

# City Council Memorandum Housing Authority Memorandum

*City of Arts & Innovation*

**TO: HONORABLE MAYOR, COUNCIL AND  
HOUSING AUTHORITY COMMISSIONERS**

**DATE: MARCH 13, 2018**

**FROM: OFFICE OF HOMELESS SOLUTIONS**

**WARDS: ALL**

**SUBJECT: RIVERSIDE HOUSING FIRST PLAN**

## **ISSUES:**

Adopt the attached Riverside Housing First Plan and accompanying collaborative memorandums of understanding.

## **RECOMMENDATIONS:**

That the City Council and Housing Authority:

1. Adopt the Riverside Housing First Plan including the collaborative communication with internal and external stakeholders to implement policy recommendations for the Plan.

That the Housing Authority authorize the Executive Director to execute, making minor corrections as necessary, the following agreements:

1. Memorandum of Understanding with the County of Riverside Department of Behavioral Health, to establish a partnership for the County to be the applicant for *No Place Like Home* bond funds from the State to fund housing and support services to homeless individuals, term of five years;
2. Memorandum of Understanding with the County of Riverside Housing Authority, to establish a partnership to make 389 County administered housing choice vouchers available within the City for future Housing First developments, term of three years;
3. Memorandum of Understanding with Step Up on Second, to establish a partnership for Step Up on Second, Inc., to offer Housing First opportunities for homeless and previously homeless persons within the City of Riverside, term of three years; and
4. Memorandum of Understanding with Path of Life Ministries, Inc., to establish a partnership for Path of Life to offer Housing First opportunities for homeless and previously homeless persons within the City of Riverside, term of three years.

## **BACKGROUND:**

In 2003, the City of Riverside adopted its first comprehensive homeless services strategy leading to the establishment of the Homeless Access Center on Hulen Place. In September 2012, the

City adopted a five-year homeless service strategy. These strategies established the groundwork for homeless services in the City of Riverside including implementing the Hulen campus and the Homeless Outreach Team. This fifteen year old strategy has been effective but has plateaued in its ability to end homelessness.

On October 11, 2016, City Council held a workshop to consider opportunities to improve homeless services in Riverside. City Council launched a discussion introducing a potential change in homeless policy, seeking to adopt a Housing First model. Staff returned to the City Council in January and June of 2017 with further updates on the effectiveness of the current homeless program in Riverside along with additional information on the proposed Housing First model. City Council directed staff to prepare a plan that strategizes the adoption and implementation of Riverside Housing First.

### Preparing the Housing First Plan

In mid-2017, staff began a series of community conversations to introduce the Housing First concept to the residential and business community. Over the succeeding months, continuous and regular meetings were held throughout the City with community groups, church congregations, neighborhood organizations, economic development groups, local business organizations, and local academic and civic groups. These community engagements centered on the definition of Housing First, the needs in the Riverside community, and the integration of housing first units into local communities. The drafting of the Riverside Housing First Plan considered in this staff report was also announced, and that the Plan would receive public comment and redrafting before consideration before the City Council.

Staff contracted with LeSar Development Consultants to assist in the research and drafting of the Housing First Plan, which was released to the public on Tuesday, January 2, 2018, and received public comment until February 12, 2018. The Office of Homeless Solutions received 142 comments via email, letter and social media. The various comments and staff responses are included in the Frequently Asked Questions document (Attachment 6). Staff and LeSar Development Consultants have identified major comment areas, and redrafted the Housing First Plan to reflect this guidance. The Riverside Housing First Plan that is presented to the City Council represents a compilation of data, best practices, and some of the public comments.

## **DISCUSSION:**

### Introduction

The City of Riverside, working with our many partners, has been able to manage the homeless situation, including achieving housing for some of the homeless. These efforts require a significant amount of resources yet do not ultimately end homelessness for individuals and families. The homeless population will continue to grow, and if we continue doing what we have been doing, the problem will only get worse for the entire city.

We understand that as we focus on housing the unsheltered homeless, there is much other work to be done to assist families and individuals on the edge and prevent more from becoming homeless – there are many agencies and organizations doing such work.

The focus of Riverside Housing First is to house individuals and families in order to 1) effectively help get them on the sustained path to stability, and 2) to get them off the streets, out of the parks and river-bottom, and out of the business districts.

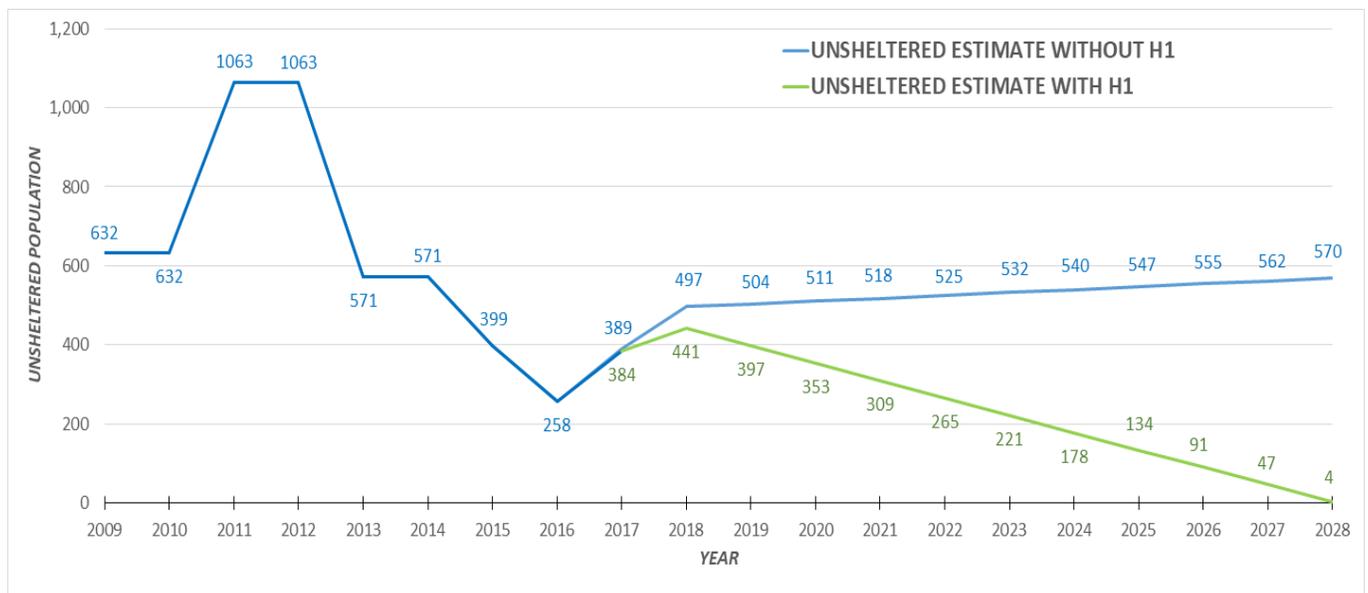
We know what the problems for the homeless are, their complexities, nuances, and extreme difficulties. We know most of the homeless by name, what their primary challenges are, and usually where they are. We acknowledge the many nuisances caused by some homeless individuals and encampments – the unhealthy conditions, the criminally dangerous conditions, and the environmentally hazardous conditions, especially in the Santa Ana River-bottom.

