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NOW TO END IT

The American Civil Liberties Union&u{ tj gzout of Southern California (ACLU SoCal) defends and secures the civil liberties and civil rights of all, and extends these rights to people who have been excluded from their protection. It recognizes that the exercise of these liberties and rights is deeply entwined with economic justice.

As Dr. Martin Luther King Jr. once said: "What does it profit a man to be able to eat at an integrated lunch counter if he doesn't have enough money to buy a hamburger?" Building on this basic insight, the ACLU SoCal's Dignity for All Project advances social policy changes needed to end homelessness in Southern California communities and advance human dignity for all. These include expanding access to affordable housing, permanent supportive housing, and medical and mental health care, as well as limiting counterproductive government and police practices.

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This report is dedicated to the individuals and families who have experienced homelessness in Orange County. They hold crucial knowledge about the true nature of Orange County's homelessness policies and practices because, in the final analysis, the impact of policy is best understood by the people who have direct experience with its implementation. We are particularly grateful to those individuals who, despite their daily hardships, took the time to generously share with us their challenges with and understanding of the homeless policies we analyze in this report. Their insights provide critical input for the development of policies and practices that will respect human dignity and civil rights, effectively protect the health and well-being of people with no place to live, and end homelessness for good.

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Find this report and supplemental materials online: aclusocal.org/nowhere-to-live

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GLOSSARY

ACLU SOCAL: American Civil Liberties Union of Southern California

CHRONICALLY HOMELESS: Department of Housing and Urban Development (HUD) defines Chronically Homeless as a person or head of household with a disabling condition (that is, a diagnosable substance use disorder, serious mental illness, developmental disability, post-traumatic stress disorder, cognitive impairment resulting from a brain injury, or chronic physical illness or disability) and who has been continuously homeless for a year or more OR has had four episodes of homelessness in the last three years.

COLD WEATHER ARMORY EMERGENCY SHELTER PROGRAM: The county's current shelter system for people experiencing homelessness. Provides up to 400 emergency spots per night for people experiencing homelessness at the National Guard Armories in Fullerton and Santa Ana. The cold

weather armories usually open in November and

close in March. **CONTINUUM OF CARE (CoC):** According to HUD, "a community plan to organize and deliver housing and services to meet the specific needs of people who are homeless as they move to stable housing and maximize self-sufficiency. It includes action steps to end homelessness and prevent a return to homelessness." To receive federal financial support for homeless services, HUD requires each community to come together to submit a single CoC application rather than allowing applications from

individual providers in a community. HUD's intent in creating this structured application process was to stimulate community-wide planning and coordination of programs for individuals and families who are homeless.

COST OF LIVING ADJUSTMENT (COLA): An increase in cash benefit levels to offset the adverse effect of inflation.

DISCRETIONARY FUNDS: The county general purpose revenues plus General Fund Balance Unassigned. Combined, they are the funding source for the Departmental Net County Cost (NCC).

EMERGENCY SOLUTIONS GRANT (ESG): A federally funded grant program, allocated by formula. Eligible recipients generally consist of metropolitan cities, urban counties, territories, and states. ESG funds may be used for five program components: street outreach, emergency shelter, homelessness prevention, and rapid re-housing assistance.

GENERAL FUND: The main operating fund of the county, which is used to account for expenditures and revenues for countywide activities.

GENERAL PURPOSE REVENUES: These county revenues come from a variety of sources, primarily: property tax, vehicle license fees, interest and sales tax. The use of these revenues is unrestricted, and the County Board of Supervisors may allocate them to any program under the Board's control. Funds are allocated to departments and approved by the Board for programs and activities which are not funded by specific revenue sources.

GENERAL RELIEF: Cash assistance program funded totally by counties for eligible indigent persons who do not qualify for other financial assistance programs. The program is mandated by the state through the Welfare and Institutions Code starting with Section 17000.

HOMELESS MANAGEMENT INFORMATION SYSTEM (HMIS): According to HUD, a local information technology system used to collect client-level data and data on the provision of housing and services to homeless individuals and families and persons at risk of homelessness. Each Continuum of Care is responsible for selecting an HMIS software solution that complies with HUD's data collection, management, and reporting standards.

HOUSING CHOICE VOUCHER: A federal housing subsidy that is paid to the landlord directly on behalf of the participating families or individuals. The voucher recipient then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program. Families and individuals usually pay no more than 30% of their income in rent and utilities. To be eligible, income must not exceed 50% of county median income. By law, 75% of vouchers must go to families and individuals whose incomes do not exceed 30% of area median income. If the total rent exceeds the federally determined rent standard for the area. the families or individuals must make up the difference between what the subsidy will pay and the actual rent.

HUD: Department of Housing and Urban Development.

MENTAL HEALTH SERVICES ACT (MHSA) HOUSING PROGRAM The MHSA Housing Program provided one-time funding for the development of permanent supportive housing to serve persons with serious mental illness and their families who are homeless or at risk of homelessness. Funding was generated through the passage of Proposition 63 in November of 2004, which, imposed a 1% income tax on the personal income of Californians exceeding \$1 million.

MULTI-SERVICE CENTER: According to the Orange County Board of Supervisors, "a facility which is operated under the auspices of a government or non-profit agency for the purpose of bringing together essential services to meet the needs of homeless clients." Multi-service centers may include services such as legal support, mental health services, veterans' services, employment services, computer access, job training and placement, and life skills coaching. **NET COUNTY COST (NCC):** This is the portion of the General Fund often referred to as discretionary funding. It is the funding source allocated to departments and approved by the Board of Supervisors for programs and activities which are not funded by specific revenue sources. It is the difference, for all budget units within the General Fund, between total appropriations and total departmental revenues.

PERMANENT SUPPORTIVE HOUSING (PSH): According to HUD, PSH is "housing (projectand tenant-based) and supportive services on a long-term basis to formerly homeless people." Federally funded programs require that the client have a disability for program eligibility. Most programs use a "housing first" approach, where eligible people are provided with affordable, permanent housing as an immediate response to their needs.

RAPID RE-HOUSING: Provides time-limited assistance for market rate rental units that covers move-in costs, deposits, and rental and/or utility assistance, typically for six months or less. This also includes case management services.

STRATEGIC FINANCIAL PLAN (SFP): According to Orange County, the Strategic Financial Plan "establishes the framework for a five-year operating budget and prepares for development of the next fiscal year budget... The primary focus of the SFP is the portion of the General Fund often referred to as discretionary funding or Net County Cost (NCC)." The SFP identifies major initiatives, or "strategic priorities," that will be supported by the General Fund's NCC.

TRANSITIONAL HOUSING: Transitional housing programs provide temporary residence—usually up to 24 months—for people experiencing homelessness. Housing is combined with wraparound services to assist people with developing stability in their lives.

EXECUTIVE SUMMARY

Orange County has a **Ten-Year Plan to End Homelessness.** In many respects it is a wellconceived plan. It calls for "providing a sufficient amount of permanent housing options that are affordable to families with low and very low incomes and those with disabling conditions." Consistent with nationally recognized best practices, it recommends a "housing first" approach that "emphasizes placing persons who are homeless in safe and affordable permanent housing as an **immediate** response to their crisis."1

A draft of the plan was approved by the Board of Supervisors in January of 2010. Yet, over 4,400 people still experience homelessness on any given night—up 5% since 2013. The number of people experiencing homelessness over the course of a year has increased by 20%. And homelessness is becoming harsher, harder, and more visible, with greater numbers of people forced to live out of doors. About half of all people who are homeless now live without any shelter at all—up from 39% in 2013.

Chronically homeless individuals—that is, people experiencing long or frequent bouts of homelessness coupled with disabling conditions are the least able to escape homelessness. They are also the most likely to be living without any shelter—80% of these vulnerable people languish outdoors, in public spaces, year after year. They need immediate, permanent, affordable housing linked to a range of supportive services—more commonly known as permanent supportive housing. Yet the county is able to house only a fraction of all chronically homeless persons who qualify for such housing.

The vast majority of people experiencing homelessness in the county-almost 90%do not meet the federal definition for chronic homelessness. Some are severely disabled but have not been homeless long enough to meet the definition. Others have been homeless for many years, but are not disabled enough to be considered chronically homeless. These people are not prioritized for permanent supportive housing. Instead, they face four- to eight-year waiting lists for affordable housing—that is, if they can get on the lists, which are usually closed. Without access to such housing, they are likely to remain on the streets and eventually join the ranks of the chronically homeless.

This is not the "housing first" model envisioned by the county's Ten-Year Plan to End Homelessness.

Why has the county fallen behind in its effort to end homelessness? What can be done?

This report is intended to answer these questions. Throughout the report, we describe Orange County's policies to address homelessness. We explain why they are failing to end homelessness, and in some instances are actually undermining progress toward this goal. Based on our analysis, we offer a set of recommendations the county can implement to end the homelessness crisis for good.

KEY FINDINGS

LACK OF FUNDING FOR PERMANENT HOUSING OPTIONS LINKED TO A RANGE OF APPROPRIATE SUPPORTIVE SERVICES DERAILS THE COUNTY'S TEN-YEAR PLAN TO END HOMELESSNESS.

• The county has the capacity to permanently house only a fraction of all persons experiencing homelessness. Even if it is able to secure funding for all of its planned units, the county's homeless services system will only have the capacity to permanently house between a fourth and a third of all people who are chronically homeless on any given night over the next two years. For the nearly 90% of homeless people who are not considered to be chronically homeless, affordable housing is generally unavailable. If the county does not develop much more permanent housing than currently planned, homelessness will likely increase over the next several years.

• The other key components of the county's plan to end homelessness—namely, outreach to people experiencing homelessness, coordinated entry into the homeless services system, and the year-round emergency shelter and multi-service center model—will be ineffective if the county does not first invest in sufficient permanent housing options to end homelessness.

• Outreach efforts are ineffective in ending homelessness when workers cannot link people to permanent, affordable housing options.

• The Coordinated Entry System, which provides access centers as a point of entry for people entering the homeless services system, will also be ineffective in ending homelessness in the absence of permanent, affordable housing options. It will develop a backlog of clients waiting for housing.



• The county's planned year-round emergency shelter and multi-service center cannot fulfill its promise to link clients to permanent housing within 30 days of entry when permanent, affordable housing options are scarce or non-existent. Without such housing it will become a holding place or will force people back to the streets.

• Over-extended and underfunded: To fund permanent, affordable housing options linked to a range of supportive services when appropriate, the county relies on stagnant, capped, and disappearing federal and state resources. They do not come close to providing the needed funding to create the permanent housing solutions required to end homelessness in Orange County, and they are not growing to meet this demand. The failure of the county government to commit sufficient resources is the major impediment to a successful implementation of the Ten-Year Plan to End Homelessness. It accounts for the backlog of thousands waiting to obtain permanent, affordable housing with supportive services when appropriate.

FAILURE TO RESPECT AND PROTECT HOMELESS PERSONS' CIVIL AND HUMAN RIGHTS UNDERMINES THE COUNTY'S TEN-YEAR PLAN.

• The county and 33 of its 34 cities criminalize homelessness. The county and local city governments have responded to homelessness by passing and enforcing ordinances that criminalize basic life activities, such as sleeping, sitting, and resting in public places. These ordinances punish homeless persons for the county's failure to provide them with shelter and housing. They violate homeless persons' civil and human rights, force people fleeing police harassment into dangerous and marginal living situations, perpetuate homelessness by saddling people with fines, jail time, and criminal records that make it more difficult for them to access housing and benefits, and divert public resources from real solutions.

• Lack of due process protections against arbitrary and unjust evictions from emergency and transitional shelter perpetuates homelessness. The county's Continuum of Care² and the private, mostly nonprofit entities that implement homeless policies operate without an explicit set of rules, regulations, policies, or procedures to protect clients from arbitrary treatment by service providers. This exposes clients in the Continuum of Care to unjust evictions from shelter or programs. When people are denied shelter, programs, or housing for reasons they cannot contest or without redress, they end up back on the streets, making it much more difficult for them to move out of homelessness.

