



REPORT

DATE ISSUED: July 1, 2005 **ITEM 102**

REPORT NO.: HCR05-57
For the Agenda of July 8, 2005

SUBJECT: San Diego Second Chance Transitional Housing Grant
(Council Districts 3, 4, 7, and 8)

SUMMARY

Issue: Should the Housing Commission approve an additional \$56,250 grant to San Diego Second Chance for operation of their Prisoner Reentry Employment Program (PREP)?

Recommendation: That the Housing Commission approve a grant in the amount of \$56,250 as partial operating support to San Diego Second Chance’s 18-bed Prisoner Reentry Employment Program (PREP) and authorize the President & Chief Executive Officer to execute a contract in a form acceptable to General Counsel.

Fiscal Impact: Approval of the recommendation will result in the expenditure of \$56,250 in FY05 Housing Trust Fund funds.

Certificate of Funding Availability:

Certificate No:	05-124
Amount:	\$106,850 total (\$56,250 PREP and \$50,600 Second Chance)
Revenue Source:	HTF
Division:	Housing Finance & Development
Line Item:	Grants

Affordable Housing Impact: The PREP grant will be used to provide 18 beds per month to prevent former prisoners from becoming homeless. The combined grant amounts totaling \$106,850 will provide 32 beds per month to assist approximately 230 very-low income individuals (\$24,150 for an individual earning fifty percent of area median income).

Environmental Review: This activity is not a project and is categorically exempt under the applicable provisions of CEQA.



Previous Related Actions: On June 3, 2005, the Housing Commission approved funding of a \$50,600 grant to San Diego Second Chance.

BACKGROUND

As part of its oversight responsibilities of the Housing Trust Fund (HTF), the Housing Commission is required (Municipal Code Section 98.0504) to commit at least 10 percent of each year's HTF program funds to Transitional Housing activities. This \$56,250 meets the Ordinance requirements by serving very low income households and will help meet the 10 percent Transitional Housing requirement for FY05.

A Request for Proposals from Nonprofit Corporations Seeking to Provide Transitional Housing for the Homeless was issued on January 24, 2005. Fourteen proposals for renewal funding were received before the deadline requesting a total of \$1,224,214, including an application for \$106,872 from San Diego Second Chance for both the Second Chance and PREP programs.

On June 3, 2005, the Housing Commission approved funding \$930,351 to fourteen Transitional Housing Programs providing a total of 559 beds for one year, including a \$50,600 grant to San Diego Second Chance.

DISCUSSION

All of the Transitional Housing Grant applications received under the Request for Proposals were for renewal funding. Housing Commission staff intended to recommend funding for all applicants at last year's funding levels. San Diego Second Chance's application was a combined application for both the Second Chance program and the PREP program (a program started in 2003). Last year the Second Chance program was funded at \$50,600 and the PREP program was funded at \$56,250 (\$106,850 total). Due to an oversight by Housing Commission staff, the new combined Second Chance application was only recommended for funding in the amount of \$50,600.

This report is intended to correct that oversight and recommend additional funding for the Second Chance PREP program in the amount of \$56,250.

Attachment 1 provides a summary of Second Chance's Transitional Housing Programs and Attachment 2 is a 2004 Accomplishments Report from Second Chance.

ALTERNATIVE

The Housing Commission could deny, increase, or reduce the funding recommendation.

Submitted by,

Approved by,

**Signature on File
With Original Document**

Cissy Fisher
Director, Housing Finance & Development

Elizabeth C. Morris
President & Chief Executive Officer

- Attachments: 1. Second Chance Transitional Housing Program Summary
2. Second Chance 2004 Accomplishments Report

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Information: Ann Kern, (619) 578-7582

ATTACHMENT 1

Sponsor:	San Diego Second Chance
Project:	Second Chance Transitional Housing Program
Funding Request:	\$106,872
Purpose:	Homeless adults
No. of beds:	32
Total cost:	Annual cost is \$675,411 (\$7,185 per bed)
Leverage:	\$568,561 from the Dept. of Labor, County of San Diego, The California Endowment Fund, and private fundraising
Prior HTF Funds:	HTF has provided approximately \$509,000 since 1996

Agency Sponsor

San Diego Second Chance (Second Chance) is a nonprofit agency located at 6145 Imperial Avenue. Its mission is to create opportunities for self-sufficiency by providing jobs and housing for homeless and long-term unemployed men and women through public and private community partnerships. Second Chance has operated transitional housing facilities since 1994.

