



THE REGIONAL STEERING COMMITTEE ON HOMELESSNESS AND HOUSING

Together we: Identify common problems, search for useful solutions

Collectively we participate in: Policy development
Training Information sharing Action strategies
Program design

WELCOME

NOVEMBER 19, 2004

10:00 AM – 2:00 PM

- 1. Debrief of the November Elections and an Update on Federal and State News and Blues**
- 2. A Look at State Issues and How They are Being Addressed**
 - a. *An update on the Housing California Task Force; Regional work being done*
 - b. *Joe Farrelly, from County of Sacramento Department of Human Assistance presents on the most recent Northern/Central Valley Homeless Roundtable.*
 - c. *Housing California workshop ideas*
- 3. Strategies in Developing More Permanent Housing**
- 4. A Deeper look at the Department of Corrections Statewide and on a Local Level**
 - a. *HomeBase presents on overview of the criminal justice system.*
 - b. *Rodney Brooks, Chief of Staff to Alameda County Board of Supervisor Keith Carson, discusses a new project under development in his community*
- 5. Enumeration and the January Count**
- 6. Recent Events/Upcoming Events**
 - a. *Update on S+C meetings*
 - b. *Youth and HMIS Conferences*
 - c. *San Francisco Partnership event*
 - d. *Contra Costa's Housing Forum*
 - e. *BACHIC update*
 - f. *Homeless Families event*
- 7. Topics and Meetings Dates for Next Year**

Upcoming RSC Meetings -- Mark Your Calendars!

January 21

March 18

May 20th

**Upcoming RSC Meeting Topics for the month
of November and beyond:**

- Taking a global look at homelessness: what are other countries doing to end homelessness?
- A convening of the local Department of Veterans Affairs homeless coordinators
- Institutionalization in the context of serving homeless people
- Mental Health Outreach Conference Planning

We are so pleased to see all of you at these meetings; your presence and input are what make the RSC meaningful and successful. Thanks for keeping us in your busy schedules!

MEMORANDUM

TO: Bay Area Regional Steering Committee on Homelessness and Housing
FROM: HomeBase
RE: Electoral News
DATE: November 19, 2004

This election, voters across the country held tight to their purse strings and California was no exception. Many measures that proposed the spending of money went down in defeat. Here are the results (and possible effects) of a select few statewide and local measures from the November 2, 2004 election. Below is a snapshot view. For more details, continue reading.

Snapshot view of the results

Results that directly or indirectly help support the prevention or eradication of homelessness

- ✓ Passage of Proposition 63: Mental health services expansion
- ✓ Passage of Berkeley Measure P: Section 8 Rent Stabilization

Results that may increase homelessness or otherwise negatively impact the homeless population

- ✗ Defeat of San Francisco Measure A: Affordable housing bonds
- ✗ Defeat of Proposition 66: Modification of “three strikes” law
- ✗ Defeat of Proposition 67: Phone surcharge to support emergency rooms
- ✗ Defeat of Berkeley Measure M: Emergency medical services and paramedic tax
- ✗ Combination of passage of Proposition 1A and defeat of Proposition 65: Local revenue protection

Details of the results

PROPOSITION 63	Mental Health Services Expansion	Passed
Ballot Description	Implications	
➤ Establishes 1% tax on taxable personal income above \$1 million to fund expanded health services for mentally ill children, adults, and seniors.	➤ Increased funding for mental health programs around the state (including “capital facilities”); the state will allocate the funds in the following manner to counties, who will distribute the funding to the local level: ▪ Each year counties are required to update a three-year plan. This plan must document the unmet needs, the costs of meeting those needs, the capacity in staff and facilities, and the success the county has had with previous’ years funds based upon performance outcome reports.	

<p>➤ Additional state revenues of about \$800 million annually by 2006–07, with comparable annual increases in total state and county expenditures for expansion of mental health programs.</p> <p>➤ Unknown partially offsetting savings to state and local agencies.</p>	<ul style="list-style-type: none"> ▪ County plans can include requests for funds for human resources, capital and technological facilities, and reserves for financial uncertainties in order to ensure that a county will be able to continue serving those it enrolls who are likely to need services for several years. □ Up to 20% of the funds allocated by the state each year can include funds for any combination of these purposes. ▪ The State Department of Mental Health will evaluate all of these factors and requests annually and—after the requests have been subjected to hearings, review and comment both locally and by the State Oversight and Accountability Commission—make allocations. ▪ 20% of the funds will be allocated according to a formula for prevention and early intervention programs. ▪ \$300 million in funds over the first three years will be allocated according to a formula for capital facilities and technological needs. ▪ \$300 million in funds over the first three years will be allocated by the state for human resources programs based upon the unmet needs developed in county plans. These funds will not necessarily be allocated directly to counties and instead may go directly to educational organizations or to individuals to support their education. ▪ 5% of what each county receives from all of these sources must be used for Innovative Programs in order to improve access to underserved populations, improve the quality of services including better outcomes, promote interagency collaboration and overall increase access to services. ▪ The state may also allocate up to 5% to counties for planning and administration.
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BERKELEY MEASURE P	Section 8 Rent Stabilization	Passed
<p>Ballot Description</p> <p>➤ Shall the Berkeley Rent Stabilization and Eviction for Good Cause Ordinance be amended to: regulate Section 8 rent above the federal payment standard; exempt certain subsidized units; specify rent deposit interest</p>	<p>Implications</p> <p>➤ Rent control for any amount exceeding the federal “payment standard.”</p> <p>➤ Units rented under the federal Section 8 program where the rent exceeds the maximum rent that is subject to federal subsidy <i>i.e.</i> “the payment standard” would become subject to Berkeley’s rent control ordinance; the difference between the “payment standard” and the subsidized amount would</p>	

<p>rate reimbursement; permit City use of Rent Board information; set base rent for certain units; limit eviction of tenant for replacement roommate; and eliminate most criminal penalties?</p> <p>➤ Possible revenue loss up to \$20,000 FY 2006 to Rent Stabilization Board.</p>	<p>constitute the “base rent” for purposes of rent control.</p> <p>➤ Subsidized units rented by non-profit housing corporations to low-income tenants pursuant to a regulatory agreement with a governmental agency would be exempt from the registration and rent regulation provisions of the Rent Stabilization Ordinance.</p> <p>➤ Transitional housing units rented by non-profit organizations as an incident to recovery and shelter programs would be exempt from all but the Good Cause for Eviction provisions of the Rent Stabilization Ordinance except as preempted by the Transitional Housing Participant Misconduct Act.</p>
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SAN FRANCISCO MEASURE A Affordable Housing Bonds Defeated

Ballot Description	Implications
<p>➤ Shall the City borrow \$200,000,000 to buy, build or renovate supportive and affordable housing and assist low- and moderate-income individuals and households to buy a home? Specifically, the measure called for the following distribution:</p> <ul style="list-style-type: none"> ▪ \$90,000,000 would be used for housing with supportive services for homeless or extremely low-income individuals and households that are at risk of becoming homeless (earning no more than 30% of the Area median income). ▪ \$60,000,000 would be used for rental housing for individuals and households of very-low- and low-income (earning no more than 60% of the Area median income). ▪ \$25,000,000 would be used to develop ownership housing for individuals and households of low- and moderate-income (earning between 60% and 90% of the Area median income). ▪ \$25,000,000 would be used to help individuals and households of low- and moderate-income (earning between 60% and 100% of the Area median income) buy a home. 	<p>➤ Advocates in favor of this bond measure argued that this measure would have brought affordable housing options for the homeless, renters, and first-time home buyers, and would have provided on-site supportive services to homeless individuals.</p> <p>➤ Detractors argued that the proposal needed to have been broken into three separate bond measures so voters have a choice on each housing policy approach, and objected to the debt and financing costs of the measure.</p> <p>➤ While the landscape is not changed from what it was prior to the election, a tremendous affordable housing opportunity has been lost this year.</p>

PROPOSITION 66 **Three Strikes Modification** **Defeated**

Ballot Description	Implications
<p>➤ Amends "Three Strikes" law to require increased sentences only when current conviction is for specified violent and/or serious felony.</p> <ul style="list-style-type: none"> ▪ Redefines violent and serious felonies. Only prior convictions for specified violent and/or serious felonies, brought and tried separately, would qualify for second and third "strike" sentence increases. ▪ Allows conditional re-sentencing of persons with sentences increased under "Three Strikes" law if previous sentencing offenses, resulting in the currently charged felony/felonies, would no longer qualify as violent and/or serious felonies. ▪ Increases punishment for specified sex crimes against children. 	<p>➤ Advocates for change argued that this measure, if passed, would not only imprison individuals needlessly, but would also drive up costs associated with long-term imprisonment (translating into lesser revenues for other state priorities) and create a greater need for discharge planning</p>

PROPOSITION 67 **Phone Surcharge to Support Emergency Rooms** **Defeated¹**

Ballot Description	Implications
<p>➤ Provides funding to physicians for uncompensated emergency care, hospitals for emergency services, community clinics for uncompensated care, emergency personnel training/equipment, and emergency telephone system improvements.</p> <p>➤ Funded by addition of 3% to existing surcharge rate on telephone use within California, portions of tobacco taxes, and criminal and traffic penalties.</p>	<p>➤ Advocates argued that the \$500 million would do the following:</p> <ul style="list-style-type: none"> ▪ Keep hospital emergency rooms, trauma centers, and health clinics open and operational ▪ Prevent long lines and wait times at local ERs ▪ Attract and retain highly skilled physicians, nurses, and medical staff at our local emergency rooms and trauma centers ▪ Provide critical emergency medical equipment and technology ▪ Support local health clinics that treat non-emergency patients and preserve our emergency rooms for real emergencies. ▪ Equip and train firefighters and paramedics who are often the first to respond and provide medical care in emergencies ▪ Upgrade our 911 emergency telephone system

¹ A similar local measure, Berkeley Measure M, was also defeated.

