REVISED LEGISLATIVE DIGEST

(Amended on June 14, 2016)

[Administrative Code - City Navigation Centers for the Homeless]

Ordinance amending the Administrative Code to require the City to open and operate no fewer than six Navigation Centers within twenty four months of the effective date of the ordinance, offering comprehensive health, mental health, and other services to homeless people, and moving homeless people off the streets and into permanent housing or transitional or stable supportive housing that eventually leads to permanent housing through case management, social service programs, and the integration of other relevant city services; specifying programmatic requirements for Navigation Centers; requiring the development of plans for the equitable distribution of shelter and housing resources, and the identification of sustainable revenue sources for the development of new, permanent housing; transferring all responsibilities imposed by this ordinance on the City Administrator to a new department charged with the coordination of services for the homeless, upon its establishment; and affirming the Planning Department's determination under the California Environmental Quality Act.

Existing Law

The City and County of San Francisco provides an extensive array of services to help homeless individuals transition to permanent housing. Since March 2015, the City has operated a Navigation Center pilot program located at 1950 Mission Street which is designed to shelter and rapidly house San Francisco's difficult-to-serve homeless population by colocating services and case management in a low-threshold program design. There is currently no legal requirement that the City make services available through a Navigation Center service delivery model.

Amendments to Current Law

This revised legislative digest reflects amendments made in the Government Audit and Oversight Committee on May 5, 2016, and in meetings of the full Board of Supervisors on May 17, 2016 and June 14, 2016.

The proposed ordinance would require the City Administrator to open six Navigation Centers within twenty-four months of the effective date of the ordinance, with a mandate to open three of the six centers within the first twelve months. A Navigation Center is defined as a temporary, low-barrier-to-entry shelter that, through case management and social service programs, aids in moving homeless people off the streets and into permanent housing, or transitional or stable supportive housing that eventually leads to permanent housing.

Each Navigation Center opened under the ordinance would be required to offer the following services:

- Beds for no fewer than 40 and no more than 100 residents at a time, including, to the
 extent feasible, flexible housing arrangements whereby groups, families, and couples
 may stay together;
- Housing arrangements that permit residents to keep their pets with them;
- Adequate showers and bathroom facilities;
- Adequate storage for residents' personal property;
- In-and-out privileges allowing residents to leave and re-enter the facility;
- Access to health services, including mental health services, drug and alcohol treatment, and harm reduction interventions;
- Integration of low-threshold access to City services, including benefits screening and transportation of belongings;
- Outdoor space located within the boundaries of the Navigation Center site where residents may congregate; and
- Three meals per day.

To meet the needs of specific populations, the proposed ordinance would require that at least one Navigation Center focus on the needs of young homeless persons, aged 18-29, who have experienced homelessness. The City Administrator would also be required to explore the feasibility of operating one Navigation Center as a managed alcohol shelter that would allow residents to consume alcohol on site and offer alcohol treatment services.

The Navigation Centers opened under the proposed ordinance would be temporary facilities, operating for no fewer than six months and no more than two years at a specific site, unless an adjustment or extension is approved by the Board of Supervisors. Prior to opening a Navigation Center, the City Administrator, in consultation with the member of the Board of Supervisors who represents the district in which the Center would be located, would be required to conduct a thorough community outreach process with neighbors and merchant associations to solicit input on the site selection.

To facilitate the equitable distribution of shelter and housing resources, and promote the development of new, permanent housing sufficient to meet the needs of San Francisco's homeless adults and young adults, the ordinance would require the City Administrator, in close consultation with the Local Homeless Coordinating Board, and community partners, including homeless and formerly homeless people, to develop and submit to the Board of Supervisors the following plans:

• An "Equitable Entry Plan" that will identify the factors and circumstances to be considered when assigning homeless adults without minor children to Navigation Centers, and any circumstances that might give rise to a priority in placement.

- An "Equitable Exit Plan" that will identify the factors to be considered when moving homeless adults without minor children and homeless young adults from Navigation Centers, homeless shelters, the street, or any other places where they may reside, to transitional, supportive, and/or permanent housing, and any circumstances that might give rise to a priority in placement.
- A "Housing Revenue Plan" that will identify sustainable revenue sources to produce 8,000 units of housing for homeless individuals and families in the next four years.

If the City establishes a City department charged with the coordination of homeless services and supportive housing, all duties imposed by this ordinance on the City Administrator, including but not limited to the duty to open the Navigation Centers and engage in planning processes concerning the equitable distribution of shelter and housing services, shall transfer by operation of law to the new department upon its creation.

Background Information

The 2015 Homeless Count identified 6,686 individuals who are homeless in the City and County of San Francisco, including 3,505 individuals living on the street. Among San Francisco's chronically homeless population are individuals who experience numerous barriers to accessing the traditional shelter system. For example, most shelters do not accommodate pets. Many shelters limit the number of personal items clients are able to bring with them. And most traditional shelters separate men and women into gender-specific dorms.

In 2015, the Mayor, in conjunction with the Office of Housing, Opportunity, Partnerships and Engagement (HOPE) and various City Departments, developed a concept called the SF Navigation Center, to help individuals, couples and encampments exit chronic street homelessness by removing barriers that often prevent individuals from accessing temporary housing (allowing pets to stay with their owners, providing accessible storage, and allowing couples to remain together) and embracing a low-threshold approach that emphasizes respect and flexibility.

In March 2015, the SF Navigation Center, located at 1950 Mission Street, opened to homeless persons, offering room and board and a full range of case management services aimed at connecting clients to public benefits and permanent housing. The SF Navigation Center is a temporary facility as it is located on a site that is slated for development as affordable housing in 2016.

In December 2015, the City Services Auditor (CSA) of the Office of the Controller conducted an assessment of the Navigation Center's initial outcomes. The CSA report, "More than a Shelter," found that in its first six months of operation, the SF Navigation Center served 212 unique clients. Of those clients, 61% entered the Center with at least one of three primary

barriers to shelter use: a pet, a partner, or a significant number of possessions. The vast majority (94%) had been continuously homeless for more than a year prior to their stay. As of October 2015, 132 clients had exited the Navigation Center, and most found stable housing or participated in Homeward Bound, a program designed to help reunite homeless persons living in San Francisco with family and friends willing and able to offer ongoing support. Of those exiting to permanent supportive housing, 88% went to Master Lease units operated by the San Francisco Human Services Agency and the remainder went to Shelter Plus Care units (9%) or the Department of Public Health's Direct Access to Housing sites (3%). Of 59 clients who were permanently housed by September 1, 2015, all but one remained in housing through October 1, for a housing maintenance rate of 98%. Only 17% of clients served by the Navigation Center left without a connection to permanent or temporary housing.

On May 31, 2016, Mayor Lee introduced an ordinance that would establish a new Department of Homelessness and Supportive Housing, which would be responsible for managing and directing all housing, programs, and services for homeless persons in the City including, but not limited to, street outreach, homeless shelters, transitional housing, and permanent supportive housing. All of the duties imposed by the Navigation Center ordinance on the City Administrator would transfer by operation of law to the new Department of Homelessness and Supportive Housing if the ordinance establishing the new department is enacted.

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