Interoffice Memorandum **Date:** April 20, 2015

To: Mayor Shaw and City Commissioners

From: Tom Barwin, City Manager

Subject: **Chronic Homelessness Update – Next Steps**

Background

Per the request of the City Commission, staff has compiled an update and next step recommendations to more effectively manage the chronic homeless challenge in our region.

Our conclusions and recommendations represent staff consensus based on our interactions with people living on the streets, supplemented by research. In preparing this report we have reached out to seek the input from those organizations who have been attempting to manage the challenge locally since 1990, including judges, caseworkers, police officers, mental health professionals, homeless experts, residents, merchants and as mentioned, the chronically homeless themselves.

Findings –Causes of the Chronic Homelessness – Closures of Mental Health Facility

Although the National Alliance to End Homelessness contends that homelessness has declined by 17% from 2005 to 2012, over 600,000 homeless individuals remain living on the streets of America. Chronic homelessness is concentrated most heavily in our coastal states. America's homeless rates are much higher compared to other developed countries like England, Japan, Germany, Norway, and Canada.

In the USA, the States of Florida, California, and New York have experienced the highest percentages of homelessness. Chronic Homelessness has been at a high or crisis levels in many urbanized and desirable areas of the country for many years.

There appears to be a correlation between chronic homelessness and the dramatic reduction of mental health beds across the country in recent decades. Effectively replacing the 400,000 lost mental health beds has not occurred as the United States, even as the population has grown. The national decline in homelessness rates is generally being attributed to the implementation and success of housing first strategies.

Strategies and funding for mental health services to replace mental health institutions has not come close to meeting community mental health needs. Local evidence of this is overwhelmingly clear as it relates to the chronically homeless as 50% self-report psychological issues, mental health and/or addiction problems.

In some areas of the country, and many areas in Florida, chronic homelessness has overwhelmed the efforts of grass roots organizations striving to respond effectively to the crisis. The closure of state mental health hospitals, including the 2002 closure of the 1034 bed G Pierce Wood Memorial Hospital in nearby Arcadia, has left the region's severe mental health challenges to local charities, churches, courts, county health departments, not for profit organizations and by default, the criminal justice system.

Although not all chronically homeless individuals are suffering from serious mental health or substance abuse disease, as noted above, approximately 50% of our region's homeless have self-reported mental health and substance addiction problems in recent point in time surveys.

Our experience suggests that a significant majority of the chronically homeless, perhaps up to 75% of those living on the streets, are suffering from untreated and often undiagnosed mental health and addiction challenges. Local experience appears to confirm national research that the longer an individual lives on the street the more severe the health challenges become further complicating a return to housing. The downward spiral of street life becomes "normalized" behavior.

Crisis mental health interventions through the Baker Act (Mental Health) and Marchman Act (Substance Abuse) limit interventions to a 72 hour evaluation period and can only be applied to those who exhibit an immediate danger to themselves or others. The organization, staffing, and capacity to manage the mental health cases of the chronically homeless beyond 72 hours is grossly inadequate.

In lieu of treatment programs, our EMS response units, jails, and hospital emergency rooms have become defacto mental health holding cells as the dysfunctional behavior of some of the chronically homeless devolves to anti-social and criminal behavior. The criminal justice and physical health infrastructure were not conceived, designed, equipped or funded to meet the mental health crisis and often compound the problem.

Locally, it is not unusual for 20% (200) of the 1,000 bed county jail to be occupied by transients/homeless individuals, including many repeat offenders. The Sarasota County Fire Department transports on average 100 chronically homeless individuals to Sarasota Memorial Hospital each month, including many "frequent flyers".

Too many of our nation's streets, including areas of North Sarasota, have become open air stagnation/deterioration zones where the afflicted homeless further destabilize, deteriorate, and exhibit self-destructive behaviors which often morph to a range of criminal behaviors from minor misdemeanors to serious felonies. The chronically homeless often die prematurely.

This tragic situation plays itself out daily before a confused, mystified, perplexed and often frustrated public.

Hence, first and foremost, the chronic homelessness problem has fallen through a severely frayed almost nonexistent mental health social safety net and crash landed on main streets throughout America, including Sarasota.