• The county's only safety net for persons experiencing homelessness—General Relief pushes people into homelessness and keeps them there. The county's General Relief program, which provides benefits of a little over \$300 a month, is truly the safety net of last resort indeed, the only safety net—for most people in Orange County who experience homelessness. Yet it is impossible to meet even the most basic needs on this benefit amount. Orange County's severe shortage of permanent affordable housing options, combined with its inadequate social safety net, puts many poor people on a direct pathway to the streets—and keeps them there. In recent decades Orange County has added the requirement to its General Relief program that those receiving benefits perform some work and has turned what was once a grant into a loan to be repaid—changes that create serious barriers to access which many homeless persons cannot overcome.

Despite the fact that the cost of living has increased, the General Relief program benefit level has not. Failing to increase the benefit level to keep pace with the cost of living has actually cut the value of the benefit by about half since 1991. As General Relief benefits continue to erode, the material deprivation of poor and homeless persons who rely on it will only increase, feeding the homelessness crisis.

RECOMMENDATIONS

END HOMELESSNESS BY DEVELOPING PERMANENT HOUSING OPTIONS LINKED TO A RANGE OF APPROPRIATE SUPPORTIVE SERVICES.

• Prioritize the creation of at least 740 additional permanent supportive housing units for disabled homeless persons within the next two years. The only effective way to end chronic homelessness is to provide permanent supportive housingaffordable, permanent housing with supportive services.³ Doing so is cost-effective. Housing people reduces their use of costly public services such as emergency departments, inpatient hospitalization, and jails. Housing this vulnerable population needs to be a priority. The county has recognized this need, but the approximately 280 units planned or in progress, for which the county has secured at least partial funding, will serve only a fourth to a third of all chronically homeless persons. Once all chronically homeless people are housed, the stock of permanent supportive housing should be reassessed periodically to ensure that it meets the demand.

• Close the housing affordability gap for nonchronically homeless persons by increasing the stock of permanent affordable housing options. It takes an income of about \$25 an hour to afford a one-bedroom apartment in Orange County at market prices, putting rent out of reach for many people. Without sufficient affordable housing, lowincome individuals and families will continue to be at risk of homelessness and homeless persons will remain homeless longer. If left on the streets long enough, they will eventually join the ranks of the chronically homeless. • Create a dedicated funding stream to support permanent supportive and affordable housing. By relying largely on inadequate federal and state funds, which are capped and can grow only incrementally, the county ensures that any efforts it takes to address homelessness will be inadequate. If the county does not allocate significant local funds to the issue, homelessness will continue indefinitely. We estimate that it will take \$55 million annually—two to three times as much funding as the county currently receives from federal and state sources-to permanently house the current homeless population. While this number may seem large, it represents only 2% of the county's General Fund Budget and less than 8% of its General Purpose Budget (discretionary funding). To fill this funding gap, the county should create a dedicated source of funding, such as a housing trust fund. It should also dedicate more of its budget to solving homelessness.

RESPECT AND PROTECT HOMELESS PERSONS' CIVIL AND HUMAN RIGHTS.

• Follow the federal government's lead in condemning the criminalization of homelessness and create funding incentives for cities to stop criminalization. The county must acknowledge that criminalization both results from and contributes to the local failure to address the root causes of homelessness, namely inadequate housing resources. It should repeal its ordinances that criminalize homelessness. In allocating federal, state, and county funds to cities, the county should prioritize cities that do not criminalize homelessness.

• Strengthen due process protections for people in shelters and transitional housing programs. To protect against arbitrary and unfair expulsions, the county needs to develop and enforce due process protections that apply to providers that participate in the Continuum of Care, or receive funding from or administered by the county.

• Strengthen the General Relief program for homeless persons. The county needs to increase the monthly General Relief benefit to an amount that provides meaningful protection of people's human right to an adequate standard of living, remove barriers to access (specifically, work requirements and obligations to repay), ensure that the benefit level keeps pace with the cost of living, and guarantee that all homeless residents receive the benefits to which they are entitled. "In a real sense, all life is interrelated. The agony of the poor impoverishes the rich; the betterment of the poor enriches the rich. We are inevitably our brother's keepers because we are our brother's brother. Whatever affects one directly affects all indirectly."

MARTIN LUTHER KING JR.

"We have come to a clear realization of the fact that true individual freedom cannot exist without economic security and independence."

FRANKLIN D. ROOSEVELT



'OFFICIALLY RETIRED' AND HOMELESS

Meet Anna Mae: aclusocal.org/nowhere-to-live

Anna Mae Gonzalez, 66, did not expect to spend her retirement years in the Santa Ana Civic Center Plaza, an expanse of concrete and cobblestone located at the hub of county and city government. Yet for the last nine years, that is where she has lived. Her "home" is a stone's throw from the Orange County Hall of Administration, where the Board of Supervisors determines budget priorities, debates and crafts public policies, and passes laws.

Anna Mae ended up on the streets when she became disabled and could no longer work. "I'm officially retired," she says. She receives disability benefits of about \$1000 a month, but it's not enough to afford an apartment in Orange County, the fourth most expensive rental market in the nation. And affordable housing units are so scarce that she despairs at ever getting one. Emergency and transitional shelter beds are also in short supply. So year after year, she lives in the Civic Center Plaza.

Homelessness has taken a toll on Anna Mae. In recent years she became weaker and increasingly out of breath, and in May of 2015, she finally had heart bypass surgery. Afterward, she entered a nonprofit recuperative care program for people experiencing homelessness, which paid for a motel room for a month. A social service worker told her she qualified for permanent supportive housing, but nothing ever materialized, so she exited from recuperative care right back to the streets. Now, she walks gingerly along the tree-lined promenades of Civic Center Plaza, leaning heavily on a walker laden with bags of her belongings.

UNDERSTANDING AND ENDING HOMELESSNESS IN ORANGE COUNTY

According to some estimates, there are several hundred people living alongside Anna Mae Gonzalez in Civic Center Plaza,⁴ and the numbers are growing. Wheelchairs, crutches, and walkers are a common sight. People worry about cold or wet nights, and they withstand the occasional taunts of passersby. Numerous signs dotting the plaza are a constant reminder that lying on the ground, camping, even if only with a blanket or sleeping bag, or leaving property unattended is prohibited by Santa Ana ordinances. People stay

nonetheless, because they have nowhere else to go.

We estimate that the county currently has the capacity to permanently and safely house only a fourth to a third of its chronically homeless individuals—that is, people experiencing long or frequent bouts of homelessness coupled with disabling conditions. For the nearly 90% of homeless people who do not meet the federal definition for chronic homelessness, the situation is even worse. They face fourto eight-year waiting lists for affordable housing-that is, if they can get on the lists, which

are usually closed. Emergency shelter and transitional housing can temporarily accommodate around half of all persons experiencing homelessness. Given this shortfall of housing and shelter, it is no wonder that Anna Mae and others like her remain outdoors.

In 2010, after years of planning, the Board of Supervisors approved a draft of a Ten-Year Plan to End Homelessness. In many respects, it is a well-conceived plan. Yet it is not working. Countywide, over 4,400 people experience homelessness on any given night up 5% since 2013. Homelessness is becoming harsher, harder, and more visible, with greater numbers of people forced to live out of doors. About half of all people who are homeless now live without any shelter at all—up from 39% in 2013.

Chronically homeless people, like Anna Mae, are the least able to escape homelessness, and are most likely to be living without any shelter. Eighty percent of these vulnerable people languish outdoors, in public spaces, year after year.⁵

Why is the county falling behind in its effort to end homelessness? What can be done?

This report is intended to answer these questions. Throughout the report, we describe Orange County's policies to address homelessness. We explain why they are failing to end homelessness, and in some instances are actually undermining progress toward this goal. Based on our analysis, we offer a set of recommendations the county can implement to end the homelessness crisis for good.

In preparing this report, we drew on many sources of information. These included public documents such as the Ten-Year Plan to End Homelessness, memoranda, and materials the county has submitted to

> the Department of Housing and Urban Development (HUD). We attended public board meetings and implementation group meetings of the Commission to End Homelessness, interviewed service providers and persons experiencing homelessness, and drew on research literature on the causes and consequences of homelessness and best practices for ending homelessness. Appendix 1 describes these sources of information in more detail.

FIND APPENDICES ONLINE: aclusocal.org/nowhere-to-live/ appendices

Nobody likes homelessness. We think that most people would agree that in a well-ordered society every person would be safely and permanently housed in a home they can afford. People like Anna Mae would not have to spend their retirement years moving from the streets to hospitals, and back again.

We hope that this report will serve as a resource for advocates, providers, local governments and law enforcement agencies, and other stakeholders in a shared effort to end homelessness in Orange County and advance human dignity for all. This should include expanding access to affordable housing, permanent supportive housing, medical and mental health care, and benefits, as well as limiting counterproductive government and police practices that criminalize homelessness. Such provision for basic human needs and protection from government-sanctioned harassment is necessary to ensure that even the poorest of us can effectively participate in our democracy and fully exercise their civil rights and civil liberties.





What are the causes of the homelessness crisis?

This is an important question because effective social policy depends on a correct diagnosis of the problem. Unfortunately, the history of homeless policy is littered with examples of failed policies based on incorrect diagnoses.

Policies that criminalize homelessness are a case in point. These policies ban innocent behaviors such as sitting, standing, resting, sleeping, and having the few personal belongings homeless people own in public. They are based on the belief that people are making the choice to be homeless, and thus can be "deterred" from being in outdoor public spaces. But since the need for housing and shelter far outpaces the supply, people are left homeless by necessity rather than by choice. This is why criminalization does nothing to end homelessness. In fact, enforcement makes it more difficult for people to escape homelessness by saddling them with fines and criminal records.

What, then, are the true causes of contemporary homelessness? The answer to this question can be traced to major policy shifts that began in the

late 1970s. These shifts triggered an explosion of homelessness during the 1980s—one study found that homelessness rates tripled between 1981 and 1989—and set the stage for the current crisis.⁶

What happened? For one, Congress drastically cut funding for affordable housing. According to the Congressional Budget Office, appropriations for HUD's subsidized housing programs fell from a peak of \$32.2 billion in 1978 to \$9.8 billion in 1988—a decline of more than 80% after adjusting for inflation. In turn, affordable housing disappeared. In 1970, the U.S. had nearly a million more affordable units than poor households, according to the Center on Budget and Policy Priorities. By 1990, there were five million more poor households than affordable units. Without an affordable place to live, more and more people were pushed into homelessness. Today, affordable housing reaches only around a quarter of all people who need it.

Other structural changes that have occurred since the 1970s added to the crisis. These include skyrocketing costs of living, stagnant wages, the restructuring of the economy, the scaling back of social welfare benefits, and the failure of the mental health system to effectively fill the need for community mental health services that arose after deinstitutionalization. Put together, these social-structural deficiencies have created a population at risk for homelessness. This risk is then heightened by challenges such as mental illness, physical disability, or substance abuse.⁷

MEETING THE NEEDS OF CHRONICALLY HOMELESS PEOPLE

The failure of our homelessness policies has left people with mental and physical disabilities living on the streets for years, and sometimes even decades. Although they are a minority of all homeless people, they are among the most visible and vulnerable. For them, homelessness is truly a chronic condition. Mental illnesses such as depression and schizophrenia put people at risk for chronic homelessness.⁸ Yet it is important to note that chronic homelessness can be triggered when poor people-disabled or not-lose their homes and policies are not there to catch them.⁹ This is because the adversity and stress of material poverty and homelessness can create new mental and physical health problems. It can also exacerbate existing conditions, and undermine access and adherence to health and mental health care.¹⁰ Mental and physical illhealth then worsens the economic condition, setting up a vicious cycle of poverty, disorder, and chronic homelessness.

Chronically homeless people who remain on the streets for extended periods experience more violence and ill health than the general population, and are at increased risk for premature mortality. Studies show that the most effective way to end chronic homelessness is to provide people with permanent supportive housing.¹² For chronically homeless persons, overnight shelters are not a permanent solution, as such congregate and crowded living environments often exacerbate their mental health symptoms.13 Indeed, housing provides the basis for their health and mental health care. When chronically homeless people are housed and removed from the stressors of the streets, their mental health symptoms decrease in severity.¹⁴ Outreach, healthcare, and mental health treatment are much more effective when people are housed in their own safe, permanent apartments.15

Chronic homelessness is not only costly in terms of human suffering; it also drains the public coffers. When people live on the streets for extended periods of time their problems can become acute. Without safe housing and supportive services, they become heavy users of costly public services such as emergency rooms, inpatient hospitalization, and jails.

