

HOMELESSNESS IN SANTA BARBARA COUNTY

Our Everyday Epidemic

SUMMARY

Santa Barbara County is in the midst of a homeless crisis that long predates the challenges of the current COVID-19 pandemic. People are roaming the streets with no home of their own, and there is an increase of people living in their cars, camping in parks, or sleeping on the sofas of friends and relatives. Multiple families are often sharing cramped quarters.

Shamefully, Santa Barbara County has one of the highest rates of homeless school-age children and youth in the state.

The 2019-20 Santa Barbara County Grand Jury (Jury) elected to study this societal problem. There is a dearth of both affordable and permanent supportive housing, shelters are full, and there is a lack of day centers. The high cost of land, insufficient funding, and neighborhood resistance contribute to the problem. Despite the hard work and dedication of local charities and government workers, homeless rates are increasing. Stronger leadership at the city and county levels, a consistent source of funding, and community support are required to help alleviate the human suffering caused by this situation. Santa Barbara County is a wealthy county and needs to assume control of this problem and solve it.

A glossary of important terms and acronyms is located at the end of the report.

Most of the Grand Jury's research and interviews were completed before the full onset of COVID-19, and we are unable to assess its full impact on homelessness in Santa Barbara County. The full trajectory of the pandemic cannot be accurately predicted. County leadership and community support at all levels will be required to craft new and creative solutions to resolve our homeless crisis.

INTRODUCTION

Who are the Homeless?

Currently, Santa Barbara County has a homeless population of 1,897 according to the January 2020 Santa Barbara County Homeless Point-in-Time Count and Survey.¹ The recently completed survey shows an increase of 5 percent over 2019.

The 2020 Santa Barbara County Point-in-Time Count and Survey (PIT) was mandated by the U.S. Department of Housing and Urban Development (HUD). It serves as a snapshot of homelessness in our County on a given night. Dating from 2003, and ordered on a bi-annual basis through 2017, the PIT is now performed each year, in response to the increasing issues surrounding homelessness. The Santa Barbara County Housing and Community Development Division (HCD) and the Santa Maria/Santa Barbara Continuum of Care (CoC) provide oversight

¹ 2020 Santa Barbara County Homeless Point-in-Time Count and Survey. Numbers quoted in this report are from the 2020 count, unless otherwise footnoted for 2019.

of the process. To help complete the survey, the County works closely with the Northern Santa Barbara County United Way Home for Good and over 500 volunteers.

They were able to count 1,897 homeless, including 674 persons living in emergency shelters or transitional housing.² There were 1,223 people counted as living in unsheltered conditions, up 31 percent over 2019. One half of the unsheltered were counted as living in vehicles. This does not include families doubled up, paying for a motel, or at-risk of homelessness. Nor does it include the uncounted homeless whose numbers remain unknown.

Often, there is a preconceived idea that the people we see sitting on a bench, standing by an intersection, or walking the streets carrying their entire belongings must be mentally ill, drug addicts, or just plain lazy.

But who are they really?

The homeless are residents of Santa Barbara County. Seventy-six percent of the people surveyed were living in Santa Barbara County when they first became homeless.³

They are families. Of all school-age children within the County, one of every eight is considered homeless, as defined by Kidsdata.org, one of the highest rates in the State.⁴

They are transitional youth at risk ages 18-24. There were 75 youths who were homeless for a variety of reasons including abusive family situations, addictions, and poverty.

They are working people who incurred unanticipated medical costs, missed a paycheck, or received a rent increase they could not afford. Almost half of those surveyed are first time homeless.

Forty percent are female, some fleeing abusive situations, and living a harsh existence on the streets.

Eleven percent are veterans who for a myriad of reasons have found themselves on the streets, an increase of 83 percent from 2019.

A growing number of elderly and people on fixed incomes have become homeless. Many more are just one step away from life on the streets.

Then, there are the chronically homeless. This is the group that most of us associate with the homeless that we see around us. Thirty-two percent fall into this category. They often have mental illness, substance dependency, and other health-related conditions. They also have the greatest need of services and are among the most difficult of our homeless population to help.

It is important to note, in February 2020, the Santa Barbara County Public Health Department's Death Review Team Annual Report⁵ to the Board of Supervisors stated that in 2018, 41 homeless individuals died on the streets of Santa Barbara County.

² The HUD definition for the homeless is: "People who are living in a place not meant for human habitation, in emergency shelter, in transitional housing, or are exiting an institution where they temporarily resided."

³ 2019 Santa Barbara County Homeless Point-In-Time Count and Survey.

⁴ "2016 Children in Santa Barbara County," Kidsdata.org, Accessed February 1, 2020, <https://www.kidsdata.org/export/pdf?loc=273>

⁵ "Deaths Among People Experiencing Homelessness in Santa Barbara County: 1/1/2018-12/13/2018," Santa Barbara County Homeless Death Review Team, February 11, 2020,

These individuals are part of our community. They may have been a neighbor, or your child's friend, the person mowing your lawn, or waiting on you at the store, someone's grandparent, or a veteran who has served our country.

These are our homeless.

METHODOLOGY

As the Grand Jury undertook a study of the complex problem of homelessness in Santa Barbara County, it was apparent that the input from a variety of local governmental agencies, non-profit organizations, faith-based organizations and national providers would be required. The Jury also studied funding issues related to these organizations.