Secondary causes of the homelessness crisis in America are believed by many to include:

- the decline of low skill, middle class wage jobs due to the globalization of the economy;
- the geographic splintering of the American family; and
- the critical shortages of low cost housing options, and permanent supportive housing to accommodate extremely low income individuals.

Despite these evolving trends individuals and community based organizations continue to strive to address the chronically homeless challenge as best they can.

The Hidden Cost of Homelessness in Sarasota County

A. Arrest and Detention

It is not unusual for approximately 20% of the county jail, or 200 of the 1,000 beds in the jail, to be occupied by homeless/transient individuals.

Conservatively, the average cost of housing a person in jail in Sarasota County is approximately $75 per day.

At 200 transients in jail daily, x $75 each per day, equates to $15,000 per day x 365 days per year = $5,475,000 per year.

Conservatively the homeless who end up in jail cost Sarasota County citizens approximately $5.5 million per year.

If we estimate that 1,000 arrests for crimes committed by the homeless are made annually (many are repeat offenders, some up to dozens of times) the minimal police/court costs for each arrest (2 hours police time and 2 hours criminal justice system processing, $300 processing per case x 1,000) an additional $300,000 in costs or lost time from other priorities occurs.

The estimated criminal justice system's response to crimes committed by transients limited to arrest and detention costs is approximately $6 million per year.

B. Ambulance and Emergency Room Responses

According to the Sarasota County Fire/EMS Department records, SFD responds to approximately 100 emergency medical responses per month which involve the chronically homeless.

At $1,200 per emergency response the annual Fire Department/EMS cost to respond to the emergency medical needs of the Sarasota transient population amounts to $1.5 million.

In 2014, Sarasota Memorial Hospital has estimated that non reimbursable emergency room and in patient care costs responding to the chronically homeless community is approximately $1 million of the nearly $3 million expended annually. Together arrest, detention and emergency medical cost of the chronically homeless totals $8.5 million.

C. Miscellaneous Costs

Homeless outreach, accident investigations, property damage, police counseling without arrest, camp, street and neighborhood cleanup, negative impacts on property values from lost sales and property taxes are difficult to quantify but for the sake of this report will be estimated conservatively at approximately $1.5 million per year.

When aggregated, the basic Sarasota County taxpayer funded costs of the current approach to responding to the chronic homeless, which could be described as incident/emergency/crisis responses, appears to be a minimum of $10 million per year.

If we estimate that there are approximately 1,000 chronically homeless in Sarasota County, as suggested by point in time surveys, the $10 million in annual costs equate to on average, approximately $10,000 in costs per chronically homeless individual per year. This local estimate is similar to other such estimates around the country.

Sarasota's Response to Homelessness -

A. **A Community Responding** - Mirroring the national trend, as the Sarasota County region grew in population, mental health facilities serving Sarasota County and the region were diminishing.

To date no facility has replaced the 1,000 bed G Pierce Wood Hospital, and Sarasota County has only 60, 72 hour Baker and Marchman Act crisis beds, and 34 beds reserved for treating individuals suffering from serious mental health challenges, all of which are in the City of Sarasota.

With the national and local closure of mental health beds, along with other societal trends noted above, the need for additional emergency sheltering for the increasing numbers of persons living on the streets locally became apparent.

The Salvation Army responded to increasing street homelessness in 2003 with the construction of its 220 bed Center of Hope campus at 10th and Central. The City of Sarasota permitted and authorized these facilities.

At the time the Salvation Army facility was expanded from its 30 bed capacity to its 220 bed capacity it was thought that the larger facility was adequately sized to respond to the growing homeless crisis.

Today's Salvation Army is usually filled to capacity and has evolved to require that most residents participate in substance abuse programs to stabilize their lives upon leaving the shelter.

The Sarasota County contracted 30 bed VIPER substance addiction program is one of two 30 bed substance abuse programs currently operating at the Salvation Army. The Salvation Army has evolved in that most nights 160 to 180 of its beds are substance abuse program beds, occupied with residents who come from throughout the county.