We believe that we must shift our resources from the current practice of managing the homeless problem to a practice that has been proven to end homelessness utilizing the Housing First Model. We strongly believe this will work because 1) it's a proven best practice across the country and around the globe, 2) it worked to end Veterans homelessness in Riverside in 2016, and 3) we have successfully operated 16 housing first units in Riverside.

One of the main tenets of Housing First is that the necessary services to help individuals and families stabilize after homelessness are most effectively provided when people are in their own home – not in the streets, in the parks, or in the river-bottom.

We also understand the concern that if we provide Housing it may attract more homeless from other communities. First and foremost, the Riverside Housing First Plan will focus on Riverside's homeless community. We will work on an effective diversion program to get other people back to their home communities, including a family reunification program – we've had some success at this. We also have to figure out how to get prisoners released back into their own communities instead of our downtown.

The bottom line is the City currently expends approximately \$2,792,658 annually to address homelessness. Of this amount, \$2,096,658 is spent on responding to the community impacts of homelessness, and \$696,000 is spent providing services to the homeless. Almost none of this ends homelessness. It simply manages the problems and moves them from place to place.

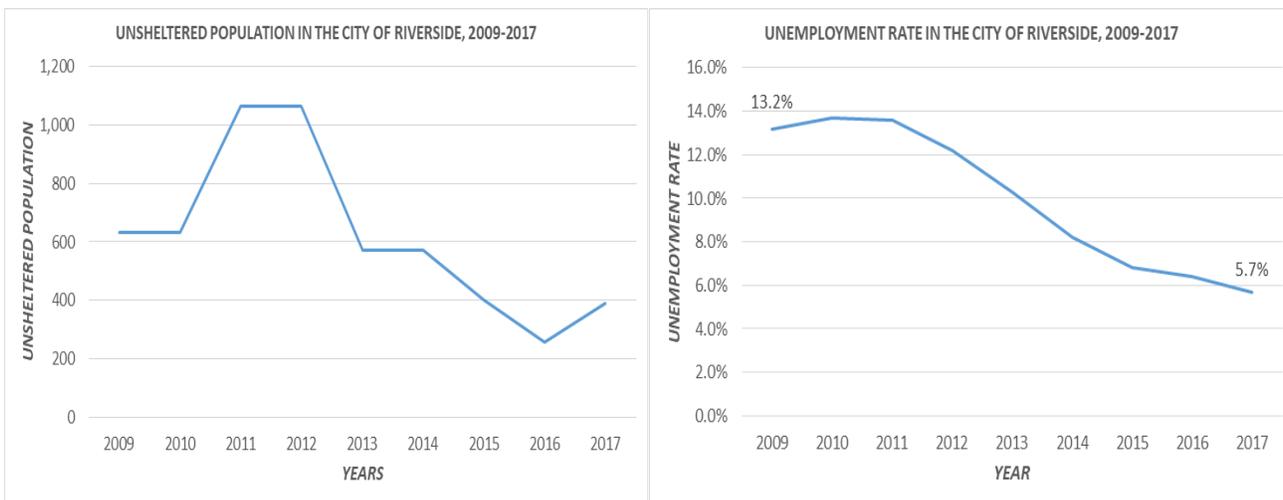


If we commit to the Riverside Housing First Plan (H1), staff projects that we can, beginning in 2018, house the majority of the unsheltered homeless population over the next ten years, absent a severe economic fluctuation.

The Riverside Housing First plan can effectively end homelessness for the majority of the population, reduce the impacts to the greater community, and save the public's dollars being spent to address those impacts. It will require a ten-year commitment to fully implement and complete the plan.

Homelessness in Riverside

The State of California and many urban centers throughout the nation, especially on the West Coast, have experienced a recent explosion in homelessness. Riverside’s homeless population remains much smaller than other California cities, has remained roughly stable, with the same growth pattern as the general population (with some sub-population rises, particularly for seniors) and periodic fluctuations consistent with economic fluctuations. In Riverside we have seen that the unsheltered homeless population grows at an approximate rate of 0.15% relative to the general population with fluctuations consistent with economic activity as depicted in the charts below.