The following resources were essential to the Jury's understanding of this societal problem and the preparation of this report:

Interviews with key personnel from:

- Santa Barbara County Behavioral Wellness Department
- Santa Barbara County Housing and Community Development Division
- The Housing Authority of the County of Santa Barbara
- The Housing Authority of the City of Santa Barbara
- Santa Barbara City Housing and Human Services Department
- The United Way of Northern Santa Barbara County, Home for Good
- Santa Barbara Alliance for Community Transformations (SB ACT)
- The Santa Barbara Rescue Mission
- Santa Barbara People Assisting the Homeless (PATH)
- Santa Maria Good Samaritan Shelter
- Santa Barbara Virgil Cordano Center
- National producers of temporary housing facilities

Site visits and meetings:

- Santa Barbara Rescue Mission
- Santa Barbara PATH
- Santa Maria Good Samaritan Shelter
- Santa Barbara Virgil Cordano Center
- Goleta City Council Homeless Planning public meeting
- Santa Barbara County Continuum of Care Board meeting

<https://countyofsb.org/uploadedFiles/phd/PROGRAMS/PCFH/HCH/Santa%20Barbara%20County%20HCH%20Homeless%20Death%20Review%20Team%20Report%202018.pdf>

- Santa Barbara County Community Housing neighborhood meeting for Hollister Lofts
- Santa Barbara League of Women Voters Forum on Homelessness
- United Way Homeless 101 Presentations

Documents and online resources:

- Bringing our Community Home: Santa Barbara Countywide 10-Year Plan to End Chronic Homelessness, 2006
- Phase 1 Community Action Plan to Address Homelessness in Santa Barbara County, 2018
- Santa Barbara County Homeless Point-in-Time Count and Surveys, 2019 and 2020
- Santa Barbara County California Mental Health Services Act Budget 2019-20
- National studies from authorities on the “Housing First” doctrine
- Santa Barbara County Continuum of Care Board notes
- Numerous local, state and national articles

BACKGROUND

Early in the twenty-first century, many national and local community leaders became increasingly concerned about the burgeoning homeless populations. In 2005, the Santa Barbara County Board of Supervisors (BOS) commissioned an assessment of all the local resources serving the homeless. The focus of this work was primarily on the chronically homeless who consumed more than 50 percent of all services. The concept was that housing the chronic homeless would cost less than the expenses incurred by all the public agencies that interact with the homeless. This effort resulted in the adoption by the County of a 10-year plan, *Bringing Our Community Home*, in 2006.

With that plan in place, the intent of the BOS was to enlist the active support of the public and all stakeholders to consolidate the collective resources toward the goal of providing services and housing for the homeless. Early on, the plan engendered a sense of optimism and there was some positive action. However, most of the goals were never brought to fruition as reliable sources of funding to implement and sustain them were never realized.

In 1995, prior to the County’s ten-year plan, the U.S. Department of Housing and Urban Development (HUD) required communities to form Continuum of Care regional planning bodies so that their applications for homeless funding would be more coordinated. In 2018, California also adopted the CoC model to distribute emergency housing aid. The CoC is a network of local agencies and service providers in the County. The CoC Governing Board works with the County in coordinating and prioritizing applications on behalf of local agencies for State and HUD funding.

Additionally, in 2018, HUD required all counties in receipt of federal funding for homeless services and housing to maintain a Coordinated Entry System (CES) database of their homeless individuals and their needs. This database is then used to match the homeless with appropriate

housing and supportive services in the County’s Homeless Management Information System (HMIS).

In 2014, Santa Barbara County’s Continuum of Care (CoC) designated the Santa Barbara County Housing and Community Development Division (HCD) in the Community Services Department as the lead agency for administering and evaluating all funding of homeless projects. Since then, this County agency has assumed the major leadership role in the homeless housing crisis.

OBSERVATIONS

County Administration of Homeless Programs: A System in Place of Housing

In 2018, the HCD and the CoC began a planning process to build a system that would set the funding and tracking process from street to home in motion. The HCD led the formation of the Phase 1 Community Action Plan to Address Homelessness in Santa Barbara (Phase 1). Phase 1 has accomplished some critical groundwork.

Community meetings were held to “help identify gaps, set priorities, and establish strategies to address unmet needs”⁶ for the homeless. Phase 1 worked to strengthen the data entry system and information management system to deliver housing and services, organize outreach teams and distribute funding.

The CoC attempted to break down the territorial defenses that had developed among stakeholders and to establish communication and cooperation among groups. Driven by competition for funding and disagreements over priorities, this is an issue that still exists today. However, the Jury was told by the director of a local homeless organization that the cooperation demanded by COVID-19 opened new doors and created alliances that hopefully will continue to grow.

While the 2006 10-Year Plan aimed to help the chronic homeless, in Phase 1 the chronic homeless are only one of several subgroups. Much time has been spent on determining if individuals have mental illness, substance abuse problems, are veterans, survivors of domestic violence, homeless youth, vehicular homeless, or families with children. The CES then classifies each individual by certain characteristics and vulnerabilities, and the HMIS is used to make connections with appropriate services and housing. By February 2020, 3,623 people had been entered into the CES.

