in the environment, such as changes in the needs of the homeless population, updates to best practices and guidance, etc.

As a result, the City is not currently well-positioned to successfully implement the plan. To address these issues and to

help ensure the City successfully implements its new Strategic Plan on Homelessness, we recommend that the City develop a financial plan that includes sustainable sources of funding; reassess organizational structure to identify and fund adequate staffing resource needs; and establish formal mechanisms for coordination and oversight. In addition, to ensure the plan is implemented and is resulting in positive outcomes, we recommend the City regularly monitor and publicly report on progress, as well as reassess the plan in the future, as needed. These recommendations align with some of the recommended actions included in the Strategic Plan on Homelessness itself.

**The City Has Made Significant Efforts to Address Homelessness in Recent Years, But Those Efforts and Associated Spending Decisions Have Not Been Informed By a Strategic Plan**

The City of San Diego (City) has made significant efforts to address homelessness in recent years, including by substantially increasing funding for homelessness-related programs and housing services since fiscal year 2013. Specifically, the City has established bridge shelters and storage centers, and has expanded various programs, including the Safe Parking Program diversion and prevention programs, and Landlord Engagement program, among others. In addition, the City opened a new Navigation Center in December 2019.

In November 2018, building off the Mayor's framework known as "Connect. Support. House.," the City published *The City of San Diego's Workplan for Addressing Immediate and Long-Term Homelessness Needs* (Mayor's Workplan). That document identified five key areas of focus, one of which was to perform a comprehensive system analysis. That was undertaken as part of the City's strategic planning process. However, the Mayor's Workplan acknowledges that it includes only short- and medium-term strategies and that the City needs a long-term plan. The Strategic Plan on Homelessness, which the City Council adopted in October 2019, is meant to address this need. Thus, historically, the City had been operating without a strategic plan to guide its spending decisions, organizational structure, and overall strategy. A lack of strategic planning can result in uncoordinated, uncomprehensive, or ineffective efforts. As a result, some of the City's spending and programming decisions on homelessness have been reactive, and the City's resulting actions to reduce homelessness may not be as effective and efficient as possible.

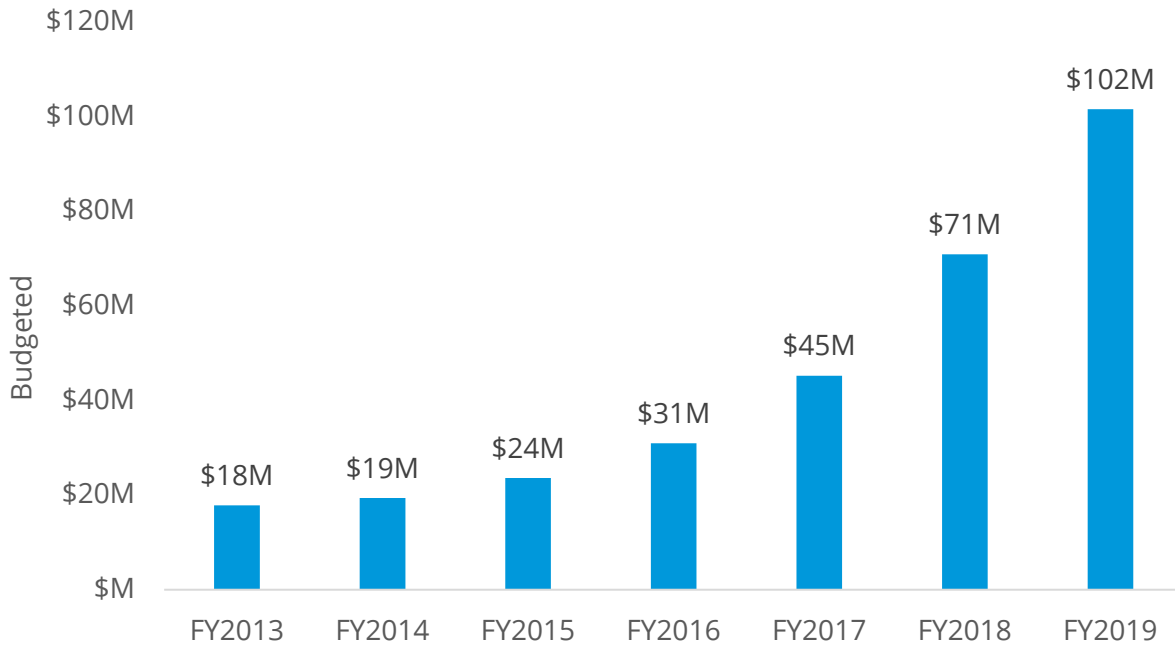
Furthermore, in the absence of a strategic plan for addressing homelessness, the City has not evaluated its staffing and organizational needs to ensure that its resources match its needs and are organized in a way to maximize effectiveness and efficiency. In addition, although the City has been successful in obtaining grant funding for homelessness from the state and, according to HSD, is currently exploring various sources of funding, the City has not developed a financial plan for addressing homelessness and has not identified sustainable funding sources for some of its increased spending and new homelessness programming.

**The City's Funding for Programs and Services That Address Homelessness Have Increased Substantially in Recent Years**

The City has recently made significant efforts to address homelessness, including by establishing the Homelessness Strategies Division (HSD), substantially increasing its homelessness-related allocations, and establishing and expanding homelessness-related programs. According to the City's Workplan for Addressing Immediate and Long-Term Homelessness Needs (Mayor's Workplan), the City has cumulatively allocated about \$309 million of City and Housing Commission funds for programs and services directly related to housing and homelessness since fiscal year 2013. Moreover, as shown in **Exhibit 7**, the amount the City and the Housing Commission have budgeted for homeless programs and services has increased substantially—467 percent—between fiscal years 2013 and 2019. According to HSD, budgeted figures in fiscal year 2020 were even higher.

Exhibit 7

The City and Housing Commission Budgets on Housing and Homelessness Programs and Services Increased Substantially Between Fiscal Years 2013 and 2019



Note: these figures are rounded and reflect the combined budgets of the City of San Diego and the San Diego Housing Commission for housing and homeless programs and services.

Source: *The City of San Diego's Workplan for Addressing Immediate and Long-term Homelessness Needs*, November 2018.

The fiscal year 2019 budget shown in **Exhibit 7** included funding for critical programs and services, such as construction of permanent supportive housing, housing vouchers, bridge shelters, SDHC's Housing First programs, housing rehabilitation, transitional storage centers, and other programs and services.

That same budget, however, did not include programs that are not exclusively dedicated to homelessness, such as the Clean San Diego program (CleanSD), which includes homeless encampment abatement and sidewalk sanitation. In addition, SDPD's Neighborhood Policing Division dedicates a significant portion of its efforts to addressing homeless-related issues, but the associated costs are also not included in this table.

Moreover, these totals also do not capture incidental costs, which include costs for the time that City staff spend interacting with homeless people while conducting their regular duties.

Therefore, **Exhibit 7** does not reflect the City's full and true cost of providing homeless-related services.

**In the Absence of a Strategic Plan on Homelessness, the City's Increased Spending Has Been in Part Reactionary**

The City's increased efforts to address homelessness in recent years have been in part reactionary. For example, the City's bridge shelters were initially funded as part of the City's response to the Hepatitis-A Outbreak, and the City's storage centers were initially established as part of the City's resolution of homelessness litigation.<sup>8</sup>

By taking a reactionary approach rather than a strategic approach, the City's spending decisions may not have prioritized the most effective programs or services. As a result, the City's efforts to address homelessness may not be as effective and efficient as possible. In fact, as shown in **Exhibit 8**, despite the City's significant funding increases and increased homelessness programming, the number of homeless individuals in the City has remained relatively steady over the last 7 years.<sup>9</sup> Whether the number of homeless individuals in the City is declining is one basic measure of how well the City's homelessness programs and services are performing, is a measure included in the City Strategic Plan, and is one of HUD's System Performance Measures.

However, we also note that the relatively steady number of homeless people over the years might also indicate that the City's efforts are at least keeping up with the rate of people entering homelessness in San Diego, but have not been sufficient to cause reductions beyond that point.<sup>10</sup> That is, the

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<sup>8</sup> However, according to HSD, other programs have been established and expanded through state funding that are unrelated to Hepatitis A or legal settlements.

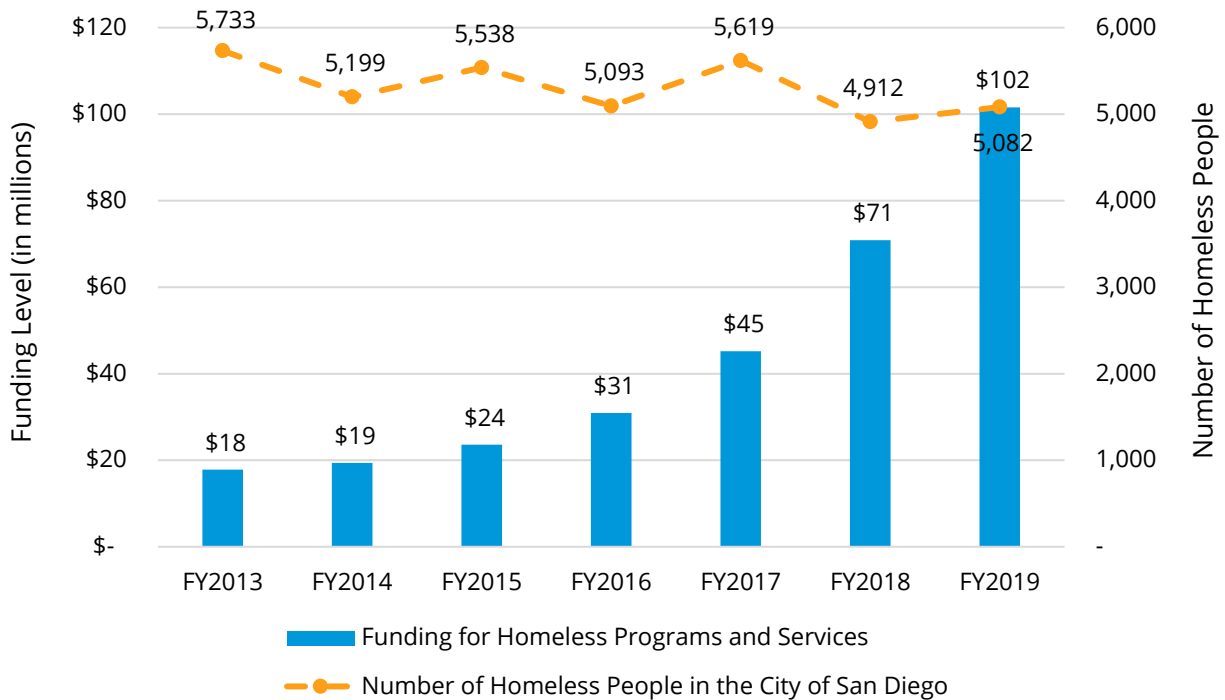
<sup>9</sup> According to HSD, other cities have also increased their budgets for homelessness and also still have significant homeless populations.

<sup>10</sup> A key question in determining the effectiveness of the City's efforts is whether the number of people entering homelessness in San Diego is increasing, decreasing, or remaining constant. At present, RTFH tracks the number of newly homeless individuals contacting shelters, supportive housing, and transitional housing in the San Diego region – this is HUD's System Performance Measure for new clients entering the San Diego region's homelessness system. This measure remained relatively stable from 2015 to 2018, which may indicate that the number of individuals newly experiencing homelessness in the San Diego region neither increased or decreased significantly over that time. However, this measure has limitations. For example, it does not include persons who only contacted providers for outreach or services but not shelter. It is also a regional

City's increased spending may have helped keep the number from growing significantly. Also, while the number of people experiencing homelessness in the City has not changed significantly, it should be noted that increased spending has resulted in additional homeless shelter and services, such as the bridge shelters and safe parking lots.

**Exhibit 8**

**Between Fiscal Years 2013 and 2019, the Number of Homeless People Remained Relatively Steady Despite Significant Funding Increases for Homelessness Programs and Housing Services**



Source: Auditor generated based on *The City of San Diego's Workplan for Addressing Immediate and Long-term Homelessness Needs* and point-in-time counts reported by the San Diego Regional Task Force on the Homeless.

The lack of a Strategic Plan on Homelessness has contributed to some budgetary disagreements and resulting reallocation of funds. For example, the need for a strategic plan to help guide funding and programming decisions was mentioned during a June 2019 City Council meeting during which City Councilmembers decided to keep the women and families

metric, and is not tracked specifically for the City, although as noted in the Background section, approximately 63 percent of homeless individuals in the region reside in the City of San Diego.

bridge shelter at its temporary location rather than move the shelter to its planned new site that was already under construction. As a result, the City reallocated funds meant for homeless outreach and the City had to find additional funds for a fourth bridge shelter at the new site.

**The City Recently Adopted a Strategic Plan on Homelessness**

As previously noted, the City has historically operated without a strategic plan or specific goals for addressing homelessness. Such guidance can inform the City's spending decisions and ensure that its limited resources are spent most effectively. However, in September 2018, the Housing Authority requested that the San Diego Housing Commission (SDHC) oversee the development of a comprehensive strategic plan for the City to address homelessness.

In October 2019, SDHC's consultant finalized and presented the City of San Diego Community Action Plan on Homelessness—which we refer to as the City's Strategic Plan on Homelessness—to the City Council, and the City Council adopted it. The plan is meant to articulate a common strategic vision for homelessness services in the City and to ensure cross-agency alignment. The plan lays out guiding principles, strategies, and actions that will help the City take a more comprehensive, humane, and effective approach to ending homelessness in the City. The plan also provides an estimated need for different types of interventions and estimated associated costs. For example, the plan estimates that, at a minimum, the City needs about 5,400 additional units of permanent supportive housing, low-income housing, rapid rehousing, and diversion resources, which are estimated to cost about \$1.9 billion over ten years.

**The City Needs to Position Itself to Successfully Implement the New Strategic Plan on Homelessness**

Although the City recently adopted a Strategic Plan on Homelessness, having a plan is not enough. The City needs to ensure that it successfully implements the plan and monitors its implementation and results to ensure that its actions are effective at addressing homelessness.

Furthermore, while developing a strategic plan is a key milestone, it is only part of the strategic planning process. The Government Finance Officers Association (GFOA) describes strategic planning as a management tool that can help organizations influence the future instead of simply preparing or

adapting to it. GFOA recommends that all governmental entities use some form of strategic planning to provide a long-term perspective for service delivery and budgeting, thus establishing a link between spending and goals. According to GFOA, strategic planning involves 13 key steps, which are displayed in **Exhibit 9**.

**Exhibit 9**

**The City's Strategic Plan on Homelessness Addresses Many of the Key Steps in the Strategic Planning Process, But Some Important Key Steps Remain**

<b>Key Step in Strategic Planning Process</b>	<b>Completed?</b>
1. Initiate the Strategic Planning Process	Yes
2. Prepare a Mission Statement	Yes
3. Assess Environmental Factors	Yes
4. Identify Critical Issues	Yes
5. Agree on a Small Number of Broad Goals	Yes
6. Develop Strategies to Achieve Broad Goals	Yes
7. Create an Action Plan	Yes
8. Develop Measurable Objectives	Yes
9. Incorporate Performance Measures	Yes
10. Obtain Approval of the Plan	Yes (October 2019)
<b>11. Implement the Plan</b>	<b>In Process</b>
<b>12. Monitor Progress</b>	<b>TBD</b>
<b>13. Reassess the Strategic Plan</b>	<b>TBD</b>

Source: Auditor generated based on guidance on strategic planning from the Government Finance Officers Association and auditor review of the City of San Diego Community Action Plan.

As shown in **Exhibit 9**, the City has not yet addressed all areas of strategic planning as it relates to addressing homelessness. The remaining steps include to implement the plan, monitor progress, and reassess the plan.

Furthermore, to help the City successfully implement the plan, now that the City Council has adopted it, it is important for the City to:



- Develop a funding strategy and long-term financial plan;
- Assess whether the current coordination environment will allow the City and its partners to carry out the plan in the most efficient and effective manner;
- Reassess organizational structure and staffing levels to ensure the appropriate resources can be dedicated to the goals identified in the strategic plan;
- Regularly monitor and report on progress toward achieving the goals identified in the plan and system performance; and
- Reassess the plan in the future, as needed.

As noted below, the Strategic Plan on Homelessness itself indicates the need for some of these steps.

*A Funding Strategy and Financing Plan Is Necessary to Complement the Strategic Plan on Homelessness*

While strategic planning informs the purpose of an organization or program, financial planning speaks to the method of achieving that purpose. Financial planning is all about allocating finite resources—such as money, employees, and equipment—over time to achieve the broad goals set up through the strategic planning process. In this way, financial planning is about bringing the strategic plan to life.

The GFOA recommends the preparation of a long-term funding strategy as an important complement to a strategic plan. Additionally, the GFOA states that a government should have a financial planning process that assesses the long-term financial implications of current and proposed policies, programs, and assumptions.

Having a strategic plan with a corresponding long-term funding strategy demonstrates a government's long-term perspective for service delivery, budgeting, and assessment of long-term financial implications. According to the GFOA, developing a long-term financial plan is a highly participative process that involves elected officials, staff, and the public.

*The City Has Significant Funding Needs for Homelessness and Some Current Funding Is Unsustainable*

Although budgeting for homelessness programs has increased substantially in recent years, significant funding needs remain. The Strategic Plan on Homelessness identifies substantial funding needs of \$1.9 billion over 10 years for permanent housing solutions, not including additional crisis response costs for temporary solutions such as shelter beds.

In addition to the funding needs of the Strategic Plan on Homelessness, the City's Independent Budget Analyst (IBA) has repeatedly expressed concern that the funding sources currently being used to fund the City's bridge shelters are unsustainable. Specifically, the City is using borrowed funds from the San Diego Housing Commission's reserves to fund the three original bridge shelters, and will be using Low-income Housing Lease Revenue funds, which the IBA has also deemed to be unsustainable, to partially fund the new fourth bridge shelter.

Furthermore, additional funding may be needed to adequately staff the City's various departments and offices involved in addressing homelessness and in the implementation of the Strategic Plan on Homelessness. For example, as further discussed below and in Finding 2, the Homelessness Strategies Division is in need of additional staff, and as further discussed in Findings 2 and 3, there may be a need for additional non-enforcement outreach workers and coordination.