Providing chronically homeless individuals with permanent supportive housing can dramatically reduce these public costs. A Los Angeles study found that the typical public cost for chronically homeless persons was five times greater than the typical public cost of similar residents in supportive housing (\$2,897 versus \$605 a month). Put another way, public costs were reduced by 79% for homeless people on General Relief that received permanent housing plus supportive care.¹⁶ Another analysis, which averaged costs across 13 cities, showed that on average jail costs \$87 a day while permanent supportive housing/ affordable housing costs \$28 a day, for a 68% cost savings.¹⁷

"After clients are housed and away from the war zone of life on the streets, they are much more likely to seek treatment for mental health problems and substance abuse voluntarily."

– Sam Tsemberis, Ph.D., and Rhonda Eisenberg, M.A. *Psychiatric Services*

COSTS OF HOMELESSNESS - PER DAY, PER PERSON*



*Costs represent averages of costs derived from cost studies of homelessness and homeless interventions conducted between 2004 and 2009 in Atlanta, Chicago, Columbus, Denver, Los Angeles, Maine, Massachusetts, New York, Phoenix, Portland (Oregon), Rhode Island, San Francisco, and Seattle.

Hourly "Housing Wage" Needed to Afford One-Bedroom Apartment at Fair Market Rent Compared to Selected Hourly Wages in Orange County



Source: National Low Income Housing Coalition: Out of Reach, 2014

ORANGE COUNTY: A "PERFECT STORM" FOR HOMELESSNESS

Almost nowhere is the risk of homelessness greater than in Orange County, where a severe shortage of affordable housing combines with an exceptionally high cost of living to create a "perfect storm" for homelessness. Currently, fewer than 20% of the nearly 86,000 extremely low-income households (i.e., households with incomes less than 30% of Orange County's median household income) are living in affordable rental homes.¹⁸ One analysis indicates that Orange County is the fourth most expensive metro housing market in the nation,¹⁹ and the situation is getting worse. Median rents in Orange County increased by 19% from 2000-2012, while the median income declined by 10%. If these trends continue, more and more people will be at risk for homelessness.

Low wages and a decimated safety net add to the problem. In Orange County, the hourly wage a family or individual would need to earn to afford rent at the median market rental price ("housing wage") is around \$25 an hour for a one-bedroom apartment. The mean wage for all renters is \$18.42 per hour, while minimum wage is only \$10 an hour, and General Relief, the primary form of cash assistance available to indigent adults who are not disabled, is about \$2 an hour.²⁰ Extreme rent burden coupled with an inadequate safety net makes poor people poorer and increases their risk of eviction and homelessness. Indeed, one unexpected crisis—say, a car repair, an illness, a layoff, or an accident—can put low-income people onto the streets.

Clearly, the county must take proactive steps to counteract these risk factors if it is to ensure that all of its residents are safely and permanently housed. The remainder of this report describes the county's current policies, explains why they are failing to end homelessness, and offers a set of recommendations that, if followed, will enable the county to achieve its goal of ending homelessness for good.



ORANGE COUNTY'S CURRENT APPROACH THE TEN-YEAR PLAN TO END HOMELESSNESS

Starting in 2007, Orange County convened stakeholders, undertook an analysis, and created a Ten-Year Plan to End Homelessness. A draft of the plan was approved in 2010. Following nationally recognized best practices, it aims to end homelessness primarily through a "housing first" approach.

THIS STRATEGY ENTAILS

- Comprehensive outreach to identify homeless persons;
- The development of a Coordinated Entry System, which provides access centers/multi-service centers as a point of entry for people entering the homeless services system;
- The development of full-service, year-round permanent emergency shelter(s) combined with multi-service center(s), with the purpose of linking clients to services and permanent housing within 30 days; and
- Most importantly, the provision of permanent housing options linked to a range of supportive services when needed.

The purpose of this "rapid re-housing" or "housing first" process is to link people to permanent housing options as quickly and efficiently as possible.

The county has de-emphasized, but has not completely abandoned, the lengthier conventional process whereby people are referred to transitional housing and then "graduate" to permanent housing after a period of months or years.



Tattoo reads a notice from the Orange County Sheriff's Department.

Meet Tattoo: aclusocal.org/nowhere-to-live

KEY ELEMENTS OF ORANGE COUNTY'S TEN-YEAR PLAN TO END HOMELESSNESS



Despite the plan's merits, the county is losing ground in its effort to end homelessness. In this section, we address the problems with the county's plan. We focus first on the endpoint of the process—permanent housing—because it is so critical to the success of the plan. Outreach, access centers, emergency shelters, and multi-service centers cannot "rapidly re-house" people when there is "an inadequate supply of permanent supportive housing for the chronically homeless; [and] an inadequate supply of affordable permanent housing options for individuals, and those in families with children."²¹

Develop permanent housing options linked to a range of supportive services.

In line with federal recommendations and nationally recognized best practices, the linchpin of the county's plan to end homelessness is a housing-first approach that emphasizes permanent housing options linked to a range of appropriate supportive services when needed. As mentioned above, such an approach is not without challenges. The market-rate cost of permanent housing is out of reach for low-income residents, and the sheer lack of affordable permanent housing options both pushes people into homelessness and prevents them from becoming housed once they are living on the streets.

Recognizing these challenges, the Ten-Year Plan aims to attain a "significant and sustainable increase in the availability of permanent housing opportunities affordable to people at extremely low income levels, in conjunction with supportive services to help clients remain stable and sustain that housing. Achieving the mission of ending homelessness in the next decade hinges on a clearly developed plan that includes all homeless clients."²²

This plan thus takes a two-pronged approach:

• Prioritization of people who are chronically homeless for permanent supportive housing that is, an affordable, permanent apartment with appropriate wrap-around services such as case management and mental health services.

• Provision of affordable, permanent housing first to all persons experiencing homelessness, regardless of their level of disability.

THE PLAN IN PRACTICE

PROBLEM 1

The county has the capacity to permanently house only a fraction of all persons experiencing homelessness. In the absence of permanent, affordable housing linked to supportive services when appropriate, the "rapid re-housing" or "housing first" model falls apart.

PERMANENT SUPPORTIVE HOUSING

Orange County has secured partial funding for around 280 new permanent supportive housing units designated for persons who are chronically homeless [see Appendix II].²³ This is nowhere near sufficient to end chronic homelessness by the end of 2017—the goal set by the federal government or to even substantially reduce it.

Even if the county secures full funding for these additional units, by the end of 2017 there will only be **enough permanent supportive housing available to house between a fourth and a third of all chronically homeless individuals.**²⁴ To end chronic homelessness by the end of 2017, Orange County will need to create **approximately 460 additional permanent supportive housing beds** for a total of around **740 new beds**.²⁵

AFFORDABLE HOUSING

The Ten-Year Plan asserts that "for low-income Orange County residents who are at risk of homelessness or are already homeless, the best chance of achieving the stability of a permanent home lies with the federally funded Housing Choice Voucher rental subsidy program (also known colloquially as the "Section 8" program)."²⁶ For the approximately 9 out of 10 persons experiencing homelessness who are not prioritized for permanent supportive housing, subsidized affordable housing, either through the Housing Choice Voucher program or projectbased housing, is their only option.

Yet the supply of affordable housing is very limited. Funding for Continuum of Care programs does not cover affordable housing. And federally funded Housing Choice vouchers generally only become available when current voucher holders die, otherwise lose their eligibility, or voluntarily give up the vouchers. As a result, waiting lists for the county's four Public Housing Authorities are from four to eight years.²⁷ And, according to the Ten-Year Plan, "even those lucky enough to receive a voucher after years of waiting may not be able to find a landlord willing to accept the terms and conditions that accompany the vouchers."²⁸

Wait lists for the hundreds of project-based affordable apartments in Orange County that do not require a voucher also range from four to eight years, according to the Ten-Year Plan.

Getting one's name on these waitlists can be extremely challenging, because they are usually closed.²⁹ As Karen Roper, the former Director of "Orange County has four public housing authorities (Santa Ana, Garden Grove, Anaheim, and the county of Orange). The waiting lists for vouchers at all of these agencies range from four to eight years."

- Orange County Ten-Year Plan to End Homelessness

Orange County Community Services, warned after the county's wait list opened for two weeks in February of 2012, "Our list could be closed, once it closes on [February] 29th, for many, many years to come." During this two-week window, the Orange County Housing Authority received 52,000 waitlist applications—a poignant reflection of the unmet need for affordable housing in the county.

PROBLEM 2

Over-extended and underfunded: The failure to fully fund needed permanent supportive housing means more chronic homelessness

The county has not taken responsibility for funding and developing the permanent supportive housing that is needed to end chronic homelessness in what is one of the most expensive housing markets in the nation. Instead, it relies on federal, state, and local funding mechanisms that do not come close to providing the needed resources [See Appendix III for a description of funding sources]. Without the necessary resources, the county will never reach its goal of ending chronic homelessness.

Caps on funding for the Continuum of Care (CoC). To create permanent supportive housing, the county relies primarily on federal funding channeled through the CoC.³⁰ The CoC currently receives approximately \$22 million in funding from HUD, under the McKinney-Vento Act, for permanent supportive housing, rapid re-housing, and transitional housing. This funding primarily supports existing permanent supportive housing units, which are typically filled to capacity, leaving very little funding for the creation of new units. In 2014, 75% of HUD funding to the CoC went to permanent supportive housing beds—yet only 2 out of the 27 funded projects were new.



PERCENT CHANGE IN TOTAL AWARD: HUD'S CONTINUUM OF CARE ASSISTANCE FUNDING AWARDS

Indeed, HUD funding is capped and is renewed annually with minor adjustments. As shown in the chart, HUD's total award from 2005 to 2014 stays relatively stagnant, expanding some years and contracting others, for an average annual growth rate of a little more than 5%.

The county's reliance on stagnant HUD funding leaves the CoC to rely for additional bed space on a "churning" strategy in which homeless persons are either pushed out of transitional housing in order to reallocate the funds to permanent supportive housing, eased out of existing permanent supportive housing units because they are not classified as chronically homeless, or replaced when they exit permanent supportive housing for some other reason.³¹

These strategies will not yield the additional permanent supportive housing beds needed to end chronic homelessness by 2017. For example, even if every penny of the approximately \$2.3 million currently dedicated to transitional housing were reallocated, it would only increase the stock of permanent supportive housing by around 100 beds.³²

Giving bed space currently occupied by nonchronically homeless persons to people classified as chronically homeless also means that the former risk becoming unhoused because of the difficulties in finding them alternative stable and affordable housing in the county. Lack of resources such as rent subsidies might only push them back to homelessness and, perhaps, chronic homelessness.

Disappearance and inadequacy of state and **local funding sources.** The scarcity of the funding environment is exacerbated by the disappearance of state and local sources that the county has relied on in the past. The Ten-Year Plan to End Homelessness points to the Mental Health Services Act (MHSA) as a key program to support new permanent housing units tied to supportive services.³³ Yet, the component devoted to housing is one-time funding that Orange County has nearly completely spent. Also, redevelopment funds, which the Ten-Year Plan also pointed to as a key source of land and subsidy dollars for affordable housing projects, including housing for homeless persons, were discontinued in California in 2012.34 Current county funding sources are very smallscale and unpredictable.35

To create the permanent supportive housing necessary to end chronic homelessness by 2017, we estimate that the county will need to raise an additional \$10.9 million per year beyond its current sources.³⁶ After achieving its goal of ending chronic homelessness, the county will need to monitor the inflow of chronically homeless persons and adjust its stock of permanent supportive housing accordingly.

PROBLEM 3

Failure to close the housing affordability gap means more homelessness overall—*AND* more chronic homelessness

The county's current prioritization of people who are chronically homeless for permanent supportive housing is understandable. Yet failing to attend to the affordable housing needs of people who do not meet the criteria for "chronic homelessness" will feed overall homelessness and chronic homelessness, for two reasons.