<ul style="list-style-type: none"> ➤ Limits surcharge collected by residential telephone service providers to 50 cents per month. Monthly cap does not apply to cell phones or business lines. ➤ Excludes funding from government appropriations limitations, and telephone surcharge from Proposition 98's school spending requirements 	<ul style="list-style-type: none"> ➤ Detractors argued that this money was really a disguised, expensive tax on phone calls, failed to provide upgraded 911 service, and failed to address growing healthcare costs and emergency room usage issues. ➤ Emergency rooms are already experiencing a high volume of traffic and may, as a result of this measure, find themselves treating even more patients and unable to provide appropriate medical attention. Homeless individuals' usage of both emergency rooms and free non-emergency health clinics (which this bill proposed to preserve) may be negatively impacted by the defeat of this proposition.
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PROPOSITION 1A	Local Government Revenues	Passed
PROPOSITION 65	Local Government Revenues	Defeated

Ballor Description	Implications
<p>PROPOSITION 1A:</p> <ul style="list-style-type: none"> ➤ Protects local funding for public safety, health, libraries, parks, and other locally delivered services. ➤ Prohibits the State from reducing local governments' property tax proceeds. ➤ Allows the provisions to be suspended only if the Governor declares a fiscal necessity and two-thirds of the Legislature approve the suspension. Suspended funds must be repaid within three years. ➤ Also requires local sales tax revenues to remain with local government and be spent for local purposes. ➤ Requires the State to fund legislative mandates on local governments or suspend their operation. 	<p>➤ Advocates argued that local resources need protection from the state's pilfering and that this proposal would protect critical local services such as:</p> <ul style="list-style-type: none"> ▪ Fire protection ▪ Paramedic response ▪ Law enforcement ▪ Emergency medical ▪ Health care ▪ Parks and libraries <p>➤ Detractors argued that this measure essentially gave localities a "blank check" with no fiscal oversight and that cities could be just as wasteful as the state</p>

<p>PROPOSITION 65:</p> <ul style="list-style-type: none"> ➤ Requires voter approval for any legislation that provides for any reduction, based on January 1, 2003 levels, of local governments' vehicle license fee revenues, sales tax powers and revenues, and proportionate share of local property tax revenues. ➤ Permits local government to suspend performance of state mandate if state fails to reimburse local government within 180 days of final determination of state-mandated obligation; except mandates requiring local government to provide/modify: any protection, benefit or employment status to employee/retiree, or any procedural/substantive employment right for employee or employee organization. 	<ul style="list-style-type: none"> ➤ Proposition 65 was essentially replaced by Proposition 1A on the ballot. The net effect is to alter the California constitution such that local revenues remain local. While at first blush this may appear positive, this enacts yet another budgetary constraint on the state's finances and it is the states, not localities, that fund (or funnel money to) the majority of homeless assistance programs.
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For further information, please contact Lise K. Ström, HomeBase Staff Attorney, at 415-788-7961, ext. 306 or lise@homebaseccc.org.

MEMORANDUM

To: Regional Steering Committee on Homelessness and Housing (RSC)

From: HomeBase

Re: Update on State-wide and Regional Collaborations

Date: November 19, 2004

Introduction

Over the past year, there has been a resurgence of organized activity to collaborate across jurisdictional boundaries to work towards ending homelessness. At the statewide level, there is increasing momentum towards strategic activity to meaningfully re-engage the State in the fight against homelessness. In the greater Bay Area and Central Valley regions, there have been new efforts to share information, and to leverage common goals to enact change. Last meeting we reviewed an in-depth retrospective of CA efforts.

Statewide Efforts to End Homelessness

Working Group to End Homelessness

Housing California has geared up to establish the new statewide Working Group to End Homelessness, which will be chaired by Marty Fleetwood. The purpose of the Working Group to End Homelessness is to make state-level and statewide changes that move towards ending homelessness in California.

HomeBase is working in conjunction with H.C. Executive Director, Julie Spezia, and the appointed liaison from the Board of Directors, Jonathan Hunter of CSH. Though there has been a buzz of interest about the Working Group, the Working Group has not yet been formed. Over the next 2 months, HomeBase and Housing California will be creating the structure and membership of the Working Group, as well as the Group's priorities and action plan. The first meeting of the Working Group will be in early February 2005.

While the membership of the Working Group may be limited to a fixed number of people, the broader participation in this multi-year statewide effort will not be. We expect to design affiliated committees and dedicated forums that will capture the expertise of the broadest number of people and entities engaged in ending homelessness across California. Much as the RSC is, the broader efforts of the Working Group will be designed to be as accessible, inclusive, and transparent as possible.

Focus on State Mental Health Department

Grantees of the Substance Abuse and Mental Health Services Agency (SAMHSA) homeless-focused programs met last month to share experiences. The communities represented at that meeting were Contra Costa, Los Angeles, Monterey, and Napa; the other grantee communities are Palo Alto, San Francisco, and San Jose.

These grantees have decided to directly engage the state as stakeholders who have been entrusted with competitive federal funds to provide critical mental health services to homeless people in their communities. As a strategy, this group is taking steps toward a meeting with Dr. Steven W. Mayberg, the Director of the California Department of Mental Health. Piper Ehlen is staffing this effort.

Regional Efforts to End Homelessness

Greater Bay Area Region

At the September RSC HomeBase provided a brief update on the recent interest of some locally elected officials in working regionally to end homelessness. Through the Regional Planning Committee of the Association of Bay Area Governments (ABAG), some elected officials expressed an interest in learning more about previous and current efforts to work regionally to end homelessness. HomeBase held a follow up conversation with staff of Mayor Tom Bates of Berkeley, who has expressed particular interest and willingness on the prospect of regional work on homelessness.

Out of that conversation, HomeBase developed the possibility of establishing an ABAG-affiliated committee of locally elected officials engaged in efforts to end homelessness. The effective engagement and support of local elected officials is critical to securing the success of particular community specific projects, to partnering across jurisdictional lines, and to supporting broad regional platforms to encourage state and federal action.

This regional committee of locally elected officials could work in tandem with the RSC and local homeless coordinators by serving primarily as an advisory body to the varied ongoing efforts here in the Bay Area. The requisites of members of this committee would include 1) being aware of existing and planned efforts to end homelessness across the region, and 2) being committed to coordinating with all current bodies and initiatives. The political strength that would be focused by such a body of elected officials dedicated to ending homelessness could help to access legislative action and political remedies that would not otherwise be possible.

Greater Northern and Central Valley Region

The communities working against homelessness in the Northern/Central Valley Region have been holding quarterly Homeless Roundtable discussions this past year. Continuum of Care communities take turns hosting the Roundtable discussions, and much effort goes into planning the agendas and in-depth presentations for each Roundtable.

The most recent Roundtable was hosted by the Sacramento Continuum of Care on October 26th, and focused on discharge planning. There were a series of presentations by members of the Sacramento Continuum of Care on creative discharge planning efforts in various institutions in their community—including creating a new respite care program for homeless people being discharged from hospitals.

Dr. Stephen W. Mayberg, Director of the California Department of Mental Health, made the keynote presentation on the status of discharge planning from the mental health system, and the nexus of mental health services and homelessness. Dr. Mayberg's presentation was received very well, and he was generous with the time he spent with the group. He spoke about the successes and challenges of AB2034, and the broader challenges of spanning the bridge between the mental health services and homeless services worlds.

Fortunately, Joe Farrelly, from the County of Sacramento Community Services Department, is here today to update the RSC on October's Northern/Central Valley Roundtable.

Next Steps

HomeBase is involved in some capacity with each of these state and regional efforts. We will continue to keep the RSC updated, and to continue to solicit RSC input as these efforts take shape. Please discuss these efforts with colleagues in your communities, and be sure to contact HomeBase with any questions, ideas, or suggestions you may have.

For questions or comments, please contact Jessica Flintoft, Projects Director, HomeBase, at (415) 788-7961 ext.314 or jessica@homebaseccc.org.

MEMORANDUM

To: Regional Steering Committee on Homelessness and Housing (RSC)

From: HomeBase

Re: Housing California Annual Conference Workshop Proposals

Date: November 19, 2004

Introduction

The annual Housing California Conference is a statewide 3-day conference on a broad array of low-income housing and homeless issues. In its 26th year, this conference will be held on April 24-26, 2004 in Sacramento. For registration information, please see the Housing California website at www.housingca.org or call (916) 447-0503.

The deadline for proposals for workshops and institutes has been extended from Today, November 19th, until Wednesday, November 24th. This extension is in response to Housing California's website having been down for several days, resulting in proposal materials being inaccessible via website.