Therefore, it is imperative for the City to develop a financial plan to ensure that both the Strategic Plan on Homelessness can be materialized and existing programs, such as the bridge shelters, can continue. The City should also ensure that it makes funding decisions with long-term financial conditions in mind.

*The Strategic Plan on Homelessness Also Recommends a Funding Strategy*

The Strategic Plan on Homelessness emphasizes that significant funding will be necessary to accomplish the goals in the plan, describes several potential sources of funding, and recommends that a leadership council coordinate efforts and funding initiatives in support of the plan. In addition, the Strategic Plan on Homelessness explicitly recommends that the City develop and maintain a funding strategy for the housing and crisis response needs identified in the plan. Specifically, the Strategic Plan states:

"In order to meet the needs and the projected costs of this homelessness action plan, securing a significant, dedicated source of revenue is critical."

Furthermore, to ensure that any new homelessness funding is spent effectively, funding should prioritize spending in accordance with the goals outlined in the Strategic Plan on Homelessness. The Strategic Plan on Homelessness also specifically states:

"The City of San Diego should prioritize solutions with the greatest potential impact, while maintaining a balance between short-term and life-saving solutions and long-term needs."

*Various Potential Funding Sources Exist, But Public Approval and Input Will Likely Be Necessary*

As the City develops its funding strategy, it is important for the City to take steps to help ensure successful implementation of that strategy. Various potential funding sources exist for addressing homelessness, but some may require voter approval.

According to both the League of California Cities and the new Strategic Plan on Homelessness, some potential funding sources include, but are not limited to:

- Federal and State funding;
- Local sales and use tax;
- Development fees;
- Transient occupancy taxes;
- Bond proceeds;
- Local philanthropy and private donors;
- Local affordable housing trust fund; and
- General Funds.

The Strategic Plan on Homelessness also emphasizes that coordination with the County will help increase efficiency and can reduce the overall service funding need. For example, according to the Strategic Plan on Homelessness, "Coordination with the County is critical to ensuring that persons eligible for Medicaid and Medicare funded services receive those services in the shelters and/or housing. Leveraging this funding can also

create efficiency in the homeless service system by reducing the overall service funding needed.”

The State of California has been providing cities with increased funding to address homelessness in recent years through the Homeless Emergency Aid Program (HEAP). In addition, there are some potential new funding sources for the City in the works, including two 2020 ballot measures. These include a hotel visitor tax measure, and a \$900 million bond measure to fund affordable housing and permanent supportive housing units. It is important to note that both measures will require approval by at least two-thirds of the voters. Regardless of whether these pass, the City should use best practices to evaluate its funding needs once the outcomes of the measures have been determined.

Educating the public on the magnitude of the funding needs identified in the Strategic Plan on Homelessness, and the specific ways in which the funding will be used to help implement the plan, may lead to more public support for any future homelessness-related funding measures. In fact, government finance best practices emphasize that public participation and education are essential to government budgeting. Public support for additional revenue may be necessary to implement the Strategic Plan.

Public participation may take a variety of forms, including surveys, focus groups, neighborhood councils, among others. Notably, the GFOA suggests that efforts to obtain public input must be well executed; superficial or poorly designed efforts may simply waste valuable staff time and financial resources.

**Recommendation 1** The Homeless Strategies Division should work with the Communications Department to develop and execute a strategic communications plan designed to educate the public on the importance of addressing homelessness, specifically related to how to best fund the needs identified in the City of San Diego Community Action Plan on Homelessness. (Priority 1)

**Recommendation 2** To ensure that the City has the funding necessary to implement the new City of San Diego Community Action Plan on Homelessness (Strategic Plan on Homelessness), the

Homelessness Strategies Division (HSD) should develop long-term funding options, such as: continued or increased reliance on the General Fund, State or Federal funding, bonds, tax measures, and any other options that may significantly contribute to closing a funding gap.

Once outcomes of the 2020 ballot measures have been determined, HSD should immediately initiate the development of a long-term funding strategy to meet its present and future homelessness needs identified in the Strategic Plan on Homelessness. The funding strategy should identify permanent and sustainable funding sources and should be finalized, publicly documented, and presented to the City Council upon completion.

When developing its funding strategy, HSD should solicit public input. Specific strategies HSD should consider include, but are not limited to:

- Focus groups;
- Interviews;
- Comment (or point-of-service) cards;
- Public meetings, such as hearings, "town hall" meetings, and community vision sessions;
- Interactive priority setting tools;
- Creating public or neighborhood advisory groups, committees, or task forces; or
- Hire a consultant to conduct surveys.

The funding strategy should include a plan to pursue the desired funding mechanism(s) based on consideration of information obtained from stakeholders, expert knowledge, and objective data. (Priority 1)

**Ending Homelessness  
Requires Strong  
Coordination and  
Interagency Collaboration**

The complexity of the homelessness problem requires the City to take a coordinated approach to ensure that its efforts are effective. Federal guidance stresses the importance of interagency planning and collaboration, including coordinated decision-making.

Specifically, according to the U.S. Interagency Council on Homelessness (USICH), ending homelessness requires a systematic response and interagency collaboration. Moreover, communities should adopt strategies that increase collaborative planning among and within all levels of government.

Additionally, in November 2017 and in response to the Hepatitis-A Outbreak, USICH and the U.S. Department of Housing and Urban Development (HUD) recommended that the City “strengthen coordinated decision-making and collaborative implementation of activities” to better address unsheltered homelessness. According to HSD, the City and County recently executed a memorandum of understanding for this purpose.

We also found that other cities have more formal mechanisms or structures in place to facilitate coordination and collaboration on homelessness, including:

- Interagency Councils (for example: New York City);
- Specific departments for addressing homelessness (for example: New York City and San Francisco);
- Strategic oversight bodies or committees (for example: New York City and Los Angeles); and
- City Council Subcommittees or Working Groups (for example: Los Angeles, Denver, and Seattle).

Although we did not verify the extent to which these various structures improved other cities' effectiveness in addressing homelessness, coordination is essential for any widespread initiative and could help this effort. Further, as discussed below, increased coordination and collaboration is specifically recommended by the Strategic Plan on Homelessness. It is also notable that other cities addressing homelessness have determined such structures are necessary to improve their response to homelessness.

*The City's Coordination Efforts Have Not Been Formalized and Have Lacked an Oversight Component to Ensure Effectiveness*

The City has lacked a strategic oversight body, interagency council, or standing City Council committee focused on a comprehensive and coordinated approach to addressing homelessness. Although the City Council had a Select Committee on Homelessness for 18 months, the committee was last active in November 2018. Moreover, the City has lacked a permanent,

formal mechanism for coordination and collaboration between various City departments, other governmental entities (i.e., RTFH and the County), service providers, and other stakeholders involved in addressing homelessness.

Currently, informal communication channels exist between select departments and HSD. In addition, some departments communicate with the Environmental Services Department (ESD) to request encampment abatements via work request forms, emails, phone calls, and the Get-it-Done Application. The Parks and Recreation Department, ESD, and the San Diego Police Department's (SDPD) Neighborhood Policing Division (NPD) also stated that they are holding more regular meetings in preparation for some park clean-up events. According to HSD, it considers itself to be the centralized hub for consistent communication, data sharing, and review of the effectiveness of the City's homelessness-related programs and the success of the system as a whole in addressing homelessness but lacks the resources to do so as effectively as it should.

*The Strategic Plan on Homelessness Also Recommends an Interagency Structure*

The Strategic Plan on Homelessness also addresses the issue of interagency coordination by recommending that the City and its partners create an interagency structure to guide plan implementation. According to the recommendations in the plan, this structure should include, among other things, an interagency leadership council that provides guidance and accountability and an interagency implementation team of senior staff to make decisions and guide the plan implementation.

To ensure the City has a formal mechanism for communication, coordination, and collaboration between all departments and programs that provide homeless-related services, and to ensure these departments and programs are held accountable as they work toward meeting the goals of the City of San Diego Community Action Plan on Homelessness (Strategic Plan on Homelessness), we make the following recommendation:

**Recommendation 3**

As recommended and defined in the City of San Diego Community Action Plan on Homelessness, the City should establish a governance structure that includes a Citywide

Leadership Council, an Interagency Implementation Team, and a Project Manager. (Priority 1)

**The City's Organizational Structure and Resources Should Be Aligned With Goals to Deliver Results**

Implementing a strategic plan requires sufficient staffing and resources to be able to meet the goals of the plan. According to the Committee of Sponsoring Organizations of the Treadway Commission's (COSO) integrated framework for internal control, organizational structure and resources should be aligned to meet goals and maximize efficiency. GFOA guidance also emphasizes that employees should be positioned within the organization in a way that maximizes efficiency. Therefore, as part of its strategic planning efforts, the City should consider how to organize its structure and resources to maximize effectiveness.

*The City Does Not Have Enough Staff Dedicated to Overseeing the City's Existing Actions to Address Homelessness, Let Alone to Implement the New Strategic Plan on Homelessness*

The Homelessness Strategies Division (HSD) is the City's primary division for programming related to homelessness. However, HSD is relatively new and in the early stages of organizational maturity. As discussed below, HSD plays a significant role in the City's work to address homelessness, but it does not currently have enough staff to complete all of its duties.

According to HSD, it is currently budgeted for 3 full-time equivalent (FTE) positions, 2 grant-funded limited positions, and is responsible for coordinating the work of several City departments and serving as a liaison to outside agencies and other partners. Specifically, according to HSD, the division's roles and responsibilities include:

- Overseeing and developing various programs to serve homeless San Diegans;
- Coordinating with the Mayor's Office regarding policy priorities and representing the Mayor's Office to present information to the City Council and the Independent Budget Analyst;
- Coordinating with other agencies such as the County, San Diego Housing Commission, and Regional Task Force on the Homeless;
- Serving as the City lead on homelessness services programs administered by the City and SDHC;



- Coordinating with various City departments and offices involved in homelessness;
- Engaging in resolving litigation related to homelessness;
- Developing and maintaining budgets and an organizational structure to support the division's activities; and
- Engaging in public meetings and stakeholder outreach.

Based on our interviews and observations, HSD's existing staffing level is likely not enough to successfully coordinate the City's efforts to address homelessness. We also note that HSD attempted to expand in fiscal year 2020 by requesting an additional 3 FTE positions, but the City Council denied this request and redirected the funding to the San Diego Housing Commission's budget.

In addition, the City of San Diego's Workplan for Addressing Immediate and Long-Term Homelessness Needs (Mayor's Workplan), issued in November 2018, stated that the City will use a data-driven approach for addressing homelessness. However, HSD does not currently have anyone on staff available to complete regular data analysis of the City's homelessness programs. Although the Performance and Analytics Department completed an analysis of the City's bridge shelters, additional data analysis will be needed in order for HSD to use a data-driven approach for homelessness programming decisions.

Furthermore, as shown above, one of HSD's duties is to develop and maintain budgets; however, HSD does not have a Budget Analyst on staff. In addition, as further discussed in Finding 2, HSD does not have anyone on staff to take on the role of coordinating and overseeing all City-funded outreach workers.

It is important to note that in addition to all of the responsibilities listed above, HSD will be heavily involved in the City's implementation of the new Strategic Plan on Homelessness. Therefore, the need for additional staff to support the division's responsibilities is even more significant.

*HSD Determined that it Needs Additional Staff, but the City Has Not Performed a Substantial Staffing Analysis*

According to HSD, they completed a staffing analysis in 2018. At minimum, HSD anticipated the need for three additional positions to support the then-existing workload and the various new programs and projects launched since 2017 (staff to work on data analysis, reporting, and program development and improvements), and to have minimal staff in place to be able to start work on implementing the Strategic Plan on Homelessness. HSD requested that staffing in the fiscal year 2020 May Revision to the Proposed Budget, but these funds were reallocated by the City Council to other homelessness-related activities.

Aside from HSD's determination that they need additional staff, the City has not performed substantial analyses to determine whether HSD and other City departments and offices involved in addressing homelessness are staffed and structured appropriately to carry out their many roles and responsibilities. An organizational structure with sufficient staffing and resources would better position the City to accomplish its strategic goals for addressing homelessness.

We reviewed how other cities have staffed their homelessness functions. Based on our review, we found that although each city is structured differently and is not truly comparable, the City of San Diego dedicates fewer employees to core activities involved in coordinating homelessness programs and services. Other cities' organizational structures include more staffing resources and some have specific departments dedicated to homelessness to better coordinate efforts across the organization and liaise with outside agencies.

For example, New York City and the City and County of San Francisco have departments specifically dedicated to homelessness. In fact, New York City's Department of Homeless Services is comprised of approximately 2,000 FTE and a budget of approximately \$1 billion. However, we note that the magnitude of homelessness in New York City is greater and there are other factors, including a legal mandate to provide shelter to all homeless, that impact New York City's response to homelessness.

The City and County of Denver also recently proposed a new department to link housing and homeless services as a result of

an audit that found its approach to addressing homelessness was fragmented and understaffed. The audit found that Denver's Road Home program, which serves a role similar to that of the City of San Diego's HSD, was understaffed at 7 FTE and a budget of over \$7.2 million. In 2017, the City of Dallas also created an Office of Homeless Solutions with four divisions. In fiscal year 2018–2019, Dallas' Office of Homeless Solutions had 41 positions and a budget of approximately \$11.5 million.

*The Strategic Plan on Homelessness Also Recommends an Immediate Evaluation of Staffing Resources*

The Strategic Plan on Homelessness calls on a team of senior-level staff from the City and its partner agencies to immediately evaluate staffing resources. Based on this evaluation, the team should recommend staffing requirements to each agency's leadership for agencies that will support implementation of the Strategic Plan. Leadership, in turn, should identify funding and resources to ensure proper staffing is in place to carry out the plan. Therefore, to determine how to best align staffing resources to ensure goals from the Strategic Plan are met, we recommend:

**Recommendation 4**

In accordance with the City of San Diego Community Action Plan on Homelessness, the City should immediately conduct a staffing analysis of all departments and offices involved in addressing homelessness and in implementing the plan.

Once the staffing analysis is completed, the City should dedicate adequate funding to support any additional positions that the analysis determines are needed. (Priority 1)

**Strategic Planning Involves Setting Goals and Performance Measures and Monitoring Progress**

According to GFOA, governmental entities should establish measurable objectives, incorporate performance measures, and regularly assess its progress toward those ends. Similarly, the National Alliance to End Homelessness suggests that having a plan can help communities set goals, priorities, processes, timelines, and mechanisms for evaluating progress.

*The City Has Not Consistently Publicly Reported on Progress Implementing*

Although the Strategic Plan on Homelessness was only recently adopted and it is too soon to report on whether the City is measuring and monitoring its progress, in the past, the City has not consistently publicly reported on its progress implementing actions related to homelessness. Specifically, the City's

*Homelessness-Related  
Actions in the Past*

Homelessness Services webpage includes a Homelessness Initiatives Fact Sheet from 2017 with various planned actions and anticipated completion timeframes. While some of the actions are marked as "Complete," many have past due completion timeframes listed, such as the Spring, Summer, and Fall of 2018. Although some of these actions have been completed, the City has not publicly posted an update.

Furthermore, some actions have not been completed. For example, one action with a completion timeframe of Spring 2018 was to update the City's Homeless Services website to reflect current data, resources, and status of the region's various efforts to address homelessness. That update has apparently not been completed as the website displays outdated information referring to the San Diego Regional Continuum of Care (CoC) Council, with a link to a website that no longer exists, rather than to the San Diego Regional Task Force on the Homeless (RTFH), which merged with the CoC in January 2017. Notably, the website also does not include any of the updated data referred to in the Homelessness Initiatives Fact Sheet.

Taken together, the lack of adequate staffing at HSD and the high turnover in the Chief of Homelessness Strategies position has likely hindered its ability to complete the action items from this previous plan.

*The Strategic Plan on  
Homelessness Includes  
Specific Action Steps and  
Performance Metrics, and  
Also Recommends Regular  
and Public Reporting on  
Progress*

The Strategic Plan on Homelessness includes overarching goals, strategies, and action steps as well as metrics by which progress will be measured. By adopting the Strategic Plan on Homelessness, the City Council has signaled its intention to implement these action steps and regularly monitor its progress toward success.

The Strategic Plan on Homelessness also provides that progress toward achieving these action steps should be monitored in real time when available and otherwise on a regular basis. It is particularly important for the City to track progress towards the three 3-year goals outlined in the plan:

1. Decrease unsheltered homelessness by 50 percent;
2. Finish the job of ending Veteran homelessness; and
3. Prevent and end youth homelessness.

The Strategic Plan on Homelessness also recommends that as part of the City's implementation of the plan, the City should document its progress using a combination of HUD's system-level performance measures and other metrics. The HUD system-level performance measures that are applicable to San Diego include:

- Length of time persons remain homeless;
- Extent to which persons who exit homelessness to permanent housing destinations return to homelessness;
- Number of homeless persons;
- Job and income growth for homeless persons;
- Number of persons who become homeless for the first time; and
- Successful outcomes (including successful placement from street outreach and successful placement in or retention of permanent housing).

The Strategic Plan on Homelessness also emphasizes that tracking and reporting progress are important in order to understand impact over time, to help identify if mid-course corrections are needed, and to provide accountability and transparency. Therefore, we recommend:

**Recommendation 5** In accordance with the City of San Diego Community Action Plan on Homelessness, the City should formally establish and document procedures for publicly reporting on its progress in implementing the plan, and should publicly report this information and present it to City Council, at least annually. (Priority 1)

**Recommendation 6** In accordance with the City of San Diego Community Action Plan on Homelessness, the City should formally establish and document procedures for publicly reporting on how the City is performing in regards to the system performance measures outlined in the plan. (Priority 1)

## Finding 2: Homeless Outreach Efforts Can Be Improved Using a Comprehensive Strategy that Includes Additional Outreach Workers, Improved Coordination, and Data Utilization

**Summary** As discussed in Finding 1, prior to October 2019, the City did not have a strategic plan to inform its funding decisions and organizational structure for addressing homelessness. Concurrently, the City has not had a comprehensive homeless outreach strategy.