The five overarching goals of the 2018 Phase 1 Plan are:

- Increase access to safe, affordable housing
- Deliver supportive services for individual needs
- Build a Collective Action Plan and improve data sharing
- Strengthen available support systems
- Build provider capacity to address the needs of specific populations

⁶ “Phase 1 Community Action Plan to Address Homelessness in Santa Barbara County,” Santa Barbara County Housing and Community Development Division and Department of Behavioral Wellness.

The goals of Phase 1 are system oriented, mostly focusing on building information in the CES and increasing collaboration among service providers of the CoC, and service delivery with the HMIS. In its Executive Summary for Phase 1, the County admits that better data and more providers alone do not reduce the impact of homelessness. The CoC does not build housing, the critical element in eliminating homelessness.

As a senior County executive told the Jury, “The best intervention for a homeless person is a home.”

Phase 1 acknowledges that there continues to be a large need for more affordable housing in the County. Of the 3,623 eligible people in the CES, only 76 of the most in need were placed in permanent housing. With the lack of available housing, the CoC looks instead to improve partnerships with landlords, acquire more housing subsidies such as Section 8 vouchers, match current housing with supportive services, and increase permanent funding sources.

Currently, the CoC as an organization is basically unrecognized in the community. However, presently under development, Phase 2 of the Community Action Plan to Address Homelessness in Santa Barbara County calls for all local elected leaders to become an active part of their efforts. Having elected leaders serving on the CoC would increase civic commitment and provide greater awareness for the public.

Phase 2 calls for more communication, partnerships, additional service providers and proposes creation of a governance model. Without firm guidance, services often become less coordinated and stakeholders tend to retreat to their own sphere of influence. Hopefully, stronger leadership from the top will give stronger direction and follow-through for a common vision of securing more housing with services for the homeless.

Housing and Housing First: Shifting Priorities

Housing First, a nationwide program which was adopted by the State, is intended to house individuals or families experiencing homelessness as quickly as possible, but in doing so it has caused a number of discussions, both among service providers and in the community. The distinguishing element of this program is to house the most vulnerable first. Housing placement now has a “low barrier” threshold; there are no sobriety or stability requirements before moving in. The program’s theory is to house before treatment so that people are more receptive to that treatment. It does not require them to graduate through a series of steps before being housed. In order to receive Federal or State funding for programs that provide housing or housing-related services to people experiencing homelessness or at risk of homelessness, cities and counties must follow Housing First policies and priorities.

Often, the challenges of caring for the most vulnerable have caused neighborhood protests when hearing of an intended Housing First project near their area. The stigma of those in greatest need of housing and services causes concern in the public mind. Sometimes, new proposals signal an uphill battle.

It should be noted that each person placed in a home will be case-managed and appropriate services will be provided. While it is true that clients do not have to accept the services, providers are not allowed to neglect them. As more homeless with great needs are housed, providing the recommended number of support service staff might be challenging. United Way, Santa Maria, writes on its website, “...without a low staff to client ratio you cannot do Housing

First evidence-based intervention.”⁷ The Santa Barbara County Behavioral Wellness Department will need to add staff, and without a reliable funding source, it may not be able to sustain the expanded outreach teams of workers.

The CES ranks people according to need for permanent supportive housing with wraparound services. The Jury learned that the cost of mandated wraparound services is approximately \$7,000 per person per year for the majority, and up to \$20,000 per person per year for the 11 percent of the most in need. Where such funding will be found to help the individuals in the HMIS system has not been publicly discussed. In defense of the high cost of Housing First, proponents point to studies that show savings in other areas such as police, fire, jail, public health, hospitals, parks, and libraries are much greater than the expense of housing them.

The Housing First priorities have also caused concern among the staff at shelters that practiced more of a graduated housing-ready approach, which existed before the new mandate. Clients who do not require extensive supportive services and are housing ready are no longer prioritized as housing becomes available. These housing-ready people might require only a few thousand dollars for deposits or one-time fees, rather than the tens of thousands of dollars needed for a homeless person with greater needs.

Overall, there is a generally recognized need for more flexibility in the various programs’ placement protocols and allowable uses of funding, which are often rigid. Some grants narrowly define the scope of financial assistance provided; therefore, the most housing-ready person for placement may not be the one indicated at the top of the CES hierarchy. The HCD is working with the CES Coordinating Agency to use sources of funding that allow more flexibility. Some State funding programs have been responsive to flexible funding.

Four Levels of Housing

There are four levels of housing for different needs:

- *Emergency Shelters* take in the homeless from the streets
- *Transitional Housing* allows time to establish financial independence
- *Rapid Re-Housing* is for short and medium-term stabilization
- *Permanent Supportive Housing* includes wraparound services

⁷ “Housing First Implementation in Santa Barbara County,” Northern Santa Barbara County United Way, Accessed June 3, 2020, <https://www.liveunitedsbc.org/blog/housing-first-implementation-santa-barbara-county>

As listed by the 2018 Phase 1 homeless plan, the numbers of beds for these levels of housing and their providers are:

HOUSING TYPE	NUMBERS OF BEDS	PROVIDERS
Emergency shelter and Transitional housing	531	Good Samaritan, PATH Santa Barbara, Santa Barbara Rescue Mission, Faith-Based Coalition (warming centers), Noah’s Anchorage, Transition House (families), Willbridge Transitional Housing, The Salvation Army
Rapid Re-Housing	213	PATH, Good Samaritan, The Salvation Army, Transition House, New Beginnings
Permanent Supportive Housing	151 families with children or 497 individuals	Good Samaritan, Mental Wellness Center, PathPoint, People’s Self-Help Housing, County Department of Behavioral Wellness, Sarah House, Willbridge, SB Community Housing Corp., Transition House, City of SB Housing Authority, Housing Authority of SB County

Many of these providers supply three types of housing. These providers are the workhorses, whose staffs are dedicated to helping all those in need, not just a certain category.