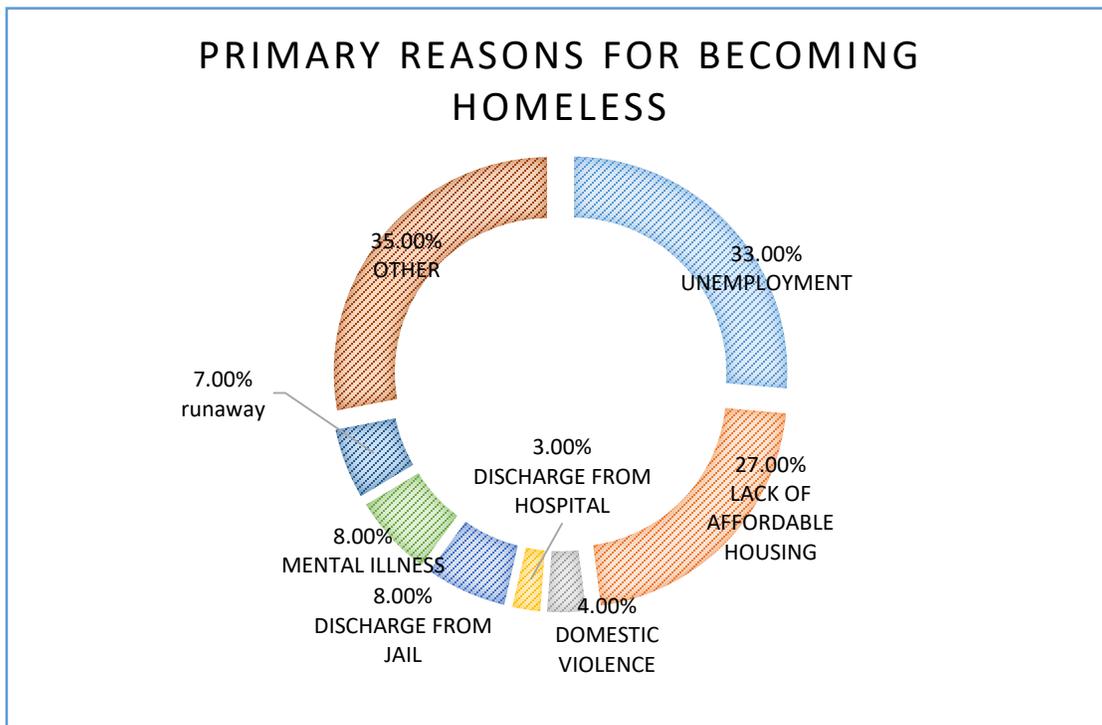


Given the growth the general Riverside population has experienced over the past ten years, at a rate of 1.38% per year, staff projects it to reach 385,211 by the year 2029. If the unsheltered homeless population continues to grow at the same pro rata of 0.15% of the general population, then we expect the January 2029 Point in Time count of unsheltered persons to be 578. In other words, by 2029 the Riverside population will have grown by 17.88% while the Riverside unsheltered homeless population will grow by 48.59% absent another severe economic fluctuation.



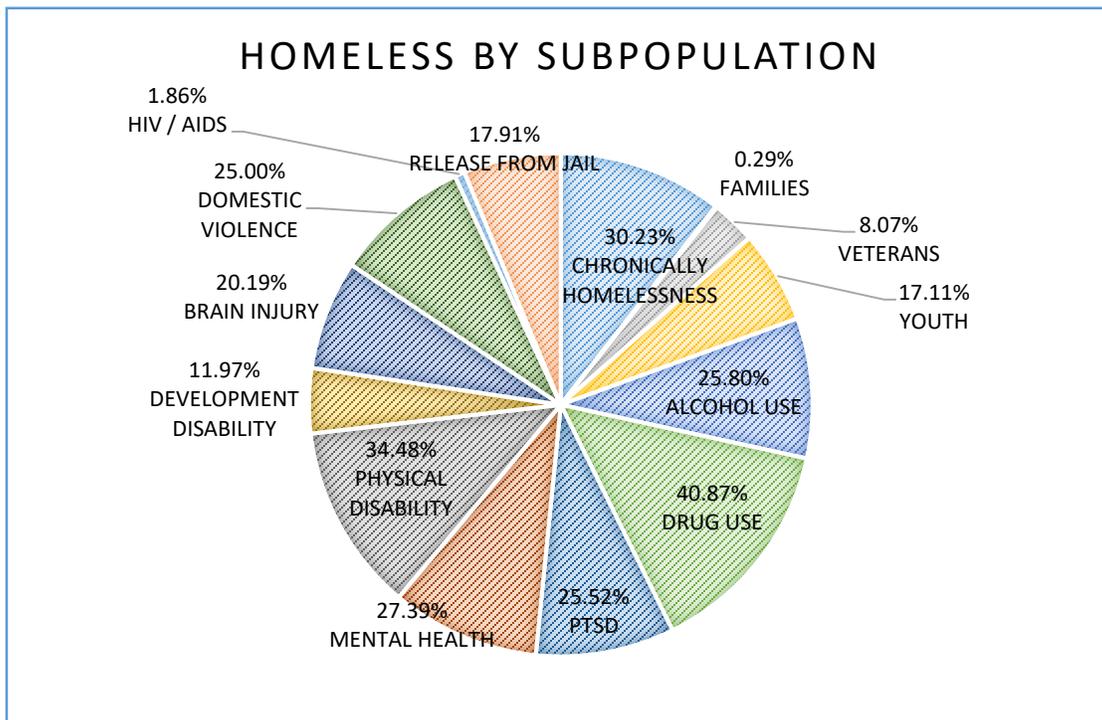
Snapshots of Homeless in Riverside

Homelessness is caused by a wide variety of factors which often overlap.



