

**2007-2008
FRESNO COUNTY GRAND JURY**



**FINAL REPORT
#2**

Homes for People Sleeping on the Street

“And homeless near a thousand homes I stood,
and near a thousand tables pined and wanted food.”

William Wordsworth, “Guilt and Sorrow”

INTRODUCTION

The homeless among us are a challenge to public policy and a reproach to the public conscience.

Currently, large numbers of people are being shielded from homelessness by the efforts and spending of the City of Fresno and Fresno County governments. In addition to government spending, local non-profit health and human resource groups and a plethora of charitable agencies also fight to end homelessness. These public and private programs, often embodying the best efforts of hardworking and well-meaning people, are not effectively coordinated. In spite of their efforts, there are many people living on the streets of Fresno or in the backs of cars each night.

These street people, the “least among us,” are the focus of this Grand Jury report. We recognize that local agencies devote a great deal of money and energy addressing their problems in a piecemeal fashion, but this effort is largely unknown or misunderstood by the public. Many citizens would be surprised to learn that government agencies spend as much as \$100,000 per chronic unsheltered homeless person every year. Yet, the problem persists.

BACKGROUND

The Homeless Population

Chronic unsheltered homeless people exist in every community in Fresno County. The definition for homelessness depends on the purpose and scope of the report or organization dealing with homeless people (see Appendix 1). Articles written about the homeless, for the most part, refer to the people who are living in cars or unsheltered on the street. The chronic unsheltered homeless can be seen sleeping outside on loading docks of buildings, courtyards of shopping centers or strip malls, under the underpasses of freeways, under oleander bushes around freeway off ramps, and in cardboard boxes or makeshift tents. Chronic unsheltered homeless people exist in every community in Fresno County.

However, not all homeless people are derelicts. Some are struggling individuals and families in need of help to find temporary shelter or money for rent or home payments.

Focus of this Report: The Unsheltered Homeless

This Grand Jury report is focused on people sleeping in a place not meant for human habitation or sleeping in an emergency shelter. Homeless encampments lack water, and

restroom facilities. Therefore, sanitation can become a public health problem. Every witness interviewed by the Grand Jury agreed that encampments are not an adequate shelter for the homeless and that something more is needed.

The unsheltered homeless are often afflicted by multiple problems which make them very challenging to serve. For example, it is estimated that 80% of the chronic unsheltered homeless have either drug addiction or an incapacitating mental disorder. The make-up of this group changes every day, and their problems impact almost all governmental services.

This population was dramatically brought to public attention when the City of Fresno and state transportation (Caltrans) officials began cleaning up the encampments of the chronic unsheltered homeless to force them to move elsewhere and to use available social services. After successive cleanups in 2006, personal properties were allegedly destroyed. This led to a lawsuit against the City of Fresno, Caltrans, and other named city officials. A preliminary injunction was issued in November 2007 in Federal Court stopping the City and others from continuing their actions. This trial is scheduled for June 10, 2008 in Federal Court.

The Public Cost of Homelessness

The scattered and piecemeal public services provided to the unsheltered homeless add up to a very large public expense. It has been reported that as much as 50-80% of the total money intended for homelessness is spent on the chronic unsheltered homeless.

The City of Fresno and Fresno County provide law enforcement and health services to the homeless as required by the laws governing law enforcement, hospitals and general governmental services. The funding for this comes from the city's and county's operating budgets. The total costs of caring for the homeless include monies from the state and federal governments, donations, and grants for non-profits providing food, shelter, treatment, transitional housing, education, medical services, police, fire, coroner, and even libraries (the homeless spend time in the library to get out of bad weather). It is difficult to estimate the total amount spent annually in the city and county to deal with the homeless, but it might be as much as \$100 million in Fresno County.

Providing police services to the unsheltered homeless and to the housed population whom their presence impacts presents special challenges and exacts high costs. In general, jail or prison costs are estimated to be three to four times the cost of shelter beds or supportive housing costs in other jurisdictions. In addition, the cost of booking a person who is publicly drunk into the county jail is very high. Fresno City Police have attempted to reduce this cost by contracting with the Fresno Rescue Mission to provide a "drunk tank" beneath a large tent on Rescue Mission property. Instead of booking those who are drunk in public, they are allowed to "sleep it off" on a cot in a supervised area. The Fresno Police Department estimates an annual savings of \$300,000 from this practice.

