

The City of

**SAN DIEGO**

**Connect. Support. House.**



**THE CITY OF SAN DIEGO'S WORKPLAN  
FOR ADDRESSING IMMEDIATE AND LONG-TERM  
HOMELESSNESS NEEDS**

November 2018



# Table of Contents

## **I. Executive Summary**

## **II. Introduction by Mayor Faulconer**

## **III. Background and Demographics**

- a. Homelessness Statistics
  - i. Causes of Homelessness
  - ii. Co-occurring Conditions Experienced by Homeless Individuals
  - iii. Trends in Homelessness
- b. Partners in Addressing Homelessness
- c. Existing Plans to Address Homelessness

## **IV. Programs Recently Put into Operation**

- a. Bridge Shelters
- b. Transitional Storage
- c. Safe Parking Lots
- d. Landlord Engagement and Housing our Heroes
- e. HousingSD
- f. Neighborhood Commitments

## **V. New Programs Now Underway**

- a. The City's Methodology for Programmatic Improvement
- b. Improving Successful Outcomes of the Bridge Shelters
- c. Providing Housing Navigation Service
- d. Creating Additional Housing Opportunities
- e. Other Projects

## **VI. The Future of Homelessness Programs and Funding**

- a. Challenges and Opportunities
  - i. Funding
  - ii. Other Factors Affecting the City's Homelessness Activities and Quality of Life Initiatives
    - 1. Special Protocol for Handling Homeless Persons' Personal Belongings
    - 2. Lodging on City Sidewalks
    - 3. Living in Vehicles
    - 4. Downgrading of Certain Criminal Offenses
  - iii. Lack of Mental Health Resources for the Homeless Population
- b. The Role of Concurrent Independent Expert Consultation

## **VII. Summary**

## **Appendices**

# THE CITY OF SAN DIEGO'S WORKPLAN FOR ADDRESSING IMMEDIATE AND LONG-TERM HOMELESSNESS NEEDS

Connect. Support. House.

The City will continue to execute solutions to address the needs of our homeless population. It will act with a dual and coordinated purpose: to address short-term needs while advancing long-term goals. The City will work with its governmental, private, and not-for-profit service providers to do so. Its approach encompasses the following actions to address urgent and systemic needs of our homelessness care system:

## 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
  5. Perform Concurrent Comprehensive System Analysis

## DATA-DRIVEN METHODOLOGY



Executing these five actions requires a reasoned approach and 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. This Workplan is a living document; it will evolve over time as the City uses data to improve existing programs and implement new initiatives.



# Executive Summary

The San Diego region is in the midst of a serious housing shortage and homelessness crisis. Government agencies, non-profit service providers, and residents are grappling with the incredible toll these conditions take on their fellow residents and the City's neighborhoods.

The City recently undertook a **series of unprecedented actions**, which treated symptoms of the problem but has neither made a strong enough impact to mitigate it nor addressed its root causes. Despite recent improvements to the homelessness care system, housing instability and high rates of homelessness persist at an unacceptable level.

Regionwide, the **system struggles to address the demand** for services. Governmental partners, for perhaps the first time so aligned in this effort, nevertheless fall short of desired outcomes. They look to other cities and national best practices for answers, finding resources, but also finding that those entities are looking at what the City is doing, with its new shelters and parking and storage solutions and looking to the City for leadership on new initiatives. There is expertise and guidance upon which to draw, but there no silver bullet, and San Diego must use best practices to develop its own path.

There is a **role for everyone** in this effort. The Regional Task Force on the Homeless will advise and coordinate the efforts of all cities in the region and the County. The County will address behavioral health conditions from which many of our homeless residents suffer. Other cities will use their ability to affect change by taking an active role in regional solutions. Neighbors will welcome homelessness services to their communities as a measure of compassion and practicality and will recognize that appropriate increases in density can both be part of the solution and make neighborhoods more vibrant. If we are to succeed as a region, each of these aspirations must become reality.

For its part, **San Diego will lead the charge** in changing the way the region addresses homelessness. Learning from history, both long-standing and recent, the City knows we need **immediate action and long-term planning**. They are not mutually exclusive activities: the City is prepared to deliver on both.

The City will continue – and will ramp up – its long-range efforts to create more housing. And it will engage with a national expert and critical partners to create long-term plans for future actions and spending.

But the **City cannot wait** for the housing market or findings from a new consultant's report to take action. It has a responsibility to harness recent momentum to address immediate need. That means the City must commit to continuing its recent efforts and capitalize upon them to:

- 1. Improve Successful Outcomes of 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 City has already begun its work on some of these efforts; others will be achievable through strategic deployment of funding such as the Homeless Emergency Aid Program state grant. This also means using available funding to address other gaps in the system we've already identified. The City must:

- Coordinate street outreach efforts across a currently disjointed patchwork of systems;
- Provide homelessness prevention and diversion services to keep individuals from entering the world of homelessness; and
- Offer right-sized and creative housing interventions in addition to the methods available through the coordinated entry system.

These changes and improvements are **within our reach today** – while we concurrently work on longer-term affordable housing development and additional planning efforts.

The City must not abandon recent efforts: it must persevere. Its residents – be they housed, homeless, or at-risk of homelessness – are depending on it.



# Introduction

Mayor Kevin L. Faulconer



In the City of San Diego, and across the state of California, homelessness is not just an issue. It is *the* issue. Homelessness presents a profound social and humanitarian crisis. Compounded by a shortage of housing that most people can afford, and a dramatic increase in the number of people suffering from some form of mental illness, homelessness is not an issue that can wait to be addressed. For far too long elected officials looked for universal consensus in our efforts to address homelessness, while the crisis grew out of control. Over the last year the City of San Diego has chosen to act, rather than wait.

The City, directly and with its governmental, private, and not-for-profit service providers, has significantly increased its attention to, and efforts to mitigate, this crisis. Under the model the City refers to as “Connect. Support. House.” – which refers to the major tenets of the approach – the City improved access to successful services and built new programs to adapt to current needs. Since the time I became Mayor, the City and the San Diego Housing Commission (SDHC) have increased budgets for homelessness programs nearly six times over, and have initiated innovative approaches. But it is not enough.

Our residents experiencing homelessness continue to suffer. Our residents affected by homelessness in their neighborhoods continue to ask me what can be done to help their fellow neighbors. And residents and visitors alike continue to worry about criminals amongst the homeless community. We can and must do more. The City and our partners should strive to prevent homelessness whenever possible, and when it cannot be prevented, ensure that homelessness is a rare, brief, and non-recurring experience. To do so, we need an array of solutions that work in concert: immediate, interim, and long-term.

For some time now, City staff has been actively pursuing projects under the structure of a homelessness workplan: our team executes components of the “Connect. Support. House.” approach on a daily basis. The City relies on national best practices and previously-executed plans to inform its work.

But residents, advocates, and officials have requested a specific update that describes the City’s current strategy. I have heard those calls and I prepared this document to communicate my immediate and interim plans for action. It establishes a roadmap that shows where we were, how far we’ve come, and the significant actions that need to be taken in the short and long term. It is a living document that allows for changes over time, to expand, improve upon, and, where necessary, adapt our approach to best serve the needs of our homeless constituents.

It represents a beginning of a new normal in San Diego: where leaders honestly acknowledge the depth of the homelessness crisis and give it the attention it deserves, through a robust and strategic deployment of resources. There is no other way to make a meaningful difference in how this City cares for its homeless citizens and prevents, reduces, and ends homelessness for each individual.



# Background and Demographics

Homelessness cannot be completely described by the numbers. Numerical figures cannot fully describe the impact homelessness takes upon an individual. Moreover, the data we use to measure the existence of and impacts created by homelessness is incomplete. But data helps shed a light on the nature of individual challenges and, in turn, that data can inform our approaches and is worth examining.

## HOMELESSNESS STATISTICS

The region's annual "Point in Time Count" (PITC) is one such source of data.<sup>1</sup> It is not a comprehensive measurement of the entire homelessness system, but it provides a valuable snapshot of homelessness in San Diego. It is a "homeless census" conducted according to federal government standards; although there are other means to capture information regarding homelessness, its methodology provides a baseline of information from which trends may be identified.

In 2018, PITC volunteers counted 8,576 homeless individuals throughout the County of San Diego.