Institutes are intensive 4-hour trainings that will be held on the afternoon of Sunday April 24th. Workshops run either 1-1/2 hours or 2 hours, and are held throughout the days on Monday April 25th and Tuesday April 26th. Please see the attached institute/workshop proposal guidelines and form that follows for details.

What Workshops or Institutes would you like to see?

Each year, HomeBase sponsors and/or facilitates workshops or institutes that we hope are timely, relevant, and educational. Below are listed the workshop proposal ideas that we may submit, based on both direct input from RSC members, as well as issues that are of concern to many RSC communities right now. Housing California will select only a portion of the proposals submitted, so let's be sure to submit ideas we really want to see. Please consider what topics you'd like to see, and who you'd like to hear speak on these or other issues.

Conversion of McKinney-Vento Projects (Advanced)

A workshop to discuss the growing conversation around how to align current local Continuum of Care funding priorities with growing federal and local pressures to focus on permanent housing. We'll discuss a framework for thinking about the issue in your community, as well as possible strategies for maximizing funding and protecting community priorities.

Discharge Planning from Jails and Prison (Beginner)

We talk a lot about the importance of discharge planning, but what do discharge planning programs really look like? An array of re-entry programs can present on the pieces of preparation, training, and case management that they provide for people who are exiting jails and prisons.

Engaging the State to End Homelessness (Beginner)

A workshop hosted by members of the statewide Working Group to End Homelessness to share the priorities of the Working Group, and a chance to update the community on progress made in its first 2 months.

Housing First: Now, What's Next? (Intermediate)

In this workshop, providers of Housing First programs for formerly homeless people who have serious mental health issues, often co-occurring with substance abuse, and who have been categorized as the “chronically homeless.” Providers will discuss some of the programmatic and operational challenges that arise in these Housing First supportive housing programs that serve people with multiple challenges.

Presenters to include: Sage Foster (Contra Costa), Admas Kanyagia (Los Angeles), and Marc Trotz (San Francisco)

Youth Housing (Beginner)

With increasing attention to increasing housing for homeless and emancipated youth, best practices in the development, management, and operations of housing is relevant for providers. Perhaps we could have some of the major providers of youth housing share the lessons learned through the collaboration spurred by HUD through the recent two Youth Housing Conferences.

Other Ideas?

Please contact Jessica Flintoft, Projects Director, HomeBase with any further suggestions about the Housing California workshops HomeBase is convening this year. Phone (415) 788-7961 ext.314 or email jessica@homebaseccc.org.

MEMORANDUM

TO: Bay Area Regional Steering Committee on Homelessness and Housing

FROM: HomeBase

RE: Financing Options for Permanent Supportive Housing Projects

DATE: November 19, 2004

As you continue looking for ways to best serve the homeless people in your community and begin thinking about next year's NOFA application, this memorandum offers you some funding information, some of which is undoubtedly familiar, some of which may not be, to help you focus on how to get your permanent supportive housing project up and running.

There are a variety of funding sources available for financing new permanent supportive housing projects as well as money for other housing options, including rehabilitation of existing buildings, Shelter + Care combined with Section 8 vouchers, and master leasing options. This memorandum provides a cursory look at some of the funding sources for permanent supportive housing projects at both the federal and state level. In addition, the Corporation for Supportive Housing has recently published an exhaustive guide entitled *Supportive Housing Financing Sources Guide* that provides more detail about all of the programs listed below.

I. Federal funding programs

HOME

While not specifically intended for supportive housing, HOME funds can be a very important source of capital for acquiring, rehabilitating, or constructing permanent supportive housing and transitional housing projects. HOME can also be used as a project-based rental subsidy. HUD distributes the funds through block grant formulas to "participating jurisdictions" (PJs). Priorities for the use of funds are determined by the state's Consolidated Plan.

HOME funds require a match of at least \$.25 of non-federal sources per HOME dollar, so they must be blended with local or state capital. There are some restrictions on eligible uses for HOME (e.g., funds can't be used to fund reserves or furnishings), so make sure that your sources and uses budget considers this. HOME's income restrictions work well with housing for homeless persons, since at least 20% of the rental units must be for persons with incomes below 50% AMI, and the balance cannot exceed 80% AMI. There is a 15% set-aside for Community Housing Development Organizations (most commonly referred to as CHDOs), so it is well worth trying to qualify supportive housing sponsors as CHDOs.¹

¹ A CHDO is: "a private non-profit, community-based service organization that has obtained or intends to obtain staff with the capacity to develop affordable housing for the community it serves." CHDOs must serve a clearly defined geographical area. Additionally, 1/3 of the members of the CHDOs Board of Directors must be representatives of the low-income community – a requirement many developers find difficult to meet.

HOPWA

HOPWA is the primary federal source of capital for the development of housing that serves persons with HIV or AIDS, and is principally allocated to cities and states based on the incidence of AIDS in their community. This program provides funding for new construction (of SROs and community residences only), acquisition, rehabilitation, and the lease and repair of facilities to provide housing and services to those with HIV and AIDS. HOPWA funds are typically combined with other sources of capital; however, in localities with the highest numbers of AIDS cases (*e.g.*, New York City), HOPWA may be the sole source of funding. Participation in the local HOPWA planning process is encouraged, which is usually part of the state's Consolidated Plan and local Ryan White plan.

The program includes both a formula and a competitive grant component. Approximately 90% of the funding is distributed to states and cities in formula grants, while the remaining 10% is available competitively on an annual basis for model projects or programs.

CDBG

The Community Development Block Grant (CDBG) program provides broad funding to entitlement communities (cities and urban counties) and to states/small cities. Funds can be used for acquisition and rehabilitation (and new construction when sponsored by a “community-based development organization”). But, because housing is only one of the numerous eligible community development activities, and supportive housing is one potential use, most localities are likely to use CDBG for other types of housing or for other revitalization efforts. Given the broad definition of eligible uses – benefit to low- and moderate-income people and the elimination or prevention of slums or blight – local governments often use these dollars for infrastructure improvements and other non-housing activities as well as homeless services. Priorities for the use of CDBG are established through the state Consolidated Plan process.

SHP

The Supportive Housing Program (SHP) is a key source for the development of transitional housing (less than 24 month stay), permanent supportive housing, and for the provision of supportive services. Capital funds, which can be used for acquisition, rehabilitation, and new construction, are limited to \$200,000 per project (\$400,000 in higher cost areas), and must be matched dollar-for-dollar. Funds can also be used for the leasing of homeless facilities. While clearly not a significant source of capital, SHP funds are widely used for the provision of services and operating and leasing expenses.

The SHP program provides grants to develop, operate and provide services in supportive housing (both permanent and transitional) that enable homeless persons to live as independently as possible. The program now operates under a statutory directive that 30% of all funds must go to permanent supportive housing. Consequently, the vast majority of new projects funded with this source have been, and will continue to be, permanent housing.

SECTION 811 SUPPORTIVE HOUSING FOR PERSONS WITH DISABILITIES

Section 811 provides financing for the acquisition, rehabilitation, or construction of supportive housing for persons with disabilities – typically mental illness or developmental disabilities. The “mainstream program” provides Section 8 rental subsidies in the form of vouchers for residents of Section 811 homes. Many of the non-profit providers working with mentally ill homeless adults use this program actively, particularly in communities where there are no dedicated capital or rental subsidy funds for their clients. The clear advantage of this program (like Section 202) is that the capital sources are accompanied by the needed rental subsidies, and the subsidy contracts can last up to 20 years.

The purpose of this program is to expand the supply of affordable housing with supportive services for the very low-income people with disabilities by providing capital advances to finance the construction and rehabilitation of the units. The capital advance does not have to be repaid as long as the project serves very low-income people with disabilities for 40 years. The program also provides Project Rental Assistance to cover the difference between the HUD-approved operating cost per unit and the tenant's rent. Project Rental Assistance contract payments can be approved up to 5 years, with contracts renewable based on the availability of funds.

SECTION 202 SUPPORTIVE HOUSING FOR SENIORS

Section 202 provides capital and rental subsidies for the rehabilitation or construction and operation of permanent supportive housing for the elderly. While not specifically intended for homeless elderly, the Section 202 program can serve that population so long as they are prepared for permanent housing. However, the program has traditionally been used as the mainstay senior housing funding source and is not generally used by homeless housing providers. This is probably due to the limited funding for on-site supportive services, and very limited allowances for the development of common area.

Terms of this program are nearly identical to those described above, for Section 811.

ESG

Using the block grant formulas from the CDBG program, Emergency Shelter Grants are distributed to states and localities for the renovation and operation of emergency shelters and transitional housing for the homeless. ESG funds can also be used for the provision of essential services and for the prevention of homelessness. These federal funds require a dollar-for-dollar match beyond the first \$100,000 of assistance. The funding is generally used to support the operations of non-profit and public shelter systems, with only a minority of funds used for prevention activities. Priorities for ESG are included in the state's Consolidated Plan. While this funding is not intended for permanent supportive housing, it is good to keep in mind if your project includes a transitional housing or emergency shelter component.

