



TERRA LAWSON-REMER

VICE-CHAIR

SUPERVISOR, THIRD DISTRICT
SAN DIEGO COUNTY BOARD OF SUPERVISORS

AGENDA ITEM

DATE: October 10, 2023

12

TO: Board of Supervisors

SUBJECT

HOMELESS DIVERSION: INVESTING IN AN EVIDENCE-BASED, COST-EFFECTIVE APPROACH TO ADDRESS HOMELESSNESS (DISTRICTS: ALL)

OVERVIEW

Homelessness continues to be one of the most pervasive issues facing the San Diego region. The 2023 Point-in-Time Count (PITC) found 10,264 individuals experiencing homelessness across the County on one night in January, a 20% increase from 2022. Each month, more people are falling into homelessness for the first-time than are exiting homelessness to stable housing. The Regional Task Force on Homelessness (RTFH) publishes monthly dashboards, showing an 18-month average of 1,234 people entering homelessness each month, but only 866 exiting to housing. While people are getting off the streets and into housing, people are falling into homelessness at an even faster rate, causing the overall numbers to fall further behind.



Our regional homeless response system is like a leaky boat. Even though we’re bailing out water faster than ever before, the boat will continue to sink until we focus on patching the leaks and stopping the inflows.

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Today's action is focused on stopping the inflows into homelessness and providing unhoused people timely help *at the moment of crisis*, rather than waiting for problems to spiral out of control. This approach is cost-effective, trauma-informed, builds on the strengths of our regional partnerships, and aligns with the County's Framework for Ending Homelessness and the County's Homeless Action Plan.

RTFH launched a regional homeless diversion program in 2019. Since then, it has helped nearly 1,500 households (totaling nearly 2,000 individuals) avoid emergency shelters and instead quickly reconnect with stable housing opportunities within their own networks. RTFH provides training for frontline homeless service providers to utilize a "housing problem solving" approach and have a flexible fund available that can pay for one-time expenses, such as first-month rent, moving expenses, or even car repairs. Over the past 4 years, RTFH has found that on average, \$1,500 in one-time flexible funding was enough to keep 85% of households stably housed. These promising findings are similar to other homeless diversion programs across the nation, including the outcomes from a Washington State study conducted by Building Changes and the Bill and Melinda Gates Foundation (see Attachment 1).

RTFH's flexible fund is currently supported with approximately \$300,000 per year from State funding. Today's action seeks to leverage local partnerships to quadruple the size of the flexible fund by adding an additional \$1,000,000. The County would contribute up to \$350,000 towards the flexible fund and leverage additional funding commitments from philanthropic and local government partners including: the Conrad Prebys Foundation, Cushman Foundation, Funders Together to End Homelessness, Jewish Community Foundation of San Diego, Lucky Duck Foundation, San Diego Foundation, and the City of San Diego. In addition, the County would also set-aside approximately \$150,000 towards a program evaluation.

The \$1,000,000 program expansion is anticipated to provide approximately 600 households (totaling 800 individuals) with the support they need to avoid a prolonged and costly experience of homelessness and instead quickly transition to stable housing. This represents a potential regional public cost savings of over \$8 million in emergency sheltering costs (800 beds * \$60 per bed per night * 169 nights average length of homelessness). This effort will include regular outcome reporting of key program metrics as well as a longer-term program evaluation to study the effectiveness of diversion strategies.

Today's action asks the Board in accordance with Board Policy A-87, to approve authority to award a single source contract to the RTFH for the Homeless Diversion Program for an initial term of one year, with one option year if additional funding is identified, and an additional six months if needed. Due to its role as the lead of the San Diego Continuum of Care (CoC) and the administrator of the regional Resolution Strategies diversion program, RTFH is the only provider that can provide this service on behalf of the County and qualifies for a single source contract to administer the diversion program pursuant to Board Policy A-87.