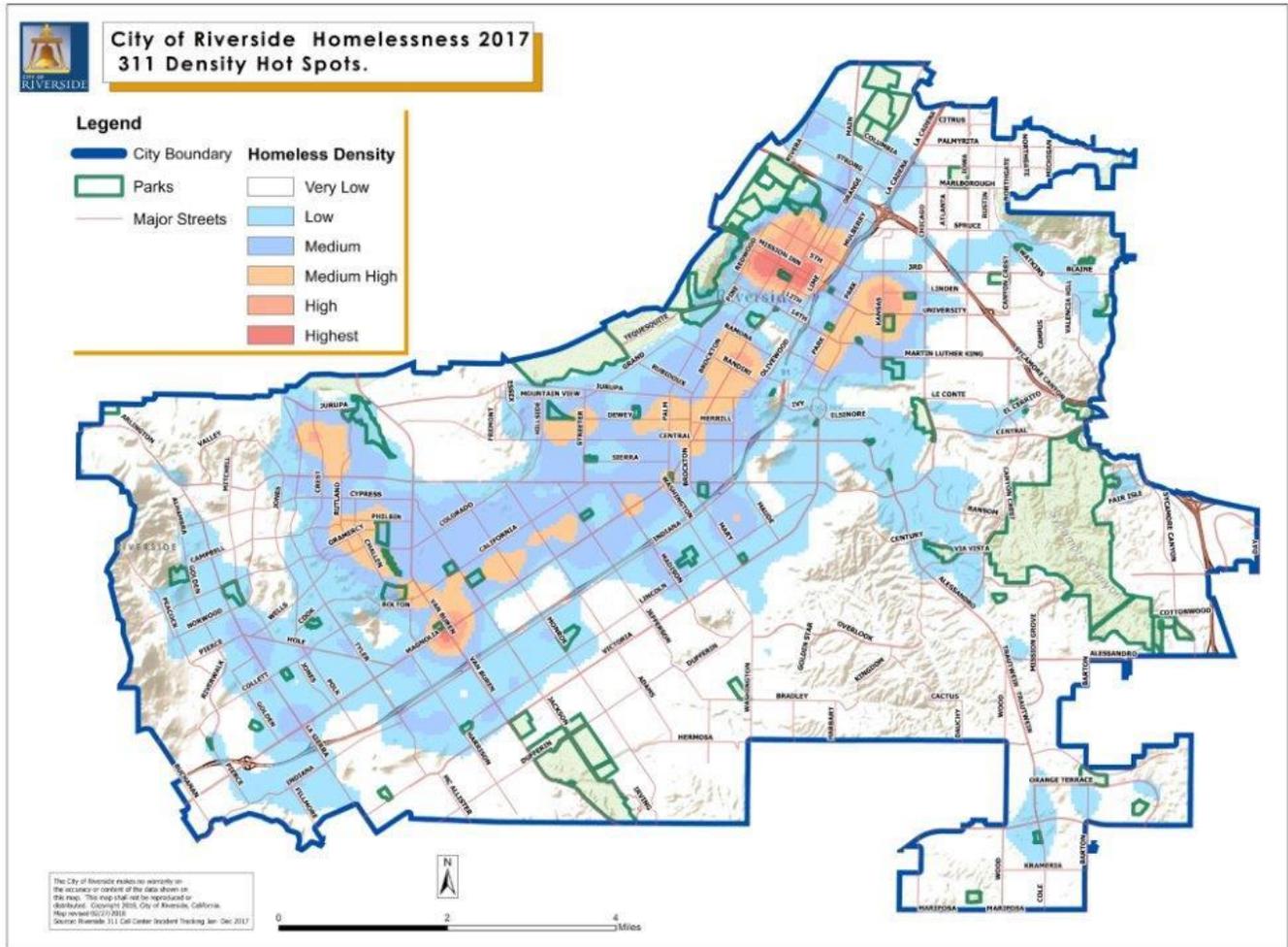
Riverside County Point-In-Time Count 2017

The homeless population is as diverse as the general population, ranging from children to senior women.



Riverside County Point-In-Time Count 2017

Locations



Managing Homelessness vs. Solving Homelessness

Over the last decade the City has done a good job managing homelessness, including ending homelessness for some. The existing approach, referred to by HUD as Housing Readiness, is simply not adequate anymore in its ability to meet the challenges of today’s increasing homeless population. This approach now mostly serves to manage the homeless, while not effectively ending homelessness.

The significant resources the City expends to address homelessness can be understood in three broad categories:

1. To address the *IMPACTS* homelessness has on the greater community.
2. To provide *SERVICES* to homeless individuals and families.
3. To *INVEST* in ending homelessness.

In the last two years, the City has had to divert significant resources to addressing the *impacts* that homelessness has on the entire community – ranging from police and fire to code enforcement and public works. The table below outlines a conservative estimate of these costs. These numbers are as accurate as possible at this point, but are likely an under-representation

of all the costs associated with addressing homelessness, such as ambulance and emergency room costs.

RESOURCES DIVERTED TO ENCAMPMENT CLEAN-UP	ANNUAL EXPENSE
Code Enforcement	\$156,000
Parks Department	\$52,000
Police Department	\$118,000
Public Works Department	\$320,000
<b>Total</b>	<b>\$646,000</b>



The tables below outline the volume of calls for service related to homelessness.

311 Calls for Service	2017
Homeless camps	1,884
Homeless debris	1,391
RPD - homeless	867
RPD - panhandlers	126
Shopping carts	1,475
<b>Total</b>	<b>5,743</b>

911 Dispatch	2017 (% RELATED TO HOMELESS)	COST
Subject bothering	14,072 (90%) = 12,665	RPD \$982,511
Trespassing	2,947 (75%) = 2,210	
Person down	2,192 (90%) = 1,973	
Public intoxication	1,743 (75%) = 1,307	
5150 (mental health)	3,117 (50%) = 1,559	
Fire department response	4,119 (100%) = 4,119	RFD \$468,147
<b>Total calls related to homeless</b>	<b>28,833</b>	<b>\$1,450,658</b>



The City has also expended resources providing **services** to the homeless.

Providing Services	2017
Access Center operations	\$80,000
General Fund salaries	\$56,000
Housing navigators/case management	\$249,000
Path of Life contracts	\$279,000
Street Engagement	\$32,000
<b>Total</b>	<b>\$696,000</b>

Finally, the City has had success **investing** in ending homelessness in 2017.