II. Federal funding programs that are part of the McKinney-Vento superNOFA process

SHELTER PLUS CARE

The Shelter Plus Care Program (S+C) is a rental subsidy intended for homeless persons with chronic disabilities (typically mental illness, substance use or AIDS). The subsidy, which can be essential for projects that do not have local or state subsidy programs, is offered in several forms: (1) tenant-based, (2) project-based, or (3) sponsor-based. These subsidies are accessed through the annual superNOFA (released in the spring), and non-profit sponsors can only apply through eligible public agencies (state or local government or PHA). Funds from the S+C must be matched by an equal amount of services dollars. S+C is widely used for permanent supportive housing projects, particularly when Section 8 subsidies are in short supply.

S+C rental assistance is modeled on the Section 8 program, with tenants paying 30% of their adjusted income for rent and the program paying the difference between the tenant's share and the HUD-established fair market rent (FMR) for the unit. The program is somewhat more flexible than Section 8, making it a highly desirable operating source for supportive housing sponsors. For example, S+C allows grantees to exceed the HUD-established FMR for a unit, so long as the rent is reasonable (*i.e.*, comparable to similar units) and the grantee has sufficient grant funds to pay the higher rent. Also, tenants do not have to be selected from the local Housing Authority's Section 8 waiting list.

S+C is widely used for permanent supportive housing projects, since the funds are restricted to serving only homeless individuals with serious disabilities and because grantees are required to provide supportive services. S+C is the only federal funding source for supportive housing that explicitly allows a project sponsor to require participation in services as a condition of tenancy. However, some S+C programs have elected to make services voluntary.

SECTION 8 MODERATE REHABILITATION SRO PROGRAM

The Section 8 Moderate Rehabilitation SRO Program provides rental subsidies for homeless persons in SRO projects that have undergone moderate rehabilitation (at least \$3,000 per unit). An SRO unit is a one-room unit intended for occupancy by a single individual. It is distinct from a studio or efficiency unit, in that a studio is a one-room unit that must contain a kitchen and bathroom. An SRO unit is not required to have either one, although many may have one or the other. Unlike Shelter Plus Care (S+C), the tenant does not have to have a chronic disability, and the subsidies are tied to the project, not the tenant.

This rental assistance program has a term of 10 years, so it is attractive for supportive housing, and combines well with tax credits (given the longer term of contract). The FMR is based on 75% of the FMR for a studio (0 bedroom) apartment. Administrative responsibility lies with the local public agency operating the Section 8 program, usually the public housing authority (PHA).

This program is an excellent source of rental subsidies for permanent supportive housing, given its relatively long term, stability (because it is project-based) and its flexibility. However, it is

less attractive than other Section 8 programs or S+C for studio (self-contained) apartments, since it uses the lower FMR for SROs.

III. California funding programs

SHIA

SHIA targets very low income Californians with disabilities such as mental illness, HIV and AIDS, chemical dependency, and other chronic health conditions, or individuals eligible for services provided under the Lanterman Developmental Disabilities Services Act, and may include families with children, elderly persons, young adults aging out of the foster care system, CalWORKS participants, individuals exiting from institutional settings, or homeless people (AB 2780, Statutes of 1998, Chapter 310). SHIA grant money can be used to provide both an array of supportive services to clients in housing and for the housing itself, including leasing or operating costs. The projects are required to participate in an outcomes evaluation as directed by the California State Department of Mental Health.

MHP

The Multifamily Housing Program funds the new construction, rehabilitation, or acquisition and rehabilitation of permanent or transitional rental housing, and the conversion of nonresidential structures to rental housing. Projects are not eligible if construction has commenced as of the application date, or if they are receiving 9% federal low income housing tax credits.

MHP funds will be provided for post-construction permanent financing only. Eligible costs include the cost of child care, after-school care and social service facilities integrally linked to the assisted housing units; real property acquisition; refinancing to retain affordable rents; necessary onsite and offsite improvements; reasonable fees and consulting costs; and capitalized reserves.

SPECIAL NEEDS AFFORDABLE HOUSING LENDER PROGRAM

The Special Needs Financing Program offers low interest rate financing for the development of rental housing to serve a broad range of special needs tenants in need of supportive services. Loan types include bridge, permanent, or “loan-to-lender” and can be used for new construction or acquisition/rehabilitation. These loans are available to non-profit and public agency sponsors only. This program is intended for housing organizations that target special needs populations and supply supportive services, but special needs projects may include mixed income tenants.

EHAP and EHAP-CD

Emergency Housing Assistance Program monies provide facility operating grants for emergency shelters, transitional housing projects, and supportive services for homeless individuals and families. Each county receives a formula grant allocation. Twenty percent of the total allocation is available to non-urban counties, and eighty percent to urban counties. Eligible activities

include providing direct client housing, including facility operations and administration, residential rent assistance, leasing or renting rooms for provision of temporary shelter, capital development activities of up to \$20,000 per site, and administration of the award (limited to 5%).

EHAP-Capital Development funds capital development activities for emergency shelters, transitional housing, and safe havens that provide shelter and supportive services for homeless individuals and families. Capital development includes the acquiring, constructing, converting, expanding and/or rehabilitating emergency shelter, transitional housing, and/or safe haven housing and administration of the award (limited to 5%).

Further details about all state funding programs can be found at the California Housing and Community Development website, located at <http://www.hcd.ca.gov/ca/>. HCD also provides a clearinghouse website for further funding research at <http://www.hcd.ca.gov/clearinghouse/>.

IV. Private Financing Options

LOW-INCOME HOUSING TAX CREDITS (federal and state)

The Low Income Housing Tax Credit program (LIHTC) creates an incentive for private investment in low-income housing development by giving federal tax credits to investors. (There is also a state LIHTC program. The state program does not stand alone but rather supplements the federal tax credit program.) Private investors, such as banks and corporations, buy the tax credits from the affordable housing developer. The developer uses these proceeds from the sale of tax credits, known as “equity,” to construct or rehabilitate housing. Investors receive a federal tax credit over a ten-year term.

There are two types of tax credits: 9% and 4%. With 9% credits, the investor can claim up to approximately 9% of many of the costs of the development annually, over a ten-year period. Four percent credits net approximately 4% of costs. Projects that obtain tax-exempt bond financing are automatically eligible for an award of 4% tax credits.

The federal tax credit program, which is based on Section 42 of the IRS Code, allocates Low-income Housing Tax Credits to states based on a per capita formula. Each state must prepare a “Qualified Allocation Plan” (QAP), which establishes criteria for evaluating applications, including any local priorities or set-asides.

California's tax credit program mirrors the federal program with certain exceptions. In addition to the state credit only being available to projects that also receive a federal credit, other major differences include:

- state priority for state credit allocations to projects not located in a designated high cost area and those using HOME funds to finance eligible costs.
- applicable percentage to be applied to the qualified basis for determining the amount of state credits is 30% for projects which are not federally subsidized, and 13% for projects which are federally subsidized, in contrast to 9% and 4% for the federal credit.

state credits are not available for acquisition costs, except for already assisted projects that qualify as "at-risk" of being converted to market rate.

FEDERAL HOME LOAN BANK'S AHP

The Federal Home Loan Bank's (FHLB) Affordable Housing Program (AHP) provides gap financing for affordable housing projects that can include transitional and permanent supportive housing. Projects serving homeless populations, special needs populations, and very low-income households, receive additional points in the application scoring process. This source is quite popular with supportive housing project sponsors due to the flexibility of the funds and the ability to fill financing gaps in the later phases of developing a financing package.

V. Other funding sources worth exploring

Veterans' housing programs (including Section 8 set-aside vouchers for homeless veterans, HUD-VA Supportive Housing program, and homeownership loans)

HOPE VI (homeownership options)

National Housing Trust Fund (very preliminary)

Foundation Center (private foundations can sometimes be used as "bridge" or "gap" funding for projects)

Fannie Mae's extension of its American Dream Commitment program to include monies for workforce housing as well as permanent supportive housing for chronically homeless individuals

- What permanent supportive housing project(s) did your community do last year? How did you finance your project(s)?
- What permanent supportive housing project(s) does your community plan to work on this year? How will your community finance your project(s)?
- From your experiences, which permanent supportive housing financing options work best for you?

For further information, please contact Lise K. Ström, HomeBase Staff Attorney, at 415-788-7961. ext. 306 or lise@homebaseccc.org.

MEMORANDUM

TO: Bay Area Regional Steering Committee on Homelessness and Housing

FROM: HomeBase

RE: Creative Housing Alternatives

DATE: November 19, 2004

Context

Good project design is important because an affordable housing project can be resisted by the community every step of the way or welcomed. Affordable housing projects can be a problem that gets progressively worse and depresses the surrounding area or an asset that improves its neighborhood for decades. It can be a constant source of discomfort and resentment for everyone who lives in and around it, or it can provide the people who live there with everything we expect from a home: comfort, security, and stability. Good design helps ensure that an affordable housing project fits into the neighborhood and will be good for its occupants, its neighbors, and the community at large.

The RSC has previously looked at creative design, but, given HUD's overwhelming emphasis on permanent supportive housing in its NOFA application, the growing evidence suggesting that "housing first" models are the best way in which to "treat" homeless people, and the Bush Administration's budget priorities, re-examining alternative "houses" at this juncture seems appropriate.