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**RECOMMENDATION(S)
SUPERVISOR TERRA LAWSON-REMER**

1. Find that the proposed action is not subject to review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines sections 15060(c)(2) and (3), 15061(b)(3), and 15378 because the action is an administrative action, does not commit County to a specific project, and will not have a reasonably foreseeable direct or indirect effect on the environment.
2. In accordance with Board Policy A-87, Competitive Procurement, approve and authorize the Director of the Department of Purchasing and Contracting to enter into negotiations with the Regional Task Force on Homelessness, and subject to successful negotiations and determination of a fair and reasonable price, award a contract for The Homeless Diversion Program for an initial term of up to one year, and up to one option year if additional funding is identified, with an additional six months if needed, and to amend the contract as needed to reflect changes to requirements and funding, subject to the approval of the Agency Director, Health and Human Services Agency, or his designee.
3. Direct the Chief Administrative Officer to identify and prioritize potential funding sources to support additional investments into homeless prevention and homeless diversion programs, including, but not limited to, state and federal funds including grant funding opportunities, ARPA funds, as well as private and philanthropic funding. Analyze and prioritize opportunities for additional investments into homeless prevention and homeless diversion initiatives within the Homeless Action Plan.
4. Direct the Chief Administrative Officer and the Office of Evaluation, Performance, and Analytics to collaborate with regional partners, including the Regional Task Force on Homelessness, to develop an evaluation study to assess the impact of diversion programs in addressing homelessness.

EQUITY IMPACT STATEMENT

The increase in homelessness is an issue of concern to our entire County, even more so in disadvantaged communities. Continuing to explore ways to create equity by decreasing homelessness in individuals and families is a benefit to the entire region.

SUSTAINABILITY IMPACT STATEMENT

Today's proposed actions are aligned with Sustainability Goal #2, assisting in providing just and equitable access to housing. These actions will assist persons experiencing homelessness to quickly reconnect to stable home, reducing the impacts on the justice, education, and public health systems. Addressing and ending the growing crisis of people experiencing homelessness in San Diego would lead to positive social and economic enhancements, contributing to the overall sustainability of the region.

FISCAL IMPACT

Funds for this request are included in the Fiscal Year 2023-24 Operational Plan for the Health and Human Services Agency. If approved, this request will result in one-time costs of up to

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\$500,000 which includes up to \$150,000 for program evaluation. There will be no change in General Fund cost and additional staff years to complete this request.

BUSINESS IMPACT STATEMENT

N/A

ADVISORY BOARD STATEMENT

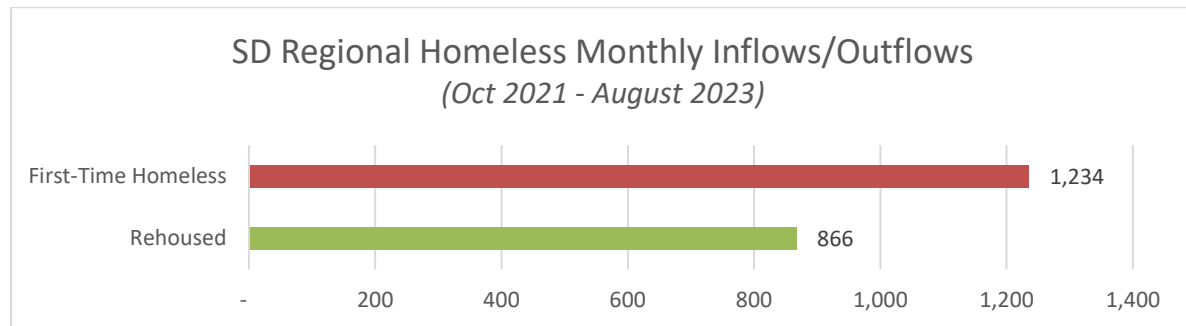
N/A

BACKGROUND

Homelessness continues to be one of the most pervasive issues facing the San Diego region. The 2023 Point-in-Time Count (PITC) found 10,264 individuals experiencing homelessness across the County, a 20% increase from 2022. This upsurge in homelessness is plain to see throughout every community in our region, shelters are operating at capacity and more people are living unsheltered in streets, in cars, in canyons, and in makeshift encampments.