Housed	Federal Investment	City Investment
2 individuals housed in Riverside from Emergency Solutions Grant - Rental Assistance	\$11,414/yr. rent per person (\$22,828)	\$646/yr. case management per person (\$1,292)
8 families housed in Riverside from Tenant Based Rental Assistance	\$11,414/yr. rent per family (\$91,312)	\$646/yr. case management per family (\$5,168)
6 families housed from County's Rapid Rehousing (3 in Hemet, 2 in Riverside, 1 in Moreno Valley)	\$12,000/yr. rent per family (\$72,000) \$1,500/yr. case management per family (\$9,000)	
<b>Total</b>	<b>\$195,140</b>	<b>\$6,460</b>

## A CHANGE TO HOUSING FIRST

### Housing Readiness



### Housing First



#### Continuing the Current Efforts

Adoption of the Riverside Housing First Plan does not mean termination of existing efforts and partnerships. Basic needs and services will continue to have to be met. The City will continue to address the impacts of homelessness. We expect those impacts will diminish as we actually start to house individuals and families.

#### What is Housing First?

Communities across the country are adopting the Housing First approach, which is characterized as providing immediate access to permanent housing without preconditions thereby allowing an individual or family to use its permanent home as a platform for stability and success. The housing is the primary tool, not the goal, which is stability. Housing First has proven effective in ensuring housing stability of formerly homeless households and limiting returns to homelessness. Additionally, many studies have demonstrated the cost effectiveness of providing housing and services that lead to decreased utilization of high-cost public systems, including emergency services, health care, and criminal justice.

Housing First core principles are:

- a) Homelessness is a housing crisis to be addressed through the provision of safe and affordable housing.
- b) All people experiencing homelessness, regardless of their housing history and duration of homelessness, can achieve housing stability in permanent housing.
- c) Everyone is housing ready meaning that sobriety, compliance in treatment, or even a clean criminal history is not necessary to succeed in housing.
- d) Many people experience improvements in overall quality of life and in the areas of health, mental health, substance use, and employment from being housed.
- e) People experiencing homelessness have the right to self-determination and should be treated with dignity and respect.
- f) The configuration of housing and services depends on the needs of the individual.

Housing First is required by the federal government for programs funded through the Continuum of Care and State of California through SB1380 requires all state programs that provide housing or housing-related services to those experiencing homelessness to include Housing First guidelines.

Why is this strategy different?

The Housing First strategy addresses the very diverse homeless residents of Riverside, including serving homeless people who suffer from substantial problems due to substance abuse, mental health, or emotional issues, which under classic service models have prevented the person from achieving the milestone of housing readiness. The chronically unsheltered homeless person needs affordable housing with low barriers to entry, coupled with intensive social supportive services.

- a) Homeless individuals who go into Housing First units remain housed. Adding the affordable housing tool allows a more effective delivery of counseling and supportive services which produces greater long term stability.
- b) Housing First units save money in the long run. Housing First units provide significant savings over time as compared to the costs of reacting through public safety calls for service, abatements and associated costs to local hospitals.
- c) Housing First units are good neighbors. The first generation of projects have seamlessly integrated Housing First into communities with lower calls for service than those for market rate housing.
- d) Low barriers to entry. Individuals who suffer from severe mental and physical illnesses would not qualify for traditional affordable housing units that include stringent entry and residency requirements. Housing First units have strict rules for tenants that provide structure for those coming off the streets.

How Are People/families selected?

The goal is to house everybody possible and help get them on their individual path to stability. We will utilize the County's existing Coordinated Entry System (CES) to screen people for Housing First.

The County of Riverside's Behavioral Health Department is currently responsible for the region's Coordinated Entry System (CES) through the Riverside Continuum of Care. We all utilize this CES to assess the housing needs of all homeless households to prioritize the specific housing and services interventions for them. The City of Riverside is very active in planning and policy decisions for the Continuum of Care - City staff serves as the chair of the Continuum of Care CES Oversight Committee.

Why Low Barriers to Entry?

Housing First has low barriers to entry due the recognition that homeless people have a variety of serious problems that require professional intervention, and that this work is most effective when provided at home, not outdoors.

**As mentioned above, the strict tenants' rules, combined with strong case management and service provisions, means that Housing First units are some of the most stringently managed and enforced affordable housing units in the entire city.**

Committing to Housing First

The Housing First Plan presented here will undoubtedly evolve with new data and public input, and new state and federal funding.

Over time, staff expects to affirmatively reduce the number of people suffering from homelessness in an unsheltered condition as new partnerships are created, new funding is procured and new development is constructed. While Housing First will not prevent homelessness nor the introduction of people and families becoming homeless for the first time, we are convinced that it will house the current homeless population and significantly reduce the impacts on the greater community as well.

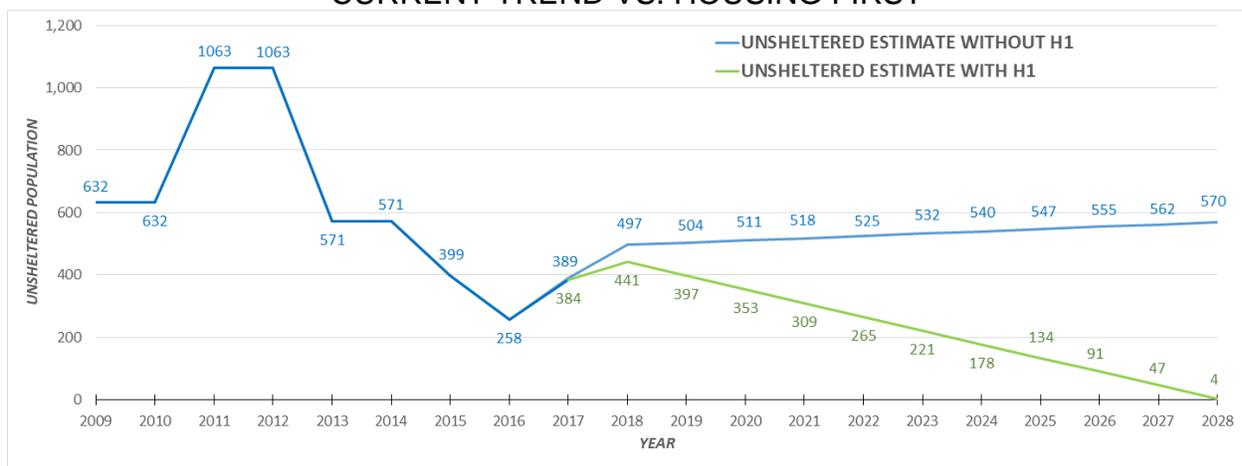
We will continue to work with our many partners, current and new, to leverage the City’s resources. For example, along with the Housing First Plan, this staff report presents partnerships with two private supportive housing service providers including Path of Life Ministries and Step Up on Second, plus two collaborative funding sources and program operations including the Housing Authority of the County of Riverside and the Riverside County Department of Behavioral Health. These partnerships can facilitate funding for development of Housing First units with potential funding sources such as No Place Like Home and Project Based Housing Choice Vouchers.