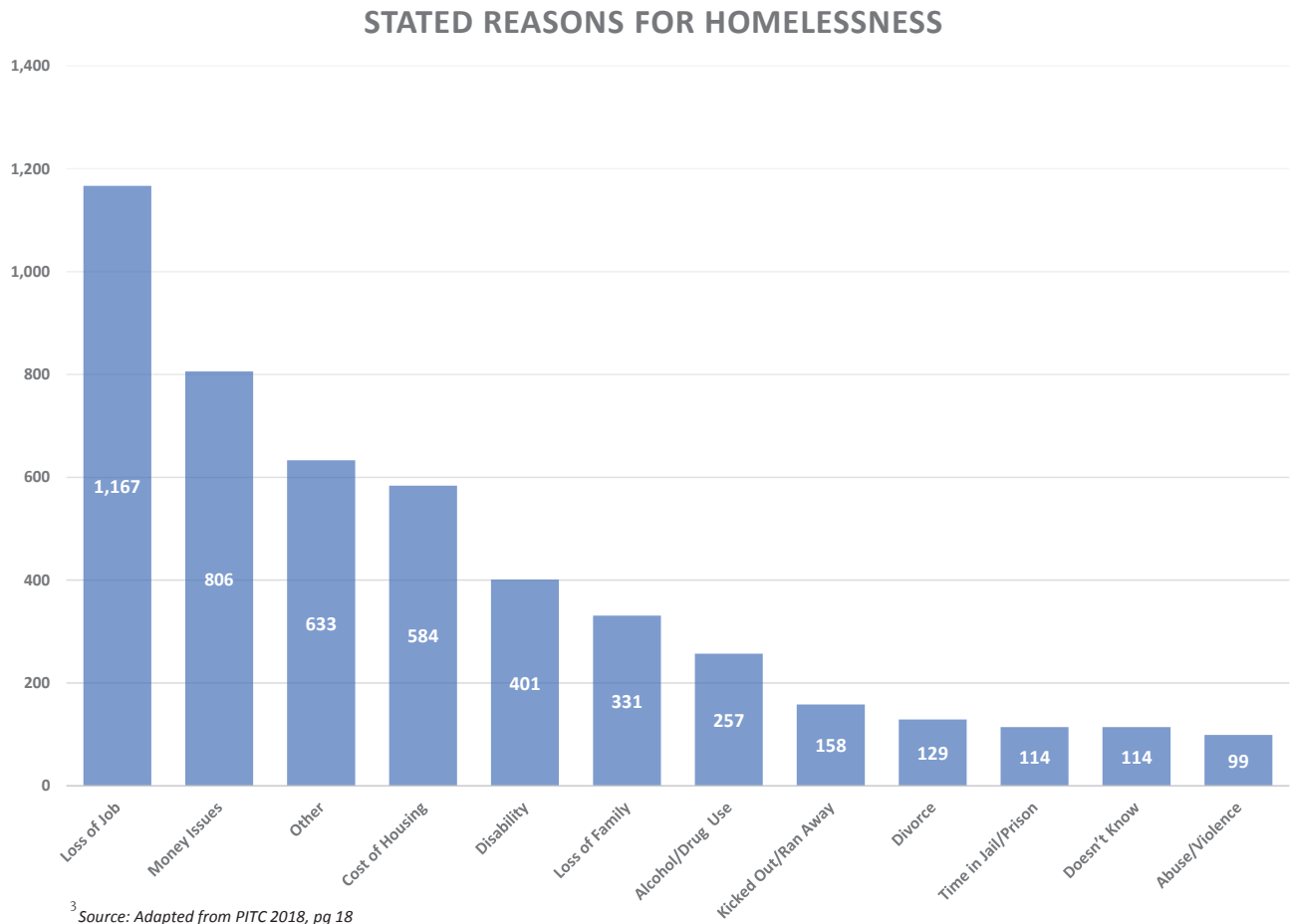
- Of the total, 3,486 were sheltered and 4,990 were unsheltered homeless individuals.
- Of the unsheltered population, 74% reported that they became homeless within the County of San Diego; they had housing in the San Diego region before they became homeless.
- The PITC surveyed individuals incarcerated in County jails; 27% of them (1,507 individuals) reported being homeless before taken into custody of the jail system. The survey methodology counts these individuals as unsheltered, and this number represents 30% of the total of unsheltered homeless in the County.

Of the figures reported County-wide, we can also examine the status of homelessness within City boundaries. There were 4,912 homeless individuals identified within the City of San Diego.

- The total includes 2,282 sheltered homeless individuals. This population includes those living in the City's emergency shelters, transitional housing, and safe havens.
- There were also 2,630 unsheltered homeless individuals. The unsheltered count includes 505 people living in vehicles in addition to those sleeping on the streets.
- The share of the County's homeless population counted in the City of San Diego is 57%.
- Trends between 2017 and 2018 showed the following statistics for the City:
  - A 19% decrease in the unsheltered homeless;
  - A 19% increase in the number of unsheltered homeless sleeping on the streets;
  - A 36% decrease in unsheltered chronically homeless population,<sup>2</sup> and that the chronically homeless make up a smaller portion of the overall unsheltered population;
  - A 3% increase in homeless Veterans (14 more individuals);
  - A 45% decrease in homeless individuals in tents and hand-built structures; and
  - A 15% decrease in unsheltered homeless females.

## Causes of Homelessness

On an individual level, the PITC provides a degree of insight into the causes of local homelessness. The graph below represents the primary causes of homelessness as reported by those surveyed, and each respondent may have reported more than one cause.



Looking at the issue qualitatively and through a broader lens, however, numerous factors affect the overall number of individuals who fall into homelessness or remain homeless in any given year. Reasons range across a broad spectrum, from the national economic condition to losing one's job due to lack of childcare. Some are within the City's power to control; others are not.

One thing is certain: in San Diego, housing affordability is a major contributing force. The housing crisis has many causes, but for the City, the loss of State Redevelopment in 2012 was a significant blow from which the City has yet to recover. San Diego, like many jurisdictions statewide, relied heavily on redevelopment to increase its supply of affordable housing: redevelopment funding was the City's primary source of revenue for affordable housing development.

*The City has lost out on at least \$310 million in funding that now goes to the State. That lost funding could reasonably have been expected to help create approximately 3,600 affordable units in our neighborhoods.*

## Co-occurring Conditions Experienced by Homeless Individuals

Of the unsheltered population, interviews were conducted with a large segment of the unsheltered population during the PITC. Among those, information shows that 9% report abusing alcohol and 14% report abusing drugs. It also shows that 43% identify as having a mental illness. This means that between 43–66% of the unsheltered may have one, two, or all of those conditions.

This statistic is consistent with a recent snapshot taken of the conditions reported by occupants of some of the City’s shelter facilities: between 29–69% of those individuals cited having mental illness, drug or alcohol addiction issues, or a combination of two or all three conditions.

## Trends in Homelessness

Data shows that the population experiencing homelessness has fluctuated and that the number of people experiencing homelessness is not at its height, as compared to annual counts over the last several years. But this does not change the fact that its effects are being felt by our communities.

### UNSHELTERED TOTALS



Source: PITC, Page 48.

The number of unsheltered individuals within the City represents a 19% decrease from the year before and a 27% decrease from the recent high, which was in 2012. Unsheltered homelessness in 2018 was only 6% above the recent low, which was in 2014. But more needs to be done.

## PARTNERS IN ADDRESSING HOMELESSNESS

The City partners with other agencies to address homelessness-related issues. The City works in collaboration with the Regional Task Force on the Homeless (RTFH), the San Diego Housing Commission, the County of San Diego, the U.S. Departments of Housing and Urban Development (HUD) and Veterans Affairs (VA), and other governmental partners. Our partnership with these agencies is vital: we must work together in order to achieve better results.

### Regional Task Force on the Homeless

Over the past several years, the City has coordinated extensively with the RTFH, which serves as the region's Continuum of Care under HUD regulations. The City participates in the RTFH Board's activities and coordinated with the organization on its recent Community Plan effort.



The City has championed the agency's efforts to overhaul its data collection system, the Homeless Management Information System, so that the City, other government agencies, and our service providers may more effectively determine how to deploy resources appropriately. And we look forward to the work the RTFH is poised to do specifically on addressing youth homelessness. Recently, the RTFH was one of only eleven regions nationwide – and the only one in California – selected by HUD for an award of Youth Homelessness Demonstration Program funding – an award of nearly \$8 million that the RTFH plans to target the most vulnerable of our homeless population.

Given the interconnectedness of regional homelessness needs and resources, the City supports the RTFH's leadership, particularly on issues that call for regionwide coordination. The City appreciates the role that the RTFH has taken on these issues, especially its recent focus.

### San Diego Housing Commission

The City's partnership with the Housing Commission is a strong one and the City and Housing Commission collaborate on a number of important initiatives. The City provides funding for many programs and services that the Housing Commission administers on behalf of the City, and the Housing Commission contributes funding and staff toward these efforts. This degree of partnership calls for close communication between the agencies, and we are fortunate that we are able to work together toward common goals.

Under President & CEO Rick Gentry's leadership, the Housing Commission has taken on increased responsibilities with respect to homelessness programs and now manages numerous programs on behalf of the City. Those include emergency and interim shelters at Cortez Hill Family Center, Connections Housing, and the Paul Mirabile Center. It includes the City's Day Center and transitional storage facilities, which serve basic needs. And it includes a variety of programs, such as Rapid Rehousing and the Landlord Engagement and Assistance programs. This is in addition to administering the various housing voucher programs available to City residents (such as Section 8, project-based, sponsor-based and veterans' vouchers) and its special initiatives, such as participating in the Guardian Scholars and Monarch School programs, which focus on reducing youth homelessness. All these programs operate under the umbrella of the Housing First Homelessness Action Plan, which is in its third iteration and is designed to provide opportunities for stable housing to approximately 1,000 individuals each year.

Last, but critical, is the Housing Commission's role in packaging City funds, along with other funding sources, to create loans for developers willing to construct affordable housing units and permanent supportive housing units. The Housing Commission announces these opportunities, and it is up to developers to submit proposals for projects. One such recent opportunity for a total of almost \$30 million was announced in 2014, which is on track to create nearly 400 units. Just this year, another opportunity for \$50 million was announced: it is expected to spur the development or rehabilitation of 560 units that offer support along the spectrum of need - units with and without supportive services for people of several income levels.

## County of San Diego

As another regional partner, the County of San Diego has contributed toward programs and solutions dedicated to addressing this crisis. Of specific interest to the City are the programs for addressing the physical and mental well-being of our homeless populations, so that individuals increase their chances of succeeding in the programs the City offers and to achieve and maintain stable housing.