Based on estimates in other major cities in the United States, each chronic unsheltered homeless person often costs over \$100,000 dollars a year. There are especially large expenses in the delivery of medical services to a homeless population. San Diego County tracked

fifteen homeless people for eighteen months and was able to quantify the medical cost per chronic unsheltered homeless person to be more than \$130,000 per year or \$200,000 for eighteen months. Fifteen homeless people in eighteen months cost the county over \$3 million in un-reimbursed medical care.

A significant problem with providing medical care for the unsheltered homeless is that they have no home to which they can be safely discharged to recuperate. This results in longer hospital stays and more frequent hospitalization, as they never fully recover from their illness or surgery. This obviously results in higher costs. With the cost of hospital stays estimated at between \$1,200-\$1,600 a night, the City of Fresno and Fresno County can little afford to ignore these huge expenses, even if the City/County are not directly responsible for paying the bills.

Community Regional Medical Center (CRMC) does not identify the unsheltered homeless as a specific category in their budget. However in 2007, CRMC provided over \$122 million in uncompensated services to patients, including the homeless, who are uninsured or underinsured. CRMC has more non-reimbursed costs than all of the other hospitals in Fresno County combined. Post discharge planning for the homeless costs CRMC about \$120,000 per year. This expense does not include direct medical care costs, nor food, security, or other operating costs for the homeless patients receiving post discharge services. CRMC social services annually budgets \$500,000 for post discharge services to the homeless. CRMC social workers also regularly refer homeless patients to the Fresno Rescue Mission, Fresno County Mental Health Department, Marjoree Mason Center, and local substance abuse programs.

Sacramento and Bakersfield each has special respite care facilities for the "medically fragile" homeless after discharge. The homeless patients receive shelter, three meals a day, medication storage, other social services, and nurses to teach patients to care for themselves with no direct medical services. In Sacramento, each local hospital contributes \$65,000, and the County contributes \$120,000 annually. All feel that they save money by doing so. The respite shelter beds cost \$120 daily versus over \$1,200 for hospital beds. In approximately one year, one hospital in Sacramento estimated their savings to be \$800,000.

In addition to the costs of services to the homeless, future tax revenues for Fresno County and the cities are impacted by the homeless whose "tent cities" and unsanitary habits discourage the development of business in areas where they stay.

Lack of Coordination of Services for the Homeless

Most services for the homeless are located in downtown Fresno where the Poverello House, the Rescue Mission, mental health residential treatment homes and programs are located. Therefore, there are large concentrations of the homeless nearby. Some services for the homeless are provided by nonprofit agencies, while other services are provided by departments of Fresno County and by the City of Fresno.

However, there is no clear coordination of effort to help the homeless. For example, there is no administrator who has authority to coordinate the homeless efforts of the City of Fresno,

Fresno County, non-profit organizations, and for-profit organizations.

It is also often reported that different city and county departments whose work impacts the homeless do not talk with one another about common problems and the efficiencies that might be realized from coordinated action. For example, the City and County of Fresno both have a Housing and Community Development Division. They administer federal HOME Investment Partnership Program (HOME) funding that requires a five-year plan and an annual action plan with priorities developed by Division Managers. The county and city divisions do not coordinate meetings, goals, or projects.

Another example of opportunities lost because of insufficient coordination is provided by the current operation of the Fresno-Madera Homeless Management Information System (HMIS). This is an on-line computer system that provides countywide information to partner agencies. The system gives the status of services available to the homeless. The system could provide the current number of beds available for the homeless and their locations so that agencies trying to place homeless clients in temporary housing could efficiently utilize available resources. The full potential of this system is not realized, however, because the HMIS system is not receiving data from all agencies that provide services to the homeless.

Non-profit Service Providers

Non-profit agencies in Fresno/Madera counties annually serve 8,000 to 10,000 homeless people including battered or abused women, juvenile boys who need training and housing, families without shelter or food, and the 500 to 600 men and women wandering the streets of Fresno who are the focus of this investigation.

A federal mandate requires that for non-profit organizations to receive Federal Department of Housing and Urban Development (HUD) funding, a continuum of care must be formed that evaluates and coordinates the activities of organizations in their effort to help eliminate homelessness. This mandate also requires a ten-year plan be submitted and approved before funding is approved. The ten-year plan's progress is reported periodically.

The Fresno-Madera Continuum of Care (FMCoC) is a non-profit organization which evaluates and ranks grants for the non-profit agencies that submit proposals. Volunteers now perform its administrative duties with only one paid staff assistant. Annually about \$5 million in grants are approved.