Homeless System Inflows and Outflows

Each month, more people are falling into homelessness for the first-time than are exiting homelessness to stable housing. The Regional Task Force on Homelessness publishes monthly dashboards, showing a 12-month average of 1,234 people entering homelessness each month, but only 866 exiting to housing. While people are getting off the streets and into housing, people are falling into homelessness at an even faster rate, causing the overall numbers to fall further behind.



Monthly Homeless Inflows and Outflows (Source: RTFH HMIS Monthly Data Reports)

Month	First Time Homeless (Inflows)	Rehoused (Outflows)	Net
Oct 2021	1,232	609	623
Nov 2021	1,149	794	355
Dec 2021	1,031	1,071	(40)
Jan 2022	1,161	859	302

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Feb 2022	1,078	854	224
Mar 2022	1,312	1,321	(9)
Apr 2022	1,617	1,429	188
May 2022	1,650	1,311	339
June 2022	1,416	1,278	138
July 2022	1,095	658	437
Aug 2022	1,218	888	330
Sep 2022	1,368	789	579
Oct 2022	1,343	647	696
Nov 2022	984	625	359
Dec 2022	994	759	235
Jan 2023	1,211	663	548
Feb 2023	1,036	725	311
Mar 2023	1,260	832	428
Apr 2023	1,141	714	427
May 2023	1,289	657	632
June 2023	1,141	884	257
July 2023	1,189	828	361
Aug 2023	1,475	733	742
Average	1,234	866	368

Our regional homeless response system is like a leaky boat. Even though we’re bailing out water faster than ever before, the boat will continue to sink until we focus on patching the leaks and stopping the inflows. It’s far more cost-effective and trauma informed to stop homelessness before it starts – so that fewer and fewer people fall into homelessness each month. Today’s action aims to bring together our regional partners including the Regional Task Force on Homelessness, philanthropic partners, and the City of San Diego to scale up the scope and impact of proven diversion efforts.

What is Homeless Diversion?

Diversion is a nationally-proven, evidence-based, common-sense strategy that empowers people experiencing homelessness to identify immediate alternate housing arrangements within their own networks, supporting them with quick connections to short-term services and resources. Effective diversion strategies can divert someone away from a shelter stay or night in their vehicle into a housed situation, connecting people to resources to help them avoid the trauma of becoming homeless and/or entering shelter. The outcomes include permanent family reunification, permanent housing placement, and diverting temporarily as new housing is sustained, and/or relocating permanently to a safe place out of town.

Diversion can look different for every person and is based on exploring immediate solutions and resources already available to a person and to determine a solution to their housing crisis. Diversion is characterized by being light touch, client lead, offering flexible support, and may include financial assistance.

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Diversions assistance may include, but not limited to:

- Housing location
- Security deposit assistance
- Temporary rental assistance (including rent arrears)
- Short-term case management
- Application fees
- Utility deposits and payments

A National Best Practice

The National Alliance to End Homelessness, The Biden-Harris Administration’s Interagency Council to End Homelessness, the Urban Institute, and the California Homeless Coordinating and Financing Council all identify diversion as a best-practice that can reduce the number of families becoming homeless, the demand for shelter beds, and the size of program wait lists. This approach is also aligned with the County of San Diego’s Framework for Ending Homelessness, with “diversion and mitigation” identified as one of the five key strategic domains.

Diversions will not be an option for every household facing homelessness. Some individuals with serious housing challenges, like mental illness, substance use disorders, or long-term disabilities, may require a higher level of services and long-term financial support. However, successful diversion programs can prevent many households from entering the “front door” to homelessness, effectively reducing the inflows and freeing up homeless resources and shelter capacity for households with greater service needs. A successful diversion program will improve the ability of a homeless assistance system to target shelter resources effectively, and, most importantly, help families safely avoid a traumatic and stressful homeless episode.