Types of housing

1. The "tiny house"

San Francisco is home to the "tiny house" phenomenon, which is not just for homeless individuals. At least one local housing advocate, Jim Reid, has constructed a "model home," which currently sits in the parking lot of the VA building in San Francisco. It is 100 square feet of space: a loft bedroom, a small sitting area, kitchen facilities, laundry facilities, and bathroom. Mr. Reid has stated that the building can be constructed for \$6,500 (not including land) and that homeless individuals can be taught how to construct their own home. Some obvious problems with this design is the need for land, which, especially in the Bay Area, is not cheap. Reid argues that homeowners will volunteer to have one of these "tiny homes" located in their backyards. Also, the \$6,500 cost assumes significant donations of materials from area home improvement-type stores (without donations, Reid states that the houses can be built for no more than \$13,000). Finally, while 100 square feet might be manageable for a single individual, it is likely impractical for a family – and homeless families are the fastest growing segment of the homeless population. That said, for communities with surplus land and numerous chronically homeless individuals, this may be a housing opportunity.

It is also worth noting that such “tiny homes” are not just for homeless individuals. New, high-end “tiny homes” are being built south of Market in San Francisco. Because they will be no more than 350 square feet, these units will be exempt from many regulations, including density limits, requirements for open spaces in the complex, window exposure, and parking. The units will likely for between \$750 and \$1,000 a month. Such upscale SROs have already been built in San Diego, Phoenix, and Las Vegas.

2. Mobile homes and manufactured housing

Mobile homes and manufactured housing aren’t all that different, but they are definitely treated differently by law and financial institutions, making manufactured housing more attractive than its close relative, the mobile home. A manufactured house is essentially a modular home, ranging from a single module to a multi-module dwelling, all modules being pre-fabricated and pieced together on a privately held parcel of land. One of the primary differences between manufactured housing and the mobile home is that the land is generally owned by the same person who owns the manufactured house. Mobile home owners, on the other hand, generally do not own the land upon which their home sits – making them unpopular with localities because local tax revenue is therefore lost (to say nothing of the generalized prejudice against the aesthetics of a trailer park). While multi-module manufactured homes are more expensive than buying a mobile home, they are generally cheaper than a traditionally built house and – crucially – manufactured homes are treated like regular housing when it comes to financing (mobile home loans have more in common with car loans than home loans). This means that first-time homebuyer and other special loan assistance programs for lower-income individuals and families are available for manufactured home purchases, giving buyers more bang for their buck. Manufactured homes have even received the nod from the Bush Administration in its American Dream Down Payment Act.

Local, innovative module housing can be found at the NowHouse, which is currently located in an SBC Park parking lot in downtown San Francisco. Not only can the NowHouse be built in modular stages (to accommodate family and/or budgetary growth), but it is also environmentally friendly. And there is no shortage of affordable, attractive manufactured housing – high-end, 2- and 3-bedroom models are being built around the country (see attached photos from the *New York Times* article). The cost of manufactured housing (excluding land) ranges from \$5,000 (for the kit, you put it together) to as much as \$175 per square foot.

3. Existing spaces

Australian architects recently won an award for converting existing, unused municipal spaces (such as abandoned train and bus stations) into housing for the homeless. By retrofitting existing buildings, money was saved, but homeless individuals now have a home. There are, of course, any number of existing, unused spaces in communities – including unused commercial spaces, places of worship, municipal spaces, in addition to the rehabilitation of hotels, motels, apartment complexes and other residential spaces.

Similarly, many housing advocates are exploring the use of “in-law” units (generally a small apartment, attached or detached from the main house, with a separate entrance), particularly

where the pairing is between a senior homeowner (who may need some basic assistance with chores, for example) and a homeless family. Studies have also shown that many seniors are “house-rich but cash-poor” and could use additional income from the rental of the in-law unit.

Follow-Up

- Are any of these design proposals something your community would consider implementing? How would they meet your community’s needs? What obstacles do you see to these designs? Are they viable?
- Do you have ideas for creative design alternatives? How will your community plan/design additional permanent supportive housing and affordable housing units in the future?
- HomeBase has an offer from Yestermorrow (an architectural school located in Vermont), to convene architects, engineers, and those concerned with homelessness to explore creative design ideas that would significantly reduce the cost of creating permanent housing for homeless people. Would you be interested in attending such a meeting?

If you have further questions, please feel free to contact Lise K. Ström, HomeBase Staff Attorney, at 415-788-7961, ext. 306 or lise@homebaseccc.org.

MEMORANDUM

TO: Regional Steering Committee on Homelessness and Housing

FROM: HomeBase

RE: An Overview of the Corrections Systems and the Points of Entry

DATE: November 19, 2004

Background

In previous RSC meetings we have discussed the discharging systems, or lack thereof, from the California Department of Corrections (CDC) to our local communities. We explored the numerous barriers ex-offenders face upon release, all of which set another roadblock to successful reentry into the communities. We also brainstormed on ways the State needed to take action in order to correct this situation, as well as the precise things we would ask the state to do.

In order to make an educated request to the state, it is important to first have a strong understanding of the corrections system, the terminology used and all that that terminology implies.

I. AN OVERVIEW OF THE CORRECTIONS SYSTEM

A. Facility Definitions

Police lock-ups are holding facilities authorized to detain people for up to 48 hours. They are often part of the police station, and frequently used as what is commonly referred to as a “drunk tank.”

Jails are locally operated correctional facilities that confine persons before or after adjudication. Inmates sentenced to jail usually have a sentence of a year or less, but jails also incarcerate persons in a wide variety of other categories.

Prisons are operated by either a state or the federal government, and they confine only those individuals who have been sentenced to 1 year or more of incarceration. Generally, persons sentenced to prison have been convicted of a felony offense. Federal prison is where an individual is detained when they have committed a federal offense. State prisons hold felons who have broken state law. The scope of states’ criminal laws is much broader than that of federal criminal law. As a result, only about 150,000 adults are under federal correctional supervision, compared to about 1,220,000 in State prisons across the country. There are about 125 federal prisons and 1,375 state prisons in the United States.

B. Reasons for Incarceration

1. Types of crimes that could result in federal imprisonment

- Murder
- Manslaughter
- Assault
- Robbery
- Sexual abuse
- Kidnapping
- Threats against the President
- Embezzlement
- Fraud
- Forgery
- Counterfeiting
- Burglary
- Larceny – felony
- Motor vehicle theft
- Arson and explosives
- Transportation of stolen property
- Other property offense felonies
- Drug trafficking
- Drug possession
- Drug – communication facility
- Antitrust
- Food and drug
- Transportation
- Civil rights
- Custom laws
- Postal laws
- Weapons
- Immigration felonies
- Tax law violations
- Bribery
- Perjury – contempt & intimidation
- National defense
- Escape
- Racketeering and extortion
- Gambling
- Nonviolent sex offenses
- Mail or transport of obscene material
- Traffic offenses
- Liquor offenses

Many of these same crimes, if they were crimes against the state, could result in State prison. The following facts may provide a clearer picture of the prevalence of certain convictions resulting in Federal imprisonment versus State imprisonment:

- In 2000, an estimated 57% of Federal inmates and 21% of State inmates were serving a sentence for a drug offense
- About 10% of Federal inmates and 49% of State inmates were in prison for a violent offense in 2000
- Violent offenders accounted for 53% of the growth in State prisons between 1990 and 2000; drug offenders accounted for 59% of the growth in Federal prisons.

2. Functions of a jail

Jail serves as more than just a place of incarceration. A jail may do any number of the following:

- Receive individuals pending arraignment and hold them awaiting trial, conviction or sentencing
- Readmit probation, parole, and bail-bond violators and absconders
- Temporarily detain juveniles pending transfer to juvenile authorities
- Hold mentally ill persons pending their movement to appropriate health facilities
- Hold individuals for the military, for protective custody, for contempt, and for the courts as witnesses
- Release convicted inmates to the community upon completion of sentence
- Transfer inmates for Federal, State, or other authorities

- House inmates for Federal, State, or other authorities because of crowding of their facilities
- Sometimes operate community-based programs as alternatives to incarcerations
- Hold inmates sentenced to short terms (generally under 1 year)

C. Sentencing

As indicated above, any sentence greater than one year requires an individual to be incarcerated in a prison, as opposed to a jail. In 2003, the average jail term was 6 months. Within the prison system, because an inmate may serve anywhere between 1 year and life in prison, the sentencing varies greatly. As reported by the US Department of Justice, Bureau of Justice Statistics, felons sentenced to a State prison in 2000 had an average sentence of 4.5 years, but were likely to serve 55% of that sentence before release. Following is a chart depicting the average maximum sentence length, depending on the crime.

Lengths of felony sentences imposed by State courts in 2000¹



Average maximum sentence length (in months) for felons sentenced to incarceration:

	Total	Prison	Jail	Probation
All offenses	36 mo	55 mo	6 mo	38 mo
Violent offenses	66 mo	91 mo	7 mo	44 mo
Property offenses	27 mo	42 mo	6 mo	38 mo
Drug offenses	30 mo	47 mo	6 mo	36 mo
Weapons offenses	25 mo	38 mo	7 mo	36 mo
Other offenses	22 mo	38 mo	6 mo	40 mo



Note: Means exclude sentences to death or to life in prison. Sentence length data were available for 852,616 incarceration and probation sentences.

