

# **GIVE ME SHELTER**

## **AN INQUIRY INTO THE FIRST YEAR OF OPERATION OF CONNECTIONS HOUSING**

### ***SUMMARY***

After extensive interviews with personnel who work in the web of Connections Housing, intensive research into programs and budgets, many visits, and even volunteering in the kitchen, the 2013-2014 San Diego County Grand Jury (Grand Jury) has come to the conclusion that Connections Housing and its many features have made a good start. The facility has 73 permanent apartments, 16 Single Room Occupancy beds (SRO), 134 interim beds, a Family Health Center, and a PATH Depot, all dedicated to helping the homeless.

The purpose of Connections Housing is to reduce street homelessness within a quarter-mile radius of its downtown San Diego location at 1250 Sixth Avenue. This encompasses the area from Date St. and Interstate 5 to the north, Eleventh St. to the east, Broadway Ave. to the south, and Front St. to the west. Their goal is not only to provide appropriate housing but to also provide a multitude of services to its residents.

Although not able to meet all of its first year goals and promises, the overall claim to reduce homelessness in the immediate neighborhood has been met. Many of the homeless in the quarter-mile area surrounding Connections Housing have been given the opportunity to make their lives better; however, this effort has been expensive.

The Grand Jury's purpose is to reveal and make transparent the many threads that are part of the Connections Housing project. In this regard, the Grand Jury is making recommendations to improve the future operations of Connections Housing.

### ***INTRODUCTION***

As the Grand Jury surveyed "America's Finest City" at the beginning of its term, it found that many people in the City of San Diego (City) are homeless and living a marginal life. Many are depressed, suffering from alcohol or drug addiction, and physically and/or mentally ill. Many of these homeless are veterans and congregate in the downtown business areas. The Grand Jury discovered that San Diego has nearly 6,000 homeless persons, the fourth highest of any large city in the United States. The Grand Jury began to examine this issue when it decided to study Connections Housing, a new homeless center which had its grand opening ceremony on March 11, 2013.

In an effort to address the issue of the homeless population, primarily in downtown San Diego, planning for Connections Housing began as early as 2010. San Diego, like most large cities, is searching for the best ways to help its homeless citizens while also ensuring their freedom of choice.

Before Connections Housing was proposed, nearly 50 community meetings were held to discuss the project. Among the most interested parties were residents and property owners who live and work within a quarter mile radius of the building.

The building itself was constructed in 1928 as a health club. Its use changed over the years as it evolved into offices known as the World Trade Center. The building was eventually acquired by the City of San Diego (City) and the City Council approved its rehabilitation and operation as a homeless service center and housing facility in 2011. Thereafter, People Assisting the Homeless (PATH), a Los Angeles-based non-profit organization with projects for the homeless in Southern California was selected to renovate and operate Connections Housing.

PATH formed a partnership with PATH Ventures and Affirmed Housing Group, a profit making San Diego company specializing in low-income housing, to renovate the 12 story building (including the basement level). They spent \$38 million to renovate the building for its multi-purpose functions. Funding came primarily from the City of San Diego (San Diego Housing Commission and Civic San Diego, formally Center City Development Corporation), the County of San Diego, and block grants from federal agencies.

PATH in San Diego created a multi-purpose service center, the PATH Depot, in the building's lower level. PATH asked the Alpha Project to provide counseling services and food for the 134 interim bed residents while PATH retained responsibility for outreach as well as counseling and food services for the 16 special needs Single Room Occupancy (SRO) units on the second and third floors. Affirmed Housing Group contracted with Solari Enterprises to collect rent and manage the 73 studio apartments on the fourth through twelfth floors as well as the SRO units on the second and third floors. Federally funded housing vouchers helped the tenants to pay their rent. In December 2013, a group known as Urban Angels took over the food responsibilities from Alpha Project. The residents of the studio apartments provide their own food.

