



REPORT

DATE ISSUED: January 3, 2003, for the Agenda of January 10, 2003 **ITEM 102**

REPORT NO.: HCR03-002

SUBJECT: Continuation and Expansion of Transitional Housing Program for Homeless Seniors (Council Districts 2, 3)

SUMMARY

Issue: Should the Housing Commission:

- 1) Authorize the Chief Executive Officer to take the following actions in support of the City's ongoing Transitional Housing Program for homeless seniors in 2003:
 - a) Continue leasing up to 35 rooms in two downtown Single Room Occupancy (SRO) hotels for use as transitional housing for homeless seniors capable of living independently;
 - b) Lease an additional five rooms in an assisted-living facility for homeless seniors needing these expanded services; and
 - c) Execute an amendment to the Housing Commission's Community Development Block Grant (CDBG) Agreement with the City; and
- 2) Recommend Housing Authority authorization to amend the FY03 Housing Commission Budget to incorporate \$311,000 of Centre City Development Corporation (CCDC) and City funds to fund the program?

Recommendation: That the Housing Commission authorize the Chief Executive Officer to take the actions necessary to continue the Commission's participation in this program (subject to approval of all agreements by General Counsel), and recommend Housing Authority approval for a Budget amendment to incorporate \$311,000 from CCDC and the City to lease rooms for the program.

Certificate of Funding Availability:

Certificate No.: 03-
Amount: \$311,000



Revenue Sources: City (CDBG); CCDC
Department: Housing Finance and Development
Line Item: Grants

Affordable Housing Impact: Approval of the recommendations will allow the City to provide transitional housing for up to 40 very low income seniors, left homeless as a result of being economically displaced from their previous housing, for approximately one year.

Environmental Review: Not applicable to grants funding operations.

Previous Related Actions: On November 9, 2001 (HCR01-124), the Commission approved expenditure of \$168,000 of Housing Trust Fund money and authorized the Chief Executive Officer to take the necessary actions to lease rooms at the Capri Hotel and the Sara Frances Homotel to house homeless seniors. CCDC later approved funding for the program and transferred \$168,000 to the Housing Commission to replace the Housing Trust Funds.

Future Related Action: Housing Authority approval for Budget amendment.

BACKGROUND

As rents have risen in San Diego's tight housing market, the City has seen an upsurge in homelessness among seniors with very limited, fixed income. In response to this situation, the City, Senior Community Centers (a private nonprofit devoted to assisting seniors), the Housing Commission, CCDC, the County and others collaborated to lease SRO rooms in the downtown area for transitional housing in 2002. The City provided overall coordination; Senior Community Centers, along with Traveler's Aid, the San Diego Reach program, and the San Diego (Police) HOT Team, provided outreach and case management; CCDC provided the funds for leases; the County provided funding for case management; and the Housing Commission served as the leasing agent.

With the cooperation of the Sara Frances Homotel, at 943 Tenth Ave., and the Capri Hotel, at 319 West "E" Street (Attachment 1), the program was able to serve a total of 144 seniors in 35 rooms (for a total of 8,700 "bed-nights") as of November 30, 2002.

DISCUSSION

Senior Community Centers serves the preponderance of clients in the program. During the time a senior is living in one of the leased rooms, social workers provide intensive case management to assess the individual's needs and resources, arrange for additional resources to which the individual may be entitled, counsel the individual regarding money management and any other issues that may be evident, and help the person find stable, permanent, affordable housing. The average length of stay in this transitional program is 60 days.

As of November 30, 2002, 87 percent of that agency's clients who remained in and cooperated with the program until the agency considered them ready to be on their own had succeeded in or were actively working toward transitioning into stable, permanent housing. Follow-up case management, at a less intensive level, is provided after clients successfully transition to permanent housing.

A problem identified by the social service agencies during the year was a lack of appropriate resources to help those homeless seniors who are too frail to live independently in SRO hotels. Consequently, in seeking renewal of the program, the collaborative requested additional funding to lease five rooms in an assisted-living facility to accommodate these extremely needy seniors.

In November and December of 2002, City Council's Land Use & Housing Committee (LU&H) and the board of CCDC voted to extend the existing program through Calendar Year 2003 and add five units in an assisted living facility to house seniors too frail for the SRO rooms. As of this writing, the Redevelopment Agency is set to vote on the issue early in January and City Council in late January.

City and CCDC staff have asked that the Housing Commission continue its role as leasing agent for the project. Housing Commission staff would enter into leases with the SRO hotels and an assisted living facility. The City and CCDC would transfer funds to the Housing Commission to cover the lease payments, in a manner very similar to the arrangement used during 2002.

Staff has discussed continuation of the program with the owner of the Sara Frances Homotel and with the manager of the Capri Hotel and both have agreed to cooperate. Initially, 20 clients would continue to be housed at the Capri and 15 at the Sara Frances.

The operator of the Capri Hotel is subject to an agreement with the Federal Government (owner of the property) to lease 20 rooms to house clients of this program, but only through August 31, 2003. Sometime after that date, the Capri is slated to be demolished for a new courthouse. The owner of the Sara Frances has agreed to house the additional clients, taking them in gradually (prior to August 31) as rooms become available by attrition.

Discussions are also underway with various providers about leasing five rooms at an assisted-living facility. The rate would be much higher than SRO room rates because it includes all meals and personal care in addition to housing.

Approval of the staff recommendation will help meet a housing need of very low income seniors who are among the most vulnerable to upward rental pressure in the San Diego market. There would be no cost to the Housing Commission other than a small administrative burden.

ALTERNATIVE

Do not authorize the Housing Commission to serve as the leasing agent.

Respectfully submitted,

Approved by,

Signature on File with Original Document

Jack D. Farris, Manager
Housing Finance and Development

Elizabeth C. Morris
Chief Executive Officer

Attachment: 1. Map