D. Supervisory Systems

Knowing what actions get a person into which correctional facility, as well as for how long, is only part of the story. Another, and some would say larger, part of that story is what happens upon *release* from these facilities. There are two terms that are easily confused: probation and parole.

1. Probation

Probation is the sentence that a defendant gets instead of jail or prison time, though one would be hard pressed to find a judge who will sentence a person to probation in lieu of prison time. It is the release into the community of a defendant who has been found guilty of a crime. The release is typically under certain conditions, such as paying a fine, doing community service or attending a drug treatment program. Violation of the conditions can result in incarceration.

¹ U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Statistics

A person on probation is under the supervision of the county probation department. Each county has its own probation department, though it is often not part of the “local corrections system” per se. For example, in Alameda County, the sheriff’s office runs the local jail at Santa Rita and the probation department handles the probationers.

2. Parole

Parole is the release of a convicted defendant after serving a portion of their sentence, upon a finding that the person is sufficiently rehabilitated and not a threat to society. The parole period is defined as a certain length of time and is subject to conditions imposed by the releasing authority and to its supervision, including a term of supervised release.

Parole is not available to persons convicted of federal crimes, but most states, including California, still offer parole. Conditions of parole include, among other requirements, reporting to a parole officer, not associating with other ex-convicts, and staying out of trouble. Violation of the terms may result in a revocation of parole and a return to prison to complete the unexpired sentence. A person on parole is under the supervision of the California Department of Corrections for the period of the parole time. The CDC employs parole officers who supervise the inmate once he or she is released.

3. Implications

Overall, the nation’s parole population grew by 3.1% in 2003, which is almost double what had been the average annual growth of 1.7% since 1995. More than 1 million persons being supervised in the community in 2003, or about 1 in 5 probationers and parolees, were in Texas and California.

Jails are a major source of ex-offenders reentering the communities. From 1995 to 2003, the number of jail inmates per 100,000 US residents rose from 193 to 238. Further, as of June 30, 2003, the nation’s 50 largest jail jurisdictions held 31.2% of all jail inmates. California comes in first for the most number of jurisdictions in these top 50 with 12 such jurisdictions, followed by Florida at 8. (See Attachment 1 for all 50.) Though from 2002 to 2003 Contra Costa County saw a decrease in the number of its jail inmates by 15.7%, Fresno County saw an increase by 43.1%. All of these statistics are important because these jail inmates will ultimately end up reentering the communities. The greater the number of persons in jail, the greater the number of persons eventually trying to succeed in reentering society.

E. Population Characteristics

These delineations are important in that they dictate who has supervisory responsibility for the released individual and about how many individuals for which the supervisory body is responsible. However, whether the parolee/probationer is being supervised by the state or a local government does not change the fact that these same people are still being released into the local communities. Therefore, it is important to have a better picture of the type of populations coming out of jail and prison.

Some facts to consider:

- Between June 2002 and June 2003, the number of noncitizen inmates in California prisons rose 12.1%
- Between June 2002 and June 2003, the percentage of male inmates increased 2.7%; the percentage of female inmates grew 5.0%.
- Women were 12% of the local jail inmates in 2002, up from 10% in 1996.
- At midyear 2003, California, Texas, Florida and the federal system housed 4 of every 10 female inmates.
- Sixty four percent of prison inmates belonged to racial or ethnic minorities in 2001.
- More than two thirds of persons in local jails in 2002 were racial or ethnic minorities, unchanged from 1996.
 - An estimated 40% were black; 19% Hispanic; 1% American Indian; 1% Asian, and 3% of more than one race/ethnicity.
- An estimated 57% of prison inmates have a high school diploma or its equivalent

See Attachment 2 for a full profile of persons on probation and parole.

F. Organization of the System

One last piece of the story necessary to fully understanding the corrections systems and the ways in which to affect it is understanding the organization of all the key players. As we have discussed in previous RSC meetings, in affecting change on the State and local level, it is important to know which people to approach. Though Attachment 3 and 4 do not give the actual names of the people in the charted positions, they do demonstrate the structure of the Department of Corrections as a whole and the Parole and Community Services Division of the CDC.

Attachment 3 demonstrates how encompassing the Department of Corrections is. Though there are many chiefs and assistants and deputies one may wish to contact, depending on the request or inquiry being made, a few divisions may be of distinct importance to our endeavor. First, the Health Care Services Division is a branch of the CDC with some important departments within it. Operating under this division's Deputy Director are the Clinical Policy and Programs and the Mental Health Services departments. Either or both of these may prove valuable if affecting change in the medical treatment an offender receives while incarcerated and particularly pre-release. Second, the Chief Deputy Director of Support Services oversees the Legislative Liaison. These two people may be key assets in affecting State legislation that affects prisoner sentencing, prisoner services, and prisoner release policies. The third person/division that undoubtedly would play a large role in instituting changes in the parole system is the Parole and Community Services Division, Deputy Director. As discussed above, understanding the parole system, the policies already in place, and the possible areas for change is paramount to creating a better discharging system. The Deputy Director of the Parole Division may be the precise place to start, if not to affect direct change, at least to being gathering all of the pertinent data.

As you will note from Attachment 4, the Parole Division is administered by a Deputy Director, responsible to the Director of the Department. The Deputy Director is assisted by an Assistant Deputy Director as well as various administrative staff and personnel in the headquarter office in

Sacramento. California is divided into four regions, each of which has its own Regional Parole Administrator. Attachments 5 and 6 depict the regional delineations.

II. FUNDING OPPORTUNITIES

A. Office of Justice Program's Serious and Violent Offender Reentry Initiative Grant

The reentry of serious, high-risk offenders into communities across the country has long been the source of violent crime in the United States. As more than 630,000 offenders are released from prison every year, the problem of their recidivism has become a crisis that affects all parts of a community. For years, innovative professionals at the State and local levels have worked to find solutions that will transition offenders back into communities in ways that help to ensure their success.

The goal of this Initiative is to build on those innovative ideas that reduce the recidivism of these offenders and, thus, reduce the overall amount of violent and other serious crime that is inflicted on society. This program encourages citizens, government agencies, social service organizations, and community-based organizations, including faith-based organizations, to make this offender population a priority. These groups should utilize existing resources to collaborate on programs that will protect their communities by providing for the reentry of offenders.

The funds for this Initiative are committed to various State correctional agencies. These State agencies must partner with faith-based or community organizations, since mentoring and other local involvement are essential aspects of each phase of the program (in prison, transition, and release to community).

B. Offender Reentry Program

The Offender Reentry Program (Young Offender Initiative: Reentry Grant Program) is a combined effort by DOJ, HHS, and DOL to assist jurisdictions in facing the challenges presented by the return of offenders from prison to the community. The goal is to improve risk management of released offenders by enhancing surveillance and monitoring, strengthening individual and community support systems, and repairing the harm done to victims. These initiatives are part of an effort by the sponsoring Federal agencies to help address the continuing problem of offenders entering the community after incarceration with little or no surveillance, accountability, or resource investment. In 2003, \$10,841,473 was awarded to grant recipients, in FY 2004 it was estimated that no money would be awarded, and in FY 2005, it is estimated that \$4,948,000 will be granted. On average, in a funded year, 25 grants get awarded at approximately \$3,100,000 per grant.

C. Access to Recovery Grant

Access to Recovery is a \$100 million discretionary grant program for states, announced by the U.S. Department of Health and Human Services' (HHS) Substance Abuse and Mental Health Services Administration (SAMHSA).

The competitive grant program gives recipient states, territories, the District of Columbia and tribal organizations broad discretion to design and implement federally supported voucher programs to pay for a range of effective, community-based, substance abuse clinical treatment and recovery support services. By providing vouchers to people in need of treatment, the grant program promotes individual choice for substance abuse treatment capacity.

The key to implementing the grant program is the states' ability to ensure genuine, free, and independent choice of eligible providers. States are encouraged to support any mixture of clinical treatment and recovery support services that can be expected to achieve the program's goal of cost-effective, successful outcomes for the largest number of people.

The grant program anticipates making awards of up to \$15 million per year for each of three years. In fiscal year 2004, SAMHSA issued grants awards to two grantees in California. The California Rural Indian Health Board received \$5,713,538 and the Office of the Governor received \$7,591,723.

D. Targeted Capacity Expansion (TCE) Jail Diversion Program, SAMHSA

The TCE Jail Diversion Program, based on the Public Health Service Act, is coordinated with the Department of Justice's solicitation "Mental Health Court Grants Program." The overall goal of this collaboration is to improve policy and practice for addressing the needs of persons with a mental illness or co-occurring disorders who have become involved with the criminal justice system

In fiscal year 2002, 10 grants were awarded to support programs that divert persons with mental illness from the criminal justice system to community mental health and supportive services. Seven were added in FY 2003 and 3 more in FY 2004. Awards of no more than \$300,000 in total costs were awarded per grant. Each grant may be for up to three years. Jail diversion grantees may plan programs for one of more points in the criminal justice spectrum, including pre-booking and post-booking programs. All funded diversion programs must refer the person to mental health community-based treatment providers.