1. Failure to fund and develop affordable housing units for persons who do not meet the criteria for "chronic homelessness" leaves most people homeless. According to the most recent count of homeless persons in the county, only 13% of all individuals meet the criteria for chronic homelessness.³⁷ The approximately 3,900 people experiencing homelessness on any given night who are not "chronically homeless" per the federal government's definition do not qualify for permanent supportive housing. If the county does not meet their need for affordable permanent housing, they are likely to remain unhoused.

2. Failure to house non-chronically homeless persons means more chronic homelessness in the long run. If left on the streets for extended periods of time, homeless persons who initially lack serious disabilities are likely to become sick enough to meet the federal definition for chronic homelessness. And without access to housing, very sick people who are newly homeless will eventually live on the streets long enough to meet the criteria for chronic homelessness.

To end chronic homelessness, then, the county will need to stop the flow of people into the category. This means that all people experiencing homelessness must be permanently housed in a timely manner.

CHRONICALLY HOMELESS OR NOT?

In 2007, **Dean**, 54, broke his neck and could no longer work. Shortly thereafter he discovered that he had stage-four cancer. Because of his injury and illness, he lost his entire life savings. About eight months ago, Dean became homeless.

You would think that Dean would be high on the list for housing. But right now, he can't even get on a list. He qualifies for **affordable housing**, but all lists are closed, and even if he could get his name of the list, the wait would be years. And he doesn't yet qualify for **permanent supportive housing**. To do so, he must meet HUD's definition for chronic homelessness, which means he must have a disabling condition (he does) and must have been continuously homeless for a year or more or have had at least four episodes of homelessness in the past three years (he hasn't). Outreach workers told him to come back for an assessment in four months, when he reaches that one-year benchmark. In the meantime, he usually sleeps outdoors. He already fought off a life-threatening staph infection that he picked up in a local shelter, and worries about how he will survive the coming months.

Dean's doctors prepared him for end-of-life care, but so far he has beat the odds. All he wants, at this point, is a safe, affordable apartment he can call home. But because he doesn't fit into the right bucket, he has little choice but to remain homeless.

RECOMMENDATIONS

RECOMMENDATION 1

Create at least 740 units of permanent supportive housing for chronically homeless individuals within the next two years.

The only effective way to end chronic homelessness is to provide permanent supportive housing.³⁸ Given the extreme vulnerability of the chronically homeless population, the funding and development of this housing needs to be a priority. The county has recognized this need, but the units planned or in progress will reach only a fraction of all chronically homeless persons. To end chronic homelessness by 2017, the county needs to develop at least 460 units of permanent supportive housing in addition to the approximately 280 units planned or in progress for which it has secured at least partial funding, for a total of at least 740 units of permanent supportive housing.³⁹

RECOMMENDATION 2

Close the housing affordability gap for nonchronically homeless persons.

To end homelessness, the county needs to commit to increasing the stock of affordable housing units to meet the need of all people who are experiencing homelessness.

RECOMMENDATION 3

Create a dedicated funding stream to support permanent supportive housing and affordable housing.

We estimate that the county will need to generate at least an additional \$10.9 million annually to permanently house the current chronically homeless population.⁴⁰ While this number may seem large, it represents less than one half of one percent of the county's \$3.2 billion General Fund budget and less than 2% of its \$744 million General Purpose Revenues (discretionary funding). We also estimate that it would cost at most \$43.9 million per year to house the current non-chronically homeless households on any given night using rental vouchers. It is worth noting that this amount is roughly equivalent to the \$43.6 million a year in discretionary funding requested in the county's Strategic Plan for proposed public protection projects over the next five years, which includes investments in science and technology, an upgrade of jail security electronic control systems, a jail expansion, and capital improvements on Sheriff's facilities. Surely, providing housing for people experiencing homelessness, many of whom are ill or disabled, is at least as important as a jail expansion and upgrade.

To fill this funding gap, the county should follow the example of other local governments to create a dedicated source of funding, such as a housing trust fund *(See Appendix IV for a sample resolution)*. The county should also dedicate more of its budget to solving homelessness.

HOUSING TRUST FUND

Following the example of other cities, counties, and states that have significantly reduced homelessness, Orange County should develop a Housing Trust Fund (HTF) dedicated to the development of permanent supportive housing and affordable housing. HTFs are established by legislation, ordinance or resolution to receive ongoing revenues from dedicated sources of public funding such as taxes, fees or loan repayments. For example, the Salt Lake City Housing Trust Fund combines funding from the City Redevelopment Agency with funding through the general fund of the city, and operates as a revolving loan fund whereby the central trust fund is replenished as individual projects pay back their loans (See the municipal code for the Salt Lake City Housing Trust Fund, in Appendix V).

HTFs work. With the assistance of HTFs on the state and city levels, Utah has reduced chronic homelessness by 79% since the implementation of its Ten-Year Plan in 2005. Chronically homeless persons now represent only 4% of all homeless persons in Utah. A dedicated and flexible source of trust fund revenue could enhance Orange County's ability to sharply reduce chronic homelessness by providing coordinated and seamless support for the three legs of permanent supportive housing (capital, operating, and services funding). Because it is a dedicated funding source, an HTF could fund operating and services costs in perpetuity. Because it is flexible it can operate as a supplement to other funding sources that are limited by funding caps. For example, funds could be used to fill the gap between what federal rental subsidies provide and what landlords are charging for rent. It could also provide funding for subsidized rent when time-limited benefits (e.g., Rapid Re-housing subsidies) end.

HTFs in California, such as the Berkeley Housing Trust Fund, could provide a model for Orange County. Berkeley's HTF provides loans and grants to qualified developers, public entities, groups, and individuals to undertake activities which create, maintain, or expand the city's affordable housing stock. Nonprofit and for-profit residential developers can leverage HTF funds with other private and public affordable housing financing sources to facilitate affordable housing production in Berkeley. Berkeley's HTF combines federal funds, such as HOME allocations and Community Development Block Grant funds with local sources such as housing fees provided by development projects, demolitions, and condominium conversions; proceeds from city-owned residential properties; payments of interest and principle from previous HTF loans; inclusionary zoning fees; and gifts or awards made by individuals and organizations (See a full description of the program guidelines for Berkeley's Housing Trust Fund at http:// www.ci.berkeley.ca.us/uploadedFiles/Housing/ CouncilAdopted2009HTFGuidelines.pdf).

More funding would provide the flexibility to meet HUD requirements while simultaneously doing what it takes to end homelessness quickly.

REPRIORITIZE GENERAL FUND DOLLARS

The General Fund is another promising source of funding for permanent supportive housing and affordable housing in Orange County. Funding would probably come from the portion of the General Fund referred to as discretionary funding or Net County Cost (NCC), which is allocated to departments and approved by the Board of Supervisors for programs and activities which are not funded by specific revenue sources. The Strategic Financial Plan identifies major initiatives, or "strategic priorities," that will be supported by the General Fund's NCC.



Michelle packs her belongings before an abrupt sweep by county and local city governments.

Meet Michelle: aclusocal.org/nowhere-to-live

Permanent housing options linked to a range of supportive services meet the county's criteria for an appropriate strategic priority, which include:

- Significant in Cost Impact items exceeding \$1 million in any one year, particularly those that would require county General Purpose Revenue (Net County Cost).
- High Community Awareness items that are or should be on everybody's "radar screen."
- Measurable Outcomes measurable results have been identified so items can be evaluated from time to time on the basis of objective results.
- Personnel Impact may impact current work activities and/or require new positions.
- Efficient achieves the desired results in a sensible and cost-effective manner.
- Strategic may have a long-range impact on county government and the community it serves.

The process of identifying Strategic Priorities involves the county's Department Heads, their staff, the county Executive Office and the Board of Supervisors. In 2014, no funding was dedicated to permanent supportive housing or affordable housing options for people experiencing homelessness. By contrast, five-year public protection spending on the expansion of the James A. Musick County Jail was \$73,290,786, or 14.4% of all five-year discretionary spending.

The county should reconsider its strategic priorities. As mentioned above, 33 out of 34 cities in Orange County have adopted punitive ordinances targeting homelessness that criminalize innocent activities like sitting, sleeping, camping, standing, resting, and having personal property in public. Using discretionary funding to increase the number of safe, supportive, permanent housing beds as an alternative to criminalization would solve the homeless crisis instead of making it worse, lower the burden on jails, courts, and police departments, and make Orange County a leader in promoting effective solutions to homelessness rather than cruel and ineffective ones. In addition, it would actually save the county more money than what it would spend to end homelessness.41

Conduct outreach to those who are homeless and at risk for homelessness.

The Ten-Year Plan to End Homelessness entails the development of a coordinated system of outreach to assure universal assessment, centralized intake, referrals, transportation to shelters, and other related services. The plan includes expansion and coordination of outreach by community/police outreach officer model, mobile outreach teams, and current programs that provide outreach, such as the Health Care Agency Mental Health Outreach Teams.

Central to the plan is a coordinated entry intake and assessment process, which is designed to create a coordinated point of entry into the homeless services system. One of the main purposes of coordinated entry is to ensure that people with the most severe service needs and levels of vulnerability are prioritized for housing and homeless assistance. In line with HUD's priorities, the process prioritizes people experiencing chronic homelessness for permanent supportive housing. The system is designed to be "housing first" oriented, such that people are housed quickly without preconditions or service participation requirements. As people enter the system, their needs are assessed and referrals are made to all projects receiving Emergency Solutions Grants and Continuum of Care Program funds, including emergency shelter, permanent supportive housing, and transitional housing, as well as other housing and homelessness projects.

OUTREACH IN PRACTICE

PROBLEM

Inability to connect clients to permanent housing

Given the shortage of housing, outreach and coordinated entry is little more than an empty promise. Ask Falcon, a 58-year-old woman who is struggling with cancer and Post-Traumatic Stress Disorder.

After becoming homeless, she called the referrals for housing and transitional programs on the list that an Orange County outreach worker gave her. Every program she contacted was filled to capacity, put her on a waiting list and never called back, or told her she wasn't eligible. So she moved into a tent under a noisy freeway overpass in the Santa Ana riverbed. Outreach workers also run up against the hard reality of the housing shortage. Board Supervisor Todd Spitzer has ordered county Health Care Agency workers to do more outreach to the growing number of people—many with disabling conditions—who camp out in Civic Center Plaza. Yet, as one outreach worker told us, "We are out here every day. But there is next to no shelter for people, so what can we do? We can talk to people, but that's about it."

Without housing, outreach and coordinated entry will simply create a backlog of wait-listed clients. Los Angeles' coordinated entry system, for example, assessed and entered more than 10,000 clients from 2013 to 2014.⁴² Forty-three percent of those assessed were identified as high-acuity. But given Los Angeles' severe shortage of permanent supportive housing, only 1,000 people—or less than 10% of those assessed—had been housed by December 2014. In just one year the system had a backlog of over 9,000 assessments.

"We are out here every day. But there is next to no shelter for people, so what can we do? We can talk to people, but that's about it."

- County outreach worker

RECOMMENDATION

To increase the efficacy of the outreach and coordinated entry system, Orange County must prioritize the development of sufficient permanent, affordable housing with appropriate services to meet the need.

Improve the emergency shelter system.

In November of 2015, the Board of Supervisors voted unanimously to approve the county's first countywide year-round shelter and multi-service center. The vote was hard-won, coming after decades of fierce debates and failed plans. Karen Roper, former Director of OC Community Services, captured the excitement of the moment, declaring, "We changed history today in Orange County." Public officials spoke glowingly of the merits of the shelter and multi-service center, noting that it would bring together essential services to meet the needs of homeless clients, such as legal support, mental health services, veterans' services, employment services, computer access, job training and placement, and life-skills coaching. Most importantly, it would help people find permanent housing and employment within 30 days of entry.

THE EMERGENCY SHELTER SYSTEM IN PRACTICE

PROBLEM 1

Inability to connect shelter residents to permanent housing

As noted in the county's Ten-Year Plan to End Homelessness, "The severe shortage of affordable housing and Housing Choice vouchers creates a backlog of shelter clients who have nowhere to go when they leave shelter programs."⁴³ Indeed, Orange County's records reflect this reality. Out of the almost 3,000 persons exiting from Orange County emergency shelters in 2013, only 20 (<1%) exited to permanent supportive housing and 36 (1.3%) to other ongoing housing subsidiesfor a total of about 2% exiting to some form of subsidized affordable housing. Another 3% exited to market-rate housing. A full 70% exited to the streets or unknown locations.