In addition, there are three not-for-profit organizations that have consistently developed permanent supportive housing within the County: City of Santa Barbara Housing Authority, County of Santa Barbara Housing Authority, and People’s Self-Help Housing. The Santa Barbara County Department of Behavioral Wellness also creates housing. Encouragingly, Good Samaritan and Fighting Back have recently begun to add new housing in the County.

The gap between the numbers of existing beds available and those needed underscores the critical need to build new housing. Over 90 percent of new placements have gone into already existing housing with only a 2 percent turnover rate. Without new housing being built, wait time for any housing option is anywhere from one to nine years.

According to the Phase 1 report, even with full utilization of all four levels, there is not enough housing to take care of the unsheltered.

New Permanent Housing	Total Need	Available	New Housing Needed
Rapid Re-Housing	1,215	262	953
Permanent Supportive Housing	898	63	835
New Temporary Housing			
Shelter/Transitional	2,780	1,603	1,177

Housing projects opening in 2020 are subject to the Housing First mandate. The 80-unit Residences on Depot Street in Santa Maria were originally planned for families but are now going to house the mentally ill homeless. Likewise, another 30-unit project in Santa Maria was intended for seniors and will now become housing for those with serious mental illness.

The above housing projects were initiated five years ago. This is the typical timeline for any building project in Santa Barbara County. When combined with the high cost and scarcity of buildable land, it is a challenge to create housing for the homeless. The length of time to build housing only exacerbates the problem of housing for those waiting in shelters for permanent housing.

Emergency Shelters: A Critical Need

Shelters are at the front lines of homelessness in the County. Santa Barbara County's shelters are full year-round, and there are currently no finalized plans to build additional shelters. This lack of shelter beds became agonizingly apparent during the COVID-19 pandemic.

In 2018, a legal case in Boise, Idaho⁸ put pressure on local governments to build more shelters. In 2019, the United States Supreme Court denied further review of the Boise decision that the government cannot prosecute homeless individuals for involuntarily sitting, lying, and sleeping in public if there are no available shelter beds for them. The homeless can continue to stay and sleep on the streets. This creates a dilemma for those communities who struggle with homeless occupation of streets and parks.

Local ordinances against loitering, even sitting on street benches, have occurred. Shouting or urinating in public initiate complaints to law enforcement. When the homeless become too visible, the community reacts, sometimes to the point of criminalizing them. Recently, cities within the County have proposed ordinances against dumpster diving, leaving carts with belongings on the street, and standards for offensive body odors. Yet as experience has shown, arrests or citations do nothing to solve the recurring problems of the homeless.

In February 2020, a member of the public commented at a BOS meeting, "Let's cut to the chase. We need a shelter opened and we need it now!"⁹

There are two major shelters in the South County, the Santa Barbara Rescue Mission and PATH Santa Barbara. In the North County, Good Samaritan manages shelters in both Santa Maria and Lompoc (Bridgehouse). Throughout the County there are several other emergency shelters for special groups: families (Transition House), youths (Noah's Anchorage), domestic violence victims (Domestic Violence Solutions), substance abuse victims (multiple) and those living in cars (New Beginnings Safe Parking). The chart below details the populations and services of the five largest shelters in Santa Barbara County as reported to the Grand Jury.

⁸ *Martin v. City of Boise*, 920 F.3d 584 (9th Cir. 2018)

⁹ Delaney Smith, "Homeless Death Review Team Delivers 'Sobering' Report," *Santa Barbara Independent*, February 3, 2020.

	SB Rescue Mission	Good Samaritan	PATH	Bridgehouse	Salvation Army
Capacity	200	400	100	56	69
Males	X	X	X	X	X
Females	X	X	X	X	X
Families		X	X	X	X
Emergency	X	X	X	X	
Residential	X	X	X	X	X
Storage	X	X	X		
Showers	X	X	X	X	X
Health	X	X	X	X	
Counseling	X	X	X	X	X
Addiction	X	X	X		X
Job Referral	X	X	X		X
Meals	X	X	X	X	X
Public funding		X	X	X	X

The main emergency shelters vary in admission policies, services, and programs. All accept males and females; PATH, Good Samaritan and Salvation Army take in families; and Good Samaritan, PATH and Bridgehouse do not exclude those who are under the influence of drugs or alcohol. The Rescue Mission, PATH, Good Samaritan and the Salvation Army have live-in programs for those who are addicted. These residents pay minimal fees while they receive services.

The Jury learned that shelter costs per person range from \$35 to \$66 per day. Donations of food and services help keep costs in line. When Santa Barbara County Departments of Public Health and Behavioral Wellness, Doctors without Walls, and Cottage Health deliver care within the shelters, they are providing millions of dollars in services at no cost to the shelters.