Many people experiencing homelessness may be reluctant to seek assistance or may face barriers that make it difficult for them to access available services, shelter, or housing on their own. For example, potential barriers to accessing available services or self-resolving homelessness may include mental illness and substance abuse. Therefore, outreach can play a vital role in helping end homelessness. In many cases, successful outreach requires significant time and effort to build relationships, trust, and rapport with homeless individuals who may be distrusting of the system.

Although the City's homeless outreach efforts have recently improved and continue to evolve, we found the City lacks a comprehensive outreach strategy, there is currently no regional system in place to take the lead on homeless outreach, and the region currently lacks the capacity and resources to implement a comprehensive outreach program. We compared the City's current outreach efforts to federal guidance and best practices and found the following:

- Homeless outreach efforts should be persistent and use a person-centered approach, with a focus on building rapport and trust. However, the City lacks a sufficient number of non-law enforcement outreach personnel to provide this type of outreach effectively on a large scale.

- Street outreach efforts should be systematic, coordinated, and comprehensive. The City has made some improvements in coordination, but these are likely insufficient to drive large-scale, systemic improvements of outreach efforts without additional financial, personnel, and organizational resources dedicated to this effort.
- Strong partnerships between outreach workers and law enforcement are necessary, but outreach should be driven primarily by non-law enforcement personnel. In the absence of a comprehensive outreach strategy and a sufficient number of non-law enforcement outreach workers, the San Diego Police Department's (SDPD) Homeless Outreach Team (HOT) has been filling a void by acting as the City's leading provider of homeless outreach. However, demand on HOT is high and the City needs additional non-law enforcement outreach personnel to provide proactive, person-centered outreach more effectively.<sup>11</sup>
- High quality data should be used to support decision making and drive operational improvements. However, data collection and sharing on reasons for refusal of service has not been formalized, and the City is not utilizing that information to drive operational improvements.

As a result, the City's homeless outreach efforts may not be as efficient and effective as possible at providing resources to help individuals resolve their homelessness. Furthermore, the City may be missing opportunities to improve outreach and the overall system and strategies it uses to address homelessness.

In addition, on a regional level, the San Diego Regional Task Force on the Homeless (RTFH) is taking on more of a leadership role by recently adopting regional policy guidelines related to addressing unsheltered homelessness and encampments throughout San Diego County. This policy guidance emphasizes the need for a regional outreach model that includes a

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<sup>11</sup> As discussed later, SDPD's Homeless Outreach Team is comprised of teams of law enforcement officers partnered with a social worker from the County's Health and Human Services Agency and a member of the Psychiatric Emergency Response Team.

centralized entity to coordinate homeless outreach. The City has been collaborating with RTFH on this regionwide policy. However, RTFH's policy guidelines do not specify how or when this will be implemented. In the meantime, the City needs to do what it can to improve its outreach and use a more strategic approach.

To address these issues and improve the City's outreach efforts, and in the absence of a regional outreach framework, we recommend the City develop a comprehensive homeless outreach strategy. This should include formal direction, training, and guidance to all City-funded outreach workers on how to conduct person-centered outreach and how to better coordinate efforts. In addition, the City should initiate an analysis to determine an appropriate staffing level of non-law enforcement outreach workers and fund additional positions, as needed. The City should also formally establish the collection, analysis, and sharing of refusal-of-service data to help drive decision making and address the concerns of individuals experiencing homelessness and the barriers that they face in the homeless services system.<sup>12</sup>

**Homeless Outreach Efforts Should Be Persistent and Use a Person-Centered Approach, with a Focus on Building Rapport and Trust**

Building trust and rapport with homeless individuals is key to maximizing the effectiveness of outreach efforts. According to federal guidance and City Council Policy, homeless outreach efforts should be person-centered, comprehensive, coordinated, targeted, and persistent.<sup>13</sup> By "person-centered" outreach, we mean outreach that is not specific to any one service provider. An outreach worker conducting person-centered outreach should be able to assist in connecting homeless individuals with whatever services—including mental health and substance abuse programs—shelter, housing, or other support that best suit their individual needs and strengths, rather than be focused on whether the individual is a good fit for their particular program or shelter. This assistance can be in the form of a "warm hand-off" to another outreach worker or non-profit service provider that is better suited to assist the individual.

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<sup>12</sup> The City of San Diego Community Action Plan on Homelessness (Strategic Plan on Homelessness) reached conclusions similar to those outlined in this finding.

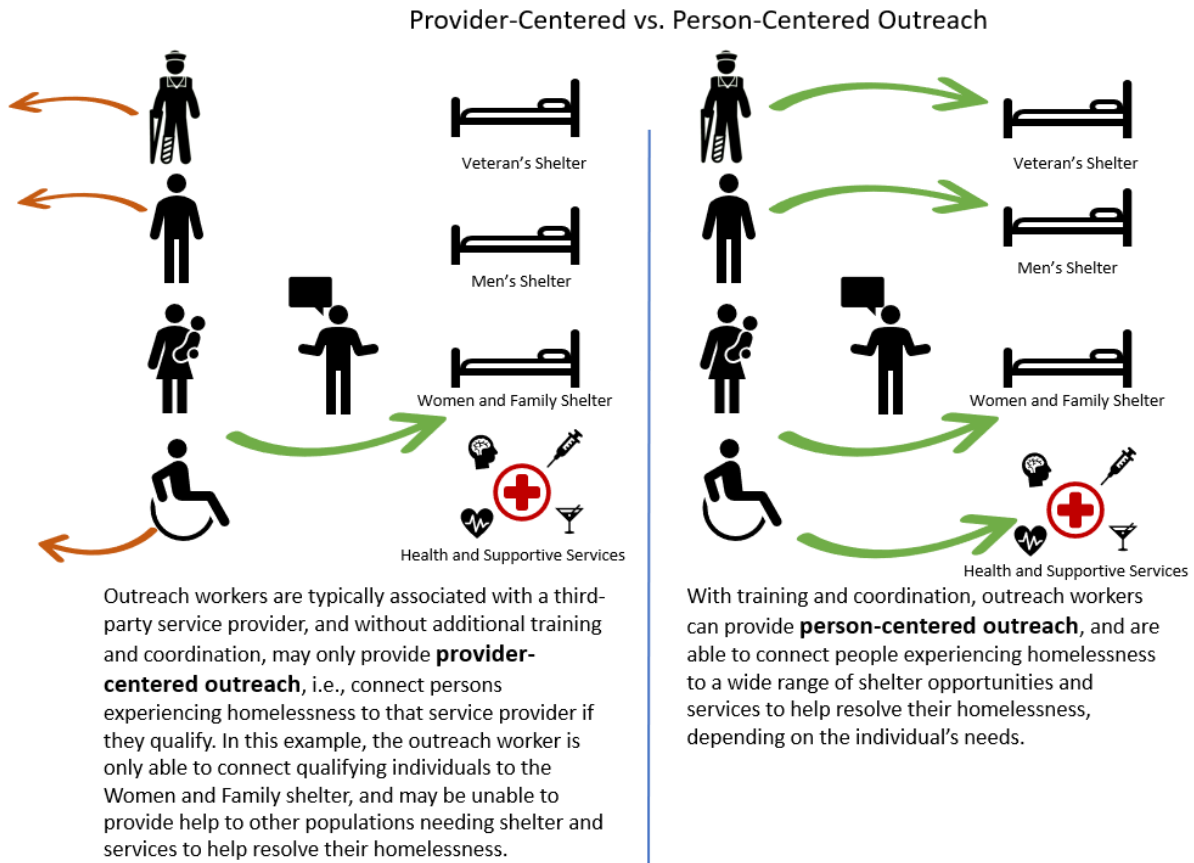
<sup>13</sup> According to USICH's "The Role of Outreach and Engagement in Ending Homelessness," published in August 2016, and the City Council's Comprehensive Policy on Homelessness (CP 000-51).



**Exhibit 10** illustrates the difference between person-centered and provider-centered outreach.

**Exhibit 10**

**Person-Centered Outreach Focuses on Connecting People with Shelter and Services Best Suited to Their Needs**



Source: Auditor generated based on auditor interpretation of federal guidance and interviews with the Homelessness Strategies Division and SDPD Neighborhood Policing Division.

**Street Outreach Efforts Should Be Systematic, Coordinated, and Comprehensive**

According to federal guidance, street outreach efforts should not only be person-centered, but also systematic, coordinated, and comprehensive in order to be effective.<sup>14</sup> Effective street outreach is critical for reaching people experiencing homelessness who may otherwise not seek out assistance or come into contact with service providers. Coordination can also help ensure that outreach workers are able to focus on building

<sup>14</sup> According to USICH's "Core Elements of Effective Street Outreach to People Experiencing Homelessness," published in June 2019.

rapport and trust with people experiencing homelessness so that they are more likely to accept assistance.

In addition to guidance from federal agencies, several guiding documents within the San Diego region also call for homeless outreach efforts to be systematic, coordinated, and comprehensive.<sup>15</sup> For example, the Strategic Plan on Homelessness recommends that the City develop a comprehensive outreach framework that coordinates City-wide efforts more effectively. Moreover, RTFH's policy guidelines, which are further discussed below, call for a regional outreach coordination model led by a centralized entity "to help decrease duplication of street outreach and other efforts, and ensure individuals experiencing unsheltered homelessness are identified, assessed, and engaged in services in a coordinated and trauma-informed manner."

**The City Has Not Developed a Comprehensive Homeless Outreach Strategy and a Regional Outreach Framework is Still in Development**

To maximize effectiveness of homeless outreach efforts, it is important for all City-funded outreach workers to conduct their outreach in line with the best practices described above. In addition, the U.S. Interagency Council on Homelessness (USICH) and the U.S. Department of Housing and Urban Development (HUD) have recommended that San Diego strengthen outreach and engagement of people experiencing unsheltered homelessness.<sup>16</sup> As mentioned above, the City's newly adopted Strategic Plan on Homelessness also highlights outreach as a key item for immediate consideration and recommends the City develop a comprehensive outreach framework.

Although the City Council updated its Comprehensive Policy on Homelessness in May 2018 , which includes some statements specific to outreach, the City has not developed a

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<sup>15</sup> The San Diego Regional Task Force on the Homeless Policy Guidelines for Regional Response for Addressing Unsheltered Homelessness and Encampments throughout San Diego County (RTFH policy guidelines), the City of San Diego's Workplan for Addressing Immediate and Long-Term Homelessness Needs (Mayor's Workplan), and the newly adopted City of San Diego Community Action Plan on Homelessness (Strategic Plan on Homelessness) all call for coordinated homeless outreach efforts.

<sup>16</sup> In November 2017, USICH and HUD provided San Diego with recommendations and steps to address unsheltered homelessness in response to the Hepatitis A outbreak, including a recommendation to strengthen outreach and engagement of people experiencing unsheltered homelessness.

comprehensive homeless outreach strategy. Such a strategy would help ensure that all parties involved in homeless outreach share common goals, understand responsibilities, conduct outreach using consistent methods, and could help mitigate the potential for inefficient and/or ineffective use of resources.

The City has not developed a comprehensive outreach strategy or framework. Instead, the RTFH recently adopted Policy Guidelines for Regional Response for Addressing Unsheltered Homelessness and Encampments throughout San Diego County (RTFH's policy guidelines) in January 2020. RTFH's policy guidelines state that all efforts and interactions by regional stakeholders—including the City of San Diego—should be respectful, person-centered, and focused on assisting the individual to resolve their homelessness.

The RTFH policy guidelines also call for a regional outreach coordination model. The City's Homelessness Strategies Division (HSD) and SDPD's Neighborhood Policing Division (NPD) believe that the outreach system needs work and support having a centralized entity in the region to coordinate outreach. HSD and NPD acknowledge that homeless individuals would be better served by such a regional model because there are many outreach providers in the region that are outside of the City's control.

While we agree that a regional outreach strategy—including a centralized entity to coordinate outreach—is ideal, RTFH's policy guidelines currently serve only as a vision for shaping future efforts—they do not provide a commitment that RTFH and regional stakeholders will implement the guidelines, and they do not specify how implementation will work or which entity would lead that effort. Furthermore, the region currently lacks the capacity and resources to implement a comprehensive outreach program. Therefore, while such a regional outreach framework is developed, the City should take action to improve outreach and develop its own comprehensive outreach strategy.

**City-Funded Homeless Outreach Has Improved, But May Benefit From Additional Coordination and Centralized Direction**

To effectively provide person-centered outreach, which may include “warm hand-offs,” it is important for outreach workers to engage with each other, coordinate efforts, and build a referral network. The City has taken some measures to improve coordination of its homeless outreach efforts. For example, SDPD’s Homeless Outreach Team (HOT) promotes coordination among other agencies—including both City-funded and non-City-funded outreach workers—through its Thursday morning coordinated outreach events. The City has also increased coordination of homeless outreach at a small number of large encampment abatements at City parks. Furthermore, the City has in recent years funded additional outreach workers through contracts administered by the San Diego Housing Commission (SDHC). These contracts include outreach workers at the City’s bridge shelters, storage centers, Safe Parking Program, and new Navigation Center.<sup>17</sup>

According to HSD, the City, through SDHC’s contracts, has authority to direct these outreach workers and could use this authority to facilitate additional coordination. However, according to HSD, it has not done so as effectively as it could because HSD does not have a designated position or sufficient staffing levels to regularly oversee this responsibility. Nevertheless, according to HSD, SDHC has a contractual obligation to conduct oversight of City-funded outreach workers.

Despite this, we found that there may be a need for additional oversight and direction from the City. For example, HSD stated that City-funded outreach workers have started to implement person-centered outreach approaches. However, according to our conversations with NPD, because these outreach workers—both City-funded and non-City funded—are each funded to take care of certain types of people experiencing homelessness, they tend to conduct provider-centered outreach rather than person-centered outreach. Therefore, City-funded outreach workers may benefit from additional guidance and clear direction from

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<sup>17</sup> According to HSD, the City funds 15 total outreach workers for the four bridge shelters, 4 total outreach workers at the storage centers, 5 full-time and 2 part-time outreach workers at the new Housing Navigation Center, and relies on existing outreach workers employed by Jewish Family Service of San Diego at the Safe Parking Program. The City funds limited outreach through other programs as well, such as the outreach that occurs as part of the Family Reunification Program.

the City, and the City should work with RTFH to encourage all providers to practice person-centered outreach.

SDHC stated that, in 2018, it implemented regular monthly coordination meetings of bridge shelter outreach teams. As part of this coordination effort, the teams work together to spread resources over a broader area and touch more locations on a rotating basis. While these efforts are helping to incrementally improve the reach of the City's homeless outreach efforts and help prevent duplication of efforts, they are likely insufficient to drive large-scale, systemic improvements. This is because effective outreach often takes time and is dependent on outreach workers successfully building rapport and trust by having a consistent presence. With only six outreach workers per bridge shelter and a rotating presence, the effectiveness of their efforts to establish relationships may be limited.

**In the Absence of a Comprehensive Outreach Strategy and a Sufficient Number of Outreach Workers, SDPD Has Been Filling an Outreach Void**

In the absence of a comprehensive homeless outreach strategy and a sufficient number of non-law enforcement outreach workers, SDPD's Homeless Outreach Team (HOT) has been filling a void for over 20 years as the City's primary means of direct outreach and contact with people experiencing homelessness.

HOT includes teams of law enforcement officers partnered with a social worker from the County's Health and Human Services Agency (HHS) and a member of the Psychiatric Emergency Response Team (PERT). The HOT model of outreach facilitates meetings between PERT clinicians, HHS service specialists, and individuals experiencing homelessness in places where they are currently staying or loitering instead of hoping for those chronically-resistant individuals to seek services on their own.

According to HOT, it takes a person-centered approach by trying to figure out what individuals experiencing homelessness need and then connecting them with a variety of services. According to HOT, its work involves repeated contacts and persistent outreach since many homeless individuals are initially reluctant to accept services. HOT's work is both proactive and reactive and involves responding to calls from other law enforcement officers, including patrol officers and officers from the Neighborhood Policing Team (NPT).

However, HOT is aware that they are at a disadvantage due to their uniforms and association with law enforcement. Thus, to differentiate themselves from traditional law enforcement, HOT vans are clearly marked "Homeless Outreach Team" as shown in **Exhibit 11**. In addition, HOT officers do not generally make contact for enforcement purposes. This facilitates the ability of PERT clinicians, HHSA service specialists, and community outreach workers to build trust and rapport with these individuals.<sup>18</sup>

### Exhibit 11

#### SDPD's Homeless Outreach Teams' Vans are Clearly Marked to Differentiate Them from Traditional Law Enforcement Vehicles



Bill Morrow

Source: "[HOMELESSNESS](#)" by [bill85704](#) is licensed under [CC BY 2.0](#).

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According to HOT, demand on the team is high. Consequently, HOT spends a significant amount of time responding to calls rather than conducting proactive outreach consistently in the

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<sup>18</sup> In addition to the PERT and HHSA staff, during HOT's Thursday morning coordinated outreach events, additional City-funded and non-City funded outreach workers ride along with HOT.

same areas.<sup>19</sup> HOT does, however, provide proactive outreach focused on a particular area in the City during 3-hour coordinated outreach events held on Thursday mornings. These outreach events serve as a forum for enhanced coordination among service providers and are a beneficial component of the City's homeless outreach efforts. However, locations for the Thursday events rotate, so HOT does not maintain a consistent presence in all of those areas. According to HSD, this is in order to ensure that outreach occurs in the areas of the City that need it most.

The enforcement side of NPD is comprised of the Neighborhood Policing Team (NPT), which responds to quality of life complaints from citizens and accompanies the Environmental Services Department (ESD) during encampment abatements.<sup>20</sup> In July 2019, in an attempt to lower demand on HOT, NPD made changes to its processes so that NPT officers now offer direct placement into a HOT bed.<sup>21</sup> Previously, NPT officers conducting "progressive enforcement" would call HOT to connect homeless individuals with shelter or services instead of doing that directly themselves.<sup>22</sup>

We commend SDPD for taking on this role and providing outreach as part of their law enforcement activities. However, law enforcement personnel may not always be best suited to conduct outreach. NPD recognizes this and believes there is a need for additional non-law enforcement outreach. If the City or its regional partners were to obtain additional non-law enforcement personnel, NPD stated their intention is to coordinate with them so that NPD's resources can be used more efficiently. However, even with additional non-law enforcement

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<sup>19</sup> HOT could not provide an estimate for how much time is spent responding to calls but stated that much of their time is spent on work that is reactive to calls rather than conducting proactive outreach.