The average stay at the Salvation Army is 45 days but can go up to 90 days. The local Salvation Army operates on an annual budget of approximately $9 million. Overall, the Salvation Army does an admirable job transitioning its residents into housing and often has a waiting list to enter its substance abuse programs.

The Salvation Army also receives an $80,000 grant each year from the City to support the Street Team Program. The program provides temporary sheltering and job preparedness training for residents of the Salvation Army in exchange for public service (litter cleanup) and has been relatively successful in transitioning program participants back to employment.

Note: After the closure of G Pierce Wood Hospital, the City of Sarasota had been the only city in Sarasota County to permit a shelter for the chronically homeless. In researching this issue when the representatives of nearby jurisdictions were asked how they deal with the chronically homeless in their communities, the typical response was "we send them to Sarasota."

This reality and policy of centralizing and concentrating the problem of emergency sheltering of the chronically homeless in one community, has in the consensus judgment of staff, exacerbated the challenge making it more difficult to return homeless individuals to stability while overwhelming the current service providers and the neighborhoods in which they reside.

B. **Resurrection House Drop-in Center** - Local Sarasota Community responses to the Homeless Crisis is further highlighted by the 1989 opening of The Resurrection House homeless drop-in center.

Located in a storefront at Kumquat and 4th Street this association of churches and volunteers began by serving 50 to 75 individuals per day. Today the Resurrection House is now serving 200 individuals per day, Monday thru Friday, down 10% over the past 4 months. The Resurrection House operates with 5 full-time employees, 130 volunteers, and a budget of $600,000.

The Resurrection House is staffed with volunteers who operate a day time drop-in center which serves the chronically homeless community by providing a place to get out of the weather, showers, laundry facilities, coffee, snacks, socialization, clothing, mailboxes, and bicycles during daylight hours. Individuals who have been banned from the Resurrection House for behavioral issues often gather near the center and are a regular source of neighborhood complaints to the SPD and the Resurrection House staff.

C. **SPD Homeless Outreach Team** - In June 2014 the City of Sarasota, thru the SPD, funded and implemented the Homeless Outreach Team (HOT). Staffed with a supervisor, officer and a licensed social worker the HOT group focuses on developing relationships on the streets with the chronically homeless. The HOT group seeks to encourage the chronically homeless to take advantage of services and programs in the community to help get them into stable and healthier environments.

The Sarasota HOT group has estimated that approximately 400 chronically homeless individuals have spent several months living on the streets in the city over the past year, with a steady 300 being present as regulars migrate in and out and transients pass thru after short stays.

Many of those included in the count have lived on the streets for several years. Since their creation the HOT group has helped place 60 homeless veterans in housing over the past six months in association with others agencies in the homeless support community.

D. Public Health – Social Safety Net – Not Properly Resolved

In Florida's governmental structure, public health (mental and physical) is the legal and organizational responsibility of County Government through Health Departments, in concert with State Government.

Currently, Florida is ranked 49 out of 50 states in funding mental health programs.

Although not organized or funded to respond to public health challenges, city governments, churches, service clubs, not-for-profits and compassionate citizens have attempted to fill the services void.

Fortunately many residents feel a social/moral responsibility to help respond to the gaps in physical and mental health needs of the chronically homeless new programs.

The Sarasota service and philanthropic community has long worked to help serve unmet needs in the region and appears needed and ready to energize, coordinate and spearhead a more effective response to the challenge of chronic homelessness.

As noted, over the past three years the City has evolved to fund the Salvation Army's Street Teams Jobs Program, 1.5 street caseworkers, the SPD homeless outreach teams (HOT), and shared in the costs of a national homelessness consultant.

In addition, although outside of their traditional roles, staff and the City Commissioners have researched the issue and country for more effective solutions to the challenge, tragedy and crisis of chronic homelessness. Many lessons have been learned from our experience and research leading to the following recommendations:

Next Action Steps in Responding To The Chronic Homeless Challenge - Goals

Action Item 1 – Hire City Homeless Coordinator - Community Liaison

To begin to redirect resources, energize and create new community synergies toward implementing the action steps suggested herein, the City should employ a motivated and skilled point person to spearhead our action plan. Great recession staff reductions and the press of all other city business do not allow for any current staff members to give the chronic homelessness the time and attention it demands.