Emergency shelters are meant to be temporary. With little or no other housing available in Santa Barbara County, the homeless in the shelters are staying longer and longer, even up to a year. At PATH, for example, the Jury was told that it used to serve 700 individuals per year; now they serve 400. But there are some success stories: In 2019, PATH placed 90 people in permanent housing, and Good Samaritan approximately 350. These numbers include clients placed within the CES system and those by the individual organizations.

Traditional shelters are open to those who need emergency shelter for the night. They offer various services depending on their staffing and partnerships. However, the concept of the shelter is advancing. They are no longer just a bed and a meal, nor are they a free pass for

dependent living. New Navigation Centers are transitional housing centers open 24 hours a day and are staffed to offer a variety of services including medical, psychological, social welfare, and job placement services that help navigate clients toward permanent housing. Clients are case-managed and must be referred to participate in the programs to prepare for housing. Clients are registered in the CES, documented and guided toward potential living situations. Currently, the Behavioral Wellness Department is planning to build a Navigation Center for 30-40 homeless per day just north of the City of Santa Barbara. This will be the first County-run shelter.

The Safe Parking Program is another form of temporary housing for over 130 individuals. People living in their cars is a large subgroup recognized by the CoC and receives funding from federal and state grants just as other shelters do. The Safe Parking Program has been expanded to over 24 lots in South County, and a similar program is starting in North County. New Beginnings Counseling Center leads this comprehensive program for those living in their cars; they offer health services and mental health and job counseling. New Beginnings also works to house the vehicular homeless, just as a Navigation Center would do. This Program originated in Santa Barbara County and is being adopted nationwide, a fine example of creative thinking.

With the increased need for shelter beds, other forms of temporary shelter should be considered. Temporary structures can be erected at a fraction of the time and cost of permanent structures. The interior can be configured to a variety of specifications determined by local needs such as combination emergency shelter and Navigation Center. Also, they can be disassembled and reassembled at different locations or even stored. Several California cities are using tension-braced modular tents that can be quickly adapted to city lots and can last over 20 years. For cities where new construction faces many difficulties, these temporary structures are becoming one answer to sheltering the homeless.

Day Centers: Respite from the Streets

Where can the homeless people of Santa Barbara go for assistance during the day? Many of the shelters close their doors during the day. There are few options within the County.

The only option in Santa Barbara City is the Virgil Cordano Center for the homeless. The facility is open from 9:00 a.m. to 3:00 p.m. five days per week. Here they can find refuge during the day, a place where they can feel safe and respected. The Center is located on Calle Real near upper State Street. It is operated by the Daughters of Charity at St. Vincent and the Franciscan Friars from the Santa Barbara Mission. Established in late 2018, the Center provides daily meals, spiritual advice, laundry services, access to the internet, bus tokens, and information about services from the state and federal government. The Center serves approximately 400 individuals per month. It has one paid staff member plus volunteers from the church. The Center relies solely on donations to meet their annual budget of \$250,000 and does not seek nor accept monies from any government source.

Due to the COVID-19 pandemic, this Center has not been allowed to remain open.

A Problem with Housing the Homeless

In 2018, the County and its four largest cities, Santa Maria, Lompoc, Santa Barbara and Goleta, declared a housing and homeless shelter crisis. This declaration allowed the local governments to apply for emergency funding for the homeless from the State. Further, State legislation has streamlined permitting processes for any form of affordable housing in local planning and

building departments. The State has set the stage for building housing for the homeless. All that is needed is land and funding.

Few developers have stepped up to build affordable housing for the homeless. Land is scarce, especially in South County, and costs are high. Developers must pay the prevailing wage, expensive permitting and building fees, and wade through numerous reviews and approvals. Although some processes for affordable housing are expedited, there is still a need for relaxed zoning requirements and reduction of regulations. Where to locate housing for the homeless is the first question for every jurisdiction. Identifying sites in each jurisdiction, helping to make them available through multi-use zoning or form-based zoning, and then inviting bids for development would jumpstart the process of building.

Local communities have yet to re-conceptualize what housing for the homeless can look like. The Housing Authorities of both Santa Barbara County and the City of Santa Barbara have been able to create housing that is tasteful and compatible with neighborhoods. In going beyond standard housing models, communities can become acquainted with other types of housing: small units or tiny homes, modular housing or manufactured homes, shared housing, and cooperative housing. As is the practice of both Housing Authorities, all housing for the formerly homeless would be managed and maintained so that the neighbors would have little reason to find fault with the units or their inhabitants. Older homes and apartment buildings or hotels can be rehabilitated to accommodate these more innovative housing types.

These alternatives for housing the homeless need to find a pathway through the planning and building departments and more importantly, to generate support among civic leaders. Such endorsement would also help to forge the major subsidies, tax breaks, or incentives that are needed to overcome the lower profits from building housing for homeless clients. State housing regulations that require counties and cities to build housing for all income levels are mandated but without funding attached. The funding that has been awarded to local agencies is not enough to buy land and build housing in this County. Federal funding for development has also been reduced.