In California, counties administer state and federal funds for this purpose, including Mental Health Services Act funding and other funding, to address specific issues such as serious mental illness and substance abuse disorders. In San Diego, our County participates in this effort in a number of ways, by:

- Supplying a number of certified clinicians (Psychiatric Emergency Response Team members) to work with City forces;
- Providing services through our Bridge Shelter programs to help clients access mainstream programs and services;
- Serving as a partner in the Project One for All initiative: the County provides comprehensive wraparound services, which are paired with housing vouchers administered by the Housing Commission - all to serve seriously mentally ill homeless individuals;
- Recently launching the Whole Person Wellness and Health Homes initiatives to aid homeless individuals;
- Contributing resources and expertise to the Serial Inebriate Program; and
- Partnering with the City on the San Diego Misdemeanants At Risk Track (SMART) program by administering a state grant the City is using for the program, which is designed to prevent homeless low-level criminal offenders cycling through the criminal justice system by providing housing and treatment.

The City and its residents rely on the services the County administers in the City and in the region. And homeless individuals' chances for long-term stability often depend on them. The City and County must continue their collaboration to ensure that individuals and communities have the tools and resources they need to address, prevent, and reduce homelessness.



## EXISTING PLANS TO ADDRESS HOMELESSNESS

Although there has been a call lately for a new homelessness plan, the City has several plans in place from which to draw expertise and guide its decisions. And it has a historical trove of plans that color our approach as well.

For example, the City Council recently updated Council Policy 000-51, the City’s Comprehensive Policy on Homelessness, which provides high-level guidelines for the City’s response to ending homelessness. The City’s Select Committee on Homelessness, governed by a robust workplan, tackled various strategies in addressing homelessness in the City. The City, with its partner the Housing Commission, funds and executes the Housing First Homelessness Action Plan.



On a regionwide basis, the RTFH, of which the City is a member, is governed by its Strategic Framework for a System to Effectively End Homelessness in San Diego County. From the federal experts, the City has access to “Home, Together: The Federal Strategic Plan to Prevent and End Homelessness.”

These policy documents serve as guidelines for both internal and external policies and procedures governing the City’s homeless programs and initiatives.

## HOUSING FIRST

The City’s efforts to address homelessness are grounded in the Housing First approach. The term refers to the philosophy that homeless individuals need not undertake significant efforts to be connected with housing, such as requirements related to employment training or drug or alcohol treatment; rather, that living in stable housing provides a better basis to achieve stability in other aspects of one’s life.

Locally, the City and Housing Commission indicated their commitment to the Housing First approach, as represented by the Housing First Homelessness Action Plan described above. The City recently reiterated its commitment by adopting the Housing First policies of Council Policy 000-51. And the City incorporates Housing First principles into its contracts for homeless programs and services.

# Programs Recently Put into Operation

Over the past year, the City has stepped up its efforts dramatically. The City did so in part to address a public health crisis without recent precedent: a Hepatitis A outbreak that, tragically, took the lives of 20 individuals before the region brought it under control. In addition to campaigns to educate the public, vaccinate the at-risk population, and sanitize public spaces, the City took measures to provide additional safe and sanitary shelter for homeless individuals and families.

## BRIDGE SHELTERS

The City recognized the critical need to provide homeless individuals with temporary housing and, with the partnership of a generous private donation to help offset the cost, began construction of three large-scale structures to serve as shelters.

The shelters opened in December 2017 and January 2018. Two are located downtown: one is designed to serve 150 individuals: single women and families; the other, 324 single adults. A third is located a few miles away and serves 200 Veterans. The shelters are operated by our valued service provider partners: Father Joe's Villages, Alpha Project for the Homeless, and Veterans Village of San Diego, respectively.

As reported to the City Council, between opening and August 2018, the shelters provided basic and critical services to 2,713 individuals. And 391 persons were able to exist the shelters to enter permanent or longer-term housing. During that time, the shelters have operated very close to capacity.<sup>4</sup>



Of the population served since the opening of the shelters, 55 percent of individuals across all three Temporary Bridge Shelters entered the shelters with no income, and an additional seven percent of individuals had income of \$500 or less at entry of \$500. Of the total persons served since the shelters opened, 56 percent had a disability, 47 percent were chronically homeless, and 34 percent were 55 years of age or older.





## Temporary Safe Campground

While construction was underway on the bridge shelters, the City mobilized to create a safe living area for homeless individuals in a parkland lot near a City facility.

The Safe Campground served 200 people, including families with a combined 57 children.

The campground operated for several months and, at its closing, many of its occupants, including each of the 24 families, moved into or were matched with permanent housing. The others were connected with beds at one of the new bridge shelter facilities.

Services offered at the shelters include:

- Outreach;
- Case Management;
- Housing Assistance;
- Benefits such as Family and Veterans Benefits;
- Access to Health and Mental Health Care; and
- Job Search and Workforce Development.

The shelters are serving some of San Diego's most vulnerable individuals. And they are providing incredibly valuable information about the region's homeless population that puts the City in a good position to adapt its programs to address the population's specific needs.

Taking the capacity of the three bridge shelters into account along with the emergency shelters mentioned previously, the City and Housing Commission offer 1,297 beds on a nightly basis. These facilities supplement the approximately 740 other emergency shelter beds available citywide, for a total of 2,040 beds.

## TRANSITIONAL STORAGE

In addition, the City began operating a transitional storage center called the Storage Connect Center, near a known homeless population in the Sherman Heights neighborhood. That facility is currently permitted to serve up to 500 individuals and has additional space to serve more.

The building serves as a resource to homeless individuals, allowing them to securely stow their personal belongings. This helps protect their items from being lost or stolen on the streets, and allows individuals to more easily move about the city to attend appointments and receive and seek assistance. The operators of that facility also connect homeless individuals with critical services.



## SAFE PARKING LOTS

The City also provided respite to individuals experiencing homelessness while living in their vehicles: it expanded a safe parking lot and added another.

The City's Safe Parking program not only provides a secure place for people to sleep with access to restroom facilities and several showers, it provides access to critical assistance and services necessary to secure stable housing. Over nine months, between approximately October 2017 and July 2018, the program served nearly 500 individuals, about a quarter of them children. One of the goals of the program is to provide clients with the resources needed to link with permanent housing or rapid rehousing resources, and staff also helps clients find shelter placements, reunify with their families, and obtain entry into other appropriate programs, depending on the clients' needs.



# LANDLORD ENGAGEMENT AND HOUSING OUR HEROES

The Landlord Engagement and Assistance Program (LEAP) provides incentives to landlords with rental properties in the City who rent to homeless families and individuals. The program, originally launched in 2016 as the Housing our Heroes program and focused on Veterans, is administered by the Housing Commission and has proven successful. In the current phase, there were 1,203 placements through LEAP, exceeding the annual goal of 1,000 placements.

## HOUSINGSD

In San Diego, conversations about homelessness and housing tend to occur separately. But the connection is obvious. Learning more about what the City is doing to address housing through the efforts of the Planning and Development Services Departments under the “HousingSD” program will better inform the City’s ability to make homelessness policy decisions, and vice-versa. Both efforts must be ambitious and coordinated.

While pursuing its homelessness programs and services, the City has increased its efforts to address the ultimate solution we all know is critical: increasing the overall supply of housing in the City and the region.

Attaining an appropriate supply of market-rate and deed-restricted affordable housing is a crucial component to permanently reduce the homeless population. Yet, as in other major California cities, we face a severe shortage at almost every level of affordability. This is undeniable.

Since 2010, the rate of construction of new residential units within the City has averaged approximately 4,150 per year. This is far below the housing demand. From 2010 to 2017, there were 33,109 housing units produced out of the 88,096 unit target set by the State of California for the City of San Diego. This underproduction is especially true in the very low, low, and moderate-income categories, where housing production has only met a very small fraction of the need, as discussed in the City’s 2018 Housing Inventory Annual Report.

**Actual Housing Production (Units) of New Construction by Income (Compared to RHNA)**

Year	Very Low	Low	Moderate	Above Moderate	Total
2010	258	204		1,239	1,701
2011	221	127		2,173	2,521
2012	197	287		3,400	3,884
2013	412	628		4,269	5,309
2014	229	184	4	1,991	2,408
2015	265	446		4,221	4,932
2016	103	253		7,028	7,384
2017	324	301		4,395	5,020
<b>Total Units to Date</b>	2,009	2,430	4	28,716	33,159
<b>RHNA Allocation</b>	21,977	16,703	15,462	33,954	88,096
<b>Percent of RHNA Achieved</b>	9%	15%	0.03%	85%	38%
<b>Total Remaining RHNA</b>	19,968	14,273	15,458	5,238	54,937

Source: City of San Diego Building Permit Data and Housing Commission Data (2010-2017)



The City isn't itself a housing developer. And the City does not control factors such as the costs for land, labor, construction materials, and the cost of borrowing money. But the City can incentivize and make the land more attractive for development. It can do so by, for example, reducing the time it takes and the costs involved in getting a project from concept through entitlement.

This is the focus of the City's HousingSD program, run by its Planning and Development Services Departments.

The City is by some measurements meeting its requirements and is ahead of other cities' efforts. For example, the City has enacted sufficient zoning changes that make a sufficient number of parcels available to meet this demand. The City has enough land identified for development at each affordability level; in fact, it has an excess of land identified. This occurs through measures taken under HousingSD, like the City's comprehensive updates to community plans: these updates provide appropriate land use designations and corresponding zones. Since 2014, the City has adopted eight comprehensive community plan updates and two focused community plan amendments, resulting in increasing capacity to accommodate nearly 30,000 new residential units.

Yet the units are not being built.

The result is that half of all San Diegans are still unable to afford market rate rental units. San Diego has been identified as one of the least affordable cities in the United States. And if building trends continue, the City will be 50,000 units short of our goals by 2020.

The City's efforts must include more than capacity-building. It must take other measures to create incentives for development. Over the past several years, City leaders have taken an unprecedented number of steps aimed at just that: to reduce housing costs, increase housing supply, and streamline the approval process. Several initiatives directly aimed at improving housing affordability for those at risk of homelessness have been recently completed or are in progress. These include:

- Affordable Housing Density Bonus program;
- Affordable/Infill Sustainable Expedite Program;
- Affordable Housing Regulations;
- Streamlining for Permanent Supportive Housing; and
- 100% Affordable Incentive Program.

