



DEPARTMENT OF
HOMELESSNESS AND
SUPPORTIVE HOUSING

A Place for All Report

Board of Supervisors Committee of the Whole | March 21, 2023



A Place for All Report Requirements

- Ordinance 92-22 (passed in June 2022) required HSH to **prepare a report** on what it will cost to address unsheltered homelessness in San Francisco in three years.
- HSH conferred with national and local homelessness **system design experts** and **researchers** to model project outcomes.
- A Place for All Report:
 - Intended to be an **iterative & balanced** response to the legislative requirements.
 - Is **not** HSH's strategic plan, which will be published in April 2023 and include bold but achievable **goals for reducing and preventing homelessness**.

Importance of Packaged Investment

- Recent 15% decrease in unsheltered homelessness corresponds with a **significant investment** in shelter and housing.
 - **24% increase** in available **shelter** beds since 2019
 - **25% increase** in **housing** since 2019
- Needed to create an **equitable Homelessness Response System** that can shelter or house every unsheltered person:
 - Mix of prevention, shelter, and permanent housing ensures **flow through the system** rather than stagnation.
 - Increasing shelter beds alone will not achieve a **sustained elimination** of unsheltered homelessness.
 - Evaluating and improving the **equity of outcomes** must be a central priority.

System Modeling Approach

- Quantitative modeling is an approach for "peeking" into the future.
- Estimates how the numbers of people experiencing homelessness in the community might **grow or shrink** as changes are made to the resources in the Homelessness Response System.
- A single correct "answer" is not generated; the likely implications of **different choices** are illustrated
- This modeling supports more **intentional and deliberate** strategic planning and informs policy and budgetary decisions.

A Place for All Resource Requirements

Eliminating unsheltered homelessness within 3 years would require:



Adding approximately:

- 3,810 units of permanent housing
- 2,250 units of shelter

Significantly expanding:

- Homelessness prevention services and financial assistance



Total Development and Operations Costs Over 3 Years:

- **\$992 million** over next 3 fiscal years
- On top of the City's existing investments in housing and shelter

Ongoing Annual Costs:

- **Approx. \$378 million** after the initial 3 years
- On top of HSH's existing operating budget