Staff is in active discussion and succeeding in an effort to identify landlords that will participate with the Housing First model by providing units within their developments. Such an effort will be more effective if we can successfully introduce landlord incentives.

Staff believes that, while ambitious, an average of 51 Housing First units can be created annually over the next ten - a projection that includes tenant based rental assistance and roving provision of supportive services to Housing First units in coordination with private landlords in the first three years, plus adding new developed Housing First units beyond the fourth year. Staff expects funding from new sources (such as No Place Like Home) and local creation efforts (such as the potential establishment of a community revitalization and investment authority) to be available in the next two years allowing development to occur within the subsequent two years.

If we remain committed to this projected timeline and local, regional, state and federal funding is made available as sought forth in the attached Housing First Plan, then we believe that the Riverside Housing First Plan can significantly reduce the unsheltered homeless.

CURRENT TREND VS. HOUSING FIRST



This chart compares an ambitious H1 potential of reducing the unsheltered population shown with the green line where it diverges from the blue line, which is the estimated stable growth of the homeless population. The projection in this chart shows the potential of reaching “functional zero” within in ten years.

### Implementing Housing First

To significantly reduce homelessness and its impact on the community, staff seeks to procure 400 Housing First units, matched with supportive services to meet the needs of the current unsheltered count of 389 persons highlighted in the 2017 Point-In-Time count.

The City of Riverside will need to align its Housing First operations with existing and forthcoming laws and funding requirements, such as those outlined in the State housing package signed into law in September 2017 and No Place Like Home. This alignment is extremely important if the City plans to take advantage and utilize state funds. In addition, the City of Riverside needs to identify existing parcels of land that are most viable for development, given funding criteria and geography.

To help guide the City of Riverside, and specifically the Office of Homeless Solutions, in the pursuit of development of Housing First over the next decade, LeSar Development Consultants created the attached Housing First Plan, which provides recommendations for codifying best practices related to the development and operation of a Housing First policy. The Housing First Plan also provides direction on specific parcel types to consider for development, and funding sources available to subsidize development costs.

Specifically, this Housing First Plan:

1. Acts as the approved City of Riverside plan to meet the requirements for forthcoming funding from the California Department of Housing and Community Development for Senate Bill 2: Building Homes and Jobs Act and ensures compliance with the core components of Housing First outlined in SB 1380.
2. Provides policy guidance for operationalizing and evaluating the Housing First model in the City of Riverside.
3. Offers policy guidance to identify Housing First opportunities on the open market.
4. Establishes policy guidance for the development and financing of Housing First buildings across all wards within the City of Riverside.
5. Recommends a range of specific sites for Housing First development within the City of Riverside.
6. The City of Riverside’s Office of Homeless Solutions will be responsible for overseeing the Housing First Plan and working with various City departments and community partners on its implementation.

### Procuring the Housing First Units

The 2017 Point in Time Count identified 389 unsheltered persons in Riverside. Acknowledging that this number may be inaccurate resulting from the single day snap shot method of survey and that it may fluctuate year to year following economic or business cycle fluctuations, staff proposes to procure enough Housing First units to offer shelter and supportive housing to the full population

of unsheltered homeless individuals. Staff seeks to procure 400 Housing First supportive housing units scattered throughout the City of Riverside. Staff recommends avoiding concentration and offering a true opportunity for community reintegration.

### Community Based Landlords Renting to Homeless Households

Staff will procure Housing First units on the open market of available rental housing stock in Riverside. At the end of 2017, over 1,000 rental units were vacant in Riverside. Staff proposes to create partnership opportunities with current landlords to set aside a portion of the available housing units for a Housing First use.

### Faith-Based Organizations - Love Your Neighbor

The Office of the Mayor has effectively engaged the faith based community with an initiative entitled *Love Your Neighbor: Safety Stability Support*. This effort led to significant faith community support and promotion of homeless services and the proposed Riverside Housing First Plan. Success points include grant funding from the Western Riverside Council of Governments and collaboration with a local university contributing student social workers. In a significant way, the faith based community has come forward and offered resources and assets that can lead to the production of Housing First units. The Grove Community Church, the Crest Community Church and La Sierra Community Church are all considering contributions of real property for Housing First use. These sites are identified in the Housing First Plan as potential locations for production of new units.

### Building New Housing First Units

Additionally, staff recommends an active pursuit of new affordable housing development that can include Housing First units and the needed supportive services. The City of Riverside has identified several options for the development of Housing First units along with a list of properties within the City as potential sites for the future development, the majority of which are privately owned and not controlled by the City. Staff recommends developing Housing First product that is consistent with the communities and neighborhoods proximate to amenities that the homeless population may need.

For example, since a family with children may need to be near a school or similar amenities required by youth then we propose single family homes within a neighborhood and since a single senior female may need to be near medical and grocery then we propose multi-family near urban centers and various other products in between.

### Potential Housing First Development Sites

City Council requested that staff propose two to three potential development sites in each ward that may allow the diverse development described above. Staff reviewed a variety of real property for potential development of affordable housing and Housing First units. Staff considered the viability of the varied product type, current condition of the site and the potential eligibility for competitive development funding including federal, state and local sources.

The following list of sites identified for potential supportive housing development includes both City-owned and private properties, as well as parcels that could be grouped or combined to support a supportive housing development.