Housing the Unsheltered Homeless

The mayor controls discretionary funds totaling about \$500,000 that can be used for housing the homeless. The City of Fresno, under Mayor Autry's leadership, has recently used funds to provide temporary shelter for the homeless in the form of thirty small, unheated sheds at a total cost of around \$250,000. Services to those in the sheds are directed or supervised by The Poverello House, a non-profit organization that provides help to many chronic unsheltered homeless. These sheds provide short-term help. Currently little or no money is spent in the City of Fresno, or in Fresno County, to develop permanent transitional and

supportive housing for the unsheltered homeless.

Some city and county funds for housing the homeless come from government programs (state and federal) including grants/loans such as Emergency Shelter Grants. The City of Fresno and the Fresno County Housing and Community Development Divisions administer federal (HUD-HOME) funds which are loan programs for builders and developers to help create new affordable housing, rehabilitate housing, acquire land for new construction, and assist in relocation of apartment units where necessary. Currently there are few builders applying for HUD funding to build housing for the chronic unsheltered homeless. Spirit of Women is the only program currently building housing for the homeless using money from a HUD grant.

The City of Fresno also has proposed acquiring land and building long-term housing for the homeless living on the streets. There was a \$3 million item in the Mayor's budget proposal of 2007 to fund this proposal. Authorization to spend this money has not been approved by the Fresno City Council.

These various efforts to provide housing for the homeless have not been effective solutions for chronic unsheltered homeless in Fresno County.

Housing First

"Housing First" programs provide permanent transitional housing and support services for the unsheltered homeless. Clients receiving shelter are not usually required to be drug and alcohol free in order to be provided housing. Support services, including counseling programs to support a drug-free lifestyle, accompany the housing, rather than being a prerequisite to it.

The "Housing First" model was developed in Boston, Massachusetts after a study revealed that the community was paying an exorbitant amount to treat homeless individuals at hospital emergency rooms. The study showed that giving the homeless person clean, warm, and dry shelter reduced medical costs by as much as 70%. Boston went on to construct permanent buildings to provide temporary or transitional housing for the homeless. Other cities including Chicago and Portland claim to have saved money and improved services by establishing a "Housing First" program.

Recent Developments

Recently the City of Fresno and Fresno County have taken what appear to be positive steps to work jointly on the homeless issue. Both governing bodies passed proposals to form a new task force to produce a new ten-year plan to reduce homelessness and to seek additional federal funds. The City of Fresno will hire a new staff person to work with the joint task force, and Fresno County will use existing staff. The City of Fresno is also exploring developing part of the former Hacienda Hotel site to house some homeless families. All of these ideas and proposals are in development, and it is not known whether the city/county efforts will come to fruition and be a help to the local homeless. Also, it is unclear how these proposals, if they are enacted, will impact the non-profit agencies currently providing services

to the homeless. They do appear to be steps in the right direction.

FINDINGS

- F201 The public costs of supporting the unsheltered homeless are very high.
- F202 The total costs associated with the unsheltered homeless in Fresno County are not quantified.
- F203 Fresno County, cities within Fresno County, and many non-profit and for-profit non-governmental organizations attempt to address problems of the homeless.
- F204 There is widespread (almost universal) agreement that the City of Fresno and Fresno County are not coordinating efforts to help solve the problems of the chronic unsheltered homeless.
- F205 The Fresno-Madera Homeless Management Information System (HMIS) is an on-line computer system that provides information about the homeless to partner agencies.
- F206 The HMIS system is not receiving data from all agencies that provide services to the homeless.
- F207 The various efforts currently in place to provide housing for the homeless have not been effective solutions to Fresno's homeless problem.
- F208 "Housing First" programs provide permanent transitional housing and support services for the unsheltered homeless.
- F209 "Housing First," meaning providing housing and supportive social services for the chronically unsheltered homeless, may cost less public money than leaving the homeless on the streets.

COMMENDATION

The Fresno-Madera Continuum of Care, and its member organizations are to be commended for the help they have provided and continue to provide to the homeless in Fresno and Madera Counties.

RECOMMENDATIONS

The 2007-2008 Fresno County Grand Jury recommends:

- R201. City and county identify the costs associated with the chronic unsheltered homeless and report to the public within six months of receiving this report and make an annual report thereafter. (Findings F201, F202)

- R202. City and county governments develop a mechanism to coordinate the programs that strive to reduce or eliminate homelessness in the city and county and to cooperate with non-profit service providers. (Findings F203, F204)
- R203. City and county governments establish a program of permanent transitional housing that provides shelter for the chronic unsheltered homeless along with providing support using established “Housing First” programs as models. (Findings F207, F208, F209)
- R204. City and county governments expand the Fresno-Madera Homeless Management Information System (HMIS) already established at the Fresno County Housing Authority to include all participating service providers dealing with the indigent and homeless including those receiving government monies for any projects that affect the homeless. (Findings F205, F206)

REQUEST FOR RESPONSES

Pursuant to Penal Code & 933.05, the Grand Jury requests that you respond to each specific recommendation as outlined in the attached letter of instruction.