When the Grand Jury began its term in July of 2013, Connections Housing had only been open for a few months. The Grand Jury took its first tour of Connections Housing on October 8, 2013. PATH in San Diego was the operator of and had coordinated the conversion of the building. The renovation included 134 interim housing beds with 16 Single Room Occupancy (SRO) beds, 73 permanent housing apartments (plus two manager apartments), a health center, and a Depot with more than sixty service agency participants to help the homeless with their transition from the streets. The central idea of the project was for individual outreach workers from PATH to build relationships with the street people in their neighborhood and to make the necessary assessments and referrals for meeting the needs of these homeless individuals. The goal was not only to help the business community in the area move the homeless from the streets but also to help the homeless create a better future for themselves.

On December 8, 2013, three members of the Grand Jury went to Connections Housing in the early morning to help serve breakfast to its residents. After this second tour of the building, the Grand Jury had many unanswered questions about the facility and its services. The Grand Jury returned for another visit on March 19, 2014 to complete its on-site assessment.

### ***PROCEDURE***

The Grand Jury interviewed representatives from the following groups:

- PATH in San Diego
- PATH Los Angeles
- Alpha Project
- Affirmed Housing Group
- Solari Enterprises
- Urban Angels

The Grand Jury did extensive research into all of the various agencies that were a part of the start-up and continuing process to launch Connections Housing.

### ***DISCUSSION***

Although the Grand Jury was impressed with the dedication and enthusiasm of the PATH staff, as well as the staff of the Alpha Project, the overall budget was extremely complicated and difficult to decipher. It appears that more money was put into staff salaries and the public relations aspect than the programmatic aspect.

Many agencies are united under one roof in order to meet the needs of the formerly homeless population now residing in Connections Housing.

### **BUDGET**

The Fiscal Year 2014 Budget (July 1, 2013 to June 30, 2014) that was provided to the Grand Jury shows revenue and expenditures of \$ 2.39 million of which salaries and fringe benefits were \$793,000. The Grand Jury was told that the Alpha Project received approximately \$400,000 to staff the interim housing program.

An entry appears under operating expenses designated as “shelter client costs” (laundry, food, etc.) of \$33,000. However, for Fiscal Year 2014 no specific funding is allocated for food since PATH is now relying on Urban Angels and other contributors to absorb this expense. The Grand Jury feels this is unrealistic.

The Grand Jury was provided information about the construction costs for renovating the former World Trade Center building. The original estimated cost figure in 2011-2012 was in the \$20-25 million range. However, by the time Connections Housing opened in

March of 2013, the figure had risen to \$38 million. In Fiscal Year 2014, budgeted building costs were set at \$506,000 for maintenance, security, and utilities.

### **PATH - STREET OUTREACH**

The PATH street outreach team consisting of two people began its work in April of 2012. The team is generally staffed during normal business hours but it sometimes works at night. Its goal is to learn the names and needs of the homeless individuals in the neighborhood. The plan is to provide on-the-street case management which might eventually help these homeless individuals find compatible housing. The outreach team planned to tailor a program for each individual. PATH partnered with the San Diego Police Department's Homeless Outreach Team (HOT) and area business security personnel to achieve these goals. This outreach team supports a hotline and e-mail system which is made available to the community and also provides education for the residents of the neighborhood on how to respond to homelessness. It regularly assesses the homeless population, and provides updates to the community and its partners.

After the Grand Jury met with PATH representatives, it concluded that additional resources are needed to aid the outreach teams. These extra sets of eyes and ears would also add to the number of people encouraging the homeless to seek help and shelter.

### **THE PATH DEPOT**

The PATH Depot is similar to the PATH Mall in Los Angeles. The idea of the Depot is to make it a one-stop shop where residents can receive a multitude of services from the 60 listed non-profit agencies.

The goal is to provide the residents with education and the skills needed for a smooth reentry into society. Some of the different services provided are counseling for substance abuse, and classes which educate the participants in wellness and personal hygiene. Individual group sessions are held for veterans, for men and for women. Individual case management and employment readiness counseling are also provided in addition to legal services and information on social security issues. PATH estimated that the Depot serves an average of 900 drop-in meetings or appointments each month with approximately 11,000 appointments since its opening. Each individual must sign in at the Depot counter.

Two of the services offered in the Depot are resume writing and interview techniques. There is also a computer center available for use by the residents. A job fair was held during the first year, giving follow up opportunities for people to interview for real jobs in the community. There is a plan in place to hold this fair annually.

