

## The Homeless Crisis in Orange County

### 1. Summary

Throughout the year there are nearly 35,000 homeless people in affluent Orange County according to the Orange County Housing and Community Services Department (HCS). Homelessness is on the rise, often misunderstood, and is inextricably linked to poverty.

Homelessness is defined as not having a permanent address, sleeping in one or more places not meant for human habitation, not having ample food and medical attention, or a place to change clothes or bathe.

The 35,000 homeless include about 30% who are adult individuals and 70% who are families, including an estimated 16,300 homeless children. These children must face the fear, stigma, social instability, and the danger of living in these conditions. The majority of the homeless in the county are ordinary working families who do not have substance abuse problems or mental illness. In fact, most homeless defy stereotypes and represent a cross section of the overall population. The sad truth is that for these 35,000 homeless there are only about 2,950 available beds.

The 2005-2006 Orange County Grand Jury conducted a study of the homeless in the county and concluded:

- 1.1** The homeless problem does not appear to be a priority with the Board of Supervisors (BOS) as is shown by the fact that only \$143,000 has been allocated from the FY 2005-2006 general fund for the homeless and that is solely for management salaries.
- 1.2** The large population of homeless has increased at a rate of over 17% each year since 1998.
- 1.3** There is a great need for additional shelters and low cost housing for the homeless in the county.

### 2. Purpose of the Study

The purpose of this study was to determine if Orange County's leaders are taking a proactive approach to help reduce the number of homeless people and families in the County.

#### Acronyms in this Report

<b>BOS</b>	Orange County Board of Supervisors
<b>CoC</b>	Continuum of Care
<b>HCS</b>	Housing and Community Services
<b>HUD</b>	Housing and Urban Development
<b>SSA</b>	Social Services Agency

### 3. Method of Study

In conducting this study, the Grand Jury:

- Interviewed:
  - Employees of Orange County Housing and Community Services Department
  - County officials
  - City officials
  - Personnel at homeless shelters
  - Employees of Orange County Social Services Agency (SSA)
  - Police officers from the Santa Ana Police Department
  - Deputies from the Orange County Sheriff's Department
- Reviewed:
  - Continuum of Care Organization (CoC) Report
  - Publications from the U.S. Department of Housing and Urban Development (HUD) regarding homelessness and low income housing
  - Orange County "Strategic Financial Report"
  - Orange County 2006 Community Indicators Report
  - San Francisco "Plan to End Chronic Homelessness"
  - Grand Jury reports about the homeless from 1988-89, 1990-91, and 1994-95
  - "Strategies for Preventing Homelessness," U. S. Department of Housing and Urban Development
- Visited:
  - Orange County Outreach Court
  - Orange County Drug Court
  - Rescue shelter for homeless men in Orange County
  - Various faith-based shelters in Orange County
  - Mental Health Clinic

### 4. Background

#### 4.1 Legislative and Other Governmental Action Affecting the Homeless

Federal: In 1981, programs associated with the homeless were created, funded, and administered. In 1983, The Federal Task Force on Homelessness was appointed and concluded that states and local jurisdictions were best equipped to handle their own homeless situations with the assistance of funds from the federal government. Through grants, funds are provided to the county and private, non-profit agencies.

In 1987, Congress passed the McKinney-Vento Homeless Act, which provided emergency relief provisions to the homeless for shelter, food, mobile health, and transitional housing.

In 2002, the federal government introduced a new initiative called the "Ten-Year Plan to End Chronic Homelessness." Communities around the nation were asked to support the development of a comprehensive plan that would focus on ending chronic homelessness, not

just managing it. Since the initiative’s start, some regions have chosen to widen the scope of chronic homelessness to all homeless.

State: Assembly Bill (AB) 2034 was enacted in September 2000 and Propositions 10 (1998) and 63 (2004) were approved by the voters. These provide funds for programs and services for the homeless.

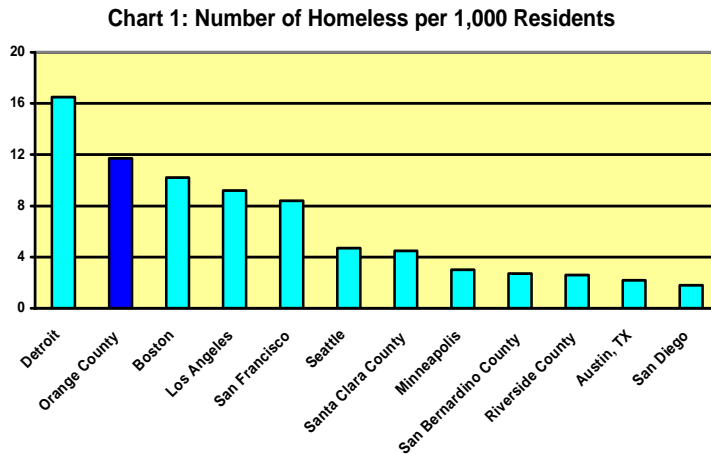
Local: The HCS administers rental assistance programs and contracts for various other services for the homeless and is funded by HUD.