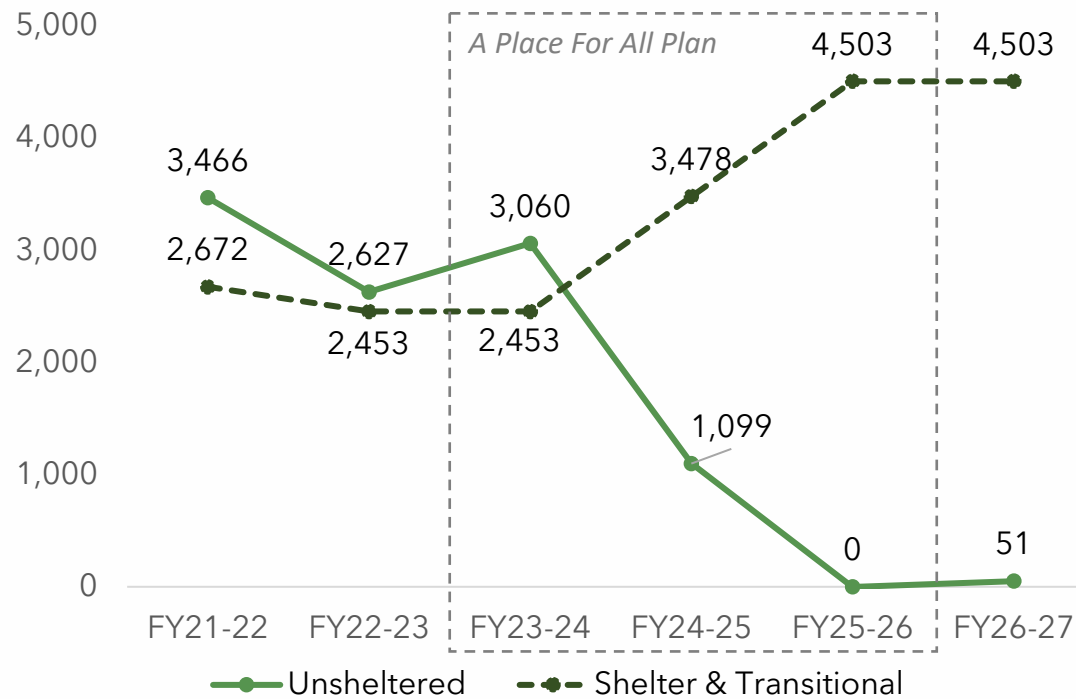
A Place for All Resource Requirements

Resource Type		FY23-24		FY24-25		FY25-26	
		Adults	Families	Adults	Families	Adults	Families
Permanent Housing	Units in the pipeline	+237	+82	+34	+148	+77	+108
	New units under APFA	-	-	+1,898	+31	+1,854	+31
Shelter	Units in the pipeline	-	-	-	-	-	-
	New units under APFA	-	-	+1,025	+100	+1,025	+100
Prevention	In the pipeline	-	-	-	-	-	-
	New units of service under APFA	+2,734	+266	+2,733	+267	+2,733	+267