Recently a punch card system has been instituted for the residents where each client who attends an orientation will be given a credit on a card. Each punch (point) will represent a Depot activity they have attended. Once the residents have filled the card they will then be able to schedule an appointment with their case manager to shop in the Depot mall

where they can use the points to purchase such things as clothing, shampoo, soap, and toothpaste.

One of the newest components of the Depot is the addition of alumni classes. This enables those who have moved on from interim housing to return to the Depot for a limited number of its support services. This in itself is a positive program which touts the success of its previous residents and hopefully encourages others.

Although the Depot was never meant to be a “drop-in center”, there are three organizations that welcome non-residents. They are the “REstart Training Program” (real estate career development and training), Alvarado Parkway Institute (mental health program), and the Homeless Veterans Reintegration Program. These programs allow residents who have moved on to return to the Depot for additional services.

The Grand Jury learned that the Depot was closed during most of the month of December 2013, a cause of great concern. It is a generally accepted fact that the holiday season is a time when depression runs high and the population that lives in Connections Housing is especially vulnerable.

### **ALPHA PROJECT**

PATH asked the Alpha Project to run its interim bed program, a transitional program for a 30-90 day stay. The Alpha Project has a positive history in San Diego of providing social services to the most vulnerable and marginalized people in the City dating from 1987.

Although Alpha Project does not have outreach responsibilities for the quarter mile area surrounding the building, it does have control over the case management, counseling, and supportive services provided to the residents on the second and third floors. The one exception is the 16 SRO clients who reside in private cubicles and are supposed to receive their services from PATH counselors. Since Alpha Project generally runs the second and third floors, PATH’s responsibilities for the 16 special needs residents seem confusing. Alpha Project counselors escort these people to meals, help in counseling, and assist these residents, although PATH receives grant money for these special needs clients who have housing vouchers to pay for their rent.

Alpha Project has had previous experience in managing homeless individuals including veterans. Some individuals in the quarter mile area around Connections Housing are still suffering addiction or severe mental health problems which do not make them ideal candidates for the interim bed program, although some are allowed to participate.

### **AFFIRMED HOUSING GROUP/SOLARI ENTERPRISES**

The profit-making aspect to Connections Housing is also a complex web consisting of Affirmed Housing Group, the co-owner/developer with PATH Ventures and Solari Enterprises, the on-site property manager. Affirmed Housing makes its profit by a

system of direct payments, loan forgiveness, and tax incentives from the San Diego Housing Commission and the Department of Housing and Urban Development. It was not clear how the cost of development and renovations totaling \$38 million was divided between Affirmed Housing, the architect, the construction company, and other entities. This report is not looking to audit the money that has already been spent. Its intent is to focus on the present operations of the building.

Affirmed Housing has a long-standing association with Solari Enterprises as its chosen property management company. Solari receives 6 percent of the gross rental income. The rental amount per studio apartment unit is \$942 per month, which the residents pay from social security benefits, disability payments, veteran's benefits, or a federal housing voucher. The rental amount for the 16 SRO units is \$596 per month which is paid for with housing vouchers.

Solari Enterprises provides a resident manager and maintenance supervisor who pay no rent for their apartments. They work Monday through Friday, eight hours each day. At the time of this writing (one year into the project) only two residents have been evicted and seven have left of their own accord. As of April 7, 2014, the occupants of 23 of the 73 studio apartments pay no rent because they have no source of income.

There is currently a waiting list of over 100 people for Connections Housing's 73 apartment units. A deposit of \$565 is required for each prospective tenant. The tenants pay up to 30 percent of their calculable income, which is determined by the San Diego Housing Commission, toward the \$942 per month rent.

Security is provided by Universal Protection Services, paid for by both PATH and Affirmed Housing. A community room is located on the fifth floor and open Monday through Friday, 8:00 a.m. to 5:00 p.m. The community room has a television and a collection of books. A security camera monitors the community room. The SRO residents on the second and third floors pay rent and yet do not have easy access to the community room. Someone must escort them.