There is no reason to expect that the year-round emergency shelter and multi-service center will be any more effective in rapidly placing clients in permanent housing than the current emergency shelter system—because sufficient permanent housing is still not available.

DESTINATION OF CLIENTS EXITING FROM EMERGENCY SHELTER, 2013

70% STREETS OR UNKNOWN

- 12% EMERGENCY/TRANSITIONAL SHELTER
- 11% TEMPORARY HOUSING
- 2% PERMANENT HOUSING, SUBSIDIZED
- 3% PERMANENT HOUSING, UNSUBSIDIZED
- 2% INSTITUTIONS

0% DECEASED

Report created by OC Partnership on 1/21/14. Available at http://ochmis.org/reports/2013_OC_DestinationsSummary_ PSH.pdf

PROBLEM 2

The model does not reach chronically homeless individuals

The model misses an entire group of homeless people—chronically homeless persons—who often cannot tolerate shelter living or transitional housing programs, which can exacerbate their mental health symptoms.⁴⁴ That is why they are the most likely to be living without shelter. To escape homelessness, research shows they need **immediate**, safe, permanent housing with supportive services.⁴⁵

RECOMMENDATION

To increase the efficacy of the proposed emergency shelter and multi-service center, Orange County must prioritize the development of sufficient permanent, affordable housing with appropriate services to meet the need. Chronically homeless persons should bypass the emergency shelter system when possible and should be placed immediately in permanent supportive housing.



Police sweep along the Santa Ana riverbed.

ORANGE COUNTY'S CURRENT APPROACH PROTECTION OF CIVIL AND HUMAN RIGHTS?

POLICY

Making it a crime to be homeless.

Orange County enforces county and state bans on sleeping, resting, sitting, or camping, even if it is just with a sleeping bag or blanket, and periodically impounds personal property of people who have no choice but to live outdoors in public spaces. In addition, Orange County officials have remained silent while cities have passed similar ordinances that criminalize basic human activities.

Public officials often justify the ordinances as public health or safety measures. They are also framed as being in the best interest of homeless persons who are camping, sleeping, or resting in public. As the mayor of Costa Mesa argued, "...what we're trying to do is help those who want help and if somebody doesn't want help—and they have refused help on numerous occasions—we want the courts to deal with them."⁴⁶ The mayor and other politicians assume that services and housing are available; people just need the "stick" of enforcement as a motivation to make use of services. This assumption is incorrect.

Regardless of the rhetoric, the underlying purpose of these ordinances is to push out local homeless people and deter "outside" homelessness from entering the community.

Yet as more cities pass these ordinances, people experiencing homelessness have fewer places they can go to escape citation, fines and imprisonment. Not only do 33 out of 34 cities in Orange County ban camping, resting, or otherwise being in particular public places, such as parks and sidewalks, many cities also ban life-sustaining activities such as panhandling, begging, having items such as sleeping bags or tents in public, or even scavenging through trash for recyclables to sell. The sheer pervasiveness of these bans creates a dragnet that people experiencing homelessness cannot avoid.

HOW TO CRIMINALIZE HOMELESSNESS

- Ban sleeping, camping, or resting in public.
- Fail to provide enough shelter and housing to accommodate all people experiencing homelessness, forcing them to sleep outdoors.
- Enforce the bans even though people experiencing homelessness cannot possibly comply with them.

33 OF THE 34 CITIES IN ORANGE COUNTY BAN CAMPING, RESTING, OR OTHERWISE BEING IN PUBLIC PLACES



CRIMINALIZATION IN PRACTICE

When **Kenny** was homeless, he often had no good options. To access the local emergency shelter, tucked deep in a remote canyon, he entered a lottery that might or might not result in the opportunity to sleep indoors on a floor mat for the night.

When he was turned away for lack of space, he either stayed in the shelter parking lot or traveled down a treacherous stretch of road at night to find another place to sleep. Either way, he risked getting a ticket for camping or sleeping in public. Indeed, police officers sometimes ticketed him for sleeping in the parking lot after being turned away from the shelter. On these nights, he asked the officers where they wanted him to go. He never received a straight answer—because there was no legal place for him to sleep. Kenny was criminalized for being homeless and engaging in an involuntary and necessary human activity, namely, sleeping.

THE ORDINANCES IN PRACTICE

PROBLEM 1

The bans criminalize homelessness

Despite the claims of city officials that people can be "deterred" from living on the streets, all too often, people experiencing homelessness do not have access to a legal place to sleep. Orange County has only enough emergency and transitional shelter beds to accommodate about half of all people that are homeless on any given night. The rest have no choice but to sleep outdoors—and risk getting a citation.

The enforcement of ordinances banning sleeping or camping in public, combined with the provision of minimal or no housing or shelter, criminalizes homelessness. As the Department of Justice put it, "If a person literally has nowhere else to go, then enforcement of the anti-camping ordinance against that person criminalizes her for being homeless."⁴⁷

PROBLEM 2

The bans force people into dangerous and marginal living situations

In our interviews, many persons experiencing homelessness complained that police in every city harassed them. They described a pattern of being pushed from city to city by police who question them about their travel plans, threaten to cite them if they stayed in city limits, and tell them to move along.

Many reported feeling anxious, worthless, fearful, and angry when police officers threaten them with citations and tell them to clear out of public areas. It's not just the anxiety that most people have when approached by an officer of the law. It's also the specter of being forced out of areas they feel are relatively safe, such as the parking lot of a shelter or a well-lit bus depot, often in the middle of the night.

To avoid this harassment, some end up in remote areas. While remote locations offer a certain amount of relief from constant police scrutiny and harassment, they come with their own set of problems. People living in the Santa Ana riverbed, for example, describe it as the one place they can mostly avoid police harassment and expensive tickets for being homeless—yet life there is hazardous and difficult nonetheless. People living in the riverbed are both geographically and socially marginalized out of sight and out of mind. Social and medical services are difficult to access. Basic necessities like fresh food and water are far away. People have told us that some people bathe, wash dishes, and even drink unsanitary water from drainage pipes, and as a result they report getting sores on their bodies and in their mouths. They are always on the alert for the periodic floods which threaten their safety and soak their possessions.

"If a person literally has nowhere else to go, then enforcement of the anti-camping ordinance against that person criminalizes her for being homeless."

– U.S. Department of Justice

And people do not completely escape criminalization by moving to places like the riverbed. To move people out of remote areas, the county enforces county and state bans on camping, storage of personal property, and lodging in public, and periodically impounds personal property. In our interviews, people living in the riverbed recount losing tents, irreplaceable personal memorabilia such as old family photographs, and even medication during sweeps.

PROBLEM 3

Criminalization is ineffective and perpetuates homelessness

As noted by the United States Interagency Council on Homelessness, "The forced dispersal of people from encampment settings is not an appropriate solution or strategy, accomplishes nothing toward the goal of linking people to permanent housing opportunities, and can make it more difficult to provide such lasting solutions to people who have been sleeping and living in the encampment."⁴⁸

But criminalization and dispersal is not only ineffective; it also perpetuates homelessness. Citations can result in warrants, the accumulation of fines, time spent evading police instead of connecting to service providers, and time in court and jail. When people are swept up in the criminal justice system it is harder for them to find and keep housing, employment, and needed benefits. Citations can give people a criminal record, which perpetuates homelessness by preventing them from obtaining government benefits and housing. They may spend the little income they have paying back fines instead of putting it toward living expenses that could help them get off the streets, such as a down payment on a car or a deposit on an apartment.

PROBLEM 4

Criminalization undermines real solutions to homelessness

Criminalization heightens hostility to real solutions such as permanent supportive housing and affordable housing by reinforcing the idea that being homeless is a crime, and that homeless people, rather than homelessness, is the problem. Because criminalization claims to "deter" people from being homeless, it reinforces the false idea that people are making a choice to be homeless. And underlying the myth that people are making a choice to be homeless is the myth that they can instead make the choice to be housed. Criminalization thus perpetuates the deception that housing and shelter are available and accessible, if people would only choose to use them.

This myth is dangerous, not only because it blames homeless persons for their predicament, but also because it undermines the political will to adequately fund and develop the affordable housing and permanent supportive housing needed to end homelessness. It imbues this myth with an enormous amount of legitimacy by enshrining it in law. By reinforcing negative stereotypes about homeless people, criminalization perpetuates a cultural and political climate that makes real solutions politically risky—after all, it wouldn't make sense to reward people for "criminal behavior" by giving them a home.

"When the police drive me out of the shelter parking lot in the middle of the night, it feels like they're saying, 'Yeah, go out there and hopefully you will get attacked and die. It will be one less person for us to worry about.""

-Katrina A previously homeless person



Meet Kent: *aclusocal.org/nowhere-to-live*

SOCIAL AND GEOGRAPHIC MARGINALIZATION

Carol and her husband Kent were living beside a sound wall next to the 91 freeway in Fullerton. Often, the California Highway Patrol, Fullerton police officers, and California Department of Transportation workers came by to talk to them in response to complaints about their encampment.

According to Carol, the officers realized that the couple had nowhere to live, and were reluctant to make them move. As the complaints piled up, however, California Highway Patrol officers finally told them that they had to leave. As the couple was trying to figure out where to go next, Fullerton police officers came by and recommended that they go to Anaheim.

When they crossed the bridge to Anaheim, however, the Anaheim police were there to greet them. The officers recommended that the couple go to the riverbed near the 5 freeway. They said there were other people living down there. So that's where Carol and Kent went.

Living in the riverbed has not been easy. Carol uses a cane and finds it difficult to scale the embankment when she needs to go to an appointment. The couple say that outreach workers rarely visit. Periodically, water is released into the riverbed without warning, creating safety hazards. Over the summer, Carol was swept downstream by a wall of water that was released without notice. Since she doesn't know how to swim, she feels lucky that she was able to cling to an air mattress for safety.



Homeless people like Spice worry about what will happen to their pets if they are incarcerated for sleeping in public. Meet Spice: *aclusocal.org/nowhere-to-live*

PROBLEM 5

Criminalization diverts resources from real solutions to homelessness

Criminalization needlessly wastes precious public resources that could be diverted to real solutions to homelessness, such as housing. Studies show that the costs of criminalizing homelessness are often much higher than the costs of permanent supportive housing.⁴⁹ Criminalization also wastes court and police resources. For example, the Anaheim Police Chief estimates that responding to calls for service regarding homelessness occupies the equivalent of seven full-time police officers per year. Assuming annual wages of around \$100,000 per officer, the City spends around \$700,000 per year on enforcement of the anti-camping and storage ordinance, just in officer time.⁵⁰

But criminalization not only costs money; it also threatens the county's access to needed federal funding. For the first time, the U.S. Department of Housing and Urban Development is penalizing jurisdictions on their annual funding applications if they cannot demonstrate that they are decriminalizing homelessness. The county will fare badly on this metric. Not only are bans on sleeping and camping in public ubiquitous throughout the county, but some municipalities have actually stepped up criminalization in recent years. Anaheim, for example, voted in November 2015 to give the City Attorney discretion to increase the charge of a violation that makes it a crime to use tarps, cots, sleeping bags, bedding and other "camping paraphernalia" in public places such as parks from an infraction to a more serious misdemeanor.

At risk is a portion of the \$22 million the county receives from HUD for programs such as permanent supportive housing.

RECOMMENDATIONS

RECOMMENDATION 1

Repeal /suspend county ordinances that criminalize homelessness

The county does not have to sit idly by as cities pass and enforce ordinances that criminalize homelessness. As a first step, the county can take the lead in decriminalization by suspending enforcement of, and ultimately repealing, its own anti-homeless ordinances, such as Orange County Code of Ordinances Section 2-5-95, which makes it illegal to camp or store personal belongings on land owned or managed by the county.