Client Group and Resident Selection

The target population is adult men and women who are chronically homeless and adult men and women being released from correctional facilities. In order to participate in the program, applicants must: be at least 18 years old; be “clean and sober” for a minimum of 60 days or recently completed a structured clinical model recovery program; show financial need; demonstrate improved well-being from accessing the program; and be legally eligible to work in the United States.

Participants are referred from other members of the Solutions Consortium (twenty homeless service providers). These agencies also provide additional services as needed. PREP applicants are referred from corrections personnel. Interested inmates submit an application and undergo assessment by Second Chance staff to determine need and program appropriateness. Inmates admitted into the program are notified and picked up from the correctional facilities upon their release and transported to Second Chance facilities.

Program Design, Location & Operations

Second Chance owns and operates six sites with 94 beds in the City of San Diego. Thirty-two-HTF beds (34 percent of total beds) will be scattered and provided at all six facilities: 1) Central House (3517 Central Avenue – 6 bedrooms); 2) 46th Street House (4075 46th Street – 5 bedrooms); 3) Flicker House (735 Flicker Street – 5 bedrooms); Alumni House (5091 Alumni

Way – 11 bedrooms); 5) Hartley House (4750 Hartley – 4 bedrooms); and Bancroft House (3711 Bancroft Street – 7 bedrooms). All houses are located in residential neighborhoods; each house provides common kitchens, bathrooms, and living and dining rooms. Each house is supervised by a Manager and Assistant. No on-site services are provided. Program participants receive up to 60 days of transitional housing while they start jobs or training.

The focus of the transitional housing programs is housing and jobs. The programs provide STRIVE Job Readiness Training, employment placement, housing assistance, mental health counseling, preparation of a permanent housing plan, and follow-up case management for two years.

Staffing

Professional staffing is in place under the Executive Director (oversees staff and management of the facilities and mentors participants as they progress towards graduation). Additional staff includes a Housing Case Manager (conducts needs assessments and works with participants to develop individual housing plans) and Housing Services Manager (creates and maintains a database of rental units and also provides case management services).

Several of the staff and board members are formerly homeless themselves and/or are in recovery. Their personal experiences give them insight and enable them to assess the needs and readiness of potential Second Chance candidates.

Leverage

HTF funds recommended are \$106,850 (\$56,250 PREP and \$50,600 Second Chance) and represent 15 percent of the program's cost for FY05.

Second Chance will provide \$568,561 through funding from the Department of Labor (\$210,500), the County of San Diego (\$25,000), The California Endowment Fund (\$246,580), and Fundraising (\$86,481).

Innovation and Community Involvement

Second Chance's accelerated approach is outcome focused, attacking the basis for being homeless. Second Chance services include STRIVE, a 120-hour job readiness training program that provides pre-employment attitudinal training, permanent job placement, and long-term post-employment follow-up. Second Chance's PREP program provides early intervention thereby preventing future homelessness and/or reincarceration.

Second Chance is a member of San Diego's Regional Continuum of Care Counsel, participated in the City of San Diego's Homeless Task Force and Social Services Process Task Force, Lead San Diego Community Council, San Diego Reentry Roundtable, and R.J. Donovan's Reentry Advisory Committee. As a community partner in the Solutions Consortium, Second Chance works closely with participating agencies and other area providers, as well as establishing linkages with area employers.

Outcome Measures

During the current operating year, 81 clients have increased their earnings (27 percent). During the prior operating year, 181 clients (55 percent) found employment and left the program for permanent housing.