<sup>20</sup> Encampment abatements are discussed further in Finding 3.

<sup>21</sup> The City has 50 dedicated HOT shelter beds that are used as triage and short-term shelter and uses other shelter facilities to make placements as well.

<sup>22</sup> NPD's "progressive enforcement" model elevates the level of enforcement taken based on previous encounters and offers for shelter and services. In general, several encounters take place, with enforcement escalating from education and warnings to citation, before an arrest is made for a quality of life crime (i.e., encroachment, illegal lodging, etc.).

outreach, NPD indicated that it is important for NPD to continue providing outreach to homeless individuals in a supporting role and that law enforcement should never be completely removed from outreach. This is because outreach workers may prefer police officers be present for security reasons when conducting outreach, especially in remote areas. In addition, law enforcement can provide an important final layer of outreach to individuals who have not otherwise been helped by the homeless services system. We agree that law enforcement plays an important role in homeless outreach, but law enforcement officers should not be the City's primary homeless outreach providers. Instead, as further discussed below, law enforcement officers are better suited to serve in a supportive role.

**Strong Partnerships  
Between Outreach and  
Law Enforcement Are  
Necessary, But Non-Law  
Enforcement Should Take  
a Leading Role**

Strong partnerships between outreach workers and enforcement are necessary. According to USICH, communities are expanding the use of street outreach teams where law enforcement officers are paired with outreach workers, but those efforts are not operating on a large enough scale.<sup>23</sup> USICH also states that when responding to a call for service involving a person experiencing homelessness, an officer would benefit from being able to connect this person to a homelessness outreach team, freeing the officer to respond to other calls.

Moreover, law enforcement personnel are not ideal outreach workers themselves. Ideally, coordinated outreach should be conducted by trained "non-uniform" personnel, with law-enforcement in a supportive role. This is echoed in the City's Strategic Plan on Homelessness, which states:

"Outreach workers—rather than police—should be first responders regarding unsheltered populations or other outreach-related issues."

"The current approach leads to role confusion and anxiety by people experiencing homelessness, as well as putting undue pressure on limited law enforcement resources."

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<sup>23</sup> According to USICH's "Strengthening Partnerships Between Law Enforcement and Homelessness Services Systems," published in June 2019.



*The City Has Not Assessed Whether the Current Number of Outreach Workers is Sufficient, But Additional Proactive Person-Centered Outreach is Likely Needed*

While law enforcement officers are not necessarily best suited to provide homeless outreach, demand on HOT is high because it is currently the City's primary outreach team. This indicates that the City may need additional non-law enforcement outreach personnel to be able to provide the type of proactive, persistent, person-centered outreach recommended by best practices on a large scale.

Although an assessment of the City's outreach resources has not been completed, the City has acknowledged the need for additional non-law enforcement homeless outreach. For example, in Fiscal Year 2019, the City allocated HEAP funds to create a new outreach team. According to HSD, the new HEAP-funded outreach team was to include generalist outreach workers and use a person-centered approach. However, the City Council reallocated funding for this team.<sup>24</sup> According to HSD, the City will instead rely on the RTFH HEAP-funded outreach. However, these outreach workers will operate throughout the region, so their saturation within the City will likely be less than that of a City-based, City-funded, and City-directed outreach team. Thus, additional City-funded outreach workers are likely still needed.

**High Quality Data Should Be Used to Support Decision-Making and Improve the Effectiveness of Outreach Activities**

Federal guidance, the City Council's Comprehensive Policy on Homelessness, the City's newly adopted Strategic Plan on Homelessness, the RTFH policy guidelines, and the Mayor's Workplan all emphasize the importance of using data to drive decision-making within the homelessness system. For example, according to USICH, successful practices include using a systematic, documented approach; using high quality data; and targeting individuals based on vulnerability and high utilization. According to USICH, outreach efforts should be documented to help prevent overlooking individuals or duplicating efforts. Moreover, complete and accurate data at the person level helps communities better understand local needs, monitor progress,

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<sup>24</sup> On June 11<sup>th</sup>, 2019, the City Council reallocated \$1.6 million in HEAP funds originally dedicated to outreach to support a fourth bridge shelter at 17<sup>th</sup> and Imperial. This reallocation was a result of the City Council's decision to keep the women and families bridge shelter at Golden Hall rather than move it to the 17<sup>th</sup> and Imperial site, as originally planned.

and hold themselves accountable.<sup>25</sup> Furthermore, the Mayor's Workplan emphasizes that data can be used to inform the City's approaches. Specifically, the Mayor's Workplan states that "The City intends to apply data-driven decision-making to its efforts and to measure outcomes in a manner that can be used to make improvements."

Therefore, data related to homeless outreach—including data on why individuals are refusing services and shelter when approached by outreach personnel—should be collected, analyzed, and shared with the appropriate stakeholders to support decision-making. This would help facilitate improvements that address the concerns of people experiencing homelessness and improve the overall effectiveness of outreach activities.

**Data Collection and Sharing of Reasons for Refusal of Service Has Not Been Formalized, and the City Does Not Use this Information to Drive Decision-Making or Operational Improvement**

Although the City and SDHC track some data related to contacts and outcomes of outreach activities, the City does not formally collect a robust set of data to evaluate why some people experiencing homelessness refuse services.<sup>26</sup> According to HOT, officers started collecting this type of data in November 2018, but there are currently no directives, policies, or procedures regarding data collection. Moreover, the data is not currently being analyzed or used to drive decision-making or operational improvement. Instead, HOT stated that it informally shares and discusses barriers with service providers; however, data is not formally shared with them or other City departments or offices.<sup>27</sup>

NPD stated that formalizing data collection would be difficult because officers have other duties that take priority. More importantly, according to NPD, police departments are prohibited by law from keeping by-name databases on citizens.

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<sup>25</sup> More details are available in USICH's reports, "Strengthening Partnerships Between Law Enforcement and Homelessness Services Systems," published in June 2019, and "The Role of Outreach and Engagement in Ending Homelessness," published in August 2016.

<sup>26</sup> As discussed in Finding 3, the City also does not collect sufficient data that could help inform its outreach efforts at homeless encampments.

<sup>27</sup> According to NPD, in fiscal year 2019, NPT officers contacted over 13,000 individuals experiencing homeless while HOT officers contacted over 4,400. Anecdotally, NPD stated that the shelters' rules and restrictions are a primary reason for refusal of service.

Alternatively, social workers and County partners can track that type of data without the risk of it becoming a criminal register. Therefore, in order to collect and utilize data on reasons for refusal of service to drive operational improvement, the City may need to use its authority to direct the City-funded outreach workers under contract with SDHC to collect and share this data with appropriate stakeholders.

**As a Result, the City May Not Be Maximizing the Effectiveness of Its Outreach Efforts**

As a result of the issues detailed above, and in the absence of an established regional outreach framework, the City may not be maximizing the effectiveness of its homeless outreach efforts. Without a comprehensive outreach strategy or guiding policies, the City cannot ensure that City-funded outreach workers are conducting person-centered outreach in accordance with best practices and are coordinating in a way that maximizes the efficiency and effectiveness of their efforts. Furthermore, without additional non-law enforcement outreach workers and coordination, it is difficult for City-funded outreach to establish a consistent presence in order to successfully develop the trust and rapport that may be needed for a person experiencing homelessness to accept assistance.

In addition, without formalized collection, analysis, and sharing of data on reasons for refusal of service, the City may be missing opportunities to improve outreach and the overall system and strategies it is using to address homelessness. By not analyzing or utilizing data related to the refusal of service, the City may be overlooking the underlying causes that prevent or discourage homeless individuals from accepting services and shelter. It is important for data collection and analysis to be formalized and for data to be shared with other stakeholders that may benefit from it. This is especially important given the City's commitment to taking a data-driven approach in its effort to address homelessness.

To address the issues identified above and improve the City's outreach to people experiencing unsheltered homelessness, we make the following recommendations:

**Recommendation 7**

The City should develop and implement a comprehensive homeless outreach strategy. This strategy should include:

- Formal direction and training to all City-funded outreach workers, including those under contract with the San Diego Housing Commission, to conduct their outreach in line with best practices (i.e., to perform persistent, person-centered outreach and use a by-name list); and
- Guidance on how to determine where to conduct outreach and how to share data and information among outreach teams to avoid unnecessary overlap and promote additional coordination. (Priority 1)

**Recommendation 8** While the regional outreach approach is being developed through the Regional Task Force on the Homeless, the City should conduct an analysis, or initiate an analysis through the San Diego Housing Commission, to determine whether the current level of City-funded non-law enforcement outreach workers is sufficient to execute the comprehensive homeless outreach strategy produced in response to Recommendation 7, and fund additional outreach positions for City-wide outreach, as needed. (Priority 1)

**Recommendation 9** The City should formalize the collection of data on reasons for refusal of service, establish responsibility and methodology for data collection and analysis, and identify how the data is to be shared with appropriate stakeholders. The City should utilize this data analysis to make improvements that address these concerns and increase rates of acceptance of services and shelter. (Priority 2)

### **Finding 3: The City Is Not Maximizing the Effectiveness of Its Outreach Practices to Connect Individuals with Shelter and Services During Homeless Encampment Abatements**

**Summary** We found that, in absence of a comprehensive outreach strategy and a sufficient number of City-funded, non-law enforcement outreach workers, the City of San Diego (City) is not maximizing the effectiveness of its outreach practices to connect people experiencing homelessness with shelter and services—such as mental health and substance abuse programs—during encampment abatements.

To enhance the efficiency of both homeless outreach and the encampment abatement process, it is in the best interest of the City to take advantage of all opportunities to conduct effective outreach during contacts with homeless individuals. This is because, as described in Finding 2, effective outreach usually requires building trust and rapport as well as repetitive offers of assistance.

The City has multiple goals and responsibilities that impact its approach to addressing homeless encampments. Specifically, the City's goals directly related to homelessness include addressing the needs of the homeless population and broadening access to resources. However, the City has other goals and responsibilities related to protecting public health and safety, water quality, and removing eyesores and cleaning up communities. In practice, the strategies used to achieve these various goals and responsibilities can conflict.

The City currently abates encampments under the Mayor's CleanSD program, which serves an important role in protecting public health. However, we found that the City's current encampment abatement process may not effectively address the needs of people experiencing homelessness—one of the main goals of the City's Homelessness Strategies Division (HSD)—and

is therefore not able to end homelessness for people living in encampments. Specifically, we found:

- Although the City's encampment abatement process has recently improved, it does not include a robust outreach component prior to the forced dispersal of encampment occupants;
- Although they may have different types of encampments and different goals and responsibilities that impact how they address their encampments, other cities have experienced greater success in connecting individuals living in encampments with shelter and services using more robust outreach efforts in advance of encampment abatements;
- The current encampment abatement process does not maximize opportunities for outreach;
- There is currently an insufficient number of City-funded outreach workers ideally suited for coordinating with encampment abatements, leaving law enforcement to take the lead; and
- The City is not tracking sufficient data on its outreach activities at encampment abatement sites.

Without effective outreach and connection to interim housing solutions—as well as mental health care, substance abuse programs, and other supportive services—encampment abatements may result in a cycle in which homeless encampment residents simply move to another location that will then require abatement. This results in inefficient use of the City's CleanSD resources. Furthermore, frequent displacement without effective outreach may impact homeless individuals' ability to successfully resolve their homelessness and does not support HSD's goal of broadening access to resources and addressing the needs of people experiencing homelessness.

In addition, the San Diego Regional Task Force on the Homeless (RTFH) regional policy guidelines state that communities need to have coordinated encampment responses to help people exit homelessness while also balancing the needs of the general public.

To address these issues and improve the City's outreach to homeless encampment residents, we recommend the City:

- Implement an outreach and encampment protocol to align the City's actions with federal guidance and RTFH's policy guidelines, direct City departments to comply with the protocol, and develop and formally document new encampment abatement policies and procedures accordingly;
- Identify and direct outreach teams to, whenever possible, provide intensive and persistent outreach at encampments far enough in advance of a scheduled abatement to allow sufficient time for relationship and trust building as well as connection to services and shelter; and
- Clearly establish responsibility and procedures for tracking, analyzing, and sharing data on the number of homeless individuals contacted, offered, and provided services at each encampment abatement.

**Cities Should Seek to Provide Lasting Solutions to End Homelessness for People Living in Encampments, Including Providing Person-Centered Outreach to Connect Homeless Individuals to Shelter and Services Prior to Abatement Activities**

Federal guidance recommends cities take a solutions-focused approach to addressing encampments, which means linking individuals living in encampments to permanent housing opportunities with the right level of service to resolve their homelessness rather than merely displacing them through abatement. According to guidance from the U.S. Interagency Council on Homelessness (USICH):

"The forced dispersal of people from encampment settings is not an appropriate solution or strategy, accomplishes nothing toward the goal of linking people to permanent housing opportunities, and can make it more difficult to provide such a lasting solution to people who have been sleeping and living in the encampment."

"Efforts that rush events or prematurely disperse people without connecting them to housing could cause relocation to a different encampment setting. There is also a risk that premature dispersal might threaten the partners' ability to build trusting

relationships with residents, which is vital to successful housing outcomes.”<sup>28</sup>

As soon as an encampment is identified, it is important to assess the unique needs of every individual living there and determine how much time and which resources are needed to connect individuals with appropriate housing and supportive services.

In addition, RTFH's regional policy guidelines state that cities and stakeholders in the region should adopt a “clearance with support” framework for addressing encampments, meaning that intensive outreach is conducted by non-law enforcement outreach workers well in advance of encampment closure, with the understanding that encampments need to be abated and closed for public health and safety reasons.

**Law Enforcement Should Be a Part of the Response to Encampments, But Should Not Be Leading the Outreach Effort**

Partnership with law enforcement when addressing homelessness is important. In fact, according to USICH and the Council of State Governments:

“Best practices include law enforcement working in coordination with outreach teams and communicating in advance with [encampment] residents about any plan to clear the encampment. Successful action plans also include ongoing, coordinated outreach and needs assessments in encampments by the homelessness services system and law enforcement.”<sup>29</sup>

Furthermore, RTFH's policy guidelines also support the idea that, while law enforcement should still be included, homeless outreach should be led by non-law enforcement personnel, with law enforcement personnel serving as backup.<sup>30</sup> As discussed later, this approach may not always be practical or appropriate, such as when an encampment poses a public health or safety risk. Although not specific to encampments, as discussed in Finding 2, the newly adopted City of San Diego Community

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<sup>28</sup> USICH's “Ending Homelessness for People Living in Encampments,” published in August 2015.

<sup>29</sup> According to USICH and the Council of State Governments Justice Center's “Strengthening Partnerships Between Law Enforcement and Homelessness Services Systems,” published in June 2019.

<sup>30</sup> According to NPD and HSD, outreach workers may prefer police officers to be present for security reasons when conducting outreach, especially in remote areas, such as canyons.



Action Plan on Homelessness (Strategic Plan on Homelessness) also states that homeless outreach should be primarily provided by non-law enforcement outreach workers.

**A Solutions-Focused Approach to Outreach at Encampments Can Complement the City's Goals for Addressing Homelessness**

The City has multiple goals related to addressing homelessness that would be supported by a solutions-focused approach to encampments. The City has an overall goal of reducing the number of people experiencing unsheltered homelessness. In addition, the City's newly adopted Strategic Plan on Homelessness outlines three goals for the City to achieve within the next three years:

1. Decrease unsheltered homelessness by 50 percent;
2. Finish the job of ending Veteran homelessness; and
3. Prevent and end youth homelessness.

Furthermore, HSD has goals of addressing the needs of the City's unsheltered homeless population and broadening access to resources. Effective outreach will be necessary to meet all of these goals. Given the high number of encampment abatements conducted by CleanSD, it is important that the City take advantage of those opportunities to conduct effective outreach to the people living in those encampments.<sup>31</sup>

**The City Has Multiple Goals and Responsibilities that Impact How It Addresses Homelessness**

Addressing encampments and connecting people experiencing homelessness with shelter and services is just one of the City's many responsibilities. For example, the City has various priorities, goals, and responsibilities, including to protect public safety, mitigate fire risk, protect the environment and storm water quality, and create a clean, safe, and healthy City. According to HSD, in the aftermath of the Hepatitis-A outbreak, the City also works to prevent the spread of communicable disease. These responsibilities sometimes conflict and impact

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<sup>31</sup> From July 2018 to October 2019, CleanSD posted over 14,000 notices of intent to abate informing individuals to leave the area within a 3-hour timeframe. These represent potential opportunities for the City to conduct outreach to any individuals present at these locations. Approximately 1,300 of these postings resulted in abatements. While these abatements may have been necessary to address possible health and safety risks and to clean up communities, the notices of intent to abate may have resulted in the dispersal of thousands of individuals without effective outreach. This does not include the number of postings and resulting abatements with a 72-hour timeframe. The use of the 3-hour timeframe has increased significantly since July 2018.

the City's ability to address homelessness. For example, even though it may support the City's homelessness goals, it is not always feasible to delay the abatement of encampments when they impact public health and safety, pose a fire risk, impact storm water quality, etc. Therefore, the City must constantly balance these responsibilities and prioritize its response accordingly.

**The City Currently  
Addresses Homeless  
Encampments Primarily  
by Abating Them Under  
CleanSD**

Currently, the City addresses homeless encampments primarily by abating them under the CleanSD program. The Environmental Services Department (ESD) is the primary department responsible for coordinating and overseeing CleanSD activities, including homeless encampment abatements. During encampment abatements, Neighborhood Policing Teams (NPTs) from SDPD's Neighborhood Policing Division (NPD) provide enforcement support and backup for ESD and contracted partners. Contracted partners conduct the actual cleanup activities with oversight from ESD. In addition, the Parks and Recreation Department (PRD) and the Transportation and Storm Water Department are involved when encampments are located on their respective properties. The encampment abatement process may be initiated either through a scheduled abatement or by request. NPTs can also initiate encampment abatements when responding to citizen complaints.