#### **URBAN ANGELS/ FOOD SERVICES**

Before its grand opening ceremony on March 11, 2013 (beginning with the first move-in of residents in February 2013), Urban Angels had committed to supply dinners two nights a week for the interim residents. The original food provider was Alpha Project which had a low food budget (\$40,000) for meals that were to be prepared on site by two chefs in a very well equipped state-of-the-art kitchen. When Alpha Project had a problem with one of its chefs it was decided that Urban Angels would be the full time on-site providers of meals and in March of 2014, a Memorandum of Understanding was signed to contract them to do just that. Urban Angels has agreed to donate all of the food for breakfast and dinner for Connections Housing seven days a week.

Urban Angels has an interesting approach to serving dinner. Instead of having the residents line up cafeteria style, Urban Angels feels it is better to interact with the residents and this is accomplished by serving them at their tables which promotes interchanges between the residents and the volunteers.

PATH has no specific food budget but estimates a cost of \$205,312 per year, assuming full capacity, for breakfast and dinner. Urban Angels indicated that they would provide from \$5,000 to \$6,000 monthly or approximately \$70,000 per year in donated food and related services.

The Grand Jury found that there was a great deal of confusion between October 2013 and March 2014 as to who was responsible for preparing and serving food to the residents of Connections Housing. This caused the Grand Jury to question the process of food preparation and how Alpha Project and Urban Angels handled food for its interim and SRO residents.

The kitchen at Connections Housing is large and well equipped. There is a dining area that seats 85 people. The people residing in the 73 permanent housing units provide their own food, while the interim residents and the SRO residents are offered breakfast and dinner.

The staff of the Family Health Centers of San Diego reviews the menus weekly to evaluate their nutritional value and make sure the food served meets the needs of the population.

The cold breakfast consists of cereal, milk, fruit and yogurt. The evening meal is hot. Urban Angels volunteered to prepare and serve the meals as well as clean up. Urban Angels is currently the main food donor and its volunteers serve dinner to the residents seven days a week. There is a plan in place to train some of the residents in food preparation so that they can earn a food handlers' permit, which could enable them to find employment in the food service area.

Lunch is provided for the 16 medically frail SRO residents only. The other residents must leave the building if they wish to have lunch, since no food is allowed in their housing areas. Vending machines are located in the dining area, but this space is only accessible to residents during meal times.

It was surprising to the Grand Jury that less than 50 residents actually ate breakfast on the day we volunteered to serve them. Initially the Grand Jury was surprised at the low turnout, but after further investigation the Grand Jury understands why. Breakfast is served at 7:00 a.m. and it is served in two phases, women first, and then men. The residents are literally escorted to the dining area in a custodial manner and encouraged to eat quickly. They are served in a cafeteria style line which was somewhat reminiscent of meals served in school.

The Grand Jury surmises that having to rise early, be escorted like a child, and be rushed through a cold meal may not be the best way to encourage participation in the most important meal of the day.

The fact that not all residents take advantage of the two meals served makes it difficult to accurately plan for and budget a realistic amount for food.

### **FAMILY HEALTH CENTER**

The federally-qualified and funded health center operated by Family Health Centers of San Diego opened in January 2013, prior to the grand opening ceremony in March 2013, and has a separate entrance. United Healthcare is its partner. According to the original plans in the Conditional Use Permit (CUP), the Family Health Center was approved to be open seven days a week. The 8,000 square foot center provides comprehensive preventive primary care and an extremely important mental health component, as well. The Health Center is open Monday through Friday from 8:00 a.m. to 5:00 p.m. and is closed for lunch from 12:00 p.m.—1:00 p.m.

Although anyone is welcomed at the Health Center, its primary focus is on the low income, uninsured and medically frail population. It also strives to continue the “good neighbor policy” by welcoming those who work in the community as well. Since the Health Center is not open during the weekends, the residents must seek health care elsewhere on those days, which can be a burden, especially when a person is sick and needs emergency treatment.

### **INTERIM HOUSING / PERMANENT HOUSING**

The phase-in for the interim housing residents began on February 4, 2013. One of the goals of the program is for residents to make the move from temporary to permanent housing.

The interim housing residents live on the second and third floors of the building. The average resident is 45-50 years of age, single with limited to no income. There are fewer homeless females downtown than males. There are 134 interim beds, 84 for males and 50 for female.

