Today I will be discussing:

- Correlation between housing trends and homelessness
  - California
  - El Dorado County

- What is a Continuum of Care (CoC)
  - The benefit of supporting a CoC
  - “Housing First” programs
  - Research, Best Practices
    - Cost savings to local systems
As rents rise quickly in an area, while income stays stagnant, the formula for sustainability gets out of sync..
Rents vs. renter income

Source: California Department of Housing and Community Development, California Housing Partnership. All figures in 2000 dollars.
Why do Housing Prices continue to spike?

A significant reason why housing prices continue to spike in CA is because there aren’t enough units to accommodate the number of people in our state....
Annual Production of Housing Units 1955-2015

Permits

- Single Family
- Multifamily (2+ Units)

Source: Construction Industry Research Board/ California Homebuilding Research Reports 2005, 2013, 2015; Graphic by HCD
Where does that put CA if:

Rents are increasing

Renter income is decreasing

We are in our lowest development phase in 60 years
According to CA Realtors Assoc:

- Population of about 40 million residents
- Enough housing for about 25 million residents
- CA ranks 49th in the country in housing units per capita
- The 2016 Median home price in CA was more than double the nation’s average
- 2016 average rents were 50% higher than the rest of the country
Is there a correlation between lack of housing stock, high housing costs, and homeless figures?

The scope of the impacts can be noted when assessing “Point in Time Count” Data
What is a Point in Time Count

- Count of sheltered and unsheltered homeless persons (A homeless census)

- Conducted on a single night in January, every two years, nation wide.

- Acts as a baseline measure for how homelessness has been impacted or evolves across regions
Data suggests that where housing prices have risen dramatically, the largest spikes in homelessness tend to occur.

Let’s look at 2017 California and El Dorado County housing costs and Point in Time Data to compare.
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<thead>
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</thead>
<tbody>
<tr>
<td><strong>State of California</strong></td>
<td><strong>13% Increase</strong></td>
<td><strong>Approximately 7.4% Increase</strong></td>
<td><strong>Approximately 15% increase</strong></td>
</tr>
<tr>
<td><strong>El Dorado County</strong></td>
<td><em>88% Increase</em>*</td>
<td><em>Approximately 37% Increase</em>*</td>
<td>Approximately 122% increase</td>
</tr>
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*As reported by San Francisco Chronicle; from Zillow.com

**As reported by CA Realtors Association

***As calculated from Statewide PIT Count Data
Based upon this data, we need:

- Housing that wage can afford (different housing options for different wage levels)
- Enough housing to accommodate the current population of residents
- A variety of housing options with services or supports to meet the person centered needs of as many people as possible
What can be done to increase person centered housing options?

Regions strive to create system responses to housing crises

Responses that can help to prevent individuals from becoming homeless

Responses that maximizes the ability to get homeless individuals rehoused with needed supports

One that maximizes self sufficiency for each individual based upon their unique needs

One that produces the best results for the individual and the community
El Dorado Opportunity Knocks (EDOK)

- EDOK is this region’s Continuum of Care (CoC)
- CoC’s are Department of Housing and Urban Development (HUD) programs
- They are designed to promote a communitywide commitment to the goal of ending homelessness
- The group is made up of local agencies, partners, and resources to support the evolution of a local system response to homelessness and housing crises
Operating a Continuum of Care:

- Is technical in nature
- Requires complying with complex federal and state guidelines
- Their operation and administrative oversight directly impacts the ability to secure funding from Federal and State Governments
With Proper Administration, CoC’s can:

- Produce meaningful data to help inform strategic decision making for jurisdictions, providers, and other stakeholders, based upon highest priorities

- Leverage new funding streams to develop best-practice programs as resources

- Implement “Housing First” programs to successfully reduce homelessness
What is “Housing First?”

- It is an evidence based approach to ending homelessness
- Seek to connect a homeless individual with an apartment or other permanent housing as quickly as possible
- Programs focus on reducing barriers to housing
- Connect the individual with whatever supportive services they will need to retain that housing and not remain homeless
Why Invest In The CoC?

- Over the last 25 years, research regarding Housing First programs have demonstrated 75 – 93% housing retention rates within a year.

- Significant tax payer cost savings have been documented.

- Improved health outcomes for the individual and overall quality of life of the community are well documented.
National Studies
Colorado Coalition for the Homeless Study (2006)

**Service Costs**

<table>
<thead>
<tr>
<th>Service</th>
<th>Pre-Entry</th>
<th>Post-Entry</th>
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</thead>
<tbody>
<tr>
<td>Detox</td>
<td>$10,373</td>
<td>$1,641</td>
</tr>
<tr>
<td>Incarceration</td>
<td>$1,798</td>
<td>$427</td>
</tr>
<tr>
<td>Emergency Room</td>
<td>$5,256</td>
<td>$3,452</td>
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<tr>
<td>Outpatient</td>
<td>$2,641</td>
<td>$1,747</td>
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<tr>
<td>Inpatient</td>
<td>$10,378</td>
<td>$3,533</td>
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<tr>
<td>Shelter Costs</td>
<td>$13,688</td>
<td>$0</td>
</tr>
</tbody>
</table>

**Change in Average Service Costs**

*Pre- & Post-Entry Costs per Participant*
Seattle Study

- A medical study and cost analysis by Journal of the American Medical Association (2009)

- Housing First program for chronically homeless alcoholics

- Initial median cost per person, per month was $4,066

- After one year in the program, median cost was $2,449 (This includes cost of the housing program)
Massachusetts
Home & Healthy for Good Program Study (2011)

- Compared Medicaid, Shelter, and Incarceration costs per person

- Study revealed an average cost of $33,514 per person per year before the study

- After being housed, the same expenses dropped to $8,539
Local Cost Comparisons
Sonoma County FY 14-15

Cost per day

- Supportive Housing: $31
- Residential Substance Abuse Treatment: $76
- Detox: $117
- Jail: $139
- Avg. Inpatient Hospital Stay: $4,000
Solano County FY 15-16

- Supportive Housing: $55
- Supportive Housing: $95
- Detox: $60 indiv; $100 preg
- Jail: $154
- Sutter Avg. Inpatient: $4008

Legend:
- Pregnant cost
- Average cost per day
El Dorado County FY 17-18

Average Cost Per Day

- Supportive Housing -
- Supportive Housing Fam
- Detox
- Jail
- Psychiatric Health...
- Barton (5150 Hold)

$47  $81  $85 - 155  $115  $850  $4,000
Take Aways

- Studies continually show tremendous cost savings when supportive housing programs are made available, targeting the highest cost and needs individuals.

- As shown by Sonoma, Solano, and EDC Cost comparisons, significant savings would be evident by increasing CoC funding and program availability vs allowing long-term homeless to remain homeless.

- The CoC will not increase program availability without proper administrative support, strategic planning, data administration, and capacity building.
Take Aways

- By El Dorado County, local cities, and other partners supporting CoC administration, these groups can regionally coordinate resources to reach common goals and reduce local expenditures for all.

- All jurisdictions spend money to manage homelessness. By supporting CoC Administration, cost savings to jurisdictions can be realized by strategically investing in resolving homelessness for individuals.

- The CoC can more quickly fine-tune its data and information, helping to support both regional and jurisdiction specific strategies.
Questions