Thus, it is incumbent upon the cities and the County to create funding mechanisms for housing in ways that encourage more cooperation and regional planning. Other areas in the State have created regional housing financial authorities, regional housing trusts, land trusts or financing districts. As county agencies apply for funding from the State, service agencies and jurisdictions could coordinate resources for greater impact. This is, after all, the original purpose of the Continuum of Care. With the financial setbacks of the COVID-19 pandemic, only shared assets can tackle the expenses of building housing in Santa Barbara County.

Funding Now!

Recently, funding for new housing and services has become more available but also more competitive. Santa Barbara County and its cities currently use a combination of federal and state funding sources to finance the development and operation of homeless shelters and services. In the past, most funding for low-income housing came from the federal agency of Housing and Urban Development (HUD). Also, the Veterans Administration is helping to build housing in Santa Barbara and has just opened 16 housing units in conjunction with the Santa Barbara City Housing Authority.

The major federally funded programs are:

- Tenant Based Rental Assistance also known as Section 8 Vouchers
- Project Based Rental Assistance, Vouchers for defined rental projects
- Community Development Block Grant Program
- Emergency Solutions Grants given to states, cities, and counties, and distributed through the County Continuum of Care
- Projects for Assistance in Transition from Homelessness Program
- Homeless Emergency Assistance and Rapid Re-Housing

There are 28 different state funding programs. The most prominent are:

- Homeless Emergency Aid Program
- California Emergency Solutions and Housing
- No Place Like Home
- Homeless Housing, Assistance and Prevention

Other funding sources are:

- Grants from private foundations
- Philanthropic donations
- Fundraising events
- Volunteers
- Planned-giving bequests.

Private sources are:

- Developers applying for and utilizing grants funded by municipal bonds and tax credits
- Health insurance companies and large financial institutions utilizing restricted reserves

The federal government issues tax credits to state governments that state housing agencies then award to private developers of affordable rental housing projects through a competitive process. The Community Reinvestment Act of 1977 has made it advantageous for institutions such as banks and insurance companies to invest in housing. Insurance companies have found by funding shelters with wraparound services, frequent emergency room admissions by the homeless are greatly reduced. The cost of those admissions is borne by hospitals, and private and governmental insurers. Large health plans have opted to invest some of their restricted reserves for socially redeeming purposes.

The Grand Jury learned there are currently no housing projects involving large health insurers under development in Santa Barbara County. However, since 2011, United Health, the largest private health insurer in the U.S. and a major provider in Santa Barbara County, has invested \$400 million in helping to build 80 housing communities in 18 states, resulting in more than 4,500 supportive housing units with wraparound services. Recently, they made a \$12 million investment in Los Angeles to develop a new 65-unit PATH housing center for people experiencing homelessness in Los Angeles.

While the Jury has found no evidence of partnership with large insurers within Santa Barbara County, it learned that the Housing Authorities of the County and the City of Santa Barbara have approached large insurance companies and hospitals who operate in the County, but these companies have preferred to invest through pooled investment syndicates rather than work directly with the Housing Authorities.

The County is pursuing funding from Medicare, MediCal, Supplemental Security Income (SSI) and Veterans Administration Benefits. Most clients are eligible for one or more of these programs, and billing methods are being adopted. The County is also working with its medical plan administrator, CenCal Health, to enroll patients and set up such payments. Fully funded Medicare and MediCal reimbursements could cover up to 84 percent of the costs of services to the homeless.

Sharing the Funding

After the County and its four largest cities, Santa Barbara, Santa Maria, Lompoc, and Goleta, declared a state of emergency shelter crisis, they applied for emergency grant funding from the State. The County HCD then administers the CoC funding allocations and oversees accomplishment of goals, as mandated by HUD. The combined yearly allocation from HUD and the Emergency Solutions Grant Program through the CoC is over \$4 million. In 2019, the State awarded \$16 million in one-time grants to a variety of programs within the County. These funds have been designated to health and supportive services, outreach, and to the upcoming county-run emergency shelter. Often the community is not aware of where these monies are spent and it is important to have transparency, understanding and accountability of homeless related expenditures and the results.

On the CoC, there are approximately 40 coordinating organizations who determine the grants and amounts to be awarded within the County. A conflict of interest arises when those organizations voting on the grant allocations are the same organizations that have projects under consideration for funding. There have been proposals to change the composition of the decision-making group to clear the grant giving process of favoritism.

For the 2019-20 funding cycle, the CoC recommended various amounts from \$76,500 to \$846,000 for different shelter programs. Good Samaritan, Santa Barbara Community Housing (Hotel De Riviera), Behavioral Wellness Department (Casa Del Mural), PATH, New Beginnings Counseling Center, and the Shelter Care Plus program for the Housing Authority of the City of Santa Barbara were in line to receive funding. The State funding was awarded in March 2020 through the CoC, and most grant amounts were increased. Money will also go to maintain the database programs of the County. Most available funds are designated as renewals and will maintain existing essential programs. Of the myriad of applications for funding, only two new agencies were recommended to the State to receive funds, Domestic Violence Solutions and Noah's Anchorage, but they were not granted funding.

Most of the recent funding for homeless projects that has come to Santa Barbara County has gone not to building housing but to provide services that accompany housing: setting up the Coordinated Entry System, programs to prevent homelessness, outreach, rental assistance, and programs that connect the homeless with health and supportive services. The grants typically have an expiration limit, and they are not enough to consider the construction of housing.