The SRO residents are supposed to be counseled by PATH on a regular basis but Alpha Project counselors are on site and help these individuals frequently. This dual responsibility for the interim housing residents is confusing. Since its opening the interim housing unit has had 485 people exit Connections Housing. There have been 306 positive placements where clients have moved on to sheltered housing whether it is public, private, a treatment facility or emergency shelter. There have also been 179 negative exits including a return to the street or incarceration.



The 16 SRO units are reserved for people who are medically fragile. There are ten units for men and six units for women. These clients are counseled by both PATH and Alpha Project. Although they pay rent and reside on the second and third floors, these medically frail residents are primarily permanent clients who are supported by grants.

Each permanent resident has a case manager provided by PATH whose job is to assess the residents and encourage them to seek the supportive services (housed in the Depot), in their attempt to reenter society.

It is Solari's job to collect the rent and make sure the residents are adhering to the rules and regulations of the housing contract. In addition they are to make sure the residents maintain their eligibility to live in Connections Housing.

### **SECURITY**

According to the Conditional Use Permit (CUP) and the City of San Diego, a private security company (Universal Protection Services) is required to be on-site 24 hours a day. It appears that in some respects Connections Housing is reminiscent of lock down institutions with 128 security cameras installed on site. Key cards or "fobs" are used to allow access to the various areas of Connections Housing by its staff, and radio communication is also in place. Upon entering there is a formal front desk with a sign-in sheet which the security company strictly enforces.

The spider web of confusion is continued when explaining access to the many floors of the building. Employees of PATH and Alpha Project have access to different floors according to which clients they are servicing. Residents have access according to their housing group.

Some people can access the dining room and some cannot. It seems that the Depot and Health Center are the only places where everyone can enter freely, once being allowed in the building.

### **SUCCESS STATISTICS**

As of March 2014, Connections Housing claimed the following achievements:

- Homelessness decreased by 70 percent within their quarter mile radius
- Helped 100 veterans secure employment
- Achieved a 98 percent retention rate for the onsite supportive housing units
- Provided 7,000 medical and mental health visits through the Family Health Center
- Provided 11,000 appointments in the Depot
- Achieved a 60 percent placement rate into permanent and longer-term housing for those leaving PATH/Alpha Project Interim Housing Program.

## ***COMMENDATION***

Urban Angels is commended for its generous contribution of food to the interim residents of Connections Housing and for the time and energy its members spend in serving and communicating with its residents. The founder and chef are to be commended for their monetary contributions to Connections Housing.

## ***FACTS AND FINDINGS***

***Fact:*** San Diego has the fourth largest homeless population in the country.

***Fact:*** A large number of San Diego's homeless population lives in the downtown area.

***Fact:*** Nearly 50 community meetings were held to discuss plans for the operations of Connections Housing.

***Fact:*** Homelessness has decreased by 70 percent around Connections Housing.

***Fact:*** The primary goal of Connections Housing is to end homelessness in the quarter mile area around it.

***Finding 01:*** Connections Housing is accomplishing its goal of reducing the number of homeless in the quarter mile radius around the facility.

***Fact:*** PATH was hired to do the street outreach and general planning for Connections Housing. Alpha Project was chosen to counsel and support interim residents.

***Finding 02:*** By splitting the responsibilities Alpha Project and PATH sometimes disagree on the selection and handling of residents for the Interim Housing beds.

***Fact:*** Some members of the Grand Jury visited Connections Housing on December 8, 2013 and served breakfast to the residents.

***Fact:*** Many residents do not partake of food provided.

***Finding 03:*** The participants appeared to not respond well to being rushed through the meal.

***Fact:*** Lunch is not served to the regular residents.

***Fact:*** The regular residents must leave Connections Housing in order to eat lunch.

***Fact:*** Food vending machines are located in the dining room.

**Finding 04:** Vending machines are not accessible during hours when residents are more likely to need them.

*Fact:* There is no funding for food in the Fiscal 2014 budget.

*Fact:* Urban Angels currently donates the food for the interim residents.

**Finding 05:** Having a food category in the budget would allow better planning and stability.

*Fact:* The Health Center opened in January of 2013 and in the original CUP was allowed to be open seven days a week.

