



**Sacramento
Housing &
Redevelopment
Agency**

REPORT TO COUNCIL
City of Sacramento
915 I Street, Sacramento, CA 95814-2671
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Staff Report
March 4, 2008

Honorable Mayor and Members of the City Council

Title: First Year Progress Report on Sacramento's Ten Year Plan to End Chronic Homelessness

Location/Council District: Citywide

Recommendation: Receive and File

Contact: Diane Luther, Director of the Ending Chronic Homelessness Initiative (ECHI), 447-7063 x337; Jim Hare, Assistant Director Housing and Community Development, (916) 440-1313

Presenters: Diane Luther, ECHI and Tom Gagen, CEO, Sutter Health.

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue: On September 26, 2006, the City Council and Board of County Supervisors adopted the Ten Year Plan to End Chronic Homelessness. In its first year of operation, the Ending Chronic Homelessness Initiative has successfully addressed the needs of chronically homeless individuals. The First Year Progress Report (Attachment 1) outlines the Initiative's accomplishments and describes challenges that have surfaced during the first year of implementation. The following is a summary of the Initiative's accomplishments and challenges to date:

First Year Accomplishments

- 171 chronically homeless people (those with disabilities who have been homeless a year or more) were moved into Permanent Supportive Housing (PSH) during 2007. Almost all of these individuals were housed by the "Units Through Leasing" strategy, under which nonprofit providers lease houses and apartments and provide affordable rent and supportive services to the clients.
- Three new Permanent Supportive Housing projects are under construction:
 1. Martin Luther King Village – 80 new construction units for chronically homeless to be completed in fall 2008

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2. Ardenaire Apartments – Rehabilitation of an existing apartment building - 19 units dedicated for chronically homeless to be completed in fall 2008
 3. Colonia San Martin – New construction apartments with 40 units set aside for disabled very low income individuals and families with HIV/AIDS to be completed October 2008.
- A new organizational structure for the homeless oversight system has been established. The new Policy Board to End Homelessness includes high level political and private sector representatives. The new Interagency Council is composed of more than 30 members representing critical housing and services sectors. Ten committees under the Interagency Council are working to produce initiatives aimed at creating system changes needed to end chronic homelessness.
 - Studies across the country have demonstrated that it is more cost effective to provide Permanent Supportive Housing to homeless people with disabilities than to allow them to continue to be homeless. Sacramento may save \$1.5 to 2.5 million per year with its current placement of 171 program participants.

Challenges to Full Implementation of the Plan

- As expected, demand for PSH for chronically homeless people far exceeds the supply of housing available. The new Central Intake operation was open only six months before its waiting list of qualified applicants exceeded capacity. The Central Intake Office is no longer accepting new applicants until new housing projects come on line.
- A financial analysis by the Ending Chronic Homelessness Initiative shows a significant current and future funding gap for case management services which are critical to client success in permanent supportive housing.

Year Two Activities

- Development of a federally qualified health center in Sacramento, a critical piece of the Plan, is underway. Pending imminent approval from the federal government, The Effort (a local service provider) will be able to provide treatment services to all of the chronically homeless people served by the Plan.
- The new Central Intake office will work with the developers of the three new PSH projects, along with the service providers, to quickly place homeless disabled clients into the units in late 2008.
- Efforts to establish permanent funding streams for case management services will be considered under the sponsorship of the Policy Board.

March 4, 2008

First Year Progress Report on the Ten Year Plan To End Chronic Homelessness

Policy Considerations: The Progress Report updates the Council on the policies adopted in the Ten Year Plan.

Environmental Considerations: None.

Committee/Commission Action: This report was presented to the Sacramento Housing and Redevelopment Commission on February 20, 2008.

Rationale for Recommendation: Not applicable; receive and file.

Financial Considerations: None

M/WBE Considerations: The items discussed in this report have no M/WBE impact; therefore; M/WBE considerations do not apply.

Respectfully Submitted by:



LASHELLE DOZIER
Interim Executive Director

Recommendation Approved:



RAY KERRIDGE
City Manager

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