Further, many of the initiatives directly relate to the recommended actions to accelerate housing production which were included in the San Diego Housing Commission's 2015 and 2017 reports on "Addressing the Housing Affordability Crisis". Of the 22 recommendations in these reports, the City has since taken action on 19 of those measures.

*Opportunities for permanent supportive housing are of special importance. Those units are designed with wraparound services to provide ongoing assistance to individuals with significant needs. As of January 2018, there was capacity to serve 2,956 such individuals in the City and the average availability of those units was approximately 14%.*



For a more complete description of the City’s recent HousingSD efforts, please review the detail provided in Appendix A: “Initiatives to Streamline Development Processes/Reduce Costs for Housing Development.” It provides an overview of recent initiatives to streamline development processes and reduce costs for housing development. It highlights successful initiatives which have recently been adopted, describes proposed actions that are currently in progress, and discusses future reforms which are still in the early stages of development.

The actions taken by the City on these issues are significant and designed to produce substantial change, but they are not likely to bear fruit for some time. It takes months and even years for zoning and regulatory changes to produce results on the ground. The City must not let up on these important efforts, but must be reasonable in acknowledging that no city can effectively address homelessness solely via community planning, municipal code amendments, or processing changes. These efforts must be undertaken in concert with solutions designed to address immediate needs.



## NEIGHBORHOOD COMMITMENTS

In tandem with its legislative and programmatic efforts, the City took other proactive measures. It expanded its sidewalk cleaning, litter pickup, and encampment abatement services in the streets, riverbeds, and canyons, in order to mitigate environmental, health, and safety risks. The City dedicates these efforts to neighborhoods, especially those that accept homeless-related facilities, as a signal of the City's commitment to clean and safe streets for all.

### CleanSD

During the recent expansion of homeless services, the City redoubled its efforts to keep streets, sidewalks, and other City properties clean. It increased attention to addressing litter, illegal dumping, encampments near the San Diego River, encampments that constitute fire risks, and sanitizing sidewalks.

Beginning in mid-2017, CleanSD's efforts initially focused on nine specific areas in the City that were known to experience frequent illegal dumping of trash. In September 2017, in response to the Hepatitis A outbreak, the City began sanitizing sidewalks in the downtown area and has since expanded the program to other areas, determined by need and risk. The City also began proactive waste abatements in the San Diego River area on its own sites, and coordinated with other government agencies and private property owners in the area to do their part. The City soon after added other critical waterways to its efforts, including Chollas and Rose Creeks, and, in partnership with the San Diego Police and Fire-Rescue Departments, have been proactively addressing canyons as well.

The City has also doubled street sweeping in areas of high need, increased its staffing available to respond to "Get It Done" requests, and expanded its working hours for waste removal to include weekends.





## Neighborhood Policing

The City concurrently established the new Neighborhood Policing Division (NPD) within the Police Department, whose mission includes a heightened focus on engaging homeless individuals to encourage them to accept offers for available services.

Since the inception of NPD in early 2018, the City expanded from two to three Homeless Outreach Teams (“HOT”) with seven day a week coverage. In partnership with the County, the City added behavioral health clinicians and an additional social worker. Later this year, the City will add two case managers to assist NPD with managing the care of those provided shelter in the Homeless Outreach Team’s available shelter beds, to improve the efficiency of our limited bed space and provide for a quicker turnaround on placing homeless individuals in programs best suited to their needs. The teams also regularly organize outreach events.



The NPD also includes Neighborhood Policing Teams, which are focused primarily on enforcing quality of life crimes that are reported by the community. The City uses a “progressive enforcement” model that provides for a consistent approach that is compassionate yet firm. Our teams offer services to individuals with whom they come in contact, encouraging homeless individuals to accept services and bed space that is available. If an individual violates the law and is eligible for, but declines, offers for services, the officers are trained to apply a staged approach: the officers provide that individual a documented warning on the first occurrence and a citation on the second. Ultimately, if the violations continue, the officers may make a custodial arrest.

Applying a consistent and progressive enforcement posture, the City provides a high level of responsiveness to community concerns while allowing for a measure of flexibility for those willing to accept available help.

# New Programs Now Underway

It is just over a year after initiating a dramatic push to increase services. The City is committed to maintaining those initiatives. They were crucial to bring individuals to safety, and they were effective in attacking the symptoms of and curtailing the significant public health crisis. And they now serve as a critical part of the City's infrastructure for addressing homelessness.

Nevertheless, they alone will not be enough to significantly change the trajectory along which the City has historically traveled. Emergency measures do not take the place of strategic long-term planning; the City must review the system holistically and act in a focused manner in order to make a more meaningful impact. Now is an appropriate time to take a more calculated and broader-view approach for the purposes of long-term planning.

The City can acknowledge this and at the same time assert that it already has ample information to inform and support its next steps, however. Through its experience, particularly its recent experience, as well as third party expert input, the City gathered important information and gained valuable insight into our region's homelessness care system, and it has a responsibility to apply that knowledge to determine which challenges are appropriate to tackle next.

*The City should continue to plan for the future, but not at the expense of the individuals who need help now. Valuable data and studies are already available. The City doesn't require any further analysis to know that rents are out of reach for many San Diegans. That many among us are one car breakdown or one illness away from homelessness. That youth homelessness is intolerable. That severe mental illness cannot be effectively treated on the streets. That homelessness should not lead to hopelessness.*

The City must act with a dual and coordinated purpose: to address short-term needs while advancing long-term goals. Thus, the City's approach encompasses the following actions to address both the urgent and systemic needs of our homelessness care system:

- 1. Improving Successful Outcomes of the Bridge Shelters;**
- 2. Introducing a New Model of Housing Navigation and Supportive Services;**
- 3. Expanding Access to Existing Housing Stock;**
- 4. Incentivizing the Creation of Affordable and Market-Rate Housing Supply; and**
- 5. Performing Concurrent Comprehensive System Analysis**

The City will undertake these priority programs while continuing efforts on other important projects, using a defined methodology.

## THE CITY'S METHODOLOGY FOR PROGRAMMATIC IMPROVEMENT

The City's recent experiences have been instructive. They have shed light on what the City, Housing Commission, and other partners do well, and it illuminated cracks in our local and regionwide systems. This experience puts the City in a good position to take those lessons learned and best practices, examine the components of the homelessness care system under City authority, and determine how to deliver the most crucial services in the most effective manner. And the City can accomplish this now.



Such an effort requires a reasoned approach and 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. This approach correlates with the goal of ensuring that resources are best spent where they can produce the best outcomes. We will apply a data-driven approach within the Connect. Support. House framework to systematically improve our homelessness crisis response system.

The initial step of such an analysis is to learn about the challenges and successes of each program: deconstructing it, examining what is and what is not working, and partnering with service providers to identify what actions might result in improvements. A next step is to take that information and adapt the program to address shortcomings or take into account changed conditions. This involves engaging service providers to deploy simple changes and innovative strategies. At that point, the City could scale its programs in which it's achieved successful outcomes so that they serve more people, and monitor the programs to track progress.

Learn	Adapt	Scale
Investigate current strategies	Improve processes	Expand successful prototypes
Research innovative techniques	Prototype solutions	Monitor performance
Analyze existing data	Measure results	Standardize operations

The City is already applying Learn and Adapt phases of this methodology to several key initiatives.



## Improving Successful Outcomes of the Bridge Shelters

Despite the successes of the bridge shelter program outlined above, the City must improve access to services at these facilities. Independent assessments of those facilities showed that, due to outdated data regarding the population expected to enter the facility in its initial months, the anticipated needs did not match actual needs observed. Thus, although many individuals have received shelter from the streets and have transitioned into permanent housing, exits to stable housing are not occurring at an optimal rate.<sup>5</sup>



A recent evaluation of the Bridge Shelters by an independent third party identified several challenges and provided recommendations to make the Bridge Shelters more robust and effective.<sup>6</sup> The City recently approved an extension to the shelter contracts with changes designed to make improvements in that regard, by adding case management services and increasing housing services. Additional improvements are feasible and necessary, however. The City will take these recommendations into consideration as we apply the Learn-Adapt-Scale approach to the Bridge Shelters.

Our analysis will identify barriers to Bridge Shelter clients obtaining access to housing and services. Specifically, the City of San Diego will work with the operators of each Bridge Shelter, the Housing Commission, and the RTFH to ensure the Bridge Shelters are helping reduce unsheltered homelessness in our City.

Learn	Adapt	Scale
<ul style="list-style-type: none"> <li>- Analyze findings from evaluations of the bridge shelters;</li> <li>- Determine the process by which individuals move from outreach to stable housing; and</li> <li>- Identify additional data that would assist in enhancing access to services.</li> </ul>	<ul style="list-style-type: none"> <li>- Introduce alternative processes that mitigate identified bottlenecks or system challenges;</li> <li>- Evaluate processes and prototype solutions based on provider expertise and system limitations; and</li> <li>- Identify improvements to limitations in data system.</li> </ul>	<ul style="list-style-type: none"> <li>- Monitor sustained impact of prototyped solutions</li> <li>- Expand successful practices; and</li> <li>- Establish guidelines based on tested and proven solutions to optimize access to housing and services.</li> </ul>

## Opportunities for the City to “Adapt”

The City will use the information gained from this in-depth analysis to determine what operational, physical, or other changes would be likely to improve outcomes at each shelter. To the extent they can be implemented with existing resources and within the bounds of established budgets, the City will encourage the Housing Commission and operators to enact those changes. To the extent they require Housing Authority action, City and Housing Commission staff will bring those recommendations forward for consideration.