*Fact:* The Health Center is only open Monday through Fridays, eight hours a day.

**Finding 06:** Health Services need to have more accessible hours, including weekends.

*Fact:* There are two people on PATH's street outreach team.

**Finding 07:** More than two people would greatly improve the ability to address the needs of the homeless in the targeted area.

*Fact:* The Depot was closed during most of the month of December 2013.

**Finding 08:** There is more need for the Depot to be open during the Holidays.

*Fact:* Both PATH and Alpha Project have counseling responsibilities for the interim and SRO residents.

**Finding 09:** This dual responsibility has caused confusion for the SRO residents.

*Fact:* SRO tenants are not given a key fob which allows entry to the Community room and Patio.

**Finding 10:** SRO tenants pay rent and are entitled to use the Community room and adjacent Patio without having to wait to be escorted.

*Fact:* The Community room is closed at night and on weekends.

**Finding 11:** Because of the limited time the Community Room is open it is under-utilized.

## ***RECOMMENDATIONS***

**The 2013/2014 San Diego County Grand Jury recommends that the San Diego City Council direct the San Diego Housing Commission and Civic San Diego to:**

- 14-86: Make the Connections Housing budget more transparent by clearly defining all categories.**
- 14-87: Increase the number of people who participate in street outreach.**
- 14-88: Require a regular head count for meals in order to obtain a realistic number of diners.**
- 14-89: Expand the breakfast hours from 7:00 a.m. to 9:00 a.m. to allow more people access to the most important meal of the day.**
- 14-90: Allow the residents to go to meals without an escort and eat within a reasonable amount of time.**
- 14-91: Provide an allocation for food in future budgets.**
- 14-92: Work with staff and volunteers to insure that the Depot be fully staffed during the month of December.**
- 14-93: Assign the responsibility and related funding to Alpha Project so that Alpha Project may counsel and provide for the needs of all SRO residents.**
- 14-94: Issue key fobs to SRO tenants allowing them entry to the Community Room and adjacent Patio.**
- 14-95: Arrange to have the Community Room open some nights and weekends.**
- 14-96: Expand the Health Center hours to include Saturdays and Sundays.**

## ***REQUIREMENTS AND INSTRUCTIONS***

The California Penal Code §933(c) requires any public agency which the Grand Jury has reviewed, and about which it has issued a final report, to comment to the Presiding Judge of the Superior Court on the findings and recommendations pertaining to matters under the control of the agency. Such comment shall be made no later than 90 days after the Grand Jury publishes its report (filed with the Clerk of the Court); except that in the case of a report containing findings and recommendations pertaining to a department or agency headed by an elected County official (e.g. District Attorney, Sheriff, etc.), such

comment shall be made within 60 days to the Presiding Judge with an information copy sent to the Board of Supervisors.

Furthermore, California Penal Code §933.05(a), (b), (c), details, as follows, the manner in which such comment(s) are to be made:

- (a) As to each grand jury finding, the responding person or entity shall indicate one of the following:
  - (1) The respondent agrees with the finding
  - (2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefor.
- (b) As to each grand jury recommendation, the responding person or entity shall report one of the following actions:
  - (1) The recommendation has been implemented, with a summary regarding the implemented action.
  - (2) The recommendation has not yet been implemented, but will be implemented in the future, with a time frame for implementation.
  - (3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a time frame for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This time frame shall not exceed six months from the date of publication of the grand jury report.
  - (4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation therefor.
- (c) If a finding or recommendation of the grand jury addresses budgetary or personnel matters of a county agency or department headed by an elected officer, both the agency or department head and the Board of Supervisors shall respond if requested by the grand jury, but the response of the Board of Supervisors shall address only those budgetary or personnel matters over which it has some decision making authority. The response of the elected agency or department head shall address all aspects of the findings or recommendations affecting his or her agency or department.

Comments to the Presiding Judge of the Superior Court in compliance with Penal Code §933.05 are required from:

<b>Responding Agency</b>	<b>Recommendations</b>	<b>Due Date</b>
<b>San Diego City Council</b>	<b>14-86 through 14-96</b>	<b>08/27/14</b>