



City Council Report

915 I Street, 1st Floor

Sacramento, CA 95814

www.cityofsacramento.org

File ID: 2019-00185

February 12, 2019

Consent Item 27

Title: Authority to Receive External Funds for Homeless Sheltering Activities

Location: Citywide

Recommendation: Adopt a Resolution, authorizing the City Manager, or City Manager's designee to 1) accept \$1.1 million donation from Sutter Health; and 2) increase revenue and expenditure budget in the amount of up to \$1.1 million for the Homeless Housing Initiative Program (I02000200) in the Externally Funded Program Fund (Fund 2703) to support sheltering activities.

Contact: Emily Halcon, Homeless Services Coordinator, (916) 808-7896; Angela Marin, Administrative Analyst (916) 808-7949, Office of the City Manager

Presenter: None

Attachments:

1-Description/Analysis

2-Resolution

Description/Analysis

Issue Detail: The crisis of unsheltered homelessness is one that impacts an entire community, both those experiencing homelessness and the broader community of housed residents, businesses, and neighborhoods. On December 8, 2017, the City opened the Triage Shelter at 2040 Railroad Drive, which added 200 shelter beds accessible by referral through the Police Impact Team and City outreach partners in the City's Pathways to Health + Home ("Pathways") program. The Triage Shelter has been in operation for 13 months through five contracts extensions approved by Council. The last extension continues shelter operations until April 30, 2019 and reduced shelter capacity to 100 guests to be able to provide the best services to a very vulnerable population.

In addition to the Triage Shelter, the City also funds, either directly or through partnerships with the Sacramento Housing and Redevelopment Agency, five other shelter programs with 332 beds. Despite these efforts, there remains a significant need for additional shelter capacity and services linking shelters to permanent housing to make a demonstrable difference in the number of people experiencing unsheltered homelessness in Sacramento.

Future Shelter Funding

In June of 2018, the State of California allocated over \$553 million in one-time State funding for two new programs to address the urgent and immediate need for homeless services. The Homeless Emergency Aid Program (HEAP) awarded \$5.65 million to the City of Sacramento and \$12.7 million to the Sacramento Continuum of Care (CoC), and the California Emergency Solutions Program (CESH) awarded \$1.62 million to the CoC. The City, Sacramento County and Sacramento Steps Forward (SSF) developed an investment strategy for the almost \$20 million in three primary areas: 1) expansion of emergency shelter services; 2) creation of a flexible re-housing program; and 3) homeless services system improvements. The City is exploring approaches for sustainable long-term triage shelter(s) and actively pursuing options to secure sites.

In addition to HEAP funds, the City continues to contribute significant General Fund resources to support shelter activities. Through the FY2018/19 mid-year budget, the City committed an additional, one-time allocation of \$16.7 million to expand on the success of the Triage Shelter and fund transitional housing for single women and families. In addition to government dollars, Sutter Health, Dignity Health, UC Davis Medical Center and other community partners have contributed to sustain and expand shelter operations in the city. These partnerships demonstrate a successful collaborative effort and the potential for further public-private partnerships to support the City's bigger sheltering vision as outlined in the February 12, 2019 shelter workshop. Sutter Health is donating \$500,000, the Taylor Fund is donating \$300,000 with Sutter Health matching that contribution in full with an additional \$300,000 donation, for a

total of \$1.1 million in donations to support sheltering activities. These funds will augment the wider City efforts to reduce homelessness.

Policy Considerations: In planning for future sheltering activities the City will coordinate with the CoC and participate in the community's coordinated entry and assessment program, as well as the City's Pathways program. These programs align with the federal directive that funding for addressing homelessness follow a "Housing First" approach and be part of a larger strategy to lowering barriers to services. Housing First principles ensure that emergency shelter be provided with few to no barriers to access and focus on linking clients with permanent housing as quickly as possible. In Housing First programs, supportive services are offered (but not required as a condition of tenancy) in shelters and ongoing to help people keep their housing and avoid returning to homelessness. This evidence-based approach is consistent with the strategies and funding priorities of the other public agencies working to end homelessness in Sacramento. Partnering with other organizations to leverage resources and improve livability is consistent with the City Council's past actions and current direction and is consistent with Council's adopted Budget Guidelines to pursue new and enhanced revenue sources

Economic Impacts: None.

Environmental Considerations: None.

Sustainability: None.

Commission/Committee Action: None.

Rationale for Recommendation: Homelessness continues to be a compelling and pivotal issue for the City, and the City Council has made significant investments over the past years to increase services, shelter capacity and housing supports for people experiencing homelessness. Despite these efforts, homelessness is on the rise across our State, and is affecting communities throughout the City and the County of Sacramento. The HEAP and CESH programs offer significant funding and a unique opportunity to make investments to creatively address local needs related to homelessness and to collaborate with Sacramento County, SSF, and other cities in the county to develop a true county-wide response to homelessness.

Financial Considerations: Funding from Sutter Health and the Taylor Fund will provide the City with \$1.1 million which will be budgeted in I02000200 in Fund 2703 to support the City's sheltering activities

Local Business Enterprise (LBE): Not applicable.

RESOLUTION NO. 2019-

Adopted by the Sacramento City Council
February 12, 2019

AUTHORITY TO RECEIVE EXTERNAL FUNDS FOR HOMELESS SHELTERING ACTIVITIES

BACKGROUND

- A. Despite increased collaboration and funding, homelessness in Sacramento is more visible and widespread, and impacts of unsheltered homelessness are being felt in communities throughout the City. Homelessness is one of the biggest issues facing the City, and the City Council has made significant investments over the past years to increase services, shelter capacity and housing supports for people experiencing homelessness.
- B. According to the 2017 Point-in-Time Count for the County of Sacramento, 3,665 persons within the County of Sacramento, including approximately 1,779 who are within the City of Sacramento (“City”), are homeless. This population includes veterans, women, children, persons with disabilities, seniors, and other vulnerable groups. The number of people experiencing homelessness is significant, and these persons are without the ability to obtain shelter.
- C. Existing programs coordinated through Sacramento Steps Forward offer outreach, assessment and housing for people experiencing homelessness, but do not have the capacity or capability to provide the level of support necessary to re-house some of the most vulnerable and chronically homeless individuals in the community. Additionally, the City’s Pathways to Health + Home (Whole Person Care) program offers much needed supportive services for people experiencing or at-risk of experiencing homelessness, but it cannot pay for crisis shelter beds.
- D. Sutter Health has been a strong supporter of efforts to reduce and end homelessness in Sacramento, and a partner in the City homeless initiatives. Funding from Sutter Health and the Taylor Fund will support the City’s sheltering activities.
- E. Sutter Health is donating \$500,000, the Taylor Fund is donating \$300,000 with Sutter Health matching that donation in full through an additional \$300,000 donation for a total of \$1.1 million in donations the City to support sheltering activities. These funds will augment the wider City efforts to reduce homelessness.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

Section 1. The City Manager or City Manager's designee is authorized to accept Sutter Health's \$500,000 donation, the Taylor Fund's \$300,000 donation, and Sutter Health's \$300,000 matching donation.

Section 2. The City Manager or City Manager's designee is authorized to increase the revenue and expenditure budgets in the amount of up to \$1,100,000 for the Homeless Housing Initiative (I02000200) in the Externally Funded Program Fund (Fund 2703) by the amount of each donation upon receipt of that donation.