One action the City is aware of as a priority for the short term is the need to relocate the Single Women and Families Shelter from the Father Joe’s Villages site, so that Father Joe’s may use that space to construct an affordable housing development. The need for the shelter persists, however, and the City will need to identify funds to relocate the structure to a location where it may continue to serve among the most vulnerable of our entire homeless population.





## Providing Housing Navigation Service

Another need illuminated by the independent assessment is that the shelters lack an adequate housing navigation component: the same is likely true of the regional system.

The Housing Navigation Center (HNC) will be the first facility in San Diego where any homeless individual can find services needed to obtain housing under one roof. Individuals currently face a patchwork that requires them to interact with various agencies at different locations throughout the region, which can prove impossible for those without income or transportation. The Housing Navigation Center removes these barriers by centralizing key resources to help them on their path to a permanent home. This will fill a significant gap in the City’s homelessness system of care.

The HNC will focus on housing placement services, including creative interventions that adhere to Housing First principles and do not rely on the limited supply of permanent supportive housing. It will also be a means to achieve coordinated and enhanced outreach in all areas of the City with need. And it will provide a location to access an array of critical services, such as benefits and connections with providers who can provide employment training or mental health care.

The HNC integrates with many of the City’s existing priorities, including its street outreach efforts, transitional storage and safe parking programs, and its bridge shelters, because it will provide housing navigation services in a way previously not done in the region, along with support that improves each individual’s opportunity to access housing.

The proposed operating contract requires independent third-party evaluation of the program and builds in the ability to further customize and adapt the program to meet on-the-ground conditions. In that regard, the HNC will operate as a pilot program so that we may learn from its successes, adapt to address any shortcomings that may appear, and scale our approach to increase the number of individuals served.

The City has already started to apply the Learn-Adapt-Scale approach to the HNC. The City and Housing Commission reviewed evaluations of the housing navigation center model in Seattle and San Francisco, both of which were early adopters of this type of facility, in order to adopt best practices and learn what works most effectively for each. The City is adapting the HNC to fit the needs of our homeless population and deliver on commitments to the surrounding communities regarding the impact of the facility. The program will scale as needed in all communities in San Diego through outreach and navigation and using a portable and data driven approach, while maintaining a robust level of coordination and services at the facility itself.

Learn	Adapt	Scale
<ul style="list-style-type: none"> <li>- Continue to review existing navigation centers in other cities to identify best practices;</li> <li>- Identify potential barriers and bottlenecks in providing services;</li> <li>- Explore data sources to target programs and services.</li> </ul>	<ul style="list-style-type: none"> <li>- Create and communicate a well-defined, user-friendly guide to HNC services to simplify the process for clients;</li> <li>- Determine HNC performance metrics and systems for tracking clients’ progress;</li> <li>- Develop expert street outreach and navigation tactics incorporating prevention and diversion practices.</li> </ul>	<ul style="list-style-type: none"> <li>- Prototype automated systems with alerts for performance;</li> <li>- Deploy systems adapting to a larger audience, streamlining housing navigation assistance;</li> <li>- Integrate street outreach and navigation efforts throughout crisis response system.</li> </ul>

## Opportunities for the City to “Adapt”

The Housing Navigation Center’s independent evaluation will help the City determine what works well under this model and what might need improvement. But in the meantime, the Housing Navigation Center presents a means to advance some of the City’s other stated priorities, such as coordinated street outreach, prevention and diversion programming, flexible housing opportunities, and recruiting landlords.

## Creating Additional Housing Opportunities

As noted in detail above, the City faces a housing shortage and is taking steps to make development easier and less expensive. But something must be done in the interim. As we increase efforts to build and creatively encourage and incentivize progress toward our goals, the City must determine what can be done right now to assist those who do not have a place to live. This means that the City must find ways to access existing supply. And to do so, we must be flexible, nimble, and creative.

One manner in which this can be achieved is to leverage the success of the Landlord Engagement and Assistance Program (LEAP). The City can apply the Learn-Adapt-Scale approach to enhance the program and gain access to additional units throughout the City.

The City will work with the Housing Commission to learn about potential ways to enhance the program. We will adapt recommendations and create a prototype based on data to target landlord recruitment. We can then scale the approach if we find that there is additional opportunity.



Learn	Adapt	Scale
<ul style="list-style-type: none"> <li>- Look into and understand challenges for gaining access to units;</li> <li>- Explore and evaluate best practices from other jurisdictions for local adaptation; and</li> <li>- Understand data availability, needs, and opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>- Develop more approaches to target and incentivize landlord recruitment;</li> <li>- Expand inventory of potential units; and</li> <li>- Design a model for allocation of Flexible Spending resources.</li> </ul>	<ul style="list-style-type: none"> <li>- Automate processes for landlord recruitment;</li> <li>- Enhance local toolkit for landlord engagement strategies; and</li> <li>- Monitor retention of landlords and commitment of new units.</li> </ul>

## Opportunities for the City to “Adapt”

The City’s team, in partnership with the Housing Commission, will perform an analysis to show what adjustments would be likely to increase landlord participation. But one thing we know now is that, in order to enhance the effectiveness of this project, it could benefit from a flexible spending pool that allows access to additional housing opportunities. Such a resource would provide access to funding not bounded by the restrictions with respect to duration or other constraints that limit the program’s ability for success. It could provide a funding source for non-traditional housing interventions such as one-time assistance for individuals that don’t meet requirements for one of the City’s other programs, or to explore the concept of master leasing.

This funding would streamline access to housing and eliminate barriers. And it could present an opportunity for an innovative partnership between the public and private sectors to expand access to housing for low-income households.

## OTHER PROJECTS

Those three efforts will measurably improve how our system meets the needs of our homeless population. But work on those three priority projects will not halt the City’s many other efforts, for example, the City is:

- Examining sites to serve the additional demand for safe parking facilities and storage options;
- Funding worthy projects eligible for Community Development Block Grant funding;
- Considering a criminal diversion program that would help get treatment for those with substance use disorders, to halt the pattern that lands many homeless individuals in jail and back on the streets in a vicious cycle;
- Reinstating an enhanced version of its successful Resource Access Program, to pair the City Fire-Rescue teams’ community paramedics with clinicians equipped to handle mental health crises;
- Considering the expansion of rapid rehousing in a manner that reduces recidivism to homelessness and provides longer-term stability;
- Determining how best to target youth homelessness within existing and new programming; and
- Pursuing a variety of other projects.

This is only a sample of the various programs the City is evaluating at this time. It is clear there is not a single project or program that will solve this complex issue, but that a multi-pronged approach is required.



# The Future of Homelessness Programs and Funding

These are short- and medium-term strategies. Yet the City needs a long-term plan that accurately predicts needs and identifies solutions. The City and its residents cannot afford to stop working while such a plan is being developed, however. Instead, the City will pursue its immediate and interim strategies, while at the same time building a long-term plan for success.

## CHALLENGES AND OPPORTUNITIES

A successful long-term plan must take into account the City's unique needs and resources. Among those is the revenue that is available – or that could be made available – for its programs. Also important is the context in which the City provides the services.

### Funding

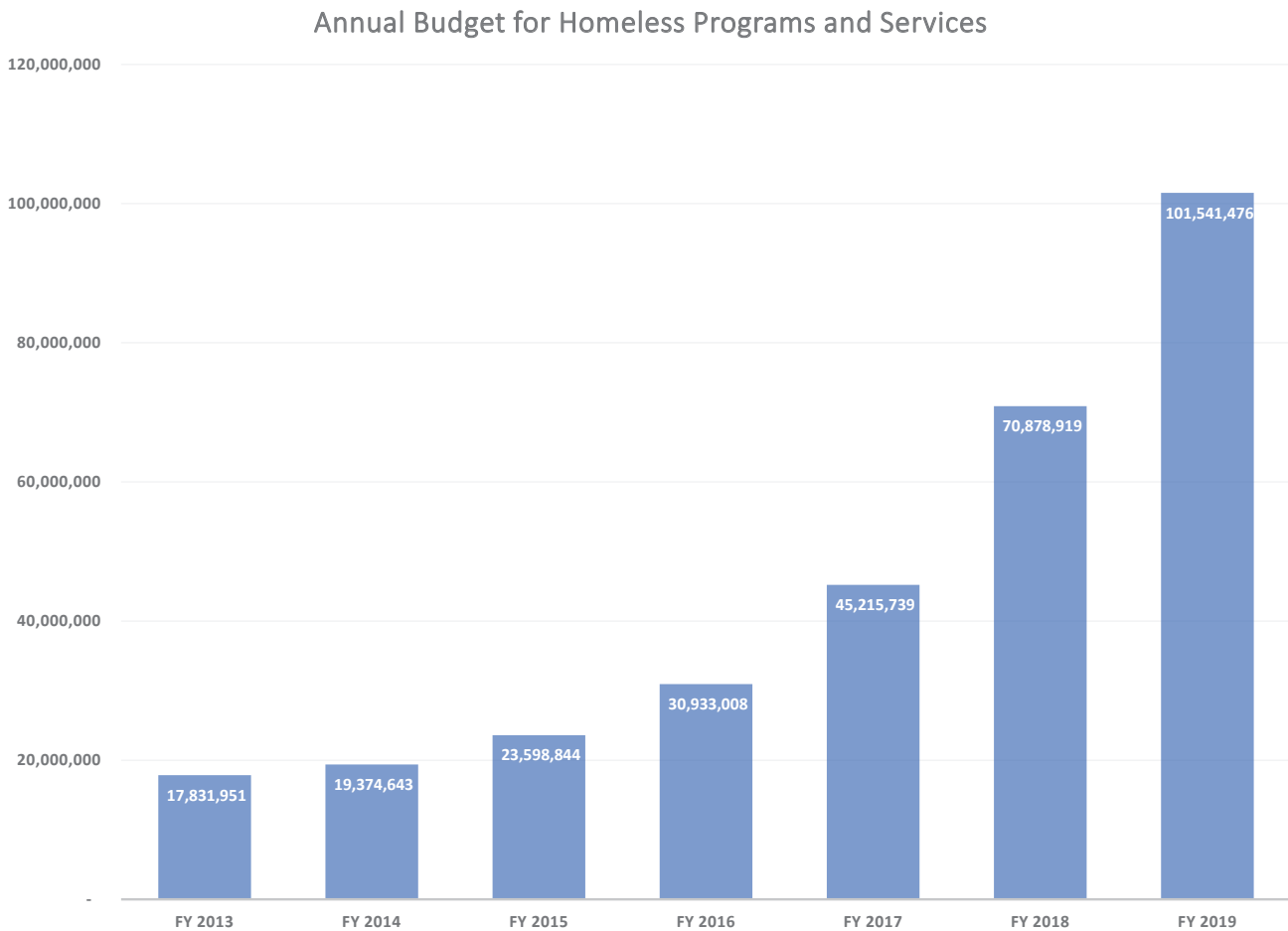
Identifying sufficient resources to fund such efforts is a serious challenge. Limited financial and human capital is an impediment to ending homelessness, as are competing priorities and political will: many worthy efforts compete for the same funds. When the City initiated the Bridge Shelters, it used funds that had been previously planned to fund affordable housing projects but were available in the short term because the developers for those projects were not yet ready to receive those funds. The City promised reimbursement so that there was no net loss to ongoing affordable housing efforts, and did just that. But the question is an important and legitimate one: what funds should be used to pay to address homelessness?