Projected Impact of APFA Investment: Elimination of Unsheltered Homelessness

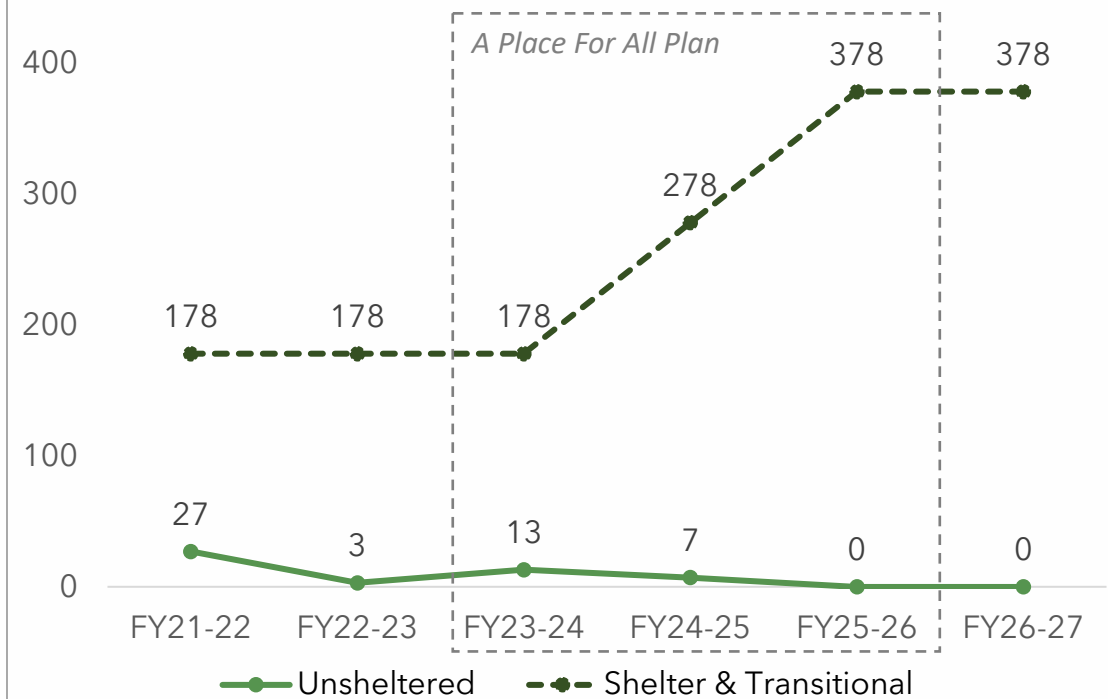
Adult Households

Homelessness on a Single Night Projection



Family Households

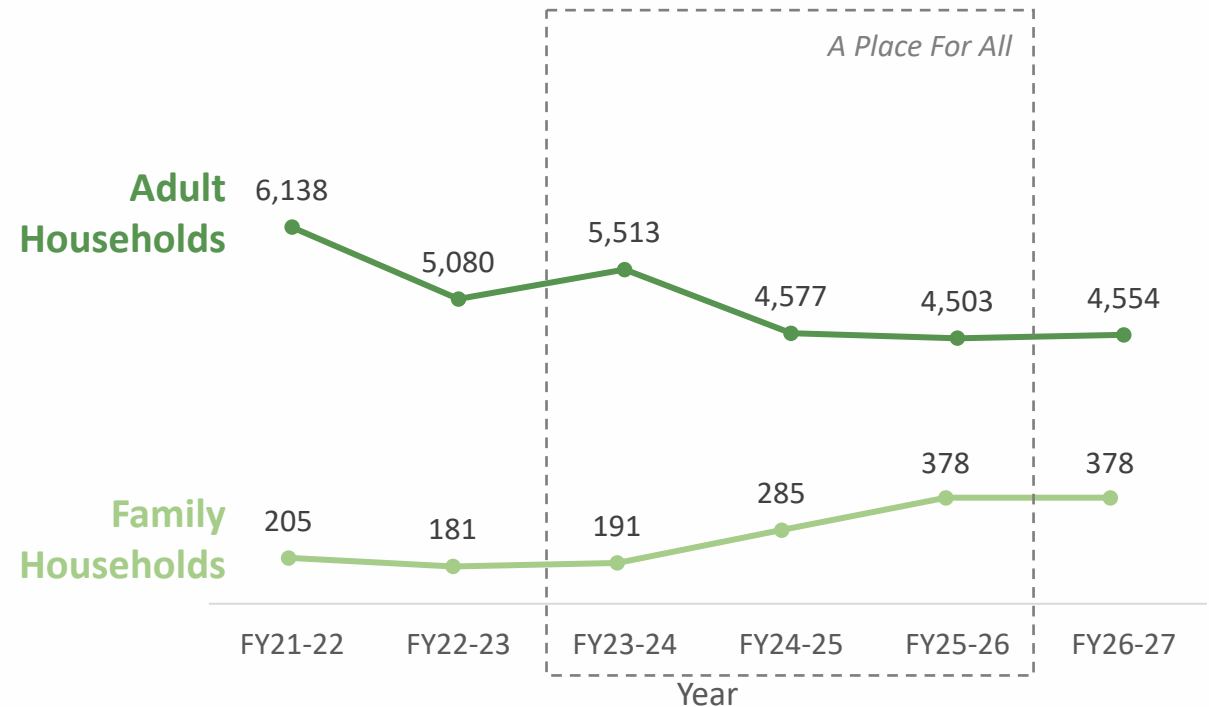
Homelessness on a Single Night Projection



Projected Impact of APFA Investment on Total Homelessness

- The packaged investment under APFA would result in:
 - ↓ **100% decrease** in unsheltered adult and family households
 - ↓ **27% decrease** in total homeless adult households
 - ↑ **84% increase** in total homeless family households

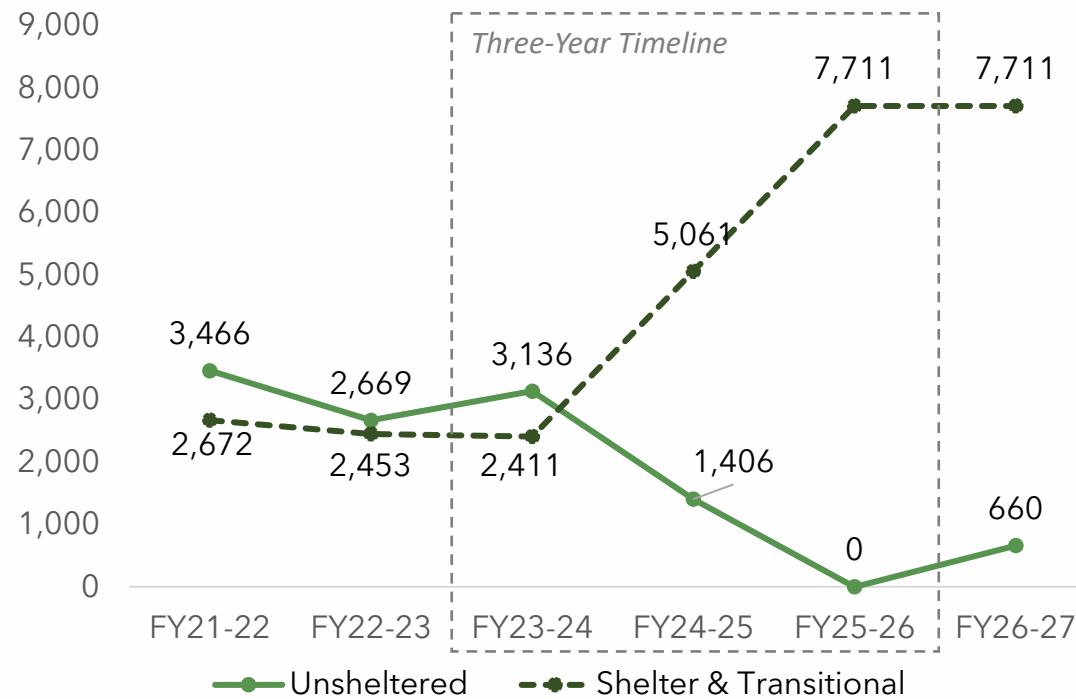
Total Homelessness on a Single Night Projection