#### 4.2 Orange County Homeless Population

According to the California Department of Finance, Orange County’s population increased 26.8% from 1990 through 2005. In contrast, the county’s homeless population increased 600% from approximately 5,000 in 1989 to 35,000 in 2005. The 2005 Homeless Needs Assessment indicated that 70% of the homeless were families with children. Homeless children must face the fear, stigma, social instability, and the danger of living in these conditions.

According to the Orange County 2006 “Community Indicators” report, it is estimated that 4% of homeless families have substance abuse problems while the presence of mental illness is less pronounced. In fact, the homeless “... defy stereotypes and represent a cross section of the overall population.” Financial loss, very high housing costs, health problems, or domestic

violence are more likely reasons a family becomes homeless.



A Weingart Institute study indicates that, when compared to peer regions, Orange County had the highest estimated rate of homeless in California, 11.7 per 1,000 residents. See Chart 1 for regional comparisons.

Santa Ana has a large homeless population for several reasons. It is the center for many of the agencies providing social,

mental, and health services. The homeless come here from other areas of the state and other parts of the country. There was a period when the Civic Center had a large encampment of homeless. They were eventually required to disperse, and fortunately many non-profit organizations stepped up and offered shelters and assistance.

At the present time there is not an adequate number of shelters to accommodate all of the homeless people in Santa Ana. An inventory indicates there are 2,950 beds among the

various shelters; most of them are located in Central and North County, leaving a large unmet need for beds.

### **4.3 Orange County Housing**

Orange County is experiencing an affordable housing shortage, which impacts the residents of our cities. Home prices and rents are at all-time highs and continue to outpace wages and benefits. Recent data regarding the Orange County housing market indicates the following:

- In September 2005, the median price of all houses in the county was \$609,000
- Eighty-nine percent of all households could not afford the median priced home in Orange County today
- Over half of renters pay 30% or more of their income for rent
- In June 2005, the average rent in the county was \$1,419, a 6.2% increase from 2004

### **4.4 The San Francisco Model of “Changing Direction”**

In 2004, the San Francisco Mayor appointed a former member of the San Francisco Board of Supervisors to chair a diverse, non-partisan working council to write a plan to end homelessness in ten years. The following were important for the planning:

- Admission that the separation of the provision of services from the provision of housing was not working
- Courage to say that they will no longer tolerate human beings living in abject misery and sleeping in the streets

From that start, the council developed guiding principles:

- “People must be stably housed before they can effectively deal with the other issues in their lives.
- “No one should be discharged from programs, hospitals, prisons, or other systems to the streets.
- “No matter how people enter the [social services] system, they should not be prevented from getting the housing and services they need.
- “There should be no gaps in services ... clients should retain the same primary case manager over time. ...
- “Housing, mental health, substance abuse, and SSI advocacy services must be integrated through...” the various city departments.

The council concluded that the “Ten Year Plan is a bold admission that the City of St. Francis can do a better job taking care of its own.”

### **4.5 Non-Profit Organizations**

Although private and non-profit organizations are not within grand jury purview, the Grand Jury wished to highlight their achievements as to what can be done to assist the homeless.

There are over 80 private, non-profit organizations providing shelters in addition to many other organizations providing services to the homeless in the county. These organizations serve as the foundation to the regional system of care for numerous reasons. They have direct

experience and knowledge of the challenges faced by the homeless; they provide a safety net for the county's very poor. Unlike public entities, these private organizations have access to corporate foundations and private funds as well as federal, state, and municipal (but not county) funds. Non-profit organizations generally operate with greater flexibility than government entities. The funds are leveraged to help as many individuals as possible. Two examples of Orange County non-profit organizations are:

- The Orange County Rescue Mission, founded in 1963, is the county's largest non-profit organization. Unlike most non-profit organizations, it operates entirely through donations, with no government welfare funding. Eighty percent of the funds come from individuals and the remaining amount comes from corporation grants. Services include emergency shelters, family housing for 12-24 months, meals, education, and health care.
- Info Link Orange County is recognized as the area's leading information and referral service agency. The 2-1-1 Calling System for Orange County became available on June 20, 2005. The information specialists available at the Call Center assist persons in need of health and human services. This organization is responsible for gathering and managing data about the homeless and was the primary facilitator of the 2005 Homeless Needs Assessment. Info Link relies heavily upon private contributions to carry out its programs and outreach services; the primary role of this organization is to provide a conduit to measure the types and extent of needs for the region's homeless and at-risk population.