Respondents

1. Fresno County Board of Supervisors. (R201-R204, F201-209).
2. Fresno Mayor. (R201, R202, R203, F201-204, F207-209).
3. Fresno City Council. (R201-R204, F201-209)

RESEARCH DATA

The Grand Jury utilized a variety of resources in its investigation of the chronic unsheltered homeless in Fresno County:

Interviews of representatives or attending meetings from:

1. Various departments of the City of Fresno and Fresno County including the Fresno Police Department and The Health and Human Services Department.
2. The Fresno City Council.
3. The City of Fresno Mayor’s Office.
4. The Fresno County Board of Supervisors.
5. Various non-profit organizations that provide help for the homeless including Fresno-Madera Continuum of Care, Poverello House, Salvation Army, Rescue Mission, Marjaree Mason Center, and Valley Teen Ranch.
6. The Fresno Redevelopment Agency
7. The Economic Development Corporation.
8. Fresno Housing Authority (FHA)

Articles read and information from:

1. Newspaper articles (2000-2007).

2. Internet sites.
3. The Fresno-Madera Continuum of Care 10-year Plan to End Homelessness, 2007.
Street Survey Data, January 2007.
4. Other Fresno-Madera Continuum of Care reports.

Appendix 1

According to the Stewart B. McKinney Act, 42 U.S.C. § 11301, et seq.(1994), a person is considered homeless who “lacks a fixed, regular, and adequate night time residence and has a primary night time residency that is: (A) a supervised, publicly or privately and operated as shelter designed to, provide temporary living accommodations ... (B) an institution that provides a temporary residence for individuals intended to be institutionalized, or (C) a public or private place, not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.” 42 U.S.C §11302(a). The term “homeless individual’ does not include any individual imprisoned or otherwise detained pursuant to an Act of Congress or a state law.” 42 U.S.C. §11302(c)

The education subtitle of the McKinney-Vento Act includes a more comprehensive definition of homelessness. This statute states that the term ‘homeless child and youth’ means (A) individuals who lack a fixed, regular, and adequate nighttime residence ... and (B) includes: (i) children and youth who lack a fixed, regular, and adequate nighttime residence, and includes children and youth who are sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason; are living in motels, hotels, trailer parks, or camping grounds due to lack of alternative adequate accommodations; are living in emergency or transitional shelters; are abandoned in hospitals; or are awaiting foster care placement; (ii) children and youth who have a primary nighttime residence that is a private or public place not designed for or ordinarily used as a regular sleeping accommodation for human beings (iii) children and youth who living in cars, parks, public spaces, abandoned buildings, sub-standard housing, bus or train stations, or similar settings, and (iv) migratory children... who qualify as homeless for the purposes of this subtitle because the children are living in circumstances described in clauses (i) through (iii). McKinney- Vento Act sec 725(2); 42 U. S. C.11435 (2).

Other federal agencies, such as the Department of Housing and Urban Development (HUD), interpret the McKinney-Vento definition to include only those persons who are on the streets or in shelters and persons who face imminent eviction (within a week) from a private dwelling or institution and who have no subsequent residence or resources to obtain housing. This interpretation of homelessness serves large, urban communities, where tens of thousands of people are literally homeless. However, it may prove problematic for those persons who are homeless in areas of the country, such as rural areas, where there are few shelters. People experiencing homelessness in these areas are less likely to live on the street or in a shelter, and more likely to live with relatives in overcrowded or substandard housing (U.S. Department of Agriculture, 1996).

Chronic homelessness is long-term or repeated homelessness. The federal government’s definition of chronic homelessness includes homeless individuals with a disabling condition (substance use disorder, serious mental illness, developmental disability, or chronic physical illness or disability) who have been homeless either 1) continuously for one whole year, or 2) four or more times in the past three years.

(Chronic Homelessness B, National Alliance to End Homelessness Brief- March 2007 4

Pages and Fresno Madera Continuum of Care 2005 Homeless Street Survey and Gaps Analysis, Pages 7 & 8).