Projected Impact: Primarily Shelter Investment

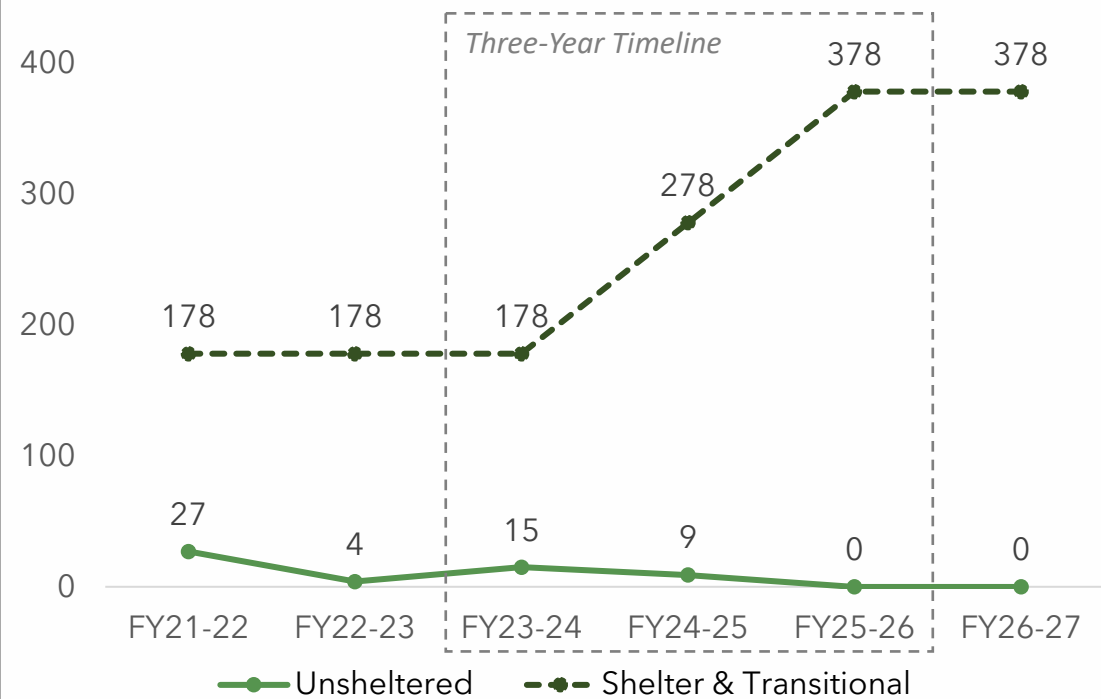
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Family Households