The goal is to fill this position (s) within 60 days of City Commission authorization to proceed.

Action Item 2 - Housing First Program be organized and resourced

Redirecting resources to Housing Programs has proven to work in other jurisdictions across the country.

While not a quick or total solution by any means we concur with the Suncoast Partnership to End Homelessness and national experience that it is essential that street and homeless services caseworkers have the opportunity to direct chronically homeless individuals to safe and sanitary housing units as

rapidly as they can be made available.

Area foundations, philanthropists and others could be called upon to understand and support this initiative by raising funds to cover staff and fund the critical rent gaps of the chronically homeless who express a desire to move off of the streets.

While difficult, with no significant funding currently in place, this initiative could begin to reduce chronic homelessness and improve treatment outcomes while reducing the $10 million in annual taxpayer costs incurred under the current approach which requires a criminal justice system response.

The goal is to organize and fundraise for a Housing First program toward the goal of providing 100 units of permanent supportive housing per year. At $1,000 per month ($12,000 per year) to cover the cost of each permanent supportive housing units, $1,200,000 will have to be fund raised for housing in year 1, with an estimated $300,000 for administrative coordinator and support, for a total cost of $1,500,000 annually.

Action Item 3 - Street Diversion, Navigation Center, Transition Housing

Although Housing First programs have proven effective in other jurisdictions, as in other jurisdictions, the challenge of finding and funding low cost housing units, and rental gap financing, will require a sustained, multi-year effort to respond to the hundreds of ongoing cases in the region.

Most importantly, our research and local experience suggests, minimizing chronic homelessness requires getting the newly homeless off of the street as quickly as possible.

Minimizing new cases of chronic homelessness represents a significant potential savings to the region but requires early interventions within the first few weeks of homelessness. Short of a massive philanthropic contribution to Housing First Programs, additional and special facilities must be integrated into our strategies to address street homelessness in Sarasota County promptly and as effectively as possible.

A small, perhaps 25 to 50 bed, short stay, stabilization or navigation facility should be centrally located in the region to facilitate the newly homeless toward permanent housing and support systems.

A homelessness assessment/stabilization facility must contain enough caseworkers, counselors and health professionals to provide early and intensive casework on site to move people off the streets into transition housing to minimize future cases of chronic homelessness in our region.

The facility itself should be clean, adequately sized and reflect an environment which lends itself to restoring the self-esteem, dignity and confidence to those living on the streets who desire a return to stability.

In planning a street diversion/navigation assessment facility we encourage innovation and creativity and echo citizen's suggestions made to our offices, that suggest planners and policy makers provide positive activity at or adjacent to the facility as housing, family reunification, employment, and stabilization options are reviewed.

With so many restaurants and food bank feeding programs operating in Sarasota County, it would seem some creative locally grown food programs could be an initial strategy to consider with input from the region's restaurant, agricultural and environmental sectors. Other stabilization notions include small scale packaging, recycling support, and/or light packaging jobs on site to help maintain the facility and on site operation costs.

The goal of this pilot project is to implement a small, short stay center to attempt to move the newer members of the chronically homeless community to stabilization and sponsored transition housing until permanent housing becomes available. If 100 organizations including churches within the county could each sponsor one unit of supportive transition housing over the course of the year, at a cost of approximately $1,000 per month or $12,000 per year, 100 transition units will be in service readying individuals for permanent housing. If initiated this facility would be expected to evolve over time as best practices for successful outcomes are discovered.

Action Item 4 - Mental Health Beds and Caseworkers

All partners and the community in general must recognize a major contributor to the growth of chronic homelessness has been the closure of mental health beds across Florida. All who wish to improve upon the chronic homelessness challenge must continue to advocate for Federal, State and County public health funding and partnerships to begin again to adequately resource mental health facilities and programs. Additional mental health beds are desperately needed in Sarasota County, and judges must have the authority and options to direct non-felons, who are professionally diagnosed with severe mental health afflictions to adequate treatment facilities and programs beyond 72 hours.