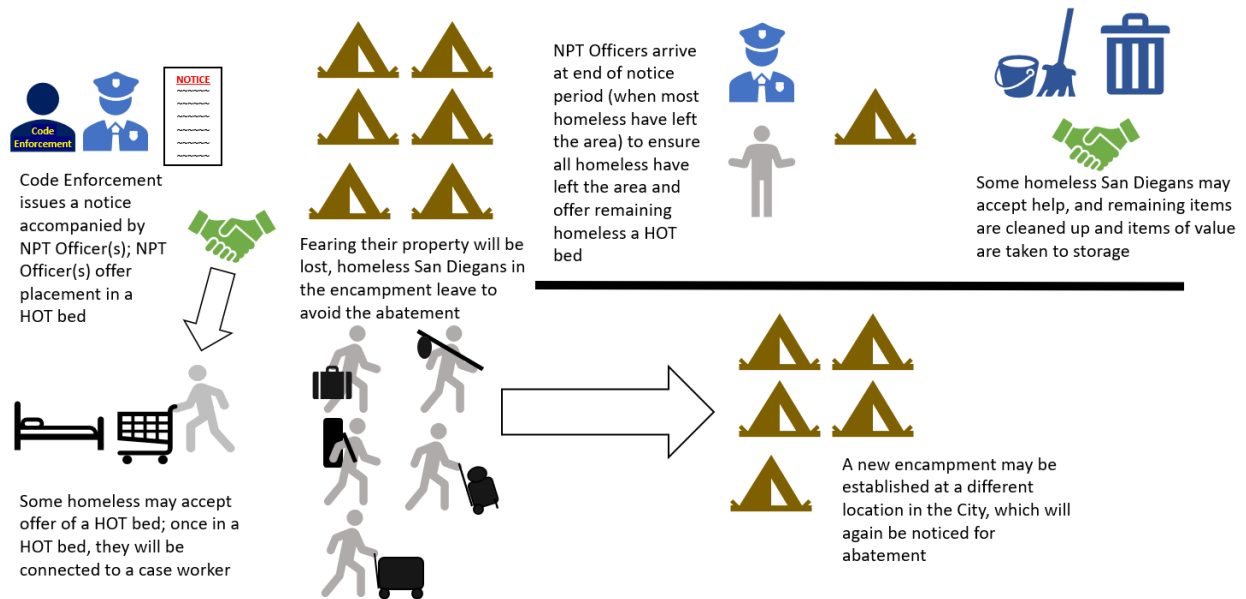
The City's current encampment abatement process focuses on removing waste and preserving public order and safety, with specific protocols for the protection of property. According to HSD, in some cases, encampments have been abandoned and City staff is only clearing the area and removing waste; in other cases, City staff encounters individuals as well.

According to HSD, the City treats items that reasonably may belong to a homeless individual differently than items that are otherwise placed or abandoned in the public right of way. In the former case, the City initiates an "abatement protocol" with several specific steps, as described below. As shown in **Exhibit 12**, once an abatement is scheduled, the process begins with an ESD Code Compliance Officer visiting the site, accompanied by an NPT officer, and posting a notice of abatement advising homeless individuals of the City's intent to clean up the site. The notice informs them that they have a certain amount of time—

either 3 hours or 72 hours, depending on storage facility availability or whether there is an immediate threat to health and safety—to clear the area and remove their personal belongings. As of July 2019, NPT officers have been offering placement into a Homeless Outreach Team bed (HOT bed) at the time of posting.<sup>32</sup> At the end of the notice period, NPT officers return with ESD to make sure that all homeless individuals have cleared the area and offer remaining homeless individuals a HOT bed, ESD identifies items of value and takes those items to storage, and the contracted partners conduct the cleanup of items that remain, including items that are unsanitary, verminous, bug infested, or perishable.

Exhibit 12

The Current Encampment Abatement Process Does Not Include Comprehensive Outreach Efforts and May Result in New Encampments



Source: Auditor generated based on interviews with SDPD Neighborhood Policing Division (NPD) and Environmental Services Department (ESD), as well as the NPD Operations Manual and ESD guidelines.

<sup>32</sup> HOT beds are triage beds, so homeless individuals that are taken to a HOT bed are then connected with beds at the Bridge Shelters and to other resources via case workers. Prior to July 2019, NPT officers offered to connect homeless individuals at encampments to HOT, but did not themselves offer direct placement in a HOT bed.

**As a Result, Encampment Abatements May Displace Individuals Without Resolving their Homelessness, Resulting in the Inefficient Use of City Resources**

CleanSD and the City's increase in cleanup and sanitization serves an important role in protecting public health and safety and should continue. However, because the City's outreach efforts are not comprehensive, encampment abatements may result in a cycle in which homeless individuals who might have accepted shelter and services simply move to another location that will then require abatement.<sup>33</sup> This results in the inefficient use of CleanSD resources and ineffective efforts to address homelessness. Furthermore, displacement may impact homeless individuals' ability to successfully resolve their homelessness. According to USICH, there is also a risk that premature dispersal of homeless individuals can negatively impact the ability of outreach workers to build trusting relationships with those individuals.

The following sections discuss some recent improvements to the City's encampment abatement process, and highlight where the City can make additional improvements.

**The City's Encampment Abatement Process Recently Improved to More Efficiently Connect Individuals to Shelter, But Comprehensive Outreach May Be More Effective**

The City's encampment abatement process has recently improved and continues to evolve. The encampment abatement process under CleanSD previously did not ensure that individuals experiencing homelessness were offered shelter and services prior to their forced dispersal from an encampment setting.

NPD has improved its encampment abatement process to include the offer of a HOT bed when NPT officers notify individuals of an upcoming encampment abatement, and again when they return with ESD to conduct the abatement after the 3-hour or 72-hour notice period. Although an enforcement action is not always taken, this process change is part of NPD's progressive enforcement model and was updated in November 2019 under NPD's Direct Placement Diversion program to include an incentive for individuals to stay in the shelter bed for at least 30 days.<sup>34</sup>

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<sup>33</sup> As discussed below, the City is not tracking data related to contacts made and outreach conducted during abatements. Therefore, the City does not know if such a cycle is occurring.

<sup>34</sup> NPD's progressive enforcement model begins with a warning and education of the law and progresses to higher levels of enforcement with each future violation. The Direct Placement

According to NPD, the Direct Placement Diversion program resulted in approximately 31 percent of individuals accepting a shelter bed in lieu of an enforcement action within the first two and a half weeks of the program.<sup>35</sup> Although this data includes individuals who accepted a HOT bed from NPT officers during the encampment abatement process, NPD does not currently have a way to differentiate the acceptance rate specifically related to encampment abatements. Therefore, we could not determine the success of this new approach to outreach at encampment abatements.

Prior to July 2019, HOT was the only conduit for police officers to connect homeless individuals with available shelter beds. As a result, when NPT officers arrived at encampment abatement sites to make sure that all homeless had cleared the area, they offered to connect any remaining homeless to HOT. Now, all NPD officers can directly place willing individuals into a HOT bed.

We note that this change may more efficiently connect individuals at encampments to shelter by removing the need to rely on HOT; however, this process does not include sufficient time for persistent and consistent outreach to build rapport and trust and is limited to an offer of shelter rather than a wide array of services that may also help people resolve their homelessness.<sup>36</sup> As a result, the outreach provided during the encampment abatement process is limited and does not use a person-centered approach, as recommended by national guidance.

Moreover, according to the City's Strategic Plan on Homelessness and the RTFH's policy guidelines, non-law enforcement outreach workers, rather than police, should be

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Diversion program was created to address the issue of individuals accepting a shelter bed in lieu of an enforcement action only to leave the shelter bed within the first day. Under the Direct Placement Diversion program, NPT officers will issue a citation and concurrently offer shelter bed. If the individual accepts the shelter bed, they must stay for a period of 30 days for the citation not to be filed.

<sup>35</sup> This percentage is based on only approximately two and a half weeks of data from the start of the Direct Placement Diversion program on November 21, 2019 to December 9, 2019.

<sup>36</sup> Although NPT officers do not offer direct connection to services, if an individual accepts their offer of a HOT bed, they will be connected with a social worker who can help connect them with other services.

taking the lead on outreach. Therefore, the use of non-law enforcement personnel that can take a person-centered approach—coupled with additional time for outreach—may result in more successful outcomes.

**The City Has Increased Coordination with Contracted Outreach Workers and Began Proactive Outreach at Some Locations Up to 30 Days Prior to Abatement, But this Approach is Used on a Limited Basis**

The City also recently improved the encampment abatement process for a limited number of larger scale abatements at some City parks with known embedded encampments.<sup>37</sup> Specifically, according to the City departments involved, NPD, ESD, and PRD have increased coordination with the San Diego Housing Commission's (SDHC) contracted outreach workers and started to provide proactive outreach at the abatement sites up to 30 days in advance.<sup>38</sup> In addition, HOT stated that it holds its Thursday morning coordinated outreach events in those areas 30 days prior to, and again one week in advance of, the scheduled abatement. According to NPD, on the day that ESD posts the notice of intent to abate, both HOT and NPT go out with ESD and conduct outreach. While this approach is more in line with federal guidance, it is currently occurring on a very limited basis.<sup>39</sup> The City could benefit from using this approach more frequently and consistently when conducting encampment abatements.

**Comprehensive Outreach Prior to Abatement May Result in More Successful Outreach Outcomes and Fewer New Encampments**

**Exhibit 13** shows an ideal approach. In this scenario, outreach is conducted primarily by non-law enforcement personnel well in advance of the abatement to allow for rapport building and sufficient time to connect homeless individuals to suitable shelter and services. This approach is recommended by federal guidance and is outlined in the RTFH's regional policy guidelines. However, as further discussed below, we note that using this approach may not always be feasible because of potential immediate risks to the health and safety of the larger community, including fire risks.

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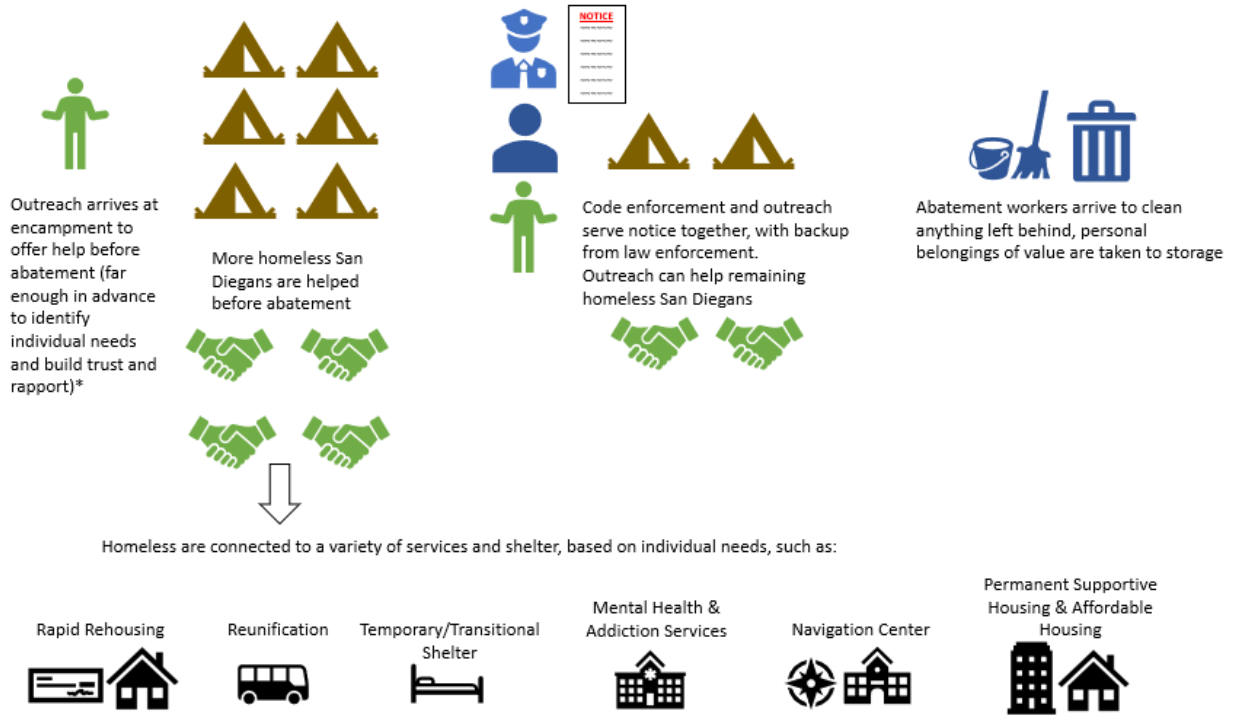
<sup>37</sup> The locations for park abatements are predetermined by PRD.

<sup>38</sup> SDHC's contracted outreach workers include those from the City's Bridge Shelters, Storage Centers, etc.

<sup>39</sup> According to the departments involved, these larger abatements are taking place approximately once every two months.

Exhibit 13

An Ideal Encampment Abatement Process with Comprehensive Outreach in Advance of Abatement and Connection to a Variety of Services and Shelter Based on Individual Needs



\*Some cities we reviewed start their outreach to encampment residents at least a month in advance of the scheduled encampment abatement or delay the abatement until a certain percent of encampment residents have found alternative shelter. However, according to HSD, these cities do not share the same fire risks as San Diego, and the types of encampments in those cities may not be comparable to those in the City of San Diego.

Source: Auditor generated based on federal best practices recommended by the U.S. Interagency Council on Homelessness and used by other cities.

**In Reality, Comprehensive Outreach Prior to Abatement is Not Always Possible Due to Immediate Health and Safety Risks**

We do recognize, however, that there may be health and safety risks associated with some of the encampments, and that, as a result, having coordinated, persistent, and consistent outreach in advance of encampment abatements may not be possible for all encampment abatements.

According to NPD, the best practice of providing comprehensive outreach prior to encampment abatement cannot always be applied because the City has a responsibility to protect the health and safety of its residents. For example, encampments in canyons and riverbeds that contain cooking and/or warming

fires pose an extreme hazard to the safety of the community. Given that closing such encampments is a high priority, there is little or no opportunity to provide outreach in these cases. According to NPD, any delay in addressing these encampments poses unnecessary health and safety risks to the community.

Furthermore, NPD emphasized that there is no "one size fits all" method for addressing encampments that works every time. NPD stated that it takes a case by case approach to balance between trying to connect homeless individuals with services, addressing community complaints, and addressing health and safety risks. For example, NPD stated that NPT and ESD try to give residents of embedded encampments a 72-hour notice period so that they have more time to vacate the area. In addition, because the City conducts encampment abatements every weekday in certain areas such as East Village, providing advanced notice is not always practical. Therefore, the City should saturate such areas with a consistent presence of non-law enforcement homeless outreach.

**Other Cities Have Experienced Greater Success Using More Robust Outreach Efforts Prior to Abatement**

Other cities have had greater success addressing encampments by using approaches more in line with federal guidance.<sup>40</sup> USICH highlighted the efforts of various cities in addressing homeless encampments.<sup>41</sup> Approaches used by these cities included prioritizing which encampments to focus on first or focusing on one large encampment at a time, strategically targeting certain individuals with the highest need, and targeting the leaders of the encampments. These approaches generally proved to be more effective, with individuals accepting shelter or services at higher rates. However, according to HSD, this approach may not be suitable for most encampments within the City because the City does not generally have these types of larger encampments. Nevertheless, these cities' success demonstrates that a more strategic approach, including additional time spent conducting

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<sup>40</sup> It is important to note that each City differs in the type of encampments that it has and the various goals, responsibilities, and safety concerns that they must take into account when addressing their encampments. Each city also differs in availability of housing, shelter, and service options for the homeless, which may also impact how effectively they can resolve homelessness for individuals living in encampments. Finally, other cities may differ in their environmental conditions, including lower fire risk and less hospitable weather for living outside.

<sup>41</sup> The cities include Charleston, Chicago, Dallas, Philadelphia, San Francisco, and Seattle.



outreach, can result in higher rates of acceptance of shelter and assistance.<sup>42</sup> Specifically, the acceptance rates in these other cities ranged between 36 and 77 percent. In contrast, NPD does not have data specifically on the acceptance rate of shelter during the City's encampment abatements. However, according to NPD, within the first couple of weeks of the program, the Direct Placement Diversion program resulted in approximately 31 percent of individuals accepting a shelter bed in lieu of an enforcement action, including offers made by NPT officers during encampment abatements.

These cities' approaches shared many common themes, including:

***Emphasis on resolving homelessness for residents of encampments instead of moving them to other unsheltered locations that will then require abatement*** — These cities established goals of connecting homeless in an encampment to appropriate housing or shelter and services prior to encampment abatement. Some cities have even established processes so that encampment abatement does not occur until at least half of encampment residents have been relocated to housing, shelter, or an alternative, sanctioned space.

***Emphasis on the importance of developing trust and rapport*** — These cities have acknowledged that successful homeless outreach is reliant on establishing solid relationships by developing trust and rapport, which often takes time and persistent, repeated contacts.

***Emphasis on the importance of communicating availability and timelines as well as follow-through to deliver offered housing or shelter and services*** — These cities acknowledged that, in order to prevent homeless individuals from becoming distrustful of the system—particularly because housing and shelter may be limited—it is important for outreach workers to openly

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<sup>42</sup> For example, Dallas used to send social workers from its police department's Crisis Intervention Team—the equivalent of SDPD's HOT—to provide outreach at homeless encampments. However, their efforts were met with a high rate of refusal and often resulted in the establishment of another encampment. Dallas had more success after establishing a comprehensive street outreach team and giving the team enough time to identify shelter or permanent housing for at least half of encampment residents before beginning abatement.

communicate realistic timelines and availability and to follow-through with promises.

We acknowledge that some of these cities do still have significant homeless populations that in some cases are increasing. Shelter and housing availability was reported as a main obstacle when conducting this outreach. In addition, unaffordable rental markets, such as those in San Francisco, Seattle, and Los Angeles, can increase homelessness and make homelessness harder to address.<sup>43</sup> This exemplifies that even if outreach efforts are improved, additional factors in the homeless service system impact the overall homeless population.