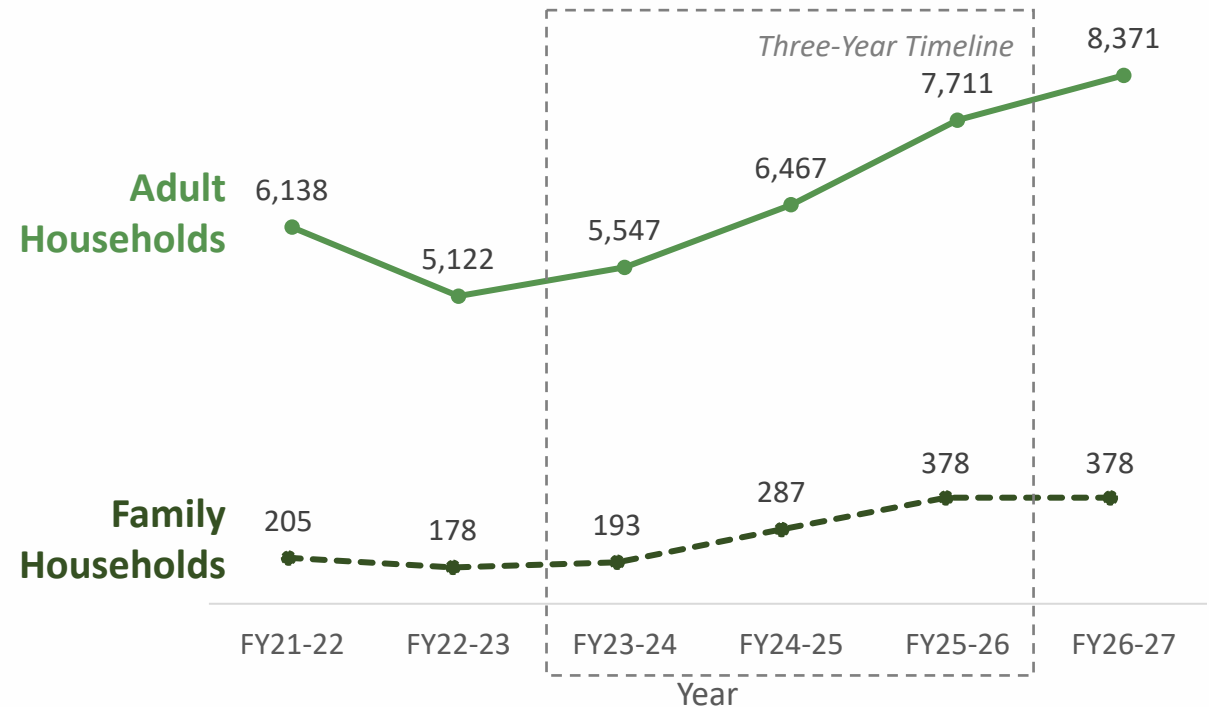
Homelessness on a Single Night Projection



Projected Impact of a Primarily Shelter Investment on Total Homelessness

- Investment in primarily shelter resources would require **~5,500 new shelter beds** and result in:
 - ↓ **100% decrease** in unsheltered adult and family households
 - ↑ **26% increase** in total adult homelessness
 - ↑ **84% increase** in total family homelessness

Total Homelessness on a Single Night Projection



Inflow Estimates

- Some information required for modeling -- including **annual inflow** into homelessness – is **not captured in existing data systems**.
- There is **no established methodology** for measuring how many people become newly homeless or return to homelessness each year.
- Inflow had to be **estimated** using data from multiple sources, including the HMIS, DPH data systems and the PIT Count.
- For this report, we estimated annual inflow by **subtracting the number of households in the 2022 PIT Count** from an estimate of the total number of households that experience homelessness during the year.
- That resulted in an estimate that **8,900 households** enter homelessness annually (7,800 adult and 1,100 family households).

Implementation Challenges

The ability to scale permanent housing and shelter opportunities is not only constrained by the gap in financial resources, but also by:

- Difficulty **identifying** and **securing** available sites.
- Delays that consistently occur in **leasing, permitting, utilities** and **development activities**.
- Non-profit provider and city department **capacity** (HSH, DPH, Public Works, etc.).
- The need to support the expanded system with an **intentional equity strategy** to eliminate racial disparities that is informed by the voices of people with lived experience of homelessness.



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Cost Estimates

APFA Model's Cost Estimates & Assumptions

- Cost estimates reflect:
 - The City's high cost of bringing on and operating new shelter and housing.
 - **Stated City policy priorities.**
 - Cost to comply with local law and regulations.
- Model reflects **higher cost solutions to open beds quickly**, rather than interventions that could be scaled to achieve reductions over time.
 - **For example:** model assumes leasing temporary sites and renting shower/bathroom trailers, until permanent structures completed.
- Includes **total ongoing operational costs**, not solely the costs of the primary nonprofit contract to operate housing and shelter.
- Total costs include a **15%** overhead rate to address the capacity issues noted earlier.