Diversions Efforts in San Diego

In 2018, Diversions was identified as a need when the Regional Task Force on Homelessness (RTFH) hosted regional community engagement sessions. To address this need, RTFH contracted with Ed Boyte and colleagues from the Cleveland Mediation Center to provide training on diversion strategies to San Diego homeless service providers. Ed Boyte is a nationally recognized expert in employing strong mediation and conflict resolution practices to support those struggling with housing instability. RTFH’s diversion approach includes two components: diversion training for frontline staff, and a “resolution strategies” flexible fund for short-term assistance.

Training

Diversions training provides frontline service staff with skills like mediation, negotiation, conflict resolution, active listening, and strengths-based approaches to assist people with getting into a safe housing alternative. Training sessions included a train-the-trainer model to ensure consistent implementation throughout the San Diego region. Training is facilitated by RTFH staff and includes a 2-day (6-hour training on each day) interactive training. RTFH has hosted eight training sessions since November 2021. Training began monthly and is now offered quarterly, with 160 frontline staff being trained, including

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staff from shelters, outreach teams, day centers, health centers and service providers as well as San Diego Housing Commission and the County of San Diego.

Flexible Funding

RTFH piloted the resolution strategies flexible funding pool in 2019 to support diversion strategies. Frontline service providers incur the initial cost of diversion expenses and submit to RTFH for cost reimbursement from this pool. RTFH currently provides approximately \$300,000 in flexible funding per year.

Outcomes to Date

RTFH's diversion efforts are showing successful program outcomes. Since 2019, 1,462 households, totaling 1,927 unduplicated individuals, have been diverted from homelessness through this approach. On average, \$1,500 in one-time cash assistance was provided to each client, to cover expenses like rental assistance, security deposits, interim hotels, and transportation/car repairs (though some households may access more resources). 85% of these clients remained stably housed.

Partnering to Scale Up Impact

RTFH's flexible fund is currently funded at approximately \$300,000 per year from State funding. Today's action seeks to leverage local partnerships to quadruple the size of the flexible fund by adding an additional \$1,000,000 to the fund. The County would contribute up to \$350,000 towards flexible funding and leverage additional funding commitments from philanthropic and local government partners including: the Conrad Prebys Foundation, Cushman Foundation, Funders Together to End Homelessness, Jewish Community Foundation of San Diego, Lucky Duck Foundation, San Diego Foundation, and the City of San Diego. The County would also set-aside up to \$150,000 towards a program evaluation.

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- Section 1D3: The procurement is for services from a provider with unique knowledge, skill, or ability not available from other sources.

The annual contract amount is estimated to be up to \$500,000. The anticipated start date of the contract is the date of award, subject to successful negotiations and determination of a fair and reasonable price. These actions support the County's Framework for Ending Homelessness which provides guiding principles on homelessness that align existing work throughout the region to assist people who are experiencing or at risk of homelessness, with the ultimate goal of ending homelessness.

As demonstrated by the previously mentioned outcomes to date, RTFH Homeless Diversion Program is a solution that can help some of the most vulnerable homeless persons in our region. RTFH's ability to leverage revenue from different partners helps to maximize finite resources in the region towards an effective solution.

LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today's actions support the County of San Diego's 2023-2028 Strategic Plan initiatives of Sustainability, Equity, and Community, by ensuring resiliency through adding capacity to respond to immediate needs for individuals and families, creating initiatives that reduce and eliminate poverty by promoting economic opportunity; creating programs that value health, and housing; and by improving the quality of life for individuals experiencing or at-risk of experiencing homelessness.

Respectfully submitted,



TERRA LAWSON-REMER
Supervisor, Third District

ATTACHMENT(S)

Attachment 1 Homeless to Housed in a Hurry: Diversion Overview by Building Changes/Gates Foundation