To build and sustain permanent supportive housing and its services, a continuous funding source will be necessary. Federal and State funding is now greatly stressed because of budget cuts following the COVID-19 pandemic. Funding for homeless housing has survived into 2021 but is not assured past that time. To solve the homeless housing crisis, counties and cities must rely on their own stable source of funding. At some point, local leaders may have to consider a tax, bond measure or a continuous budget line item to create financial resources. The State of California has dedicated billions of dollars to the housing and homeless crisis for the near term. Local governments need to consider long-term sustainable funding, perhaps in a regional trust, to be able to build housing while continuing to support existing programs.

CONCLUSION

Additional housing for the homeless has long been a necessity, but it is only in recent years that it has achieved national attention on a large scale. Local media has increasingly focused on the issue. Rarely a day goes by without some aspect of homelessness being brought to our attention. The time has come to involve our communities and solicit ideas and support in resolving what is now both a housing and human crisis.

Strong leadership from local government can go a long way toward alleviating the stigma of homelessness. Positive messaging on a consistent basis from local leaders and targeted neighborhood meetings that provide information and solicit input on specific development proposals could lay the groundwork. Partnering with local media can highlight the humanity of the homeless by sharing their success stories. Emphasizing the contributions of non-profit and religious communities and encouraging greater cooperation can also help to change the conversation.

Whether considering temporary, transitional or permanent housing for the homeless, it will not be built without the support of the surrounding community. To gain that support, comprehensive and inclusive neighborhood outreach must address the stigma of homelessness. There is a limited percentage of the homeless population who have mental health or substance abuse issues. Unfortunately, these are the people that are most visible on our streets and whose behavioral problems first come to mind when the issue of homelessness is broached to the public.

We the people of Santa Barbara County need to educate ourselves about the children and working families, the seniors and disabled, and the military veterans who comprise most of the homeless population. We need to accept that affordable housing for the homeless can be compatible with our neighborhoods, safe for both the residents and the neighbors, and neutral to local property values. We need to see the human faces of the homeless, hear their stories, and visit the successful facilities already in place. We need to appeal to our hearts and to our highest values, and we need to do it now.

Community opposition can evolve into community support when neighbors come to understand that in addition to helping others, we are benefitting ourselves and the Santa Barbara communities we all call home.

FINDINGS AND RECOMMENDATIONS

Finding 1

There is a need for greater transparency, understanding and accountability of homeless related expenditures and the results.

Recommendation 1a

That the Santa Barbara County Board of Supervisors direct the Santa Barbara County Community Services Department to publish an annual report of homeless related expenditures and outcomes.

Recommendation 1b

That the City Councils of Santa Barbara, Goleta, Santa Maria, Solvang, Buellton, Lompoc, Guadalupe, and Carpinteria publish an annual report of their homeless related expenditures and outcomes.

Finding 2

Permanent Supportive Housing for the most vulnerable homeless is lacking.

Recommendation 2

That the Santa Barbara County Board of Supervisors and the City Councils of Santa Barbara, Goleta, Santa Maria, Solvang, Buellton, Lompoc, Guadalupe, and Carpinteria develop plans and devise mechanisms for providing ways to build permanent supportive housing for our most vulnerable homeless populations.

Finding 3

State and federal funding that is granted to Santa Barbara County does not sufficiently support the mandate for housing the homeless.

Recommendation 3

That the Santa Barbara County Board of Supervisors and City Councils of Santa Barbara, Goleta, Santa Maria, Solvang, Buellton, Lompoc, Guadalupe, and Carpinteria identify funding mechanisms, including, but not limited to, bond issues, dedicated taxing, a designated budgetary line item and strong philanthropic partnerships, for housing the homeless.

Finding 4

Elected City and County leaders have not exhibited aggressive leadership in determining the availability of sites in their jurisdictions for housing the homeless.

Recommendation 4

That the Santa Barbara County Board of Supervisors, and City Councils of Santa Barbara, Goleta, Santa Maria, Solvang, Buellton, Lompoc, Guadalupe, and Carpinteria designate and facilitate building of housing for the homeless on sites within their jurisdictions.

Finding 5

A greater effort is needed to inform and include the public regarding the needs of the homeless for housing and services and how it can appropriately fit into neighborhoods.

Recommendation 5

That the Santa Barbara County Board of Supervisors, and City Councils of Santa Barbara, Goleta, Santa Maria, Solvang, Buellton, Lompoc, Guadalupe, and Carpinteria be more proactive in informing the public of the needs of the homeless for housing and services and how it can appropriately fit into neighborhoods by holding forums and conducting tours of existing facilities to educate the residents whose neighborhoods are proposed for the development of projects for the homeless.

Finding 6

There are no elected leaders serving as voting members of the Santa Barbara County Continuum of Care Board.

Recommendation 6

That the Santa Barbara County Board of Supervisors direct the Community Services Department to work with the Continuum of Care Board to develop a procedure for including elected leaders as voting members of the Continuum of Care Board.

Finding 7

A conflict of interest exists within the membership of the Continuum of Care Board as the member organizations who seek funding for their projects are permitted to vote and grant funding for their own projects.

Recommendation 7

That the Santa Barbara County Board of Supervisors direct the Community Services Department and the Santa Barbara County Counsel to work with the Continuum of Care Board to change the procedures for the voting process on the Continuum of Care Board to eliminate the perceived conflict of interest.