Estimated Avg. Annual Costs by Intervention

Type of Intervention	Cost Per Unit/Bed (Adults/Couples)	Cost Per Unit/Bed (Families)
Permanent Supportive Housing Models		
Site-Based Units (nonprofit owned/leased buildings)	\$ 39,000	\$ 63,300
Scattered-Site Units (private rental market)	\$ 41,535	\$ 57,608
Shelter Models		
Congregate Shelter	\$ 58,400	\$ 62,617
Non-congregate Shelter (private rooms)	\$ 62,050	\$ 70,829
Cabins	\$ 67,700	-
<i>Safe Sleep (Tents) *illustrative only, excluded from model</i>	\$ 87,600	-
Targeted Homelessness Prevention Assistance	\$ 6,524/per household	

Cost Estimate Comparison: Additional Resources

Costs	A Place for All	All Shelter	All Shelter Compared to APFA
Initial Three-Year Costs	\$992,370,000	\$707,465,000	(\$284,905,000)
<i>Start-Up Cost</i>	<i>\$388,900,000</i>	<i>\$120,459,000</i>	<i>(\$268,441,000)</i>
<i>Three-Year Operating and Services</i>	<i>\$603,470,000</i>	<i>\$587,006,000</i>	<i>(\$16,464,000)</i>
Ongoing Annual Operating & Services	\$378,319,000	\$395,174,000	(\$16,855,000)
<i>Site-Based Permanent Housing (Leased)</i>	<i>\$29,455,000</i>	<i>\$ -</i>	<i>(\$29,455,000)</i>
<i>Site-Based Permanent Housing (Acquired)</i>	<i>\$14,128,000</i>	<i>\$ -</i>	<i>(\$14,128,000)</i>
<i>Scattered-Site Permanent Housing</i>	<i>\$67,226,000</i>	<i>\$ -</i>	<i>(\$67,226,000)</i>
<i>Rapid Rehousing</i>	<i>\$71,715,000</i>	<i>\$ -</i>	<i>(\$71,715,000)</i>
<i>Congregate Shelter</i>	<i>\$83,091,000</i>	<i>\$191,338,000</i>	<i>\$108,247,000</i>
<i>Non-congregate Shelter</i>	<i>\$88,824,000</i>	<i>\$203,836,000</i>	<i>\$115,012,000</i>
<i>Targeted Prevention</i>	<i>\$23,880,000</i>	<i>\$ -</i>	<i>(\$23,880,000)</i>

Shelter Policy Priorities Reflected in Estimates

- **2 meals a day for guests** (includes hot meals delivered to shelter sites without kitchen facilities)
- Operating **24/7** rather than closing during the day
- **Shelter Health Services:** Department of Public Health (DPH) nurses, nurse practitioners, nurse manager and health workers.
- Overdose prevention directives
- Behavioral health services
- Security
- Shelter Transportation
- **Wage equity** for frontline workers and case managers higher than City's Minimum Compensation Ordinance (MCO) requirement
- Enhanced case management to achieve a **1:25 staff-to-client ratios**
- **Housing Navigation** services and linkages to other benefits (SDI, CalFresh, SSI, MediCal)
- **Neighborhood Ambassador Programs** as a proxy for funding commitments made to gain neighborhood support for new sites

Housing Policy Priorities Reflected in Estimates

- **Tenant rent** capped at no more than 30% of income
- **Enhanced case management** to achieve a 1:25 staff-to-client ratios for adults (on-site and roving) and 1:20 staff-to-client ratio in TAY and family sites
- **Behavioral health services** (roving teams)
- **Security** and 24/7 **desk clerk** coverage
- **Overdose prevention**
- **Wage equity** for frontline workers and case managers higher than City's Minimum Compensation Ordinance (MCO) requirement
- **Housing Navigation** and **stabilization** Services
- **Housing deposits** (first/last month's rent) and **move-in costs** (furniture)
- **Landlord incentives** for scattered site programs



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Questions?

Thank you.