RECOMMENDATION 2

Follow the federal government's lead in condemning the criminalization of homelessness and incentivizing decriminalization

The county should also incentivize cities to prevent or roll back city or municipal ordinances that criminalize basic life activities, such as sitting, standing, and resting, where homeless persons have no choice but to perform them in public. The county must acknowledge that such actions by local cities both result from and contribute to the local failure to address the root causes of homelessness, namely inadequate housing resources. First, the county should pass a resolution calling for an end to city laws that criminalize homelessness. A model resolution is included in Appendix VI. An advocacy toolkit on preventing and reducing criminalization is included in Appendix VII, and a sample letter opposing a proposed city ordinance is included in Appendix VIII.

Second, the county should prioritize cities that take positive steps to decriminalize homelessness in its allocation of funding for homeless programs. It should develop funding incentives for decriminalization and support alternative approaches such as housing. It should also discontinue any funding of local law enforcement practices that criminalize homelessness and harass or punish homeless people. For example, the county distributes Community Development Block Grant funding to many cities throughout the county, and has great discretion in deciding who gets what. It could use scoring incentives in its grant-making process to reward those cities that have taken proactive steps to repeal anti-homeless ordinances that undermine real solutions to homelessness.

By following these recommendations, the county will meet the new requirements of HUD, which, as mentioned above, has begun to consider what steps a community is taking to prevent the criminalization of homelessness when it awards \$1.9 billion in homeless assistance grants to Continuums of Care. It will also align with the priorities of human rights advocates and the U.S. Interagency Council on Homelessness, which have called on governments to ensure that public funding streams do not support activities that criminalize the basic life activities of people experiencing homelessness.

RECOMMENDATION 3

Provide low-barrier affordable housing and permanent supportive housing as an alternative to unsheltered living, including encampments

The county should follow the recommendations of U.S. Interagency Council on Homelessness when addressing unsheltered homelessness.⁵¹ Instead of giving people tickets and dispersing them without giving them anywhere else to go, the county needs to link people experiencing homelessness, including those living in encampments, to permanent affordable and permanent supportive housing with appropriate services. Best practices promoted by the Council include: 1) preparation and adequate time for planning and implementation; 2) collaboration with unsheltered homeless persons and other stakeholders, such as service providers and government agencies, in developing a plan of action; 3) intensive and persistent outreach to identify and engage those in need of housing; and 4) provision of low-barrier pathways to permanent housing.

The county can apply cost savings accrued by ending enforcement of its ordinances that criminalize homelessness to permanent supportive housing.

DROWNING IN DEBT

James, who is homeless and unemployed, just wants to get his driver's license. But this modest goal seems out of reach since he received a \$280 ticket for sleeping on public property.

Because the carbon on his ticket was smudged, he misread the date of his court appearance and failed to appear. He then received a delinquency notice from the court informing him that he faced a potential penalty of \$300; a \$10 fine to inform the Department of Motor Vehicles of the unpaid fine; a \$15 fee for an automated warrant; and the possible suspension of his driver's license.

When James tried to call the courthouse to reschedule his court date, he got a recording informing him that he could use a credit card to either pay the ticket over the phone or pay a little over \$6 to reschedule his court date. James does not have a credit card, and at any rate he does not have \$6. He hung up, unsure of how to proceed.

As James puts it, "I feel like I'm drowning." Getting his driver's license now seems like an insurmountable feat. He worries about the warrant and the possibility of going to jail. All in all, the ticket feels like an enormous setback.

Failure to hold the system accountable to service users.

LACK OF DUE PROCESS IN PRACTICE

Even after they are off the streets, people receiving services in the Continuum of Care are vulnerable to arbitrary decisions, including eviction from shelter or transitional housing—often for behaviors related to the very disabilities that make them eligible for this housing in the first place. Part of the problem is that the Continuum of Care and the private, mostly nonprofit entities that implement homeless policies function in the absence of rules, regulations, policies, or procedures to protect clients from arbitrary treatment by service providers.

The greatest benefit of due process protections is to prevent wrongful or unjust conduct of those who have the power to adversely effect clients' liberty, property, or well-being. Due process protections are needed because homeless service providers control access to crucial material resources, such as shelter, food, showers, or restroom facilities, which service recipients depend on for their health and safety.

PROBLEM

Lack of due process requirements deprives people of needed services and perpetuates homelessness

While some homeless services are provided in a professional and respectful manner, a growing body of research suggests that this is often not the case. In fact, research has repeatedly shown that when homeless service providers operate with so much discretion and with lack of monitoring; when staff need not show cause for their decisions, and when clients do not have recourse to challenge staff decisions, it invites abuse.⁵² Under these conditions, vulnerable persons experiencing homelessness can fall prey to very arbitrary decisions.⁵³ Such decisions are often made to benefit the staff at the expense of persons experiencing homelessness. Research on a permanent supportive housing program for people with mental illness, for example, shows that tenants are often threatened with eviction when they exhibit mildly inappropriate behaviors, such as talking back to property managers or keeping a messy apartment, that are rooted in their mental health problems.⁵⁴ When people are unnecessarily deprived of shelter, programs, or housing they end up back on the streets, making it much more difficult for them to move out of homelessness.

Our interviews and conversations with persons experiencing homelessness in Orange County mirror the research findings. People often express gratitude for homeless services, especially shelter and hot meals. Yet they chafe at the treatment they sometimes receive from emergency and transitional shelter staff. Many report being prevented from accessing shelter, toilet facilities, showers, and even food, often for transgressions they view as arbitrary and unjust. Such evidence points to the need for due process.

RECOMMENDATIONS

RECOMMENDATION 1

Make resources contingent on protecting the human rights of homeless persons

The county should put resources into protecting the human and civil rights of people in transitional housing programs and emergency shelters. Needed social services should be provided on a fair, equitable, and non-arbitrary basis, and should be supported to the extent that they comply with due process requirements of accountability for their service recipients. Accountability to clients should ultimately rest with the county, since most of the resources to fund Continuum of Care services are either state or federal money that is allocated through the county.

RECOMMENDATION 2

Establish the human right to shelter and temporary housing

The county needs to articulate rules, regulations, policies, and procedures that respect the rights of service recipients to receive nondiscriminatory, safe, respectful, and helpful services that honor their dignity and protect their well-being. Without such rules and procedures, governments and nonprofit contractors do not have the guidance they need to protect the rights



Drainage tunnel where homeless people hide their belongings during police sweeps of Santa Ana riverbed.

BANNED FROM SHELTER WITH NOWHERE TO TURN

Pati, 48, is one of the fortunate ones. In June of 2015, after being homeless for a year, she obtained permanent supportive housing. She is grateful for her new home, and wants to move forward with her life. She wishes she could let go of the trauma she experienced when she was homeless, but she can't. She remembers the frigid nights sleeping outdoors, and shelter staff who were often unsympathetic and even punitive. Sometimes the local shelter she relied on was full, forcing her to sleep outside in the cold. On other nights, staff members denied her shelter for breaking house rules.

As Pati saw it, shelter staff members were young and inexperienced and applied the rules differently for different people. She says, "They hire people at \$12 an hour. Young people with a little bit of power, and they use it." One night, she was sleeping outside of the shelter for lack of space. The temperature was freezing and she didn't have sufficient blankets to keep her warm. At around 4 a.m., she knocked on the door of the shelter in desperation, asking to use the restroom. While inside, she hopped in the shower to warm up. As she tells it, she wasn't bothering anyone. Still, one of the staff members, upon discovering her in the shower, banned her from the shelter for 48 hours.

Pati's friends at the shelter encouraged her to fight the decision, but as she puts it, "Who do you fight with? Who do you tell?" Instead, she put up with it because she had to. Being punished and degraded by young staff made her feel humiliated, depressed, and angry—feelings that continue to haunt her. Terrified of ending up on the streets again, she says, "I pray every night and every morning—please don't take my housing away from me."

of homeless persons, and homeless clients cannot conform their behavior in a way that protects their access to shelter and housing benefits. Nor can county government monitor compliance with such rights.

RECOMMENDATION 3

Enforce the human right to shelter and temporary housing

Once rights are articulated and rules and regulations are set in place, the county needs to develop and enforce due process protections that apply to providers that participate in the Continuum of Care or otherwise receive funding from or administered by the county. These protections should ensure that rules and procedures are applied in a fair and equal manner. They should hold officials and agencies accountable for violating the rights of clients who receive services in the Continuum of Care or who participate in programs that receive other government funds.

At a minimum, these due process requirements should:

- Spell out the rights and responsibilities of both clients and service providers in the Continuum of Care;
- Establish transparent and enforceable due process requirements to protect these rights; and
- Create a county office, independent of the Continuum of Care, dedicated to the implementation and enforcement of these requirements.

Such requirements are not without precedent. The District of Columbia's Homeless Services Reform Act of 2005, for example, codifies the rights and responsibilities of clients of homeless services providers in the Continuum of Care; articulates high standards by which the District of Columbia and homeless services providers must deliver services to clients; and mandates procedures for resolving disputes between clients and providers of homeless services. Under the Act, clients have the right to be free from discrimination in accordance with the Human Rights Act of 1977; to engage in or abstain from the practice of any religion, including the religion of the service provider; to file complaints with the Mayor and/ or the service provider regarding the provider's treatment of the client; to appeal any decision that adversely affects the client's receipt of services within the Continuum of Care: and to be free of

retaliation for exercising such rights. Service providers cannot arbitrarily suspend or expel people from shelter and housing. The Act spells out the circumstances under which clients can be suspended or terminated, and requires that providers give written and oral notice to clients of their termination from services at least 15 days before the effective date of the termination. The Act also establishes an Office of Administrative Hearings and ensures access to a fair hearing to appeal administrative review decisions and to review decisions by service providers to suspend or terminate services. If clients choose to challenge their suspension or eviction, they retain their housing until a final decision is reached through the hearing and appeal process.



Joshua cannot avoid police harassment when he sleeps on the beach—because he has no where else to go.

Meet Joshua: *aclusocal.org/nowhere-to-live*

Such a system would provide a feedback loop that enables the county to hold government administrators and contracting nonprofits responsible for best practices, resulting in a more transparent and effective homeless services system. It would enable the county to reduce the rate of avoidable and unjust eviction and homelessness, and to transmit the message to policy targets, contracting agencies, and the general public that the state cares about homeless service users and will help protect them from arbitrary and unjust treatment.

POLICY

General Relief-Allowing people to fall into homelessness.

As noted by the homelessness scholar Martha Burt, if housing were inexpensive, or if people made enough money to afford housing, we would have very little homelessness.⁵⁵ To prevent people from falling into homelessness or otherwise experiencing severe material deprivation, the State of California holds counties responsible for setting "General Assistance standards of aid and care that provide benefits necessary for basic survival."

The Board of Supervisors has set benefits at a little over **\$317 a month** and reduced benefits for people deemed "employable" to three months out of the year.

General Relief is truly the safety net of last resort indeed, the only cash assistance program-for childless persons in Orange County who are experiencing homelessness. There are no federally supported cash safety net programs for poor childless adults who do not receive Supplemental Security Income (SSI), or Temporary Assistance for Needy Families (TANF), which only serves families with minor children. In fact, homeless adults in Orange County are overwhelmingly childless-only about 13% (451) of the 3.354 households in the county's 2015 homeless count include at least one adult and one child. Among unsheltered persons, nearly 100% are childless. Thus General Relief plays a critical role in the effort to end homelessness in Orange County.

GENERAL RELIEF IN PRACTICE

PROBLEM 1

The inadequacy of the General Relief benefit pushes people into homelessness

Unfortunately, even Orange County's yearround General Relief benefits of a little more than \$300 a month, available to people deemed "unemployable," do not come close to covering basic subsistence-level costs. For example, people in Orange County would be hard pressed to find a room for rent—even a shared room—for less than \$500 a month. As noted above, the "housing wage" (the hourly wage a family or individual would need to earn to afford rent at the median market rental price) is around \$25 an hour for a one-bedroom apartment. General relief is about \$2 an hour. For people with disabilities that prevent them from participating in the labor market, the inadequacy of General Relief as a safety net is particularly devastating.

The extreme rent burden imposed by General Relief makes it impossible for people to avoid or escape homelessness.

Together, then, Orange County's severe shortage of permanent affordable housing, combined with its inadequate social safety net, put many poor people—especially those without social support from family or friends—on a direct pathway to the streets.