E. Value-Based Reentry Initiative

The Office of Community Oriented Policing Services (COPS) funds a wide variety of projects designed to strengthen the relationships between law enforcement agencies and the communities they serve. In 2003, COPS expanded its Value Based Initiative to include the new Value-Based Reentry Initiative (VBRI). Under VBRI, five sites from around the country were selected to serve as national models that can be replicated by others seeking to create their own reentry

program. The VBRI program is aimed at working towards the successful reintegration of the ex-offender back into the community through a collaborative partnership approach.

As part of the VBRI program, mentors are selected from faith-based and other nonprofit community organization. Mentor teams are trained to serve as the liaison between the returning offender and various resources and services, including housing, employment, health, and mental health. The Institute of Contemporary Studies (ICS) in Oakland was one of the five VBRI grantees, receiving \$350,000. This collaboration is discussed in greater detail below.

F. Edward Bryne Memorial Crime Control System Improvement Grant

The Bureau of Justice Assistance (BJA) is authorized by Congress under this grant program to make grants to states, for use by state agencies and local units of government, to improve the functioning of the criminal justice system with emphasis on violent crimes and serious offenders and to enforce state and local laws that establish offenses similar to offenses established in the Federal Controlled Substances Act. To receive these funds, each state must develop a strategic multi-year violence prevention and drug control strategy to demonstrate that funds will be used in accordance with the purposes of the law.

III. MODELS OF REENTRY PROGRAMS

A. City of Oakland – Department of Human Services

The City of Oakland was awarded \$1,000,000 in 2002 through the Serious and Violent Offender Reentry Initiative. The award is to build upon the existing Project Choice, which provides intensive post release services and supervision to young Oakland parolees. Project Choice currently provides an array of services including employment training, adult education, mental health and substance abuse treatment, and intensive supervision for parolees returning to their communities. The project will increase the number of ex-offenders served, begin reentry planning and service provision 6–12 months prior to parole, and intensify post release supervision. Project Choice will recruit 120 high-risk male offenders ages 14–29 from the California Department of Corrections and California Youth Authority (CYA) facilities nearest Oakland (CDC’s San Quentin State Prison, two CDC community reentry centers in Oakland, and CYA’s Northern California Youth Correctional Center in Stockton). The project is supported by local partners, including the community college district and community-based organizations funded by foundations and governmental sources. In addition, Alameda County is providing substantial behavioral health funding.

B. Partnership for Active Community Engagement (PACE)

The County of Boulder, Colorado realized that, for over 10 years, jail and the Mental Health Center had an effective system to move the most seriously mentally ill from jail to mental health treatment facilities. Yet, this system did not address offenders with less serious illnesses who do not fit the legal requirements for involuntary treatment. Therefore PACE was established to provide an integrated treatment and diversion program that reduces jail use and increases

sobriety, stability, and employment for the targeted population of mentally ill offenders, without increasing costs. Probation became integrated with treatment, providing a recovery model which fully includes each client in assessment, setting goals, and developing service plans. Monitoring of medications, observation of mental status, assistance to accessing basic needs, employment assistance, life skills training and substance abuse and psychiatric treatment are all provided.

Key to the success of PACE is an integrated, collocated multidisciplinary team, including: full-time probation officer, full-time clinical director, mental health/substance abuse therapist, part-time psychiatrist and psychiatric nurse, case aides, administrative support, on-site life skills trainer. Further, the foundation of PACE is built upon the cooperation of the sheriff's office, the district attorney, the jail captain, probation and community corrections and the mental health field. All parties saw this endeavor as necessary to decreasing the recidivism rate in their community and providing a means to successful reentry.

Funding for PACE: Bryne Grant and local matches from the sheriff, mental health, public health, probation, community corrections.

C. Missouri's Transition from Prison to Community Initiative

In an effort to stem the flow of recidivism, and with the collaborative effort of the Governor's Office, the Department of Corrections and Human Services Agencies, a policy team developed. This team was comprised of the Governor's Policy Advisor, the offices of corrections, parole, mental health, education, employment, economic development, health and court administration. The Policy Team developed a steering committee, which in turn developed several implementation work groups. The end goal of these work groups was to establish a Transition Accountability Plan (TAP) and Pre-Release Planning Process for each offender, to provide a means to achieve continuity across agencies and over time as offenders move through the institutional, release, community and discharge, and aftercare phases. A TAP for each offender is developed 6 months before release and continues 6 months after release. The Plan focuses on housing, employment, conditions and restrictions, and access to programs, services and supports.

Funding for this program was established through an Access to Recovery Grant by SAMHSA. The Office of the Governor was the grant recipient and designated the Department of Mental Health, Division of Alcohol and Drug Abuse, to administer the funds. The total award was for \$7.6 million per year for each of three grant years, for a total of approximately \$22.8 million.

D. The Institute of Contemporary Studies, Oakland

Through the ICS, five separate and previously operating faith based programs in Oakland collaborated to apply for a Value-Based Reentry Initiative grant. The five programs operate as separate and unique entities, yet now collaborate their services. Each program director and the program staff pool their resources and expertise to offer a wider range of services to clients in any one of the five programs. For example, every Monday evening all program directors, staff, and participants who are available meet at a church and participate in what has turned into a 25-week training session. The trainings cover a variety of topics, ranging from relapse prevention to anger management to life and job skills. Sometimes these trainings are led by a staff member.

At other times, outside agencies, such as the Alameda County Department of Health is brought in to lead the session. Though each of these programs was successfully operating separately before the VBRI grant, by collaborating their services and resource base, each program is stronger and can offer more to its participants. Further, their collaboration is what aided them in winning one of the few VBRI grants.

IV. NEW LEGISLATION

A. The Second Chance Act of 2004, Community Safety Through Recidivism Prevention, H.R. 4676

On October 7, 2004 a congressional hearing took place that highlighted the challenges faced by states that must deal with the reality of nearly 650,000 people being released from prison each year, in addition to over 7 million individuals being released from jails. The oversight hearing on Federal Offender Reentry was conducted by the Judiciary Subcommittee on Crime, Terrorism, and Homeland security, and focused on legislative proposals to help states and communities better address the challenges associated with returning ex-offenders.

The focus of the hearing was on H.R. 4676, the Second Chance Act of 2004, a bill that increases support to state and community organizations to develop programs and services that are proven to reduce recidivism: jobs, housing, substance abuse and mental health treatment, and programs to strengthen families. This bill would authorize \$113 million per year to be spent on a variety of reentry programs, including the creation of a Federal Task Force on Prison Discharge Planning, and a National Offender Reentry Resource Center. It will also create post-release structured housing, and provide additional grant funds to communities and governments that mentor and provide other support services to ex-offenders.

Though there was not enough time to get the bill completed while Congress was still in session in 2004, important groundwork was laid to pave the way for a reintroduction of the bill when the new Congress convenes in 2005.

B. Mentally Ill Offender Treatment and Crime Reduction Act

The Mentally Ill Offender Treatment and Crime Reduction Act (S. 1194) was approved unanimously by the Senate on October 11, 2004 after House lawmakers also unanimously approved the bill the week prior. It will now be sent to the White House, where advocates believe President Bush will sign the bill into law.

This bill would authorize \$50 million in federal funding for grants to states to support pre- and post-booking intervention, including crisis intervention and law enforcement training, mental health courts and other court-based approaches, reentry and transitional programs. The bill establishes one-year planning grants and five-year implementation grants that would require states to increase their share of funding for the program in later grants years.

V. COUNTY AND CITY EFFORTS

- Contra Costa – Collaboration with Police And Community Corrections Team (PACT) to provide new parolees with knowledge about the resources available to them, along with possible housing options.
- Santa Cruz – Friends Outside: provides support to inmates, ex-offenders and their families pre- and post-release.
- San Francisco -- Northern California Service League works inside and outside of the San Francisco jails and the California State prisons providing education, life skills training, job development and job placement, counseling and transitional housing for women and children.
- Alameda – Alan Temple Baptist Church; PALS program
- Santa Clara – Has a discharge Planning Policy working group in which the local representatives from Probation participate. Additionally, the County Jail System instituted the Providing Assistance with Linkages to Services (PALS) program, which provides those released from the jails with direct assistance to access County and community services.
- San Mateo – Service League; St. Vincent de Paul

- What is else is each community doing on this front?
- What more would you like to know?

For further information please contact Gina Allendorf, HomeBase Staff Attorney, at 415-788-7961, ext. 307 or gina@homebaseccc.org

MEMORANDUM

TO: Regional Steering Committee on Homelessness and Housing

FROM: HomeBase

RE: Homeless Counts: What's Been Done, What's Recommended in Counting Homeless Individuals, and What HUD Requires for the 2005 NOFA

DATE: November 19, 2004

In the 2004 NOFA, HUD stated that a *new count* of homeless individuals will have **to be conducted in the last week of January 2005** by each community receiving NOFA funding. **Beginning in 2005, HUD requests that communities perform a point-in-time count of their unsheltered and sheltered homeless populations every other year.**¹ While the RSC has previously considered the issue of homeless counting methodologies (June 2002, July 2001), HUD's new requirements make revisiting this issue extremely timely.

Methodology for a count of unsheltered homeless individuals is not specified by HUD, but it should be – at a minimum – a one-day, point-in-time “public places” count of unsheltered homeless individuals. HMIS data for services-only projects (assuming services-only projects are participating in HMIS) and the number of individuals turned away from any provider may act to supplement this one-day street count figure. This calculation will generate the number of *unsheltered homeless*.

