



**SRCEH Analysis of City's Cost of Homelessness Report & Recommendations
October 19, 2015**

Overall: City spent \$13.6 million in FY 2014-15 on costs related to homelessness:

- \$7 million: "mitigating the impacts of homelessness" [homeless camp clean-ups; security etc]
- \$6.6 million: services and support:
 - ✓ \$4 million: investments: "programs or services that are directly providing solutions to end homelessness";
 - ✓ \$2.6 million: services to the homeless

A Closer Look at the Cost of Homelessness

**Comparison of Sacramento to Los Angeles:
Cost of homelessness & Expenditure per homeless person**

City	# of homeless people [2014 Point in Time count]	Cost of homelessness	Expenditure per homeless person	Expenditure of General Fund overall per homeless person	Expenditure of General fund to Mitigate Impact per homeless person	Expenditure of General fund for treatment, shelter and housing per homeless person
Los Angeles	28,000	\$100,000,000	\$3,570	n/a	n/a	n/a
Sacramento	2,450	\$13,666,709	\$6,802	\$3,917	\$2,628	\$329

Staffing vs Hard Costs

Type of cost	Amount	% Total
Staff costs	\$9 million	66%
Hard costs	\$4.6 million	34%

Type of Costs:

[Note: \$11,821,383 total is 87% of \$13.6m total]

Type of cost	Amount	General Fund		Cost: Impact, Service or Investment [Inv]			% Total
		Amount	% total	Impact	Service	Inv.	
Bathroom related	\$349,157	\$339,245	97.1%	100%			2.9%
Trash	\$127,628	\$75,392	59%	100%			1%
Homeless Camp Cleanup	\$232,617	\$144,705	62%	100%			2%
Security	\$552,754	\$444,454	80%	100%			4.7%
Subtotal	\$1,262,156	\$1,003,796	79.5%	100%			10.6%
Treatment	\$828,351	\$708,351	85.5%			100%	7%
Shelter	\$610,000	\$100,000	16.4%			100%	5.1%
Housing	\$1,335,849	0	0%			100%	11.3%
Subtotal	\$2,774,200	\$808,351	29.1%			100%	23.4%
Fire Department	\$4,956,636	\$4,956,636	100%	47.9% [\$2.37m]	52.1% [\$2.58m]		41.9%
Police Department	\$2,828,391	\$2,828,391	100%	99.3% [\$2.8m]		.07% [\$19,151]	23.9%
Subtotal	\$7,785,027	\$7,785,027	100%	66.5% [\$5.2m]	33.2% [\$2.58m]	.03% [\$19,151]	65.8%
Total	\$11,821,383	\$9,597,174	81.2%	54.5% [\$6.44m]	21.9% [\$2.58m]	23.6% [\$2.8m]	100%

Costs that SRCEH feels are not Direct Investments: “programs or services that are directly providing solutions to end homelessness” [note: definition in city report]. These indirect costs generally fall into administrative costs for programs.

Indirect rather than Direct Investments

Program	Amount	% Total
Community meetings	\$10,750	3%
Homeless Count	\$25,000	6.9%
Administration: City	\$137,715	37.8%
Administration: SSF	\$171,894	47.1%
SPD Vehicle	\$19,151	5.2%
Total	\$364,510	100%

Direct Investments: 26% of total costs are direct investments– subtracting indirect from the reports total of 29%

Summary:

- \$7m or 50% of the costs of homelessness goes to “mitigating the impacts of homelessness” – with 75% of that being either the Fire Department [\$2.3m] & Police Department [\$2.8m];
- City invests only \$808,351 of general funds, or 5.9% of the \$13.6m total, on mental health and drug treatment services [85.6% of total investment]; \$100,000 on shelter [16.4% of total investments] and \$0.00 on affordable housing;
- City spends 2.5 times the amount on mitigating the impacts of homelessness [\$6.44m] [[bathroom related; trash; cleanup; security; fire and police departments] than on services to the homeless [\$2.58m] – 100% of these services provided by the Fire Department [ambulance etc];
- Overall the City spends 2.3 times the amount on mitigating the impacts of homelessness - \$6.44 million -] than on treatment, shelter and affordable housing - \$2.77 million;
- General funds – the City spends 10.2 times the amount on mitigating the impacts of homelessness - \$8.23 million – than on treatment and shelter \$808,351 and zero general fund on affordable housing;
- City spends 10 times the amount of general funds on bathroom related issues; trash removal, homeless camp clean up and security [\$1m] compared to emergency shelter [\$100,000]:
 - ✓ 1.5 times the amount on homeless camp cleanup compared to emergency shelter
 - ✓ 3.3 times the amount on bathroom related issues compared to emergency shelter
 - ✓ 4.4 times the amount on security compared to emergency shelter
- Sacramento spends 8 times as much mitigating the impacts of homelessness per homeless person as on treatment, shelter and housing per homeless person

Recommendations

Goal: The goal of these recommendations is to lower the City’s costs of “mitigating the impacts of homelessness” which would then free up funds to invest in solutions that end and prevent homelessness, including mental health and drug treatment options; emergency shelter and a transitional community in the short-term and ultimately affordable housing.

1. **Moratorium on the City Anti-Camping Ordinance**

2. **Shelter & Transitional Community:**

- A. **Camping Safe Zones:** Create a Camping Safe Zone Pilot project that would provide homeless people, who have no alternative but to camp outside, a safe zone to camp--- include trash bins, port-a-potties, drinking water, cooking pits etc.
- B. **Expand funding for Year Round Shelter:** Redirect some “mitigating impact funds” to expand winter shelter to be year round and are accessible to adults, families and youth. Remove barriers to shelter including barriers currently faced by homeless families and homeless people with pets
- C. **First Steps Community:** City help site and fund First Steps Community – and make available to both homeless adults and homeless youth

3. **Sanitation issues:**
 - A. **Access to bathrooms & create Bathrooms Jobs Program:** Invest in keeping public bathrooms open for use by people experiencing homelessness; and create a Jobs Program to hire homeless people to staff the bathrooms and maintain them;
 - B. **Trash cans:** expand the number of trash bins that are accessible to people experiencing homelessness

4. **Public Health:**
 - A. **Mobile showers program:** Fund a Homeless Mobile Showers Program based on model program operated in San Francisco;
 - B. **Portable Water Stations:** Fund Portable Water Stations based on model program operated in Humboldt County;
 - C. **Needle Exchange Program:** Expand the County Needle Exchange Program with City funding

5. **Conduct City Homeless Cost Report on an Annual Basis**