**The Encampment Abatement Process Was Designed Primarily to Address Public Health, Not to Prioritize Outreach and Resolving Homelessness**

In absence of a comprehensive outreach strategy, and due to the City's increased focus on addressing public health after the Hepatitis A Outbreak, the current encampment abatement process was designed in a way that does not lend itself to effective outreach. As outlined below, the current process was designed to make sure that the City can quickly clean up encampments and waste to protect public health. However, when referring specifically to outreach, this process does not necessarily support HSD's goal of increasing opportunities to access needed support and shelter because it does not leave time for effective outreach. The City also does not have a sufficient number of outreach teams ideally suited to coordinate with encampment abatements. Finally, the primary data collected for encampment abatements is tonnage of waste removed, but the number of homeless individuals contacted and provided assistance is not currently tracked to the level of detail necessary to identify how many contacts were made during each encampment abatement. This makes sense for the City's goals related to the environment and storm water quality, for example, but not necessarily for the City's overarching need for effective outreach at homeless encampments.

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<sup>43</sup> Although San Diego is an expensive housing market, these three cities have significantly higher housing costs that are rising faster than San Diego.

**The City's Current  
Encampment Abatement  
Process Does Not  
Maximize Opportunities  
for Outreach**

While CleanSD has served an important role in protecting public health, the City's current encampment abatement process is not structured in a way that maximizes opportunities for outreach. The process lacks a coordinated outreach component partly because it does not provide enough time for conducting outreach. Specifically, homeless individuals may not be present when the notice of abatement is posted, which is when NPT conducts some outreach by offering a shelter bed. In addition, because the notice period is as short as 3 hours, it is possible that homeless individuals who are not present at the time of posting do not return to the site in time to be offered shelter or services. In addition, this timeframe is not far enough in advance to allow for trust and rapport building, which is critical to effective outreach. Furthermore, according to USICH, posting timeframes are usually too short for outreach strategies to work well.<sup>44</sup>

**There is Currently No  
City-Funded Outreach  
Team Ideally Suited for  
Coordinating with  
Encampment  
Abatements, Leaving Law  
Enforcement to Take the  
Lead**

In addition, the City does not generally provide comprehensive outreach during encampment abatements partly because there is currently no team dedicated for this purpose and because City law enforcement is the first responder to reported encampments in many cases. The need for an additional homeless outreach team to coordinate specifically with encampment abatements was identified in October 2018 through a staff report to the City Council's Select Committee on Homelessness. The report included a requested action for the City to create a coordinated, proactive outreach and encampment team dedicated to resolving encampments by focusing primarily on getting people on a path to permanent housing. Moreover, the City had plans for an additional outreach team using HEAP funds, but those funds were reallocated by the City Council to other homeless related programs.<sup>45</sup>

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<sup>44</sup> According to USICH, outreach conducted during a posting timeframe of 24 to 48 hours is not long enough for outreach strategies to work well. While the City provides a 72-hour notice in some cases, the fact that the City has been significantly increasing the frequency of the much shorter 3-hour timeframe underscores the difficulty in achieving effective outreach at encampments.

<sup>45</sup> As noted in the Background section of this report, HEAP funds are flexible, one-time funds from the State of California that are meant to assist localities in addressing their immediate homelessness challenges.

As discussed above, outreach at typical streetside encampment abatements is currently provided primarily by NPT officers, the enforcement side of NPD. HOT officers do not generally coordinate with most encampment abatements, aside from a limited number of larger City park abatement events, and HOT stated that it does not have the capacity to provide coordinated outreach at each encampment prior to abatement. In addition, according to the City-funded outreach workers at the bridge shelters, they would not be the ideal group to coordinate outreach prior to encampment abatements because doing so would take time away from their regular outreach and may reduce their effectiveness in building relationships.

SDPD receives and responds to calls for service from the community regarding homeless related encampments. According to NPD, a revised reporting process in which calls are triaged by a non-law enforcement point of contact, then sent to NPD as needed, would free up NPD's resources. Thus the City should evaluate whether such a process could be appropriately and legally implemented in light of SDPD's mission to maintain public safety. Furthermore, according to our research, in cases where no immediate health and safety hazards are present, it is ideal for outreach workers to make the first contact with encampment residents. This is also stated in the new Strategic Plan on Homelessness, which states that outreach workers—rather than police—should be first responders regarding unsheltered populations.

In addition, according to HSD, there should be a pathway for government agencies and members of the public to reach outreach teams in real time and efficiently connect people experiencing homelessness to trained outreach workers rather than to law enforcement. As discussed in Finding 2, the RTFH draft policy guidance emphasizes the need for a regional outreach model that includes a centralized entity to coordinate homeless outreach. According to HSD, such an entity could provide this central point of contact. However, as we noted in Finding 2, the RTFH draft policy guidelines currently serve only as a vision for future efforts and do not provide a commitment that such an entity will be established. Therefore, the City should take action to improve its outreach at encampment abatements, including by filling the need of additional outreach personnel to

coordinate with encampment abatements, and the City may benefit from revising the reporting process for encampments to include triage by a non-law enforcement point of contact.

**The City is Not Tracking  
Sufficient Data on Its  
Outreach Activities at  
Encampment Abatement  
Sites**

As discussed in Finding 2, the City should track additional data related to its outreach activities, analyze that data, and share it with appropriate stakeholders to evaluate the effectiveness of those activities and support decision making. This effort should include data on contacts made during encampment abatements. However, the City does not collect enough data that could help inform its outreach efforts at encampments. Specifically, although some data is collected during encampment abatements, it is not collected to the level of detail necessary to determine the number of homeless individuals contacted or dispersed during an encampment abatement.

Although the City does track data related to its clean-up activities at homeless encampments, it can do better by also tracking contacts with people. ESD currently tracks information related to the date, location, and amount of waste disposed for each abatement, and NPD tracks summary statistics for the number of individuals contacted, offered, and provided services. However, NPD does not keep track of whether the contacts were made during encampment abatements or during other daily activities. According to NPD, it is difficult to collect such data for several reasons, including: officers' other duties take priority; the City has not formally defined what constitutes an "abatement" and an "encampment;" and there are legal limitations to the information that police departments can track. For these reasons, NPD believes that social workers or other non-law enforcement personnel are better suited for data tracking.

As a result, we could not verify how many homeless individuals have been offered and provided services during encampment abatements. Without this information, the City cannot determine the effectiveness of its outreach at encampments and cannot use this information to drive operational improvements.

Other cities track the number of people contacted and the number of people who accept shelter and services when conducting outreach at encampments. This allows those cities to determine whether their strategies are successfully placing

individuals into shelter and connecting them with services that may help resolve their homelessness. This type of information can also help cities determine whether their outreach efforts are helping to permanently resolve encampments rather than simply displacing the encampment residents.

Therefore, an approach using non-law enforcement personnel to conduct outreach at encampments could help facilitate better data collection in addition to improving effectiveness of outreach.

**The City Needs a  
Comprehensive Outreach  
Policy for Encampment  
Abatements**

Given the need to balance the City's various goals and responsibilities, we recognize that there is no singular approach to providing outreach at encampments. In fact, according to the RTFH regional policy guidelines, individualized encampment strategies should be used based on factors such as where an encampment is located, the number of people residing in the encampment, and the characteristics of those people.

In addition to the necessary law enforcement presence at encampment abatements, the City should have a more comprehensive approach to outreach at encampments using non-law enforcement outreach workers. A comprehensive outreach effort coordinated between both law enforcement and non-law enforcement personnel can complement the City's goals for addressing homelessness, public safety, and public health. More effective outreach can also help the City address the root cause of homeless encampments and thus may reduce the need for encampment abatements. Therefore, we recommend:

**Recommendation 10**

The Homelessness Strategies Division should, in consultation with the City Attorney's Office, implement an outreach and encampment protocol to better align encampment abatement procedures with the City's goal to increase opportunities for unsheltered individuals to access short-term shelter and long-term housing, and other services designed to provide stability, while continuing to fulfill the City's responsibility to protect public health and safety. The City should direct departments to comply with the protocol, and develop and formally document new encampment abatement policies and procedures

accordingly. Specifically, the protocol should ensure that when addressing encampments:

- Whenever possible, non-law enforcement outreach workers are given adequate time to provide the persistent outreach necessary to build relationships, assess individual needs, and connect the encampment residents to shelter and services prior to their forced dispersal;
- Outreach is person-centered rather than provider-centered. Specifically, all City-funded outreach workers should be able to provide connection (i.e., a “warm hand-off”) to all available shelters and services, not just to one particular service provider; and
- Outreach is primarily conducted by non-law enforcement outreach workers, with assistance provided by law enforcement as needed or requested.

When developing this protocol, the City should consider an evaluation of the feasibility of making non-law enforcement outreach the first point of contact for complaints regarding homeless encampments when an immediate health and safety hazard is not reported. (Priority 1)

**Recommendation 11** The City should, in consultation with the City Attorney's Office, identify or establish and fund additional non-law enforcement outreach teams to implement the outreach and encampment protocol produced in response to Recommendation 10. (Priority 1)

**Recommendation 12** To improve data collection and inform decision-making related to homeless encampment abatement, in consultation with the City Attorney's Office, the City should:


- Clearly establish responsibility for tracking the number of homeless individuals contacted, offered, and provided services at each encampment abatement; and
- Formally establish responsibility and procedures for the data to be analyzed and shared with the Homelessness Strategies Division and other City departments, offices, and regional stakeholders involved in addressing homelessness. (Priority 2)

## Other Pertinent Information

### The City Has Taken Several Measures to Increase Housing and Shelter Availability

A leading cause of homelessness is a shortage of affordable housing. For many people experiencing it, homelessness is caused by the gap between income and the cost of housing. Simply put, the City needs more affordable housing options to help address and prevent homelessness. To that end, the City has recently made various efforts to increase the supply of both market rate and subsidized housing in the City. In June 2017, for example, the Mayor released the “Housing SD” plan, which is meant to increase housing affordability and supply within the City by spurring the construction of low-, moderate-, and middle-income housing through incentives; streamlining development regulations; and speeding up the review process. Since then, the Mayor and the City Council have taken actions to:

- Expand eligibility for accelerated permitting through the Affordable/Sustainable Expedite Program;
- Make the construction of companion units easier;
- Streamline the environmental review process;
- Expand the Affordable Housing Density Bonus Program to incentivize developers and increase the production of smaller and more affordable units;
- Update the land development code to streamline the development process, remove certain development barriers, and increase production;
- Waive Development Impact Fees, Facility Benefit Assessment Fees, and General Plan Maintenance Fees for the construction of companion units;
- Modify “Live/Work Quarter” regulations to allow more housing in commercial areas;
- Reform parking standards to allow developers to build units without parking in Transit Priority Areas and to unbundle the cost of parking from the cost of housing;
- Identify and make certain City-owned properties available to developers to build additional units of permanent supportive housing;



*As part of the effort to facilitate the construction of companion units, and in addition to making municipal code amendments, the City, with help from its partners, published a [guide](#) for homeowners seeking to construct a companion unit on their property.*



- Provide incentives—through density bonuses and waivers—for developers that build housing for low- and moderate-income residents; and
- Remove barriers to building more permanent supportive and transitional housing.

These changes, however, will take time to have a substantial effect on the housing market and will not resolve the problem of people experiencing homelessness right now. For example, the recently released Strategic Plan on Homelessness estimated that the City must spend \$1.9 billion over the next 10 years to create the number of permanent housing opportunities required to end homelessness within the City.

Moreover, improvements to the City's homeless outreach efforts—which are discussed in Finding 2 and Finding 3—also depend on having additional housing solutions in place. Successful outreach is not simply getting people to accept assistance; the City must also be ready to deliver on the promise of help and offer people housing placements suited to their individual needs. Without a sufficient volume and variety of housing, shelter, and other interim measures, there is a risk of offering assistance without follow-through, which may lead people experiencing homelessness to distrust the system and be reluctant to accept assistance in the future.

Therefore, the City has also pursued solutions to alleviate the immediate problem of unsheltered homelessness. For example, the City has opened four bridge shelters, which currently provide approximately 800 beds. In addition, the City Council recently approved an expansion—currently anticipated to take place in early 2020—that would bring that total to over 900 beds. The City has also expanded the safe parking program to three lots that can accommodate a total of 120 cars and 80 recreational vehicles, which assist approximately 300 individuals every night.

**The City Should Continue to Explore Innovative Short-Term Measures to Alleviate Unsheltered Homelessness While Permanent Supportive Housing and Affordable Housing is Developed**

Nevertheless, unsheltered homelessness persists in the City, with more unsheltered people than shelter opportunities. Therefore, we encourage the City to create additional shelter opportunities by continuing to take innovative approaches, such as:<sup>46</sup>

- Sanctioned encampments (“temporary safe campgrounds”)
- Expanding the safe parking program
- Navigation Centers **with shelter** – to move entire encampments into shelter together
- Motel/Single Room Occupancy conversions
- Review of City-owned land and how those parcels could support housing development
- Tiny homes
- Family Reunification Program
- Eliminating barriers to shelter
- Integrating employment strategies with housing
- Rapid Housing Efforts for people with rental assistance but no housing unit to move into
  - Rapid Re-Housing
  - Landlord Engagement (LEAP)
  - Flexible Housing Subsidy Pool
  - Holding Units
  - Paying Above Standard
  - Master Leasing
  - Roommate Matching/Shared Housing

In addition to increasing shelter opportunities, the City should explore additional measures to improve the quality of life, health, and safety for unsheltered homeless individuals including but not limited to:

- Clean Plates/Homeless Court

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<sup>46</sup> These approaches have been, to some extent, considered and/or implemented by the City and/or in other jurisdictions in the past.

- Additional bathroom, shower, and laundry facilities
- Expand availability of and access/transportation to storage centers

All of these measures can help alleviate homelessness, but may have downsides in terms of costs or impacts on existing neighborhoods. Thus, the City has discussed several of these in the past, but not all of them have been implemented. This is understandable, and we commend the City's efforts to consider various options. Still, given the severity of the homeless crisis and the City's goal to end it, it is extremely important that the City continue to explore and pursue creative solutions.

Therefore, the City should revisit these and any other innovative solutions that would help minimize the number of unsheltered individuals. As the City does so, it is important to also consider the perspectives of homeless individuals and whether these solutions are viable and likely to result in successful outcomes. Moreover, it is critical that the City do this concurrently as it implements the Strategic Plan on Homelessness and as it works to facilitate the development of additional units for the supply of permanent housing.

# Conclusion

Homelessness is a complex, multifaceted issue that can be traumatic, dangerous, and negatively impact the health and well-being of the people who experience it. Moreover, homelessness is of significant concern to the general public and is costly to many social systems, including healthcare, public safety, commerce, sanitation, the environment, and tourism.

Although the City of San Diego (City) has made strategic improvements and has taken several actions to address homelessness in recent years, homelessness remains a prevalent issue. To ensure implementation of the recently adopted Strategic Plan on Homelessness, the City can benefit from thorough development and execution of a financing plan, staffing resources, coordination, and oversight. In addition, to more effectively and efficiently address homelessness, the City should develop a comprehensive homeless outreach strategy that includes additional outreach workers, improved coordination, and data utilization. Finally, the City can improve the encampment abatement process by providing comprehensive, persistent, and person-centered outreach to individuals at encampments prior to forcing their dispersal whenever possible, and by utilizing non-law enforcement outreach workers to lead this effort.

Improvements to the City's homeless outreach efforts also depend on having additional housing solutions in place. The City has taken several measures to increase housing and shelter availability, but these will not immediately resolve homelessness. More time is necessary for these efforts to have a substantial effect on the housing market. Moreover, successful outreach is not simply getting people to accept assistance; the City must also be ready to deliver on the promise of help and offer people housing placements suited to their individual needs. Therefore, the City should continue exploring innovative short-term measures to alleviate unsheltered homelessness while permanent supportive housing and affordable housing is developed.

# Recommendations

**Recommendation 1** The Homeless Strategies Division should work with the Communications Department to develop and execute a strategic communications plan designed to educate the public on the importance of addressing homelessness, specifically related to how to best fund the needs identified in the City of San Diego Community Action Plan on Homelessness. (Priority 1)

**Recommendation 2** To ensure that the City has the funding necessary to implement the new City of San Diego Community Action Plan on Homelessness (Strategic Plan on Homelessness), the Homelessness Strategies Division (HSD) should develop long-term funding options, such as: continued or increased reliance on the General Fund, State or Federal funding, bonds, tax measures, and any other options that may significantly contribute to closing a funding gap.

Once outcomes of the 2020 ballot measures have been determined, HSD should immediately initiate the development of a long-term funding strategy to meet its present and future homelessness needs identified in the Strategic Plan on Homelessness. The funding strategy should identify permanent and sustainable funding sources and should be finalized, publicly documented, and presented to the City Council upon completion.

When developing its funding strategy, HSD should solicit public input. Specific strategies HSD should consider include, but are not limited to:

- Focus groups;
- Interviews;
- Comment (or point-of-service) cards;
- Public meetings, such as hearings, “town hall” meetings, and community vision sessions;
- Interactive priority setting tools;
- Creating public or neighborhood advisory groups, committees, or task forces; or

- Hire a consultant to conduct surveys.

The funding strategy should include a plan to pursue the desired funding mechanism(s) based on consideration of information obtained from stakeholders, expert knowledge, and objective data. (Priority 1)

**Recommendation 3** As recommended and defined in the City of San Diego Community Action Plan on Homelessness, the City should establish a governance structure that includes a Citywide Leadership Council, an Interagency Implementation Team, and a Project Manager. (Priority 1)

**Recommendation 4** In accordance with the City of San Diego Community Action Plan on Homelessness, the City should immediately conduct a staffing analysis of all departments and offices involved in addressing homelessness and in implementing the plan.