PROBLEM 2

The General Relief program creates barriers to access

In recent decades Orange County has added workfare requirements to its General Relief program, which requires recipients who are deemed "employable" to participate in work in exchange for benefits. Studies show that workfare requirements can reduce participation. For example, a study on TANF showed that caseloads declined during the Great Recession, when need was greatest.⁵⁶ As the authors explained, participation declined in part because people were less able to meet work requirements as the job market collapsed.

We have also heard that disabled, homeless persons, particularly those with mental disabilities, are sometimes deemed "employable," triggering work requirements they are unable to meet.

"If housing were inexpensive, or people could earn enough to afford housing, very few individuals would face homelessness."

– Martha Burt Urban Institute Orange County has also turned what was once a grant into a loan to be repaid, which may also suppress participation. Because payments are a loan, General Relief benefits put extremely poor recipients into debt, which undermines their capacity to escape poverty. It discourages people who desperately need benefits from applying for them, and it runs counter to our fundamental societal commitment to provide social insurance free of charge to those who face dire material deprivation.

Orange County's current \$317 general relief benefit level does not even cover the cost of housing, much less other basic necessities.

PROBLEM 3

The General Relief benefit has decreased in value

Cost of living adjustments enable benefits to increase as the cost of living increases. California's cost of living adjustments are optional, and Orange County has decided not to use them. Instead of raising the benefit level to meet the subsistence needs of its most vulnerable residents, Orange County has allowed already inadequate General Relief benefits to severely erode in inflation-adjusted terms. Because the value of the benefit has not kept up with inflation, General Relief recipients today must subsist on approximately half of the monthly benefit level they would have received in 1991.

The federal poverty line is the minimum level of income determined to be sufficient to meet basic survival needs such as food and shelter. In 1991, the General Relief benefit was only 62% of the income needed to be at the federal poverty line. By 2015, the benefit level had dropped to a staggering 32% of the income needed to be at the federal poverty line.

As the General Relief benefit continues to erode in value, the material deprivation of poor and homeless persons who rely on it will only increase, feeding the homeless crisis.

MONTHLY GENERAL RELIEF BENEFIT IN 2015 DOLLARS: 1991 AND 2015



SINCE 1991, THE VALUE OF THE GENERAL RELIEF BENEFIT HAS BEEN CUT IN HALF

MONTHLY GENERAL RELIEF BENEFIT AS PERCENTAGE OF POVERTY LINE: 1991 AND 2015



RECOMMENDATIONS

RECOMMENDATION 1

Raise the benefit level

To end homelessness, the county should raise benefits to a level that will enable recipients to afford the basic subsistence-level necessities of life, such as rent, food, utilities, transportation, and personal items.

We strongly encourage the county to use one of its legal options for determining benefit levels: a "cost study." The concept of the cost study derives from the 1986 appellate court decision in *Boehm v. Superior Court*, which held that indigent residents had to receive relief and support from their counties sufficient to meet their "minimum subsistence" requirements.⁵⁷ The court ordered California counties to undertake studies or surveys to determine how much relief indigent residents required to meet their "food, housing, utilities, clothing, transportation, and medical care" needs.⁵⁸ For several years, counties based their benefit levels on the results of these studies.

In the early 1990s, the California legislature overrode this requirement with two new provisions to the California Welfare and Institutions Code. The first provision gave counties the option of adopting General Relief grant levels equal to 62% of the 1991 federal poverty line with optional annual adjustments equal to any adjustments in benefits provided by the state under its Aid to Families with Dependent Children program. The second permitted fiscally distressed counties to reduce their benefit level even further, to just 40% of the 1991 poverty level. These legislative actions allowed counties to set General Relief benefits well below the amount necessary to meet subsistence-level needs.

Orange County abandoned the cost-study option and set benefit levels at the much lower benchmark allowed by the new legislative provisions. It also did not index the benefit amount for inflation. Consequently, its General Relief benefits are now so far below the amount necessary for survival that its policy is in violation of the original intent of the law: to ensure assistance sufficient to cover subsistence-level needs for those with no other means of support.

Yet Orange County does not need to adhere to this policy choice. Using the cost-study option to determine benefit levels would bring the county into compliance with the original intent of the Welfare and Institutions Code on General Assistance. It



Smitty is a member of Civic Center Roundtable, a grass-roots advocacy organization that gives voice to the needs of homeless people living in the Santa Ana Civic Center. Meet Smitty: *aclusocal.org/nowhere-to-live*

would provide meaningful protection of people's human right to an adequate standard of living. And by setting benefits at an amount that actually covers subsistence-level needs, it would help prevent people from falling into homelessness. We strongly urge the county to bring its General Relief policy in line with the spirit of the original policy.

RECOMMENDATION 2

Remove work requirements and obligations to repay

The county should remove work requirements and obligations to repay, which discourage program participation and put extremely poor people who do use the program into debt. There is also a need for county workers processing these applications to accommodate disabilities.

RECOMMENDATION 3

Index benefit level to inflation

The county should use cost of living adjustments to ensure that benefit levels do not erode over time in inflation-adjusted terms. Cost of living adjustments should be mandatory, to ensure that future elected officials will not attempt to control costs and balance budgets on the backs of poor people.



CONCLUSION

Tonight, Anna Mae Gonzalez will sleep outside, as she has most nights for the last nine years.

It doesn't have to be this way. In fact, with a modest commitment of resources and strong political will, county officials can ensure that Anna Mae and all other people experiencing homelessness have their basic human needs met and are protected from government-sanctioned harassment and punishment for nothing more than being homeless.

Anna Mae is homeless because permanent, affordable housing is in such scarce supply. The "housing first" model the centerpiece of the county's Ten-Year Plan to End Homelessness—is well-conceived. It hinges on a "significant and sustainable increase in the availability of permanent housing opportunities affordable to people at extremely low income levels, in conjunction with supportive services to help clients remain stable and sustain that housing."⁵⁹ Yet currently, the county only has the capacity to develop permanent housing for a tiny fraction of all persons experiencing homelessness. The county will need to bridge this gap.

In fact, none of the county's plan to end homelessness makes sense without accessible permanent housing options. Outreach efforts are ineffective when workers cannot link people to permanent housing. No amount of coordination among programs can end homelessness in the absence of housing. Further, the upcoming full-service, year-round permanent emergency shelter and multi-service center will be unable to link clients to permanent housing within 30 days, as planned, when sufficient permanent housing does not exist. The Ten-Year Plan to End Homelessness simply falls apart if the county does not invest in enough permanent affordable housing to meet the demand.

A critical key to the success of the county's plan will be funding. Up to now, the county has relied on stagnating and disappearing federal and state resources. It spends less on ending homelessness—only 1-2% of its discretionary budget—than it does on expanding and upgrading its jails. And so far, the county has concentrated on funding



Santa Ana River

emergency shelter, ignoring the dire need for permanent affordable housing options for persons experiencing homelessness. The county will need to take responsibility for developing funding sources to create permanent housing options linked to supportive services when appropriate, and it will need to ensure that these funding sources are flexible, sustainable, and sufficient to house all homeless people in the county.

This goal may sound daunting, but the cost of permanent housing is not an excuse for inaction. Study after study shows that leaving people on the streets actually costs more in public resources than housing them. This is because people become heavy users of costly public services such as emergency rooms, inpatient hospitalization, and jails when they live on the streets. Providing chronically homeless individuals with permanent supportive housing can dramatically reduce these public costs.

Moving forward, the county will also need to take a leadership role in protecting the human and civil rights of people experiencing homelessness. The county and its cities have thrown resources behind misguided laws that ban innocent behaviors people who are homeless cannot avoid, such as sleeping and camping in public—laws that violate their civil rights by turning poverty, disabilities, and a lack of a residence into a crime. These resources should be immediately redirected toward solutions that work—namely, affordable and permanent supportive housing.

In essence, Anna Mae and the thousands of other people experiencing homelessness in Orange County face public policies that neglect their need for housing, shelter, and a basic safety net that will protect them from severe material deprivation, and then violate their civil and human rights by punishing them for a condition—being homeless—that is a consequence of this neglect.

The thousands of people living in shelters and on the streets deserve to have their basic human rights to material needs met, and they need protection from government-sanctioned harassment. They have waited long enough. It is time for the county to act.

ENDNOTES

¹Ten-Year Plan to End Homelessness. (2012). P. 38. Available at http://occommunityservices.org/civicax/ filebank/blobdload.aspx?blobid=15449.(emphasis added). ²According to HUD, "The Continuum of Care (CoC) Program is designed to promote communitywide commitment to the goal of ending homelessness; provide funding for efforts by nonprofit providers, and state and local governments to quickly rehouse homeless individuals and families while minimizing the trauma and dislocation caused to homeless individuals, families, and communities by homelessness; promote access to and effect utilization of mainstream programs by homeless individuals and families; and optimize self-sufficiency among individuals and families experiencing homelessness." https://www. hudexchange.info/programs/coc/

³Rog, D.J., Marshall, T.M., Dougherty, R.H., George, P., Daniels, A.S., Ghose, S.S., & Delphin-Rittmon, M.E. (2014). Permanent supportive housing: Assessing the evidence. *Psychiatric Services*, 65(3), 287-294; Tsemberis, S., Gulcur, L., & Nakae, M. (2004). Housing first, consumer choice, and harm reduction for homeless individuals with a dual diagnosis. *American Journal of Public Health*, 94, 651-656. ⁴See, e.g., Cuniff, M.M. (September 18, 2015). County addressing Civic Center homeless. *Orange County Register*. http://www.ocregister.com/articles/center-683628-civic-county.html

⁵ It is impossible to gauge the County's progress toward its goal of housing this vulnerable population because of differences in the way that chronic homelessness was measured in 2013 and 2015. While the County's Point in Time count shows a 30% decrease in the number of chronically homeless persons on any given night—from 797 in 2013 to 558 in 2015—this difference is related to a change in the questions asked. In 2013 the County used the federal definition of chronic homelessness, and survey respondents had to respond that the chronic condition existed. In 2015 the County departed from the federal definition of chronic homelessness in favor of a much narrower definition, in which respondents needed to respond both that the chronic condition existed and that it affected their ability to maintain a job or stable housing [Homeless Count and Survey Report, June 2015, Footnote 17]. What we do know is that, at minimum, hundreds of people defined as chronically homeless currently live on the streets.

⁶ Burt, M. (1997). Causes of the growth of homelessness during the 1980s. Understanding homelessness: New policy and research perspectives. Washington, D.C.: Fannie Mae Foundation. http://content.knowledgeplex.org/kp2/kp/ report/report/relfiles/homeless_1997_burt3.pdf.
⁷ For a review of the literature see Wright, T. (2000). Resisting homelessness: Global, national, and local solutions. Contemporary Sociology, 29(1), 27-43.
⁸ Dohrenwend, B.P., Levav, I., Shrout, P.E., Schwartz, S., Naveh, G., Link, B.G., et al. (1992). Socioeconomic status and psychiatric disorders: the causation-selection issue. Science 255, 946–52.; p. 136 of Wong, Y-L. I., and Piliavin, I. (2001) Stressors, resources, and distress among homeless persons: a longitudinal analysis. *Social Science* & *Medicine* 52 (7): 1029-1042;Ritchey, F. J., La Gory, M., Fitzpatrick, K. M., & Mullis, J. (1990). A comparison of homeless, community-wide, and selected distressed samples on the CES-depression scale. *American Journal of Public Health*, 80(11), 1384-1386; Robertson, M. J. (1992). The prevalence of mental disorder among homeless people. In R. I. Jahiel (Ed.), *Homelessness: A preventionoriented approach* (pp. 57-86). Baltimore, MD: The Johns Hopkins University Press; Robertson, M. J., & Winkleby, M. A. (1996). Mental health problems of homeless women and differences across subgroups. *Annual Review of Public Health*, 17, 311-336.

⁹ Desmond, M. (2016). *Evicted: Poverty and profit in the American city.* Crown Press.

¹⁰ Bruce, M.L., Takeuchi, D.T., and Leaf, P.J. (1991). Poverty and psychiatric status: Longitudinal evidence from the New Haven Epidemiologic Catchment Area Study. *Arch Gen Psychiatry*, 48(5), 470-474; Costello, E.J., Compton, S.N., Keeler, G., and Angold, A. (2003). Relationships between poverty and psychopathology: A natural experiment. *JAMA*, 290(15), 2023-2029; Gennetian, L.A., and Miller, C. (2002). Children and welfare reform: a view from an experimental welfare program in Minnesota. *Child Dev.*, 73, 601-620.