The City should expect to have tough discussions ahead about how homelessness spending stacks up against other needs, such as maintaining and enhancing access to parks and the arts, investing in technology that makes our city run more efficiently, and filling potholes in our neighborhood roads, or the City must be prepared to plan for increased spending and identify any potential revenue sources for the important efforts to serve the homeless population.



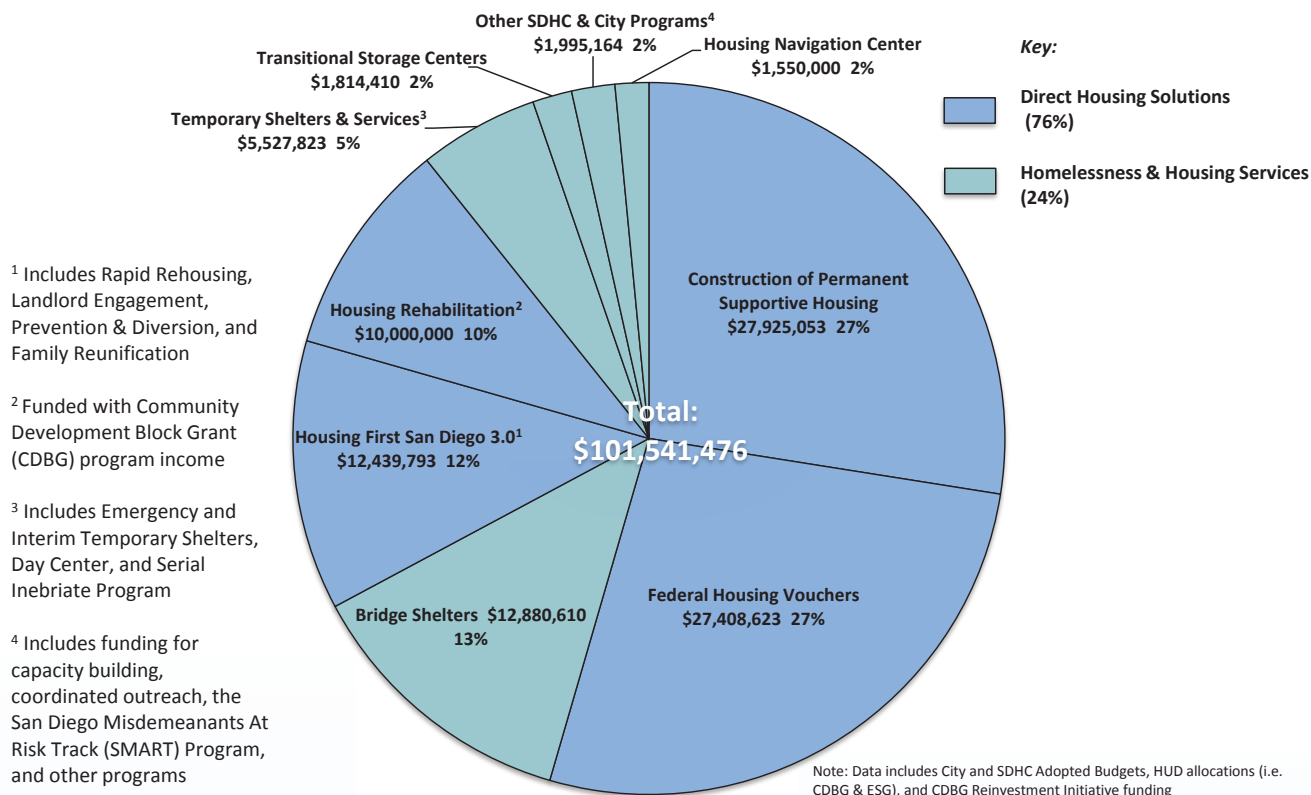
## History and Current Budget:

The amount budgeted in Fiscal Year 2019 for homeless programs and services in the City (determined by examining the City and Housing Commission budget) is almost six times the amount budgeted in Fiscal Year 2013.



In Fiscal Year 2019, that budget, over \$100 million, was distributed as shown in the following chart. Approximately 76% of the budget was dedicated for housing-based solutions that either create affordable housing or provide individuals with a unit.

### Fiscal Year 2019 Budget for Homelessness By Program or Initiative



### State Grant Funding

Anticipating the need to ramp up efforts to serve our homeless constituents, Mayor Faulconer partnered with mayors of California’s 11 largest cities and successfully advocated to the State Legislature to provide funding for additional programming to meet this urgent need. As a result, the State’s Fiscal Year 2019 budget includes approximately \$500 million, to be divided based on population of those experiencing homelessness, with the City slated to receive \$14.1 million and the RTFH to receive \$18.8 million, for one-time emergency expenditures before July 2021.

*Many of the actions identified above in this workplan as “opportunities for the City to adapt” or “other projects” would be eligible expenditures of these grant funds, with sufficient funding remaining to implement recommendations from the longer-term strategic planning effort.*

Further, the City will continue to seek additional funding, such as additional State grants, and will advocate for resources to assist in the support of our homeless programs.

## OTHER FACTORS AFFECTING THE CITY'S HOMELESSNESS ACTIVITIES AND QUALITY OF LIFE INITIATIVES

The City's activities to address homelessness are governed by laws that apply to each of the City's citizens, including the protections of the U.S. and California Constitutions. Some City activity has been subject to legal challenge and subsequent settlement and court order. The City is committed to abiding by the terms of these agreements.

### Special Protocol for Handling Homeless Persons' Personal Belongings

As a result of such a settlement, the City has a special protocol in place for the handling of unattended property encountered along sidewalks that may belong to homeless individuals. Whereas, with respect to other unattended or abandoned property, a city may generally remove and dispose of it, if City staff encounters personal property reasonably known to belong to a homeless individual, the City must provide fair notice to the owner before removing the property. The City must post a notice at the site for a specific time period, to inform the owner that the property is scheduled to be abated. And if City staff returns to the site and the property remains, it must separate and photographically catalog the belongings to determine which are appropriate for disposal and which must instead be transported to a City facility, where they can later be retrieved.

### Lodging on City Sidewalks

The City is also subject to special rules with respect to state law about lodging on City property. During certain nighttime hours, the Police Department may not enforce rules about illegal lodging unless the individual is first offered, and declines, an offer to be placed in an emergency bed.

### Living in Vehicles

Recently, the City was enjoined by court order from enforcing another of its ordinances: a rule against living in vehicles while parked on City streets or parking lots. The City is no longer allowed to issue citations for this offense while the litigation is pending: the court could make a decision on this matter in 2019.

### Downgrading of Certain Criminal Offenses

Some decisions made at the state level have an impact locally relevant to this discussion. One of note is a significant issue that bears upon the City's ability to protect the homeless population, control crime, and address the concerns brought to its attention by worried constituents. This issue is not specific to the homeless population: it has an effect on crime that occurs across all segments of the City's population. This change in the law, adopted at the ballot box by the People of California, downgraded certain crimes from felonies to misdemeanors. This affects the homeless population in several ways. One is that the City is limited in its enforcement authorities against individuals who perpetrate such crimes when they are reported by members of the public. Another, perhaps more serious, implication is that the City is not as easily able to arrest criminals who prey on vulnerable segments of the homeless population.

Drug possession carries lesser penalties, which makes it more difficult for the police to disrupt drug dealers' activities - even as we know that the sales of dangerous and addictive narcotics to the homeless tends to keep them in the cycle of homelessness. Other changes to the law made at the state level have had the effect of disincentivizing participation in pre-trial treatment and criminal justice diversion opportunities. Yet others have affected the number of space the region has available for inpatient mental health treatment.

Each of these decisions is bound in policy reasoning, but each has an impact on the City's ability to control and treat homelessness.