The goal is to double mental health beds in Sarasota County within two years with 25% of the beds being reserved for court ordered and low income diagnosis and treatment on a voluntary basis.

Action Item 5 - Low Rent Housing Construction

Healthy communities strive to maintain a range of housing options. The range of housing covers emergency, transition, low cost, moderate-affordable, market, and upper income.

Severe gaps currently exist in the region's stock of safe and sanitary emergency, transition and low cost rental housing. I have challenged the Chamber of Commerce to explore private sector action to better meet the regions low income housing needs. This is an area where innovation, creativity and new approaches could prove to be promising as many single room occupancy buildings have become obsolete and not replaced.

The goal is to establish a county wide, low income – affordable housing collaborative within one year with the mission to build 100 low cost housing units in Sarasota County per year over a five year period.

Action Item 6 – Policy makers explore additional funding options to fund chronically homeless programs for ballot consideration in the next County wide election.

State and County leaders explore voter authorized funding to sustain the action steps described herein and other prudent measures to minimize chronic homelessness in Sarasota County as has been done in

other areas of Florida, including Broward County and Miami.

The goal is to allow county wide voters to determine at the next county wide election, if a sin tax or some other appropriate tax, levy or fee, should be used to finance and sustain efforts to minimize chronic homelessness in Sarasota County.

Action Item 7 - Homeless Outreach Teams access to Homeless Management Information System

The federal government has mandated and the City of Sarasota has contributed to the funding of the Homeless Management Information System (HMIS) utilized by local homeless services agencies to better coordinate homeless services. To maximize our effectiveness and carry out the intent of HMIS systems, the SPD HOT group and street caseworkers need to have access and be a part of the local HMIS coordination system. Current efforts are being delayed due to the fear of public records litigation.

The goal is to have the SPD HOT group authorized, as are other Florida Police Departments, to have access to the local HMIS network within 90 days with the law department taking the lead.

Action Item 8 - Chronically Homeless Information and Community Responsibility Information Cards

The Sarasota community has long demonstrated a willingness and desire to help the chronically homeless. Homeless services agency/program information cards should be distributed to the chronically homeless through the HOT group and SPD contacts. Information cards should also remind the chronically homeless that community ordinances and codes set community behavioral standards and that these codes must be adhered to and will be enforced.

The goal is to have homeless information and community responsibility cards available for the HOT group, SPD officers, homeless services providers, and interested citizens by May 1, 2015.

Summary and Conclusions

Although a daunting challenge we believe that the above recommendations provide a promising action strategy. These pilot programs and the needed flexibility to experiment provides a fresh new roadmap to improve our collective response to the chronic homelessness challenge and its associated human and financial costs.

Our research and experience makes clear that the current concentration of homeless services in a small geographical area within Sarasota County is not serving the homeless effectively with the challenge overwhelming the homeless services infrastructure and traditional strategies.

The current approach has also negatively impacted commerce and the area where most countywide services to the chronically homeless have become concentrated. This report emphasizes the need for a more decentralized approach which will not overly stress neighborhoods and commerce districts while also encouraging chronically homeless to break from drug and substance abuse patterns.

While there are many details to work out, doing little more than what is being done now to address the crisis will provide similar results in the foreseeable future.

If our governments and communities do not rally to effectively respond to this challenge following a prudent path, then we must conclude that the current situation is acceptable and that our society/community has now as a matter of public policy allowed our streets and jails to serve as our approach to a sad, difficult, and often tragic human challenge.

As we look back at Sarasota history, this community has become special and highly desirable for the many collaborations and partnerships which have come together over the years to meet the critical challenges and opportunities of each successful generation. These successes now draw 4 million visitors to the region each year.

As the challenge of the chronically homeless continues to evolve I remain hopeful and confident that the community is once again prepared to rise and address and craft more effective solutions to the challenge of our time described herein.

Thank you for your request for this report. We look forward to your direction.

RECOMMENDATION: Moved by Commissioner Eileen Normile seconded by Commissioner Suzanne Atwell to move forward on implementing the recommendations herein to effectively address the challenge of the chronically homeless.