In addition, the 2005 NOFA will also require, as it has in years past, a survey of homeless individuals living in community shelters, transitional housing facilities, and permanent supportive housing complexes. Ideally, this data should be based on HMIS data reported from all community agencies, as HMIS was mandated as of October 2004. This number will represent the number of *sheltered homeless*.

A well-constructed homeless count provides crucial information not only to determine the size of the homeless population in a community, but also to identify important information about service gaps, most notably in access to healthcare and insurance, food, mental health services, government benefits, employment and job training as well as housing needs. This memorandum attempts to provide basic information about the different ways in which communities can count their homeless populations.

¹ For further information, HUD's guidance concerning how to count *unsheltered* homeless individuals, *A Guide to Counting Unsheltered Homeless People*, can be found at <http://www.hud.gov/offices/cpd/homeless/hmis/index.cfm>. HUD's guidance concerning how to count *sheltered* homeless individuals, *Practical Methods for Counting the Homeless: A Manual for State and Local Jurisdictions*, was published in 1996 by the Urban Institute. This report is not available online, but can be ordered from the Urban Institute for approximately \$13.00.

I. Defining the problem: who is “homeless” in your community?

When a community must conduct a survey of homeless individuals beyond those living in some type of “shelter,” there is no way around the problem of definitions. Who, exactly, will your community include as “homeless”? How extensively, and where, will you locate homeless individuals who are not living in emergency shelters but are living in other settings and who may or may not be receiving any services? Below is HUD’s guidance on these definitional matters.

For **sheltered homeless people**, communities are instructed to count all adults, children, and unaccompanied youth residing in emergency shelters and transitional housing, including domestic violence shelters, residential programs for runaway/homeless youth, and any hotel/motel/apartment voucher arrangements paid by a public/private agency because the person is homeless. In addition to collecting a one-day, point-in-time count of homeless individuals and families in shelters, CoCs must collect information on the number of sheltered homeless people considered to be: chronically homeless, seriously mentally ill, chronic substance abusers, veterans, persons with HIV/AIDS, victims of domestic violence, and unaccompanied youth.

For **unsheltered homeless people**, communities are instructed to count all adults, children, and unaccompanied youth sleeping in places not meant for human habitation, which include:

Streets, parks, alleys, parking ramps, parts of the highway system, transportation depots and other parts of transportation systems (e.g., subway tunnels, railroad cars), all-night commercial establishments (e.g., movie theaters, laundromats, restaurants), abandoned buildings, building roofs or stairwells, chicken coops and other farm outbuildings, caves, campgrounds, vehicles, and other similar places.

Communities must also count or estimate the number of unsheltered homeless people who meet HUD’s definition of chronic homelessness.²

² HUD defines a person as “chronically homeless” if such person is: “An unaccompanied homeless individual with a disabling condition who has either been continuously homeless for a year or more OR has had at least four (4) episodes of homelessness in the past three (3) years. To be considered chronically homeless, persons must have been sleeping in a place not meant for human habitation (e.g., living on the streets) and/or in emergency shelter during that time.” And recall that HUD does not include families as meeting the definition of “chronically homeless.” In HUD’s view, only individuals can be “chronically homeless.” The general definition of “homelessness” can be found in the McKinney-Vento Act and is quite broad:

“include[ing] an individual who (1) lacks a fixed, regular, and adequate nighttime residence and (2) has a primary nighttime residence that is (a) a supervised, publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill), (b) an institution that provides a temporary residence for individuals intended to be institutionalized, or (c) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.”

II. Choosing a methodology: you get what you pay for

In general, the more information you want, the more expensive the data collection methods will be. Smaller, cheaper methods focus on the unsheltered homeless who are easy to find. More expensive methods generally provide much more comprehensive data, including probability samples of outdoor locations and lengthy and detailed interviews that collect a great deal of information about service gaps, health conditions, housing status, and other topics.

HUD warns communities that it will not accept previously used unscientific “adjustment factors” to estimate the number of unsheltered homeless – either multiplying the sheltered population by a certain factor as an alternative to doing a point-in-time count, or using an adjustment factor to account for people not seen during the point-in-time count. HUD no longer allows CoCs to use such adjustment factors. Instead, CoCs can use one of two approaches. The first approach is to simply report the number of people counted. As an alternative, CoCs can use statistical sampling and extrapolation to arrive at an estimate of the number of unsheltered homeless persons. HUD also expresses its preference for communities **not** to use “expert opinion” to assess the number of unsheltered homeless.

HUD STANDARDS

Counting Unsheltered Homeless People: What NOT to Do

Do Not Make Unscientific “Adjustments”: Report the actual number of people counted during the point-in-time survey, not numbers adjusted to account for people who may not have been counted for one reason or another.

Do Not Base Your Numbers on Expert Opinion: In the past, some CoCs have asked local experts, such as police and outreach providers, to estimate the number of unsheltered homeless people in the community rather than conducting a point-in-time count. Beginning in 2005, HUD is asking CoCs to conduct a point-in-time count at least every other year, and not to rely on estimates from experts.

Be Careful About Overlapping Data from Multiple Counts: Some CoCs have conducted multiple counts of unsheltered and sheltered homeless people in their communities, for example, a count of homeless youth, a count of homeless veterans, and a count of homeless people using services in addition to a shelter count. While HUD is not discouraging communities from collecting as much data as possible about homeless populations, CoCs should avoid double counting sheltered and unsheltered homeless people and should “unduplicate” their numbers.

The basic methodologies for counting the homeless are:

1. ***Simple one-night “blitz” count/“public places” count:*** This is single night, point-in-time count. If conducted by observation alone, it will reveal the number of homeless individuals on a given night and will also provide basic information about these individuals: sex, race, approximate age. However, this type of count

is very limited. Observations are not guaranteed to be accurate (Is that person truly homeless? Is that person African-American or of mixed race?) and no information is gathered about any other characteristics of the population: chronically or transitionally homeless, housing status, employment history, family status, disability, mental illness, alcohol/drug abuse, etc.

2. ***Simple one-night “blitz” count with interview component/”public places” count with interview component:*** This is similar to the simple one-night count, but with the addition of approaching and interviewing homeless individuals. Time must be spent in developing the survey questions and in training those who will be canvassing the streets to talk with homeless people, making this a more expensive alternative. Additionally, this type of count may also occur in a single day/night, but, because each individual is interviewed, will take more time to complete.
3. ***Multiple one-night counts/the “capture-recapture” method:*** This is similar to the “complex” one-night “blitz” count, but there are multiple encounters with homeless individuals who are interviewed over the course of a week, a month, or a longer period of time. Surveys must be carefully designed so that individuals are not counted twice and interviewers must be carefully trained to ensure proper counting.
4. ***Counts at services-only facilities:*** An alternative to the “blitz” counts described above is using service programs to help access homeless people who do not use shelters and who may not be readily found in public places. These programs would most likely include homeless-specific services such as Health Care for the Homeless networks, drop-in centers, street outreach teams, and soup kitchens and other food-related programs. The programs might also include those provided by mainstream agencies such as welfare or Temporary Assistance to Needy Families (TANF), health, mental health, substance abuse, community action, and other agencies that are likely to come into contact with homeless people in areas that have few or no homeless-specific programs.

Keep in mind that the “services-only” count can be combined with any of the “street counts” described in numbers 1-3 above.

III. **Making a homeless count happen in your community (especially if you’ve never conducted a homeless count before)**

We’ll take the example of a simple one-night “blitz” count with an interview component. How do you do it?

1. ***Organize the stakeholders.*** Hold a meeting. Invite emergency shelter, domestic violence shelter, runaway/homeless youth shelter, transitional housing, permanent supportive housing personnel. Invite government representatives who work in your community on behalf of housing, homelessness, and government benefits

programs. Invite service providers who deal with *any* homeless clients, including health providers, mental health workers, social workers, parole officers, police officers, food pantry workers, etc.

2. *Know your target date:* For NOFA purposes, HUD wants each community to conduct a homeless count, of both sheltered and unsheltered individuals, during the **last week of January 2005**.
3. *Work out procedures for survey development, interviewer training, counting standards, and reporting.* Determine the geographic locations where unsheltered homeless people tend to congregate in your community. Determine what kinds of information you want the survey to collect, according to your own community needs, and what information it must collect, per HUD. Determine which questions must be asked to ensure that the count can assess any duplication (“Have you responded to this questionnaire before?”). Determine what interviewers will need to know about the questionnaire, about approaching homeless individuals, about safety, and about the count itself. Determine how people will be counted: individuals or households or both? If in doubt about a person’s response, what should an interviewer write down? Finally, how should interviewers report back their information?
4. *Recruit interviewers.* You can use volunteers or ask members of your CoC to assist in this effort. Determine dates and times for training session(s). Make sure you tell them that the actual count is likely an evening event!
5. *If you’ve never done a count before, or if it’s been awhile since you last did one...* plan on at least 6-8 weeks of planning, organizing, meeting, counting, un-duplicating, and reporting the final results!

For further information, please contact Lise K. Ström, HomeBase Staff Attorney, at 415-788-7961, ext. 306 or lise@homebaseccc.org.