The attached Housing First Plan provides more comprehensive information on the relative sites to include acreage, parcel numbers, addresses and ownership. This list is not identified in any order of preference or development timeline.

WARD 1		
CITY OWNED	ADDRESS	ACRES
YES	THIRD AND FAIRMOUNT	1.8
PARTIAL	MULBERRY	1.14
YES	LIME AND FIFTH	0.33

WARD 2		
CITY OWNED	ADDRESS	ACRES
NO	3431 MT VERNON AVENUE	3.43
NO	SEDGWICK AND PENNSYLVANIA	1.49
YES	2882 MISSION INN AVENUE	0.23

WARD 3		
CITY OWNED	ADDRESS	ACRES
NO	5555 ARLINGTON AVENUE	2.5
YES	6963 STREETER AVENUE	0.38
NO	GARDEN STREET	1.04

WARD 4		
CITY OWNED	ADDRESS	ACRES
NO	19900 GROVE COMMUNITY	.35
NO	3165 WASHINGTON AVENUE	1.43
NO	INDIANA	0.62

WARD 5		
CITY OWNED	ADDRESS	ACRES
NO	3510 VAN BUREN AVENUE	2.78
NO	INDIANA BETWEEN JACKSON & MONROE	1.38
NO	3751 EVEREST AVENUE	0.91

WARD 6		
CITY OWNED	ADDRESS	ACRES
NO	3685 POLK STREET	0.95
NO	TYLER AND SELKIRK	0.81
NO	5375 VAN BUREN	1.36

WARD 7		
CITY OWNED	ADDRESS	ACRES
YES	BUSHNELL AND BOGART	0.76
NO	11253 PIERCE STREET	4.7
NO	DOOLITTLE	4.96

Policy Recommendations to Implement Housing First

The attached Housing First Plan offers the following recommendations as guideline policies in the operation of a Housing First program. Recommendations include three categories: Housing First Model, Target Populations and Entry, and Performance Benchmarks. Many of the recommendations and policy statements are derived from existing or forthcoming federal, state, and county requirements. Below is a list of recommended policies regarding operations and the targeted homeless population:

*Table 1: Policy Recommendations for Operationalizing Supportive Housing in the City*

<b>Policy Recommendations for Operationalizing Supportive Housing in the City</b>
<b>Housing First - Supportive Housing Model</b>
1. All supportive housing programs will operate using a Housing First orientation and provide person-centered flexible and voluntary services.
2. All supportive housing programs will follow and be aligned with federal guidelines on the use of Housing First as referenced in the HUD Housing First Assessment Tool and the USICH Housing First Checklist.
3. All supportive housing programs will follow and be aligned with state guidelines on Housing First, including the core components outlined in SB 1380.
4. In addition to Housing First, all supportive housing programs will utilize national evidenced-based practices, including: <ul style="list-style-type: none"> <li>a. Harm Reduction,</li> <li>b. Trauma-Informed Care,</li> <li>c. Motivational Interviewing.</li> </ul>
5. Supportive housing wrap-around supportive services will include the following: <ul style="list-style-type: none"> <li>a. Case Management, housing transition services, and housing-based tenancy supports, including initial and comprehensive assessment, development of a housing or case plan with identified client goals that is regularly reviewed and updated, landlord mediation, and tenant education.</li> <li>b. Mental health services and treatment.</li> <li>c. Substance use disorder services and treatment.</li> <li>d. Connection and linkage to primary care via a community-based clinic.</li> <li>e. Employment readiness, job counseling, and makes linkages to education programs</li> <li>f. Help clients learn to live in housing, maintain their housing in a safe manner, and get along with neighbors and landlord.</li> <li>g. Support with accessing mainstream benefits, including SSI/SSDI if permanently disabled, health insurance, and other entitlement programs. If pursuing SSI/SSDI, use the Substance Abuse Mental Health Services Administration (SAMHSA) supported SSI/SSDI Outreach Access and Recovery (SOAR) model to assist disabled households with quickly receiving disability income.</li> <li>h. Life skills supports and education including housekeeping, budgeting, grocery shopping, and the use of public transportation.</li> <li>i. Assist with creating positive social support systems in the community.</li> <li>j. Assist with ensuring the client’s apartment is a home, which could include help with acquiring furniture or other household goods as needed.</li> </ul>
6. Case Management, Housing Transition, and Housing Tenancy Supports align with Centers for Medicare and Medicaid Services (CMS) guidance regarding coverage of housing-related activities and services for individuals and disabilities so the City can position itself to take advantage of potential Medicare/Medicaid funding for services in supportive housing.

7. All supportive housing will follow and align with regional guidance, including all standards for supportive housing described in the Continuum of Care (CoC) Written Standards.
8. All supportive housing developments will support the successful integration of the tenant in the community, which may include the creation of mixed developments of supportive housing and affordable units.
9. The City fully supports the implementation of Housing First and is committed to the development of supportive housing in the City. However, while this strategy is being executed, the City is not abandoning temporary approaches such as interim shelter that can act as a bridge providing a safe place for households to stay while a permanent unit is being identified. All temporary programs such as shelter will operate using a Housing First approach featuring low-barrier entry criteria and programming and emphasizing rapid housing placement.
10. The City will explore and implement a “Moving On” strategy in current and future supportive housing projects for households who have achieved stability in housing and no longer need intense services but who may still need an affordable unit. By moving successful households on from supportive housing, it allows currently homeless households to access the needed critical intervention.
<b>Supportive Housing Target Populations and Entry</b>
1. All supportive housing programs will be in compliance with CoC Coordinated Entry System (CES) Policies and Procedures, including use of Homeless Management Information System (HMIS), and accepting referrals from CES.
2. Prioritization of prospective tenants will follow CoC Priority Guidelines as outlined in the approved CoC Written Standards.
3. The City adopts the supportive housing eligibility criteria as outlined in the CoC Written Standards and, in addition, preference for units will be given to households who have a documented history of homelessness within the City limits.
<b>Supportive Housing Performance Benchmarks</b>
1. The City adopts the supportive housing Performance Benchmarks as outlined in the approved CoC Written Standards.
2. The City will also align supportive housing activities consistent with HUD’s System Performance Measures, especially decreasing the length of time persons remain homeless, increasing permanent placements, and decreasing returns to homelessness.
3. The City will seek to create additional measures for supportive housing that will evaluate a household’s social and community connections and satisfaction with programming and the housing unit.
4. The City will seek to create and adopt additional measures for supportive housing developments that could evaluate the impact to the community, neighborhoods, and public services.
5. The City in partnership with the CoC will seek to develop public HMIS data dashboards that can track performance of not only supportive housing, but the region’s efforts to address homelessness as a whole.