Once the staffing analysis is completed, the City should dedicate adequate funding to support any additional positions that the analysis determines are needed. (Priority 1)

**Recommendation 5** In accordance with the City of San Diego Community Action Plan on Homelessness, the City should formally establish and document procedures for publicly reporting on its progress in implementing the plan, and should publicly report this information and present it to City Council, at least annually. (Priority 1)

**Recommendation 6** In accordance with the City of San Diego Community Action Plan on Homelessness, the City should formally establish and document procedures for publicly reporting on how the City is performing in regards to the system performance measures outlined in the plan. (Priority 1)

**Recommendation 7** The City should develop and implement a comprehensive homeless outreach strategy. This strategy should include:

- Formal direction and training to all City-funded outreach workers, including those under contract with the San Diego Housing Commission, to conduct their outreach in line with best practices (i.e., to perform

persistent, person-centered outreach and use a by-name list); and

- Guidance on how to determine where to conduct outreach and how to share data and information among outreach teams to avoid unnecessary overlap and promote additional coordination. (Priority 1)

**Recommendation 8** While the regional outreach approach is being developed through the Regional Task Force on the Homeless, the City should conduct an analysis, or initiate an analysis through the San Diego Housing Commission, to determine whether the current level of City-funded non-law enforcement outreach workers is sufficient to execute the comprehensive homeless outreach strategy produced in response to Recommendation 7, and fund additional outreach positions for City-wide outreach, as needed. (Priority 1)

**Recommendation 9** The City should formalize the collection of data on reasons for refusal of service, establish responsibility and methodology for data collection and analysis, and identify how the data is to be shared with appropriate stakeholders. The City should utilize this data analysis to make improvements that address these concerns and increase rates of acceptance of services and shelter. (Priority 2)

**Recommendation 10** The Homelessness Strategies Division should, in consultation with the City Attorney's Office, implement an outreach and encampment protocol to better align encampment abatement procedures with the City's goal to increase opportunities for unsheltered individuals to access short-term shelter and long-term housing, and other services designed to provide stability, while continuing to fulfill the City's responsibility to protect public health and safety. The City should direct departments to comply with the protocol, and develop and formally document new encampment abatement policies and procedures accordingly. Specifically, the protocol should ensure that when addressing encampments:

- Whenever possible, non-law enforcement outreach workers are given adequate time to provide the persistent outreach necessary to build relationships,

assess individual needs, and connect the encampment residents to shelter and services prior to their forced dispersal;

- Outreach is person-centered rather than provider-centered. Specifically, all City-funded outreach workers should be able to provide connection (i.e., a “warm hand-off”) to all available shelters and services, not just to one particular service provider; and
- Outreach is primarily conducted by non-law enforcement outreach workers, with assistance provided by law enforcement as needed or requested.

When developing this protocol, the City should consider an evaluation of the feasibility of making non-law enforcement outreach the first point of contact for complaints regarding homeless encampments when an immediate health and safety hazard is not reported. (Priority 1)

**Recommendation 11** The City should, in consultation with the City Attorney’s Office, identify or establish and fund additional non-law enforcement outreach teams to implement the outreach and encampment protocol produced in response to Recommendation 10. (Priority 1)

**Recommendation 12** To improve data collection and inform decision-making related to homeless encampment abatement, in consultation with the City Attorney’s Office, the City should:

- Clearly establish responsibility for tracking the number of homeless individuals contacted, offered, and provided services at each encampment abatement; and
- Formally establish responsibility and procedures for the data to be analyzed and shared with the Homelessness Strategies Division and other City departments, offices, and regional stakeholders involved in addressing homelessness. (Priority 2)



# Appendix A: Definition of Audit Recommendation Priorities

## DEFINITIONS OF PRIORITY 1, 2, AND 3

### AUDIT RECOMMENDATIONS

The Office of the City Auditor maintains a priority classification scheme for audit recommendations based on the importance of each recommendation to the City, as described in the table below. While the City Auditor is responsible for providing a priority classification for recommendations, it is the City Administration's responsibility to establish a target date to implement each recommendation taking into consideration its priority. The City Auditor requests that target dates be included in the Administration's official response to the audit findings and recommendations.

Priority Class <sup>47</sup>	Description
1	Fraud or serious violations are being committed. Significant fiscal and/or equivalent non-fiscal losses are occurring. Costly and/or detrimental operational inefficiencies are taking place. A significant internal control weakness has been identified.
2	The potential for incurring significant fiscal and/or equivalent non-fiscal losses exists. The potential for costly and/or detrimental operational inefficiencies exists. The potential for strengthening or improving internal controls exists.
3	Operation or administrative process will be improved.

<sup>47</sup> The City Auditor is responsible for assigning audit recommendation priority class numbers. A recommendation which clearly fits the description for more than one priority class shall be assigned the higher priority.

# Appendix B: Audit Objectives, Scope, and Methodology

In accordance with the Office of the City Auditor's Fiscal Year 2019 Audit Work Plan, we conducted a performance audit of the City's efforts to address homelessness.

**Objectives** Originally, the objectives of this audit were to review and evaluate the City's sources of funding and expenditures related to homelessness programming and determine if the City's organizational structure for addressing homelessness can be improved to better coordinate decision-making and operations. However, based on our preliminary review, we revised the objectives to include an evaluation of the City's strategic planning efforts for addressing homelessness, including its organizational structure, outreach efforts, and the use of alternative or interim housing solutions and short-term measures.

During our preliminary review, we reviewed budget documents to determine spending trends but did not move forward with the original objective of evaluating the City's sources of funding and expenditures. This is because we identified the City's lack of a strategic plan to guide its spending decisions as a key concern. As a result, we could not determine whether the City's expenditures related to homelessness were aligned with the City's strategic goals for addressing homelessness because the City did not have these when we initiated this audit. Instead, we focused on how the City can position itself to successfully implement its new Strategic Plan on Homelessness, which was developed by a consultant concurrently with this audit. In addition, when meeting with various City departments to discuss how they coordinate efforts in response to homelessness, we identified a lack of a comprehensive outreach strategy and a lack of coordination with non-law enforcement outreach workers. We determined that outreach practices have a significant impact on the effectiveness and efficiency of the City's efforts to address homelessness and therefore included outreach in our review. We also included a high-level review of the use of alternative or

interim housing solutions and short-term measures because the City does not have enough shelter and housing opportunities for the number of people currently experiencing unsheltered homelessness and may benefit from additional variety of shelter types.

### **Scope and Methodology**

To understand how the City addresses homelessness, we interviewed staff from various City departments and offices, including: the Homelessness Strategies Division (HSD), the San Diego Police Department's Neighborhood Policing Division (including the Homeless Outreach Team and Neighborhood Policing Team), the Environmental Services Department (ESD), the Parks and Recreation Department, the Transportation and Storm Water Department's Storm Water Division, and the San Diego Public Library. These interviews allowed us to understand these departments' roles in addressing homelessness and how they coordinate their efforts with each other. In addition to these interviews, we reviewed materials provided by staff as well as materials available online. To understand how the City's efforts to address homelessness fit into a wider context, we interviewed staff from several outside agencies, including the San Diego Housing Commission, the San Diego Regional Task Force on the Homeless (RTFH), and the U.S. Interagency Council on Homelessness, and reviewed relevant materials available online. This included review of the annual Point-in-Time counts conducted by the San Diego Regional Task Force on the Homeless (RTFH) and as reported by the U.S. Department of Housing and Urban Development (HUD). These reports include the number and characteristics of the individuals experiencing homelessness in the San Diego region, such as the number of sheltered versus unsheltered individuals experiencing homelessness within the City of San Diego versus the County of San Diego, percentage that self-reported mental health and drug abuse issues, etc.

### *Evaluating the City's Strategic Planning Efforts*

To evaluate the City's strategic planning efforts for addressing homelessness, we:

- Reviewed materials from the City Council's Select Committee on Homelessness;

- Reviewed the City's current goals and responsibilities in reducing homelessness;
- Reviewed Connect, Support, House: the City of San Diego's Workplan for Addressing Immediate and Long-Term Homelessness Needs (Mayor's Workplan);
- Reviewed the City of San Diego Community Action Plan on Homelessness (Strategic Plan on Homelessness) and interviewed the authors of the plan; and
- Reviewed federal guidance and best practices for strategic planning and financial planning.

*Assessing the City's Internal Organizational Structure*

To assess whether the City's internal structure for addressing homelessness can be better organized and coordinated to improve efficiency and effectiveness, we:

- Interviewed the Homelessness Strategies Division to determine how it coordinates the City's efforts to address homelessness;
- Interviewed the United States Interagency Council on Homelessness for perspective on organizational structure for addressing homelessness;
- Interviewed the San Diego Housing Commission and the San Diego Regional Task Force on the Homeless to determine their roles in addressing homelessness; and
- Benchmarked with other cities and regions regarding their organizational and oversight structures.

*Evaluating the City's Homeless Outreach Efforts*

To evaluate the City's homeless outreach efforts, including at encampment abatements, we:

- Reviewed federal guidance for homeless outreach, including at encampments;
- Reviewed the homeless outreach approaches used by other cities when addressing encampments;
- Reviewed draft and final versions of the Regional Task Force on the Homeless Policy Guidelines for Regional

Response for Addressing Unsheltered Homelessness and Encampments throughout San Diego County;

- Reviewed policies and guiding documents for the Neighborhood Policing Division's response to homelessness, including the Neighborhood Policing Division's Operations Manual;
- Interviewed the Homeless Outreach Team;
- Attended a Thursday morning coordinated outreach event organized by the Homeless Outreach Team and rode along with the Homeless Outreach Team and additional outreach workers making contact with individuals experiencing homelessness;
- Reviewed policies and guiding documents for the City's CleanSD program;
- Observed an encampment abatement in the field; and
- Reviewed data reported by SDPD and peer organizations regarding rates of acceptance for shelter and services, and data from ESD on encampment abatements, including the number of postings and resulting abatements, locations of abatements, and tonnage of waste removed.

### *Evaluating the Use of Alternative or Interim Housing Solutions*

To evaluate the use of alternative or interim housing solutions and short-term measures, we:

- Reviewed the Mayor and City Council's actions to help increase the supply of both market rate and subsidized housing in the City;
- Reviewed the Mayor's "Housing SD" plan;
- Identified innovative approaches and short-term measures to alleviate unsheltered homelessness while permanent supportive housing and affordable housing is developed;
- Toured the City's bridge shelters and interviewed bridge shelter staff; and

- Visited the Storage Connect Center and interviewed staff.

**Internal Controls  
Statement**

Our review of internal controls was limited to those controls relevant to the audit objectives described above. Specifically, we reviewed whether the City has controls in place—such as adequate planning, resource availability, coordination, and oversight—to ensure efficient and effective outcomes across various City programs that address homelessness; whether the City's homeless outreach and encampment abatement procedures are aligned with federal guidance and City goals for protecting public health and safety as well as connecting homeless individuals to shelter and services; and whether the City is maximizing opportunities to encourage housing production and provide shelter through both traditional and alternative means.

**Compliance Statement**

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions, based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions, based on our audit objectives.



THE CITY OF SAN DIEGO

M E M O R A N D U M

DATE: February 6, 2020

TO: Kyle Elser, Interim City Auditor

FROM: Keely Halsey, Chief of Homelessness Strategies & Housing Liaison *knch*

SUBJECT: Management's Response to the Performance Audit of the City's Efforts to Address Homelessness

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The purpose of this memorandum is to provide Management's response to the recommendations in the Office of the City Auditor's Performance Audit of the Homelessness Strategies Division (HSD) and to provide programmatic and operational updates related to the information included in the audit. We appreciate the recommendations provided by the Office of the City Auditor

The City Auditor performed the audit over the course of the last 16 months. During this time, the Homeless Strategies Division continued its efforts to address one of the most pressing issues facing the City of San Diego. In this last year, the City has, among other actions:

- Adopted the largest budget to address homelessness in City history;
- Allocated \$14.1 million in State of California grant funding toward homeless programs such as landlord engagement, family reunification, and rapid rehousing;
- Opened a new bridge shelter serving 128 individuals;
- Expanded an existing bridge shelter by 138 beds, to include serving transitional aged youth for the first time;
- Expanded the safe parking program for homeless individuals;
- Opened a new transitional storage facility to allow individuals experiencing homelessness to safely store their belongings;
- Opened a housing navigation center;
- Reinstated a program to proactively identify frequent 911 callers and connect them to mental health or other appropriate services;
- Expanded Homeless Court to offer relief from parking citations for more homeless individuals; and

- Adopted *The City of San Diego Community Action Plan on Homelessness*, which outlined three short term goals within reach and identified means to significantly reduce homelessness over the next ten years.

Concurrently with this audit, the City requested that the San Diego Housing Commission fund a third-party evaluation of the City's entire system of care and create a comprehensive strategy to address homelessness in San Diego. The strategic plan on homelessness, known as *The City of San Diego Community Action Plan on Homelessness* (Strategic Plan), was released in October 2019. It provides a roadmap for the City to build a client-centered homeless assistance system that aims to prevent homelessness, and that quickly creates a path to safe and affordable housing and services for people who experience homelessness in our community.

The City's commitment to end homelessness remains unwavering and the newly adopted plan builds on that commitment. In conjunction with the work the City had already accomplished and the planned actions outlined in the Strategic Plan, the City is committed to continuously improving services provided to people experiencing homelessness, including adopting or building upon recommendations from this audit.

#### *Relationship Between This Audit and the Strategic Plan*

The audit compliments in many cases, or repeats in some instances, the recommendations of the Strategic Plan. Further, many of the near-term recommendations of the Strategic Plan direct the plan's Implementation Team to develop strategies and timelines for carrying out the plan's goals. The Implementation Team is in the process of prioritizing the many efforts set forth in the plan, which will depend in part on resource availability and on the how much impact the actions will have on carrying out the three-year goals established by the plan. For that reason, Management will examine the recommendations from the audit in light of the overall recommendations of the plan and prioritize them accordingly. Where there is overlap or conflict between the Strategic Plan and this audit, it is Management's intent to follow the former, in order not to interfere with implementation of the Strategic Plan. Compliance with the Strategic Plan is governed by its own set of reporting, tracking, and prioritization guidelines.

#### I. Finding 1 Recommendations

##### **RECOMMENDATION 1**

The Homeless Strategies Division should work with the Communications Department to develop and execute a strategic communications plan designed to educate the public on the importance of addressing homelessness, specifically related to how best to fund the needs identified in the City of San Diego Community Action Plan on Homelessness. (Priority 1)

##### **MANAGEMENT RESPONSE: Management agrees with the recommendation.**

HSD will work to develop an education and outreach plan to educate stakeholders on the specific needs of the City, whether through the Communications Department or otherwise. As outlined in the Strategic Plan, the City, among other partners, committed to creating a communications Advisory Group and providing regular reports to community stakeholders on the progress of the plan. Once funding strategies are identified, the City and its partners will explain to the public and decision-makers the importance of supporting the various programs the plan identifies. Therefore, Management intends to



comply with this recommendation by implementing the Strategic Plan and, specifically, by convening the communications advisory group; based upon the Implementation Team's recommendations, the City may amend the target implementation date of this response.

**Target Implementation Date: Fall 2020**

**RECOMMENDATION 2**

To ensure that the City has the funding necessary to implement the new City of San Diego Community Action Plan on Homelessness (Strategic Plan on Homelessness), the Homelessness Strategies Division (HSD) should work with the Independent Budget Analyst to review long-term funding options, such as: continued or increased reliance on the General Fund, State or Federal funding, bonds, tax measures, and any other options that may significantly contribute to closing the existing funding gap.

HSD should immediately initiate the development of a long-term funding strategy to meet its present and future homelessness needs identified in the Strategic Plan on Homelessness. The funding strategy should identify permanent and sustainable funding sources and should be finalized, publicly documented, and presented to the City Council upon completion.

When developing its funding strategy, HSD should solicit public input. Specific strategies HSD should consider include, but are not limited to:

- Focus groups;
- Interviews;
- Comment (or point-of-service) cards;
- Public meetings, such as hearings, "town hall" meetings, and community vision sessions;
- Interactive priority setting tools;
- Creating public or neighborhood advisory groups, committees, or task forces; or
- Hiring a consultant to conduct surveys.

The funding strategy should include a plan to pursue the desired funding mechanism(s) based on consideration of information obtained from stakeholders, expert knowledge, and objective data. (Priority 1)

**MANAGEMENT RESPONSE: Management agrees with the recommendation.**

The City of San Diego has increased homelessness spending and access to services significantly over the last few years. HSD will continue to identify and explore funding options and advance discussions with stakeholders including the public, private philanthropy, and other agencies across all levels of government. The Strategic Plan identified a ten-year cost associated with addressing homelessness, and HSD will ensure that the IBA, among others, has an opportunity to review proposed long-term funding strategies.

**Target Implementation Date: In-progress and ongoing**

**RECOMMENDATION 3**

As recommended and defined in the Strategic Plan on Homelessness, the City should establish a governance structure that includes a Citywide Leadership Council, an Interagency Implementation Team, and a Project Manager. (Priority 1)

**MANAGEMENT RESPONSE: Management agrees with the recommendation.**

In accordance with the adopted Strategic Plan, HSD is committed to the Creation of a City-wide Leadership Council. The auditor notes:

“The Strategic Plan on Homelessness also addresses the issue of interagency coordination by recommending that the City and its partners create an interagency structure to guide plan implementation. According to the recommendations in the plan, this structure should include, among other things, an interagency leadership council that provides guidance and accountability and an interagency implementation team of senior staff to make decisions and guide the plan implementation.”

The Implementation Team has already constituted this group, known as the Leadership Council, consisting of key community leaders and funding partners, to participate in regular reviews of progress on the Strategic Plan. This includes agency (City, San Diego Housing Commission, and Regional Task Force on the Homeless) leadership in addition to other groups, including a person with lived experience, business, and philanthropic leaders. The purpose of these meetings is to review progress, problem-solve when challenges arise, identify funding and resources for implementation, and create an appropriate level of both accountability and insulation from political issues. The City requests this recommendation be marked as completed.

Additionally, the Homeless Strategies Division was created in part for the purpose of filling the gap that the Auditor identifies in the body of the report and associated with this recommendation: to provide oversight and coordination among the various City departments providing services and resources to those experiencing homelessness or who control funding that could be used on homelessness efforts. The division currently performs this role but is, as the audit notes, not appropriately staffed in order to fully complete that commitment. Management intends to request an appropriate level of resourcing in order to carry out the audit's recommendation.

**Target Implementation Date: Completed and Ongoing**

**RECOMMENDATION 4**

In accordance with the City of San Diego Community Action Plan on Homelessness (Strategic Plan on Homelessness), the City should immediately conduct a staffing analysis of all departments and offices involved in addressing homelessness and in implementing the plan.