## Lack of Mental Health Resources for the Homeless Population

The County of San Diego is the governmental entity responsible for public health, which includes mental, or behavioral, health. The State and federal governments provide the County with funding for this specific purpose. This division of responsibility is clear. Citizens, however, expect local government to provide adequate care for mental health issues – regardless of jurisdictional authority. San Diegans merely want to know who to call when confronted by someone hurling expletives at them when they're out walking their dogs. Or how to help the woman in soiled clothing who talks to herself outside the local gas station. And governments must work together to provide these answers.

When a person's unmanaged mental illness results in a psychiatric emergency or a member of the public encounters an apparently mental ill in need of help, law enforcement is often asked to intervene. But law enforcement is not the most appropriate public resource to help individuals address long term behavioral health needs. Police officers respond to a wide range of public safety emergencies on a daily basis and may have no choice but to prioritize other pressing matters. And law enforcement personnel lack mental health expertise. This model is not set up to deliver sufficient services to individuals suffering from mental illness.

The County budgets a significant amount of funding for behavioral health services. For Fiscal Year 2019, it plans to spend \$658 million dollars to contribute to behavioral health facilities, services, and programs throughout the region. The County funds these programs through a combination of federal, state, and local resources.

Despite positive efforts to invest in behavioral health programming, there are alarming trends. Data shows that mental health calls to the 9-1-1 system have risen and that emergency rooms have reported significant increases in visits due to schizophrenia and substance abuse.

Further, the City experiences high demand for emergency response calls related to individuals in mental health crisis. **Law enforcement and EMT personnel serve as first responders to these mentally ill individuals**, whether the individuals are on our streets or in their homes. City teams spend significant time responding to mental health related calls for service, transporting clients, and waiting for individuals to be transferred to local emergency departments and mental health facilities. For example, such calls often result in the need for police officers to transport an individual to a mental health facility. On average, this takes approximately 86 hours of police officers' time each day. This is the equivalent of taking 8.5 officers out of duty in our neighborhoods – unavailable for patrol, and unavailable to respond to calls and other critical public safety needs.

Behavioral health and homelessness are not mutually exclusive characterizations: there are many people with behavioral health issues who are not homeless, and many of our homeless population is not afflicted with behavioral health issues. But there is a relationship between the two. Above, this document described that between 29-69% of clients served by the City of San Diego's three Bridge Shelters self-reported having a mental illness or a drug or alcohol issue, and that the PITC showed that figure to be between 43-66% among unsheltered individuals. And the County reports that as many as 24% of patients in inpatient psychiatric care are homeless.

To address such issues, the County recently indicated a focus to conducting a comprehensive analysis of its behavioral health continuum of care and developing a plan to address identified gaps in its system. This effort was, in part, a response to the closure of a number of inpatient beds that had served the North County area. And as many as 108 of the region's approximately 750 licensed inpatient beds are at risk in the near future. Inpatient bed capacity is but one part of the solution, however. There is an unmet need for adequate post-acute facilities and treatment options and permanent supportive housing units for individuals with mental illness. Aware of



these complex issues, the County committed to working on solutions to provide more acute and post-acute facilities to serve the region's needs.

The County has also been participating in the City's efforts to make progress on these issues. The parties have been engaged in a manner that has produced some outcomes designed to help address the effects of mental health on our homeless population. These include the expansion of PERT teams to include 12 additional clinicians for the City of San Diego, helping the City reinstate the Resource Access Program with City of San Diego Fire-Rescue by allocating two additional PERT clinicians, committing to extending the hours and days of operation for the urgent mental health facility known as the Jane Westin Center, and adding approximately 70 new post-acute care beds in the City.

As the County seeks to reconfigure its behavioral health systems and programming to ensure its limited resources are producing successful outcomes to serve the San Diego region's needs, the City will continue to advocate and partner with regional stakeholders, including the County, to help ensure the City's residents can access the mental health care they need.

## The Role of Concurrent Independent Expert Consultation

In light of these restrictions and significant challenges, the City bears a responsibility to spend its limited resources wisely and effectively. Programs must be set and expenditures made in a manner that respects established priorities, whether that means need-based, results-based, or a hybrid approach. And we need to gain an understanding of the scope of existing programs, the gaps in service, and the true costs of effecting significant change: what actions it would take and what it might cost to dramatically reduce or eliminate homelessness.

As the City moves forward with its existing initiatives and its analysis and adaptation of current programs, it would be valuable to obtain a third-party perspective. To that end, concurrent with the work the City is already engaged in, the City and Housing Commission will work with an expert in the field to address these and related questions. The outcome from that effort will inform the City's future decisions on homelessness programming and spending.

The City is very pleased that the Housing Commission has agreed to act as liaison to a nationally-respected consultant on this issue. And the City is prepared to drive this expert to examine specific issues that will have long-term impact. Some issues the City will engage these experts on include the following:

- **Coordination.** How should the City create and execute upon its strategies in coordination with the work being done by other agencies, such as the RTFH and other cities? For example, the City's efforts should align with, not duplicate, and not conflict with the RTFH's community plan effort.
- **Continual Improvements.** What changes can we make to our existing programs and services to improve the level of service we provide? What are we doing well and where do we fall short? How, for example, might the services provided at the Bridge Shelters and Housing Navigation Center be better coordinated, both with each other and with other efforts? What specific changes should the City consider introducing in their contract renewals?
- **Leadership.** In making changes to our system, over which activities is the City best suited to serve as lead, and which activities would be more effectively performed by a coalition of cities, other agencies, or our other partners? How might we better integrate with, request, and obtain assistance from other agencies, such as the County with regard to the challenges the region faces over mental health needs, and from our not-for-profit community?

- **Best Practices.** Are there other cities that execute programs particularly well that we could model to fill a need within the city? Specifically, what are best practices and structures for flexible spending pools and master leasing arrangements, so that the City may implement them?
- **Performance.** What measures should the City use to continually evaluate the performance of its programs? In light of the fact the City has limited ability to control the number of people who become homeless in San Diego or who come to the area after losing a home in another city or state, and in light of the limitations of the annual Point in Time Count, we know that we need more detailed feedback to determine performance. We do know that we have a responsibility to better to serve the homeless individuals within our City boundaries, no matter what the circumstances. With that in mind, what metrics would be most useful to help determine success, and how and how often should they be measured?
- **Funding.** As the City continues to receive outside funding in addition to the potential to see local initiatives passed that may allocate funding specifically for homelessness, how might the City best spend additional funds? How much funding is needed to adequately provide homeless services and permanent housing, given our particular circumstances and projected future conditions? How might we best prioritize expenditures to create the greatest impact overall, or serve the neediest segments of the population?

The City and its partners have the expertise to answer some of those questions. But each answer would be more valuable if the questions were examined in concert with a third party looking at these issues through a broad lens, and the City looks forward to helping to lead this discussion.

## Summary

The Mayor has been at the helm of the most significant expansion of homeless services in San Diego's history. Still, these resources are not reaching some of the City's most vulnerable residents. The Bridge Shelters, Safe Parking Program, Storage Facility and other existing programs each serve a finite population, with thousands more people still living on the streets, in the canyons and near the river.

There is much more to be done to improve existing programs and incorporate new solutions. And there is a great need to ensure the investments in our programming are strategically made.







The City will maintain and expand its commitment to addressing homelessness and, while not letting up on those efforts, concurrently develop additional long-term strategies with the assistance of an independent expert. The City owes it to each of its residents, whether with or without shelter, to be diligent, persistent, and innovative in its urgent efforts to serve those less fortunate in our neighborhoods.








# Appendices


## A. INITIATIVES TO STREAMLINE DEVELOPMENT PROCESSES/REDUCE COSTS FOR HOUSING DEVELOPMENT 2014-CURRENT








INITIATIVE	SUMMARY	COMPLETED	IN PROGRESS	FUTURE ACTIONS
<b>Development Permit Flexibility</b>	Provides additional flexibility (Extension of time) to complete housing project construction under approved development permits.	✓		
<b>Application of New Regulations</b>	Allows projects to have the benefit of new regulations (adopted after the permit effective date) without a need to amend their development permit when the resulting development is in substantial conformance with the permit.	✓		
<b>2015 Comprehensive Update to the Land Development Code (LDC)</b>	57 Code amendments to improve the permit process including: streamlining to implement the City's Economic Development Strategy, efficiencies in processing environmental permits for certain properties over 45 years old, Companion Unit regulations to remove constraints and allow them through ministerial processing.	✓		
<b>Shared Parking</b>	Reduces the process required for shared parking agreements via agreements with neighboring properties and potentially allow greater development density.	✓		
<b>Development Impact Fee (DIF) Deferral</b>	Allows the City to issue building or construction permits prior to the payment of DIF for a maximum of two years to encourage the initiation of development.	✓		
<b>Community Plan Implementation Density Incentive</b>	Creates density incentives for redevelopment of six-unit apartment complexes with an interior parking lot to pedestrian-friendly development consistent with the community plan.	✓		



INITIATIVE	SUMMARY	COMPLETED	IN PROGRESS	FUTURE ACTIONS
<b>Affordable Housing Density Bonus</b>	Incentivizes the development of affordable housing through: 1. Increased Density Bonus 2. Increased Number of Development Incentives 3. Reduced Permit Process 4. Reduced Parking Ratio 5. Off-Site Affordable Dwelling Units			
<b>Promise Zone Designation</b>	Development within promise zones receive expedited discretionary and ministerial permit processing for all eligible building projects.			
<b>2016 Comprehensive Update to the Land Development Code</b>	40 Code amendments to improve the permit process including: streamlining public noticing, a new exemption from the requirement to obtain a Coastal Development Permit for certain single dwelling unit development, facilitating shared parking, and reducing steps for non-historic development over 45 years old.			
<b>Accessory Dwelling Units (ADUs) (Companion Units, Granny Flats, and Junior Units)</b>	Implemented State requirements that included a reduced process, zoning flexibility, and reduced water & sewers fees for Companion Units (CU). Included additional incentives to provide an alternate source to affordable housing; including a Junior Unit category. Fees associated with CU construction have since been waived.			
<b>Streamlined Environmental Review</b>	Allows a streamlined environmental review process for projects consistent with the densities established by existing zoning, community plan, or general plan policies for which an Environmental Impact Report (EIR) was certified.			
<b>Climate Action Plan (CAP) Checklist</b>	Adoption of the CAP along with the CAP Checklist and Greenhouse Gas (GHG) Thresholds, has provided a streamlined California Environmental Quality Act (CEQA) review for GHG reductions for projects			