Finding 8

All overnight emergency shelters are at capacity year-round, there are not enough day centers, and there are currently no Navigation Centers in Santa Barbara County.

Recommendation 8a

That the Santa Barbara County Board of Supervisors and the City Councils of Santa Barbara, Goleta, Santa Maria, Solvang, Buellton, Lompoc, Guadalupe, and Carpinteria work together to create overnight emergency shelters commensurate with their homeless populations.

Recommendation 8b

That the Santa Barbara County Board of Supervisors and the City Councils of Santa Barbara, Goleta, Santa Maria, Solvang, Buellton, Lompoc, Guadalupe, and Carpinteria work together to create day centers commensurate with their homeless populations.

Recommendation 8c

That the Santa Barbara County Board of Supervisors and the City Councils of Santa Barbara, Goleta, Santa Maria, Solvang, Buellton, Lompoc, Guadalupe, and Carpinteria fund and expedite the development and opening of more shelters incorporating the Navigation Center concept.

Finding 9

Currently, several California cities are providing temporary homeless facilities by utilizing alternative cost-effective forms of housing such as high-performance tension fabric structures, tiny houses, and modular housing.

Recommendation 9

That the Santa Barbara County Board of Supervisors and the City Councils of Santa Barbara, Goleta, Santa Maria, Solvang, Buellton, Lompoc, Guadalupe, and Carpinteria undertake feasibility studies and develop plans for using alternate types of cost-effective forms of housing.

Finding 10

Currently, in some California cities, large health care insurers are utilizing their tax credits to fund housing facilities for the chronically homeless.

Recommendation 10

That the Santa Barbara County Board of Supervisors and City Councils of Santa Barbara, Goleta, Santa Maria, Solvang, Buellton, Lompoc, Guadalupe, and Carpinteria contact major health care insurers in their jurisdictions and encourage them to seek partnerships to support the construction of housing for the chronically homeless of Santa Barbara County.

Finding 11

Housing First's wraparound services concept necessitates an increased staff-to-client ratio.

Recommendation 11

That the Santa Barbara County Board of Supervisors provide the Behavioral Wellness Department with additional continuous funding to ensure the needed staff-to-client ratios in the County supportive housing facilities.

REQUEST FOR RESPONSE

Pursuant to *California Penal Code Section 933 and 933.05*, the Santa Barbara County Grand Jury requests each entity or individual named below to respond to the enumerated findings and recommendations within the specified statutory time limit:

Responses to Findings shall be either:

- Agree
- Disagree wholly
- Disagree partially with an explanation

Responses to Recommendations shall be one of the following:

- Has been implemented, with brief summary of implementation actions taken
- Will be implemented, with an implementation schedule
- Requires further analysis, with analysis completion date of no more than six months after the issuance of the report
- Will not be implemented, with an explanation of why

Santa Barbara County Board of Supervisors - 90 days

Findings 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11

Recommendations 1a, 2, 3, 4, 5, 6, 7, 8a, 8b, 8c, 9, 10, 11

City of Santa Barbara - 90 days

Findings 1, 3, 4, 5, 8, 9, 10

Recommendations 1b, 2, 3, 4, 5, 8a, 8b, 8c, 9, 10

City of Goleta - 90 days

Findings 1, 3, 4, 5, 8, 9, 10

Recommendations 1b, 2, 3, 4, 5, 8a, 8b, 8c, 9, 10

City of Carpinteria - 90 days

Findings 1, 3, 4, 5, 8, 9, 10

Recommendations 1b, 2, 3, 4, 5, 8a, 8b, 8c, 9, 10

City of Solvang - 90 days

Findings 1, 3, 4, 5, 8, 9, 10

Recommendations 1b, 2, 3, 4, 5, 8a, 8b, 8c, 9, 10

City of Buellton - 90 days

Findings 1, 3, 4, 5, 8, 9, 10

Recommendations 1b, 2, 3, 4, 5, 8a, 8b, 8c, 9, 10

City of Lompoc - 90 days

Findings 1, 3, 4, 5, 8, 9, 10

Recommendations 1b, 2, 3, 4, 5, 8a, 8b, 8c, 9, 10

City of Guadalupe - 90 days

Findings 1, 3, 4, 5, 8, 9, 10

Recommendations 1b, 2, 3, 4, 5, 8a, 8b, 8c, 9, 10

City of Santa Maria - 90 days

Findings 1, 3, 4, 5, 8, 9, 10

Recommendations 1b, 2, 3, 4, 5, 8a, 8b, 8c, 9, 10

GLOSSARY

ADA	American with Disabilities Act
BOS	Santa Barbara County Board of Supervisors
CES	Santa Barbara County Coordinated Entry System
CoC	Santa Barbara County Continuum of Care
HCD	Housing & Community Development division of the Santa Barbara County Community Services Department
HMIS	Homeless Management Information System
Housing First	HUD mandate for low barrier housing placement
HUD	US Department of Housing and Urban Development
PIT	Point-in-Time Count and Survey of the Homeless in Santa Barbara County
Phase 1	2018 County Action Plan to Address Homelessness
SBCAG	Santa Barbara County Association of Governments
Section 8	Rental subsidy vouchers from HUD for low-cost housing