Once the staffing analysis is completed, the City should dedicate adequate funding to support any additional positions that the analysis determines are needed. (Priority 1)

**MANAGEMENT RESPONSE: Management agrees with the recommendation.**

Last year, HSD developed a proposal to increase the number of FTEs by 1.00 Associate Management Analyst, 1.00 Senior Management Analyst, 1.00 Program Coordinator, and 2.00 Program Managers.

These positions were slated to carry out various functions, including: cross-departmental oversight and facilitation; data collection, analysis, and reporting; budget monitoring and reporting and fiscal planning; and program development, monitoring, and improvement. During the FY20 budget process, the two analyst positions, funded by a state grant and therefore eligible to work on a limited set of projects, were approved for a limited time. The funding for the other three positions was reallocated to the Housing Commission for unspecified needs. HSD will review the previous request to determine if it is appropriate and determine the proper allocation of resources and staffing for both existing needs and anticipated needs in upcoming years, and will request those positions in the Fiscal Year 2021 budget.

**Target Implementation Date: August 2020**

**RECOMMENDATION 5**

In accordance with the City of San Diego Community Action Plan on Homelessness (Strategic Plan on Homelessness), the City should formally establish and document procedures for publicly reporting on its progress in implementing the plan and should publicly report this information and present it to City Council at least annually. (Priority 1)

**MANAGEMENT RESPONSE: Management agrees with the recommendation.**

The Leadership Council and the Interagency Implementation Team, as outlined in the Strategic Plan, are tasked with creating documents and procedures—the development of which is already underway under the purview of the Strategic Plan. HSD will help coordinate an at-least annual update on the efforts of the Leadership Council and the Interagency Implementation Teams to the City Council; at this time, the Implementation Team intends to provide them at least quarterly. The City requests this item be marked as completed as to not duplicate efforts being taken pursuant to the Strategic Plan that are already underway.

**Target Implementation Date: Completed and Ongoing**

**RECOMMENDATION 6**

In accordance with the City of San Diego Community Action Plan on Homelessness (Strategic Plan on Homelessness), the City should formally establish and document procedures for publicly reporting on how the City is performing in regards to the system performance measures outlined in the plan. (Priority 1)

**MANAGEMENT RESPONSE: Management agrees with the recommendation.**

HSD will help coordinate an at least annual update on the efforts of the Leadership Council and the Interagency Implementation Teams to the City Council in conjunction with the Strategic Plan's Strategy #4: *Improve the performance of the existing system*. The Audit notes:

“The Strategic Plan states that progress toward achieving these action steps should be monitored in real time when available and otherwise on a regular basis. It is particularly important for the City to track progress towards the three 3-year goals outlined in the plan:

1. Reduce unsheltered homelessness by 50 percent
2. End youth homelessness

3. End veteran homelessness”

Management agrees with recommendations put forth in the Strategic Plan, and these system performance measures and reporting schedules are currently being developed in collaboration with the RTFH and SDHC, which keep some of the relevant data. Therefore, the City requests this item be marked as completed in order to avoid duplicative efforts, committed to and under the purview of the Strategic Plan and already underway.

**Target Implementation Date: Completed and Ongoing**

II. Finding 2 Recommendations

**RECOMMENDATION 7**

The City should develop and implement a comprehensive homeless outreach strategy. This strategy should include:

Formal direction and training to all City-funded outreach workers, including those under contract with the San Diego Housing Commission, to conduct their outreach in line with best practices (i.e., to perform persistent, person-centered outreach and use a by-name list); and

Guidance on how to determine where to conduct outreach and how to share data and information among outreach teams to avoid unnecessary overlap and promote additional coordination. (Priority 1)

**MANAGEMENT RESPONSE: Management agrees with the recommendation.**

Current City-funded outreach workers primarily under contractual obligation with the San Diego Housing Commission (SDHC). The City and Housing Commission fund outreach through many of the City's programs, including the Bridge Shelters, Transitional Storage Centers, Safe Parking program, and Housing Navigation Center. As noted in the Audit, this contractual relationship involves coordination and oversight.

Coordination efforts, for example, include the Bridge Shelter outreach teams working together on assessments and cross-referrals to the appropriate shelter providers. The various outreach workers also participate in the San Diego Police Department Homeless Outreach Team's (HOT) weekly targeted outreach activities. This outreach activity targets a different location every week and brings together multi-disciplinary teams to provide services, resources, and referrals to persons experiencing street homelessness.

In addition to these collaborations, monthly coordination meetings among the providers have been implemented, so they can work together to effectively spread resources over a broader area and touch more locations on a rotating basis. Between the monthly meetings, the outreach leads coordinate with each other on a daily basis to address urgent issues that may arise, access the services available by each other's programs as appropriate, and ensure efforts are not duplicated but leveraged. As determined by SDHC and City staff, activities of intense deployment in specific areas or 'saturation events' are also held, which can span several weeks of intensive coordinated engagement in a specific locale. These events often leverage additional partnerships not funded by the City, pulling in County PERT (Psychiatric Emergency Response Team) clinicians and homeless outreach workers, other service providers, the provider outreach teams and SDPD HOT.

While the Audit states that "HSD does not have a designated position or sufficient staffing levels to take on this responsibility," the City is committed in continuously evaluating outreach efforts, increasing coordination among existing outreach workers, and promoting additional coordination, especially in the event there are additional City-funded outreach workers. The City will consider how to secure funding to either hire an outreach coordinator or partner with another agency to hire an outreach coordinator to further enhance the level of service provided to people experiencing homelessness, including ensuring compliance with best practices.

**Target Implementation Date: October 2020**

#### **RECOMMENDATION 8**

While the regional outreach approach is being developed through the Regional Task Force on the Homeless, the City should conduct an analysis, or initiate an analysis through the San Diego Housing Commission, to determine whether the current level of City-funded non-law enforcement outreach workers is sufficient to execute the comprehensive homeless outreach strategy produced in response to Recommendation 7, and fund additional outreach positions for City-wide outreach, as needed. (Priority 1)

#### **MANAGEMENT RESPONSE: Management partially agrees with the recommendation.**

The City partially agrees with the recommendation. The City, pending resources available, could conduct an analysis on outreach. However, even without a formal analysis, Management recognizes that the corps of outreach workers under City contract and managed by SDHC to perform outreach services or otherwise working within City jurisdictional boundaries is not sufficient to reach the City's entire unsheltered population or engage each individual repeatedly and for a sustained period, as is often required to convince an individual to accept services and meet his or her individualized needs. Without a much more robust team of outreach workers providing these services, Management expects that the City will continue to experience high demand for services to its emergency response network, creating an obligation for Fire-Rescue and the Police Department to respond and serve these individuals to the best of their ability. For this reason, among others, it is not reasonable to expect that an influx of outreach workers will obviate the need for public safety personnel to interact with individuals experiencing homelessness.

Further, outreach workers need to be effectively coordinated to ensure they are deployed in areas of need and that they are deployed in a manner that allows individual workers to build relationships with individual clients. They need to be appropriately trained for crisis intervention, for example in trauma-informed care, and appropriately resourced: an outreach worker should be able to offer an array of services, whether from the agency they represent or from another agency. Further, in order to reduce the frequency at which public safety personnel are called to tend to needs that might be better suited to the expertise of a trained outreach worker, it would be very helpful if there were a centralized service that could serve as an outreach dispatch center. Such a service could provide community members with a resource they could contact in order to request that outreach services be offered to an individual who they observe to be in need.

Last, effective workers need to be properly resourced in order to achieve optimum effectiveness; that is, they must have meaningful options to offer the individuals they encounter. While many cities have no outreach at all, other cities have outreach but inadequate services. The City contains approximately 83% of the region's emergency shelter beds, and a true regional approach will involve the collaboration of other cities and governmental agencies.

For these reasons, Management intends to pursue the concept of the outreach coordinator mentioned above and a centralized service that could serve as an outreach dispatch center to reduce the frequency at which public safety personnel are called to tend to needs that might be better suited to the expertise of a trained outreach worker. Such a service could provide community members with a resource they could contact in order to request that outreach services be offered to an individual who they observe to be in need. The City also intends to encourage both the Regional Task Force on the Homeless (RTFH) and other regional jurisdictions to contribute to the region-wide network of outreach workers and homelessness resources. The City is committed to continued collaboration with the RTFH and other agencies; however, this responsibility is shared region-wide, particularly the issues of training and ensuring that each jurisdiction makes shelter and services available as part of outreach efforts. If the region is not resourced and coordinated appropriately, the system will not serve individuals experiencing homelessness in the most effective manner. Therefore, as mentioned in the Audit and agreed to by the Auditor, HSD and NPD will pursue these issues, working to ensure a centralized entity to coordinate outreach and encouraging other jurisdictions to address this issue region-wide.

**Target Implementation Date: Ongoing**

### **RECOMMENDATION 9**

The City should formalize the collection of data on reasons for refusal of service, establish responsibility and methodology for data collection and analysis, and identify how the data is to be shared with appropriate stakeholders. The City should utilize this data analysis to make improvements that address these concerns and increase rates of acceptance of shelter and services. (Priority 2)

**MANAGEMENT RESPONSE: Management partially agrees with the recommendation.**

The City's Homeless Outreach Team (HOT) in addition to City-contracted outreach workers do collect data at each touchpoint with an individual. The City is committed to formalizing the existing and increased collection of data from City-funded outreach workers, the City's HOT data as allowed, and making this data available to the Leadership Council and Implementation Team, set forth by the Strategic Plan, and the City Council, particularly when making decisions about the City's outreach program. The City can examine its processes and available technology to determine if the data collection can be improved. Providing this information will satisfy the Auditor's request to continually use data to improve rates of acceptance. Further, Management intends to use this data to continually improve its approach.

**Target Implementation Date: Fall 2020 and Ongoing**

III. Finding 3 Recommendations

**RECOMMENDATION 10**

The Homelessness Strategies Division should implement an outreach and encampment protocol to better align encampment abatement procedures with the City's goal to increase opportunities for unsheltered individuals to access short-term shelter and long-term housing, and other services designed to provide stability, while continuing to fulfill the City's responsibility to protect public health and safety. The City should direct departments to comply with the protocol, and develop and formally document new encampment abatement policies and procedures accordingly. Specifically, the protocol should ensure that when addressing encampments:

- Whenever possible, non-law enforcement outreach workers are given adequate time to provide the persistent outreach necessary to build relationships, assess individual needs, and connect the encampment residents to shelter and services prior to their forced dispersal;
- Outreach is person-centered rather than provider-centered. Specifically, all City-funded outreach workers should be able to provide connection (i.e., a "warm hand-off") to all available shelters and services, not just to one particular service provider; and
- Outreach is primarily conducted by non-law enforcement outreach workers, with assistance provided by law enforcement as needed.

When developing this protocol, the City should consider an evaluation of the feasibility of making non-law enforcement outreach the first point of contact for complaints regarding homeless encampments when an immediate health and safety hazard is not reported. (Priority 1)

**MANAGEMENT RESPONSE: Management partially agrees with the recommendation.**

Management agrees that there are many facets to outreach and abatement. The City believes a regionwide system for outreach that provided individuals experiencing homelessness with ample opportunities to interact with non-law enforcement workers instead of or before they encounter law enforcement personnel would be ideal. In such a scenario, there would be less demand for law enforcement resources: law enforcement may need to be involved in fewer interactions, e.g., where there is a known public safety issue, in cases that outreach workers request law enforcement presence or a call for service is otherwise made, or if other approaches over an extended time were not successful. This is a long-term vision, however, and, as the RTFH has stated, one that is not feasible given the current regionwide system of outreach and levels of funding. In fact, the City established its SDPD homelessness outreach teams to help fill this void, which the audit acknowledged:

"In the absence of a comprehensive homeless outreach strategy and a sufficient number of non-law enforcement outreach workers, SDPD's Homeless Outreach Team (HOT) has been filling a void for over 20 years as the City's primary means of direct outreach and contact with people experiencing homelessness."

The City cannot responsibly reduce non-law enforcement outreach, when, as previously mentioned, there is currently a void of outreach capacity in the system. The City is working on addressing this void, however, as discussed elsewhere within Management's response.

Also, as acknowledged in the audit, the City is constrained from summarily ending its law enforcement involvement in outreach and abatement for other reasons: among them, the City's responsibility to address other issues in addition to homelessness-related needs – such as public health and sanitation, environmental impact, fire hazards, and other health and safety issues – and its responsibility to respond to calls for service, because the City cannot reasonably delegate a request for police presence to an outreach team not trained for law enforcement engagements. The RTFH has also recognized these limitations.

The City has many competing goals and responsibilities that may not always allow implementation of the recommendations above. Specifically, the Audit points out:

“The City has multiple goals and responsibilities that impact its approach to addressing homeless encampments. Specifically, the City's goals directly related to homelessness include addressing the needs of the homeless population and broadening access to resources. However, the City has other goals and responsibilities related to protecting public health and safety, water quality, and addressing eyesores and public nuisances. In practice, the strategies used to achieve these various goals and responsibilities can conflict.”

The City first and foremost must provide for public health and safety for all of its citizens: to the individuals experiencing homelessness, sometimes encountered in conditions harmful to their health and well-being, and to the general public, who should expect the City address risks of life and property damage from fire, environmental harm, and public health. Appreciating the Audit's acknowledgement, the City will approach abatements as prescribed in the recommendation when appropriate in light of that responsibility.

The City regularly evaluates its use of law enforcement resources as part of its homelessness efforts and can incorporate the recommendations of this audit into its planning. For example, the SDPD is the only entity of which Management is aware that regularly convenes and deploys outreach teams. As referenced elsewhere in Management's response, SDPD hosts weekly events to bring together outreach workers – both from service providers that the City and SDHC fund and those that are funded by other sources – and asks for them to come together to focus their attention in a particular community of need. Further, the City has been directing and requesting teams to do extended outreach in advance of cleanup events that occur in areas where a homeless population is known to exist: for example, if City crews establish a work plan to clean up abandoned property in a park, the City's typical practice is to alert outreach teams well in advance to allow any individuals who may be in the area associated with those items to have the opportunity to connect with services and shelter in advance of the event date.

To this end, the City is also leading and facilitating changes at the City and regional level: establishing outreach coordination, developing a central entity, and providing training and resources are some of those efforts. The City has been advocating for this approach to be a regional one.

The City has made significant investments in shelters and services over the last few years that offer an avenue for outreach workers – whether law enforcement or non-law enforcement – to connect individuals to shelters and services. This is critical to the implementation of the recommendation because outreach alone will not be sufficient. Outreach is only as effective as the systems to which it connects people. Regionwide, outreach providers are limited by funding sources, resources to which they have access, and geographic boundaries. An optimal system of outreach would arm each outreach



worker with an array of services and shelter opportunities to offer the individuals they encounter, and the City is encouraging the County and other cities to address this need because no policy will be successful without a region-wide investment in services that outreach workers can use to serve the individuals with whom they connect.

Thus, this recommendation may not be able to be fully implemented without additional outreach workers coordinated at the regional level, and without an increase in regionwide available shelters and services, but the City will take steps described above to better align outreach and abatement procedures with the recommendation.

**Target Implementation Date: Completed and Ongoing**

#### **RECOMMENDATION 11**

The City should identify or establish and fund additional non-law enforcement outreach teams—or enter into an agreement with the Regional Task Force on the Homeless's outreach teams—to implement the outreach and encampment protocol produced in response to Recommendation 10. (Priority 1)

**MANAGEMENT RESPONSE: Management partially agrees with the recommendation.**

The City agrees that in order to implement Recommendation 10, there will need to be significant investment in additional outreach workers and additional coordination. The City has taken significant steps on this recommendation over the last approximately two years, by hiring 18 FTE outreach workers and coordinating and helping to direct their qualifications and work, such as the outreach workers associated with most of its homeless serving programs.

A significant infusion of training, staff, and financial resources and a sustained effort are required to achieve this recommendation. As stated above, the City will work with the Regional Task Force on the Homeless to encourage that jurisdictions increase the number of outreach workers region-wide and encourage them to implement steps to ensure coordination. For its part, Management will recommend introducing an outreach coordinator to the City's system to better use existing resources, and examining whether new resources would make the system more effective in the City.

**Target Implementation Date: Complete and Ongoing.**

#### **RECOMMENDATION 12**

To improve data collection and inform decision-making related to homeless encampment abatement, the City should:

Clearly establish responsibility for tracking the number of homeless individuals contacted, offered, and provided services at each encampment abatement; and

Formally establish responsibility and procedures for the data to be analyzed and shared with the Homelessness Strategies Division and other City departments, offices, and regional stakeholders involved in addressing homelessness. (Priority 2)

**MANAGEMENT RESPONSE: Management partially agrees with the recommendation.**

The City currently does track data as it relates to encampments and recently expanded the collection of data through the Neighborhood Policing Division's Direct Placement Program. The Audit addresses these changes by stating:

"NPD has improved its encampment abatement process to include the offer of a HOT bed when NPT officers notify individuals of an upcoming encampment abatement, and again when they return with ESD to conduct the abatement after the 3-hour or 72-hour notice period. Although an enforcement action is not always taken, this process change is part of NPD's progressive enforcement model and was updated in November 2019 under NPD's Direct Placement Diversion program to include an incentive for individuals to stay in the shelter bed for at least 30 days"

The City intends to continue this program and analyze the data collected in order to provide the highest level of service in connecting people experiencing homelessness to services and shelters. The City is committed to continuing and expanding the collection of data during abatements and reporting this data. Note, however, that abatements in general often pertain to *items*: The City's homeless item abatement process is a means by which, rather than treating items encountered as trash and summarily disposing of them, the City, when it encounters items that reasonably appear to belong to an individual experiencing homelessness, undertakes a special protocol by which it posts advance notice of taking action and then, on the stated day, does not discard all the items but instead sorts, catalogs, and stores items that appear to be of value. The City also leaves behind information for how individuals could retrieve their personal belongings from City storage.

The nature of this process means that, at some abatement proceedings, there are no *people* present. The efforts of NPD are designed to address the circumstance in which persons are present with the belongings; the City is collecting and will continue to improve collecting information from those encounters to make them more successful for the individuals experiencing homelessness.

**Target Implementation Date: December 2020**