*Funding Options for the Development and Operation of Housing First*

In recent years, the federal, state and regional shifts toward the Housing First model has resulted in a corresponding realignment of funding priorities. The federal budget currently proposes to eliminate funding for the Community Development Block Grant program and HOME Investment Partnerships program, as well as the Housing Trust Fund and the HUD Veterans Affairs Supportive Housing voucher program.

However, the California legislature recently passed a package of fifteen housing bills to promote the development of affordable housing and streamline approval processes for housing development. Several of these laws, including the Building Homes and Jobs Act and the Veterans and Affordable Housing Bond Act of 2018, offer new funding sources to increase the production of affordable housing.

Policy Recommendations for Development and Financing Housing First

The attached Housing First Plan describes a myriad of existing and potential federal, state and regional funding sources that staff will ensure to monitor and solicit in cooperation with development and operational partners. **Staff does not propose to build, own or operate any housing development directly but instead to procure and partner with private development and service provision partners.**

The following offers policy recommendations for creating and funding production of Housing First units. The below policies are **staff recommendations** of policy tables included in the Housing First Plan.

*Table 2: Policy Recommendations for the Development and Financing of Supportive Housing*

Policy Recommendations for the Development and Financing of Supportive
1. Working with City of Riverside leadership and community stakeholders, assess the list of available sites and determine the final list for development as supportive housing and mixed-income
2. Establish general criteria for development, including approximate number of units, levels of services programming, and required programming space, as well as required parking spaces.
3. Explore the creation of inclusionary zoning to support Housing First development within new market-rate development projects.
4. Consider setting aside 15 percent of all affordable housing developed for Housing First units.
5. Explore reimbursing all fees from various City departments that collect fees related to building Housing First units.
6. Consider the use of Community Development Block Grant (CDBG) funds for the development of supportive housing.
7. Consider increasing Measure Z funding for Homeless Solutions to establish a housing innovation fund that supports collaborative partnerships to finance Housing First development for the duration of the measure.
8. With available local resources, issue a Notice of Funding Availability (NOFA) to provide pre-development funding for community- and faith-based organizations, as well as hospitals and educational institutions, interested in developing their available surplus property.
9. Consider available local funding from all sources, including Measure Z and the Community Revitalization and Investment Authority (CRIA) currently in development, to be deployed at each development site.
10. Monitor sources of capital funding for the development of supportive housing, including those offered through the Affordable Housing and Sustainable Communities program (currently open), Veterans Housing and Homeless Prevention program (November 2017), and the National Housing Trust Fund (late 2017). Consider how to leverage these funds and upcoming funds available through the Affordable Homes and Jobs Act and the Veterans and Affordable Housing Bond Act of 2018 for supportive housing development.
11. Proactively pursue Building Homes and Jobs Act funding to update planning documents and zoning ordinances to prioritize supportive housing and expand development within City limits.

12. Issue an RFP for land, funding, or a combination thereof for partners that can meet the City of Riverside’s criteria for housing and services programming in order to maximize scarce resources.
13. Expand the pool of development partners to include additional firms that are active in special needs housing in California, as noted in Appendix N.
14. Negotiate development and disposition agreements with selected developers and services partners.
15. Explore partnerships with the health care sector, including Medi-Cal Managed Care Plans to fund the supportive services that are delivered in housing. Specifically, explore the use of services funding through the forthcoming state Health Homes Program (HHP) that is scheduled to be implemented in Riverside County on January 1, 2019.
16. Seek partnerships with County agencies, including the Housing Authority, Mental Health, Economic Development, Public Health, and Workforce Development Centers, to focus funding and amplify supportive housing as a housing priority.

*Table 3: Recommendations for Creating and Developing Supportive Housing*

Creating and Developing Supportive Housing
1. Prioritize for pre-development evaluation each of the City-owned sites based on size and suitability for development, which includes proximity to food, bus transit, and a hospital. A list of these sites is provided in Appendix O.
2. Building on the Mayor’s current efforts to develop property owned by faith- and community-based organizations, continue to identify and prioritize those properties owned by mission-based organizations for potential development.
3. Explore additional sites that are not currently City-owned to identify a minimum of three sites per ward to be developed as supportive housing.
4. Explore incentives for community-based landlords to rent units to homeless households.

The Community & Economic Development Director concurs with the recommendations.

**FISCAL IMPACT:**

There is no fiscal impact with the Memorandums of Understanding. The Housing First plan includes future financial considerations impacting multiple departments that will need City Council consideration. The implementation of each policy recommendation in the Housing First Plan will be brought before the City Council for approval, where necessary, and will include five-year financial impacts. Specifically, implementation of each recommendation will provide sources of funding, length of funding, and estimate long-term operational savings.

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 Certified as to availability of funds: Adam Raymond, Chief Finance Officer/City Treasurer  
 Approved by: Alexander T. Nguyen, Assistant City Manager  
 Approved as to form: Gary G. Geuss, City Attorney

- Attachments:
1. Housing First Plan
  2. MOU with the County of Riverside Department of Behavioral Health
  3. MOU with the County of Riverside Housing Authority

4. MOU with Step Up on Second
5. MOU with Path of Life Ministries
6. Frequently Asked Questions
7. Presentation
8. Comments