¹¹Lee, B. A., and Schreck, C. J. (2005). Danger on the streets: Marginality and victimization among homeless people. American Behavioral Scientist, 48(8), 1055-1081; Fischer, P.J., and Breakey, W.R. (1986). Homelessness and mental health: An overview. International Journal of Mental Health, 14 (4), 6-41; Morrison, D. S. (2009). Homelessness as an independent risk factor for mortality: Results from a retrospective cohort study. International Journal of Epidemiology. doi: 10.1093/ije/dyp160. ¹²Rog, D.J., Marshall, T.M., Dougherty, R.H., George, P., Daniels, A.S., Ghose, S.S., & Delphin-Rittmon, M.E. (2014). Permanent supportive housing: Assessing the evidence. Psychiatric Services, 65(3), 287-294; Tsemberis, S., Gulcur, L., & Nakae, M. (2004). Housing first, consumer choice, and harm reduction for homeless individuals with a dual diagnosis. American Journal of Public Health, 94, 651-656. ¹³Tsemberis, S., & Eisenberg, R.F. (2000). Pathways to housing: Supported housing for street-dwelling homeless individuals with psychiatric disabilities. *Psychiatric* Services, 51 (4), 487-493.

¹⁴See p. 1038 of Wong, Y-L. I., & Piliavin, I. (2001) Stressors, resources, and distress among homeless persons: a longitudinal analysis. *Social Science & Medicine* 52 (7), 1029-1042.

¹⁵CSH. (July, 2014). Housing is the best medicine: Supportive housing and the social determinants of health. http://www.csh.org/resources/housing-is-thebest-medicine-supportive-housing-and-the-socialdeterminants-of-health/; Susser, M. (1997). It's time for the public health community to declare war on homelessness. American Journal of Public Health, 87(2), 153-155.

¹⁶ Flaming, D., Burns, P., & Matsunaga, M. (2009). Where we sleep: Costs when homeless and housed in Los Angeles County. Los Angeles: Economic Roundtable.
¹⁷ U.S. Interagency Council on Homelessness. (2010).
Opening doors: Federal Strategic Plan to Prevent and End Homelessness. Available at http://usich.gov/PDF/
OpeningDoors_2010_FSPPreventEndHomeless.pdf.
¹⁸ California Housing Partnership Corporation.
(August, 2014). How Orange County's housing market is failing to meet the needs of low-income families. Retrieved from http://www.chpc.net/dnld/HousingNeedOrangeCountyFINAL.pdf.

¹⁹ National Low Income Housing Coalition. (2014). *Out of reach.* P. 12.

²⁰ General Relief payments are a loan that must be paid back, and are capped at three months within a 12-month period for residents who are deemed employable.
²¹ Ten-Year Plan to End Homelessness. (2012). P. 54.
Available at http://occommunityservices.org/civicax/filebank/blobdload.aspx?blobid=15449.
²² Ibid, p. 70.

²³ This is a rough estimate based on the County's Commission to End Homelessness 2015 Action Plan Update. It is difficult to determine exactly how many projects are "in the pipeline," how many will actually be completed, and the timeline for completion, as these numbers are shaped by political and financial factors. ²⁴ Estimates are based on the United States Interagency Council on Homelessness (USICH) Supportive Housing Opportunities Planner (SHOP) tool.

²⁵ According to the SHOP tool, in 2014 Orange County had 1254 permanent supportive housing beds for individuals in total, 337 of which were dedicated to chronically homeless individuals. The Commission to End Homelessness 2015 Action Plan Update reports that 103 new units of permanent supportive housing beds for chronically homeless persons were developed in 2015. The estimate for the number of additional new units needed to end chronic homelessness by the end of 2017 takes into account the estimated undercount of the Point in Time Count, the estimated annual inflow of new chronically homeless individuals, estimated turnover in existing units, and the number of planned new units of permanent supportive housing for which funding has been at least partially secured.

²⁶ Ten-Year Plan to End Homelessness. (2012). p. 69. Available at http://occommunityservices.org/civicax/ filebank/blobdload.aspx?blobid=15449.

²⁷ As of December 2011, Orange County's Housing Choice Voucher program served 11,000 households, while the number of active applicants on the 2005 Orange County Housing Authority (OCHA) wait list was 8,676. ²⁸ Pg. 69.

²⁹ The Housing Choice Voucher program is chronically underfunded and serves only about 1 in 4 eligible tenants nationwide. To make matters worse, the sequester forced funding cuts leading state and local housing agencies to help about 100,000 fewer families in June 2014 than in December 2012, before the cuts took effect. Even if the cuts are restored, however, funding will still be woefully inadequate relative to the need for affordable housing, in Orange County and the nation.

³⁰According to the county's website, the CoC was founded in 1998 and includes the participation of "all thirty-four cities in Orange County, County Agencies, the County's homeless housing and service providers, and other community groups (including non-profits, local governmental agencies, faithbased organizations, the homeless and formerly homeless, interested business leaders, schools, and many other stakeholders) to identify the gaps and unmet needs of the County's homeless."

³¹ 2013 Consolidated Application to HUD.

³²A collaborative project in Orange County is using a \$2.5 million HUD bonus project grant to fund an estimated 106 additional units permanent supportive housing in 2015-2016. Drawing on these numbers, we estimate that the \$2.3 million dedicated to transitional housing would fund no more than 100 units of permanent supportive housing. ³³The MHSA was passed in 2004. It created a 1% tax on California taxpayers whose taxable income exceeds one million dollars. While most of the money supports the public mental health system, the MHSA has a Housing Program that provides capital financing for permanent supportive housing. Importantly, it also provides capitalized funds to pay for state-held operating accounts through the Capitalized Operating Subsidy Reserve (COSR).

³⁴ The Housing Successor Agency was established to wind down all remaining financial obligations of the Orange County Redevelopment Agency, which was eliminated in 2011; thus the funds are temporary. In 2014 the County used \$850,000 in Housing Successor Funds.
 ³⁵ The OC Community Services Funding Allocation Policy and Process plan says that local funds for the 2015/16

plan would include the Orange County Housing Authority Operating Reserves/Housing Support Services (HSS) Program, Strategic Priority Affordable Housing, and Housing Successor Agency funds, if available.

³⁶A \$2.5 million HUD bonus project grant is estimated to fund 106 additional units of permanent supportive housing during 2015/2016, for an average annual cost of \$23,600 per unit. Given this estimate, the County would need to spend around \$10.9 million to fund an additional 460 units needed to end homelessness by 2017.

³⁷ The federal government defines chronic homelessness as "an individual or family with a disabling condition who has been continuously homeless for a year or more or has had at least four episodes of homelessness in the past three years." HUD Exchange. https://www.hudexchange. info/homelessness-assistance/resources-for-chronichomelessness/

³⁸U.S. Interagency Council on Homelessness. (2015). Opening doors: Federal strategic plan to prevent and end homelessness, p. 18. https://www.usich.gov/ resources/uploads/asset_library/USICH_OpeningDoors_ Amendment2015_FINAL.pdf ³⁹ These estimates are derived using the U.S. Interagency Council on Homelessness SHOP Tool.

⁴⁰ Estimates of the amount of money it would take to end homelessness in Orange County, beyond what the county receives from federal and state sources, depend on a number of factors, including the capacity of developers to leverage resources such as Low Income Tax Credits, Shelter plus Care funding, and other resources. It also depends on the market rate of rental housing and real estate and the cost of supportive services.

⁴¹See, e.g., Flaming, D., Burns, P., & Matsunaga, M. (2009).
Where we sleep: Costs when homeless and housed in Los Angeles County. Los Angeles: Economic Roundtable.
⁴²Abt Associates, Inc. (2015, May 15). A coordinated entry system in Los Angeles: Lessons from early implementation. http://homeforgoodla.org/wp-content/ uploads/2015/07/CESProcessReport5-18-2015_Final.pdf
⁴³Pg. 69.

⁴⁴ Tsemberis, S., & Eisenberg, R.F. (2000). Pathways to housing: Supported housing for street-dwelling homeless individuals with psychiatric disabilities. *Psychiatric Services*, 51 (4), 487-493.

⁴⁵ Ibid.

⁴⁶ Flaccus, G. (2012, October 8). Law against smelling bad is among many Orange County ordinances targeting the homeless. *San Jose Mercury News*. http://www. mercurynews.com/ci_21724740/law-against-smelling-badis-among-many-orange.

⁴⁷ U.S. Department of Justice. (2015). Statement of Interest of the United States. United States District Court for the District of Idaho. (Civil Action No. 1:09-cv-540-REB Hon). http://www.justice.gov/opa/file/643766/download.
⁴⁸ United States Interagency Council on Homelessness. (August, 2015). Ending homelessness for people living in encampments: Advancing the dialogue. Available at http://usich.gov/resources/uploads/asset_library/Ending_

Homelessness_for_People_Living_in_Encampments_ Aug2015.pdf

⁴⁹ Flaming, D., Burns, P., & Matsunaga, M. (2009). Where we sleep: Costs when homeless and housed in Los Angeles County. Los Angeles: Economic Roundtable;
U.S. Interagency Council on Homelessness. (2010).
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OpeningDoors_2010_FSPPreventEndHomeless.pdf.
⁵⁰ Anaheim Police Department. (2015, September 30).
Public safety & security plan for the proposed homeless shelter and multi-service center. Available at http://www.anaheim.net/DocumentCenter/View/9417.

⁵¹ United States Interagency Council on Homelessness. (August, 2015). Ending homelessness for people living in encampments: Advancing the dialogue. Available at http://usich.gov/resources/uploads/asset_library/Ending_ Homelessness_for_People_Living_in_Encampments_ Aug2015.pdf

⁵² Desjarlais, R. (1997). *Shelter blues: Sanity and selfhood among the homeless.* Philadelphia: University

of Pennsylvania Press; Dordick, G.A. (1996). More than refuge: The social world of a homeless shelter. Journal of Contemporary Ethnography, 24(4), 373-404; Gowan, T. (2010). Hobos, hustlers, and backsliders: Homeless in San Francisco. Minneapolis, University of Minnesota Press; Hopper, K, & Baumohl, J. (1994). Held in abeyance: Rethinking homelessness and advocacy. American Behavioral Scientist, 37, 522-52; Liebow, E. (1993). Tell them who I am: The lives of homeless women. New York: Free Press; Lyon-Callo, V. (2000). Medicalizing homelessness: The production of self-blame and selfgoverning within homeless shelters. *Medical Anthropology* Quarterly, 14(3), 328-345, pg. 341; Rosenthal, R. (1994). Homeless in paradise: A map of the terrain. Philadelphia: Temple University Press; Snow, D.A., & Anderson, L. (1993). Down on their luck: A study of homeless street people. Berkeley: University of California Press.

⁵³ Cimini, C.N. (2005). Principles of non-arbitrariness: Lawlessness in the administration of welfare. *Rutgers Law Review*, 57(2), 451-530, pp. 457-8.

⁵⁴ Van den Berk-Clark, C., Patterson Silver Wolf, David A., & Ramsey, A. (2015). Motivational interviewing in permanent supportive housing: The role of organizational culture. *Adm Policy Mental Health*, 42, 439-448.

⁵⁵ Burt, Martha R. (2001). *What will it take to end homelessness*? Washington DC: Urban Institute. http:// www.urban.org/sites/default/files/alfresco/publicationpdfs/310305-What-Will-It-Take-To-End-Homelessness-. PDF.

⁵⁶ Pavetti, L., Finch, I., & Schott, L. (2013). TANF emerging from the downturn a weaker safety net. Center on Budget and Policy Priorities. http://www.cbpp.org/research/tanfemerging-from-the-downturn-a-weaker-safety-net ⁵⁷ Boehm v. Superior Court, 178 Cal. App. 3d 494, 500 (Ct. App. 1986).

⁵⁸ *Id.*, at 501.

⁵⁹ Ten-Year Plan to End Homelessness (2012), pg. 70. Available at http://occommunityservices.org/civicax/ filebank/blobdload.aspx?blobid=15449