INITIATIVE	SUMMARY	COMPLETED	IN PROGRESS	FUTURE ACTIONS
<b>Affordable/ Infill &amp; Sustainable Expedite</b>	The ordinance was amended to reduce the discretionary review process; allow more deviations to qualify for the reduced process, expand the eligibility to capture more infill projects; and establish clear citywide policy. Council Policy 600-27 was also amended to reflect the two expedite programs.			
<b>Affordable Housing Regulations</b>	Additional incentives that the City has implemented include allowing developers to construct an additional density bonus above the maximum allowed under the density bonus regulations, totaling 50 percent, if they are not requesting any waiver/incentive; allowing micro-unit projects to qualify for a 100 percent density bonus; in addition to other streamlining.			
<b>2017 Comprehensive Update to the Land Development Code</b>	46 code amendments to help improve the permit processes including streamlining and flexibility related to: Historical Resource Regulations, Lot Consolidation, Paleontological Mitigation, Live/Work Quarters, and a reduction in parking within Transit Priority Areas (TPA).			
<b>Housing Inventory Annual Report</b>	Provides information related to the City's housing supply, affordability, and an overview of recent actions to increase housing production.			
<b>Live/Work Quarters Amendments</b>	Expand the application of current Live/Work Ordinance to additional zones to facilitate more housing opportunities in close proximity to workplace and revisions to the regulations to provide housing alternatives within the work space.			
<b>New Mixed-Use Zoning Packages</b>	Will create new mixed-use zones which locate housing in closer proximity to employers, and foster transit-oriented development.			
<b>Development Impact Fee (DIF) Calculations</b>	The City is currently reviewing the existing methodologies and procedures, survey best impact fee practices, and will recommend a preferred methodology for calculation of fees for consideration.			

INITIATIVE	SUMMARY	COMPLETED	IN PROGRESS	FUTURE ACTIONS
<b>Parks Master Plan</b>	Will identify new definitions for what a park is, review population-based park standards, expand the use of park equivalencies, address park deficits by reevaluating park service levels, guide future acquisition, design, and construction of recreational facilities, and identify funding opportunities for the existing and future park system.			
<b>Parking Incentives within Transit Priority Areas</b>	Develop parking requirements that allow for parking reductions within TPA's, thereby providing for better development potential and utilization of developable land to build housing units.			
<b>Streamlined Transportation Analysis</b>	Update the City's CEQA transportation analysis metrics and significance thresholds from level of service (LOS)/ vehicle delay-based metrics to vehicle miles traveled (VMT)-based metrics, consistent with SB 743.			
<b>2018 Comprehensive Update to the Land Development Code</b>	City staff is in the early stages of reviewing approximately 100 key amendments to the LDC to further address housing affordability and improve processing.			
<b>Moderate/ Middle Income Density Bonus</b>	Incentives for developers to construct housing projects that provide units that can be sold or rented to entry-level/middle-income households			
<b>Concurrent Processing</b>	Processing of ministerial permits during discretionary review			
<b>Transportation Master Plan</b>	A transportation master plan to coordinate existing plans, taking into account all modes of transportation and potentially reducing Development Impact Fees by reducing roadway improvements and focusing instead on multi-modal access			

INITIATIVE	SUMMARY	COMPLETED	IN PROGRESS	FUTURE ACTIONS
<b>Comprehensive Community Plan Updates</b>	Ongoing component of Planning Department's Work Program. Since 2014 have completed 12 Plan Updates and Amendments resulting in adding capacity for over 37,000 additional residential units.			
<b>Streamlining for Homelessness Solutions</b>	Publicly initiated project streamlining to exempt from permit (ministerial and/or exemption) within existing structures and developed properties (e.g. parking lots). <ul style="list-style-type: none"> <li>• Permanent supportive housing conversion</li> <li>• Camping/Parking lots</li> <li>• Bridge structures</li> </ul>			
<b>Comprehensive Update of CEQA Thresholds</b>	A comprehensive update to the City's Thresholds for Determining Significance under CEQA, to reflect changes in State law, case law, and science, as well as current City regulation that reduce or avoid potential impacts.			
<b>Commercial Flexibility</b>	Flexibility to allow interim ground floor residential or office where commercial retail is typically required through a Conditional Use Permit			
<b>100% Affordable Incentive Program</b>	Incentives to promote projects that are 100% affordable, including ministerial processing			
<b>Permanent Supportive Housing</b>	Supportive housing by right in certain citywide zones			
<b>Storage for Homeless Individual's Items</b>	Permit homeless storage facilities by right in certain zones given location criteria			

## B. REFERENCES AND RESOURCES

1. List of evaluations and assessments of San Diego regional efforts to address homelessness and access to housing
  - [Impact of the San Diego SIP on Use of EMR, Evaluation of the Impact of SD SIP \(2006; Dunford et al\)](#)
  - [Five-Year Work Plan Toward Goal of Ending Homelessness in Downtown San Diego \(2011; LeSar\)](#)
  - [Transitional Housing Assessment & Recommendations Report \(2014; CSH\)](#)
  - [Addressing the Housing Affordability Crisis in San Diego & Beyond \(2015; LeSar\)](#)
  - [Community Standards \(n 2018; RTFH\)](#)
  - [Assessment of Homeless Individuals' Perceptions of Service Accessibility in Downtown San Diego \(Abdel-Smad, Welsh 2016; SDSU\)](#)
  - [Effectiveness & Efficiency of Serial Inebriate Program \(Dodson 2016; SDSU\)](#)
  - [San Diego Independent Living Association Evaluation \(2016; CSH\)](#)
  - [Evaluation of CA Community Paramedicine Pilot Project \(Blash et al 2017; UCSF\)](#)
  - [Performance Audit of the Affordable / Infill Housing and Sustainable Buildings Expedite Program \(2016; City Auditor\)](#)
  - [2018 Point in Time Count and Housing Inventory Count](#)
  - [Addressing the Housing Affordability Crisis \(2017; SDHC\)](#)
  - [Initiatives to Streamline Development Processes/Reduce Costs for Housing Development 2014-Present \(City of San Diego Planning Department\)](#)
  - [City of San Diego 2018 Housing Inventory Report](#)
2. [City of San Diego, Council Policy 000-51 "Comprehensive Policy on Homelessness"](#)
3. [Strategic Framework to End and Reduce Homelessness \(2017; RTFH\)](#)
4. [United States Interagency Council on Homelessness "Home, Together: The Federal Strategic Plan to Prevent and End Homelessness" \(2018\)](#)
5. [San Francisco Navigation Center Evaluation & Reports \(2015-2016\); Seattle Navigation Center Program Evaluation Results \(2018\)](#)
6. [San Diego Bridge Shelter Evaluation \(2018; Focus Strategies\)](#)
7. [Los Angeles County's Flexible Housing Subsidy Pool \(2017; LA County Dep. of Health and Human Services\)](#)
8. [Housing First San Diego Action Plans \(SDHC\)](#)

# Footnotes

<sup>1</sup> See 2018 Annual Point in Time Count (PITC) conducted by the Regional Task Force on the Homeless in accordance with U.S. Department of Housing and Urban Development rules, available at: <https://www.rtfhsd.org/wp-content/uploads/2017/06/2018-WPoint-in-Time-Count-Annual-Report.pdf>

<sup>2</sup> The federal government defines a chronically homeless individual as someone who has experienced homelessness for a year or longer, or who has experienced at least four episodes of homelessness in the last three years and also has a diagnosed disability that prevents them from maintaining work or housing.

<sup>3</sup> PITC 2018, pg 17.

<sup>4</sup> Average capacity from opening through August 2018, excluding the first 30 days of operation (the ramp-up period) is 96%. Some of the vacancy is attributable to occupants with some income who chose to live in other locations during part of each month, or to top bunks remaining unfilled when families have an odd number of members.

<sup>5</sup> Exits to housing lagged behind a contractual target imposed by the City on the shelter operators. The target applied is one that is normally applied to a substantially different type of program over a longer period of time, so this outcome was not unexpected by industry experts. Nevertheless, the shelters' failure to meet that target has created an impression that the shelters are not performing well. It is appropriate at this time to examine the model and devise reasonable but ambitious goals for the shelters.

<sup>6</sup> See Focus Strategies' Temporary Bridge Shelter Evaluation and Action Plans, 2018.

<sup>7</sup> This includes such programs as psychiatric beds at the County Mental Health Hospital, adult psychiatric inpatient units, psychiatric crisis stabilization centers, emergency screening units, assertive community treatment programs, full service partnerships, eligibility workers, psychiatric emergency response team (PERT) staff, behavioral health outreach workers, public health nurses, and the Whole Person Wellness pilot program.

<sup>8</sup> See, e.g., [https://www.sandiegocounty.gov/content/dam/sdc/auditor/pdf/caoplan\\_18-20-hhsa.pdf](https://www.sandiegocounty.gov/content/dam/sdc/auditor/pdf/caoplan_18-20-hhsa.pdf)



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