## 5. Observations and Discussion

### 5.1 Continuum of Care Organization (CoC) Planning

There are approximately 160 individuals, cities, federal organizations, county agencies, and non-profit groups that participate in the Orange County's CoC planning process.

For the past five years, the leadership and coordination of the CoC planning process has been the shared responsibility of the HCS, Info Link Orange County, and OC Partnership. Collectively, this partnership is known as the Community Forum Collaborative. This public/nonprofit partnership helps ensure comprehensive coordination of efforts and resources to reduce the number of homeless and persons at risk of homelessness throughout Orange County. Each partner of the Collaborative has a unique role in the CoC planning process and acts as a catalyst for the involvement of the public and private agencies that make up the regional system of care. According to the June 2005 CoC Report, in the past year, these seven specific actions were taken toward meeting the goals for ending homelessness in the County:

- "Continued the implementation of the Assembly Bill 2034 (AB 2034) program. ...
- "Implementation of the County's discharge plans for individuals leaving County jails, foster care, and selected medical centers continued. ...
- "The Homeless Court continued to provide the chronically homeless with a means to resolve outstanding non-violent infractions and misdemeanors ...

- “Saint Vincent De Paul provided comprehensive case management and supportive services at Winter Armory program sites. ...
- “A partnership serving the needs of chronic homeless veterans was forged ...
- “The OC-HCA REACH Program provided outreach/supportive services to over 2,000 chronic street homeless suffering from substance abuse. ...
- “Community meetings were held to educate the public/private sector regarding the region’s homeless and programs available to meet their needs. ...”

While the county has achieved notable success in implementing its strategy to reduce homelessness, obstacles to meet HUD’s 10-year goal to end chronic homelessness remain. Barriers include, but are not limited, to the following:

- “**Legal versus social issue:** Many residents, business owners, and government officials continue to view chronic homelessness as a law enforcement issue rather than a social issue. ...”
- “**Lack of current data/information:** Even though there is excellent collaboration among public, private and nonprofit agencies serving Orange County’s chronic homeless, there remain limitations in the means used to collect information/data. ...”
- “**Inadequate resources:** Competition for dollars to fund homeless programs is growing. Local government constraints have led to the elimination/reduction of funds used for housing and support functions. ...”
- “**Inadequate wages:** Housing costs continue to outpace wages. In Orange County, average rents exceed \$1,300/month; and median prices exceed \$560,000. ...”
- “**Acceptance of homeless projects:** A major issue surrounding housing for the homeless is community fear of homeless people, particularly those with mental illness and/or substance abuse issues. ...”
- “**Lack of authority:** Implementing the regional CoC is primarily based on goodwill, *i.e.*, there is no authority that can mandate participation in and/or the dedication of resources to the CoC. ...”

“Plans to end homelessness must be tempered by the fact that there may always be homeless who will avoid services. This should not diminish efforts to end chronic homelessness; however, public officials must realize that some level of chronic homelessness will always exist.”

The Grand Jury believes that lack of authority is a key issue impacting the effectiveness of the CoC.

## 5.2 Orange County Government

The BOS generates a list each year of the top-10 county strategic priorities to serve as a guide for decisions on the next year’s budget. The list is gleaned from priority lists generated by each county agency. The FY 2006-2007 BOS priority list addresses an issue that may impact the homeless – affordable housing. Two other homeless issues, the CoC and Medical Services for Indigents are not in the top-10 and are not proposed for funding.

The Grand Jury met with the HCS, which is responsible for homeless prevention and related programs. The Grand Jury learned that this agency is a participant in the CoC in Orange County, which consists of many public and private organizations who work with the homeless to provide supportive services and housing.

In FY 2005-2006, the HCS secured \$16.4 million in federal, state, and local resources; however, only \$143,000 is from Orange County general funds. These \$16.4 million is allocated to the various organizations based on the services and the housing they provide. Over 30% of the funds requested were utilized to expand/preserve permanent and supportive housing.

The SSA helps homeless individuals and families by providing food stamps, financial assistance, medical needs, and child and adult protective services. It is funded on the federal, state, and local levels. General relief workers are sent throughout the county to help the homeless apply for Social Security and veterans' benefits, and to inform them where they may get medical attention. The SSA also advises the homeless on seeking housing.

For all of Orange County, the BOS has empowered two administrators below the agency deputy director level with responsibility for the homeless and seniors but with no funding for administrative support.

### **5.3 Local Government**

The Grand Jury learned through interviews and the 2005 CoC report that there is a concerted effort by the leaders of the cities in Orange County to address the needs of the homeless; however, as the numbers increase the challenge becomes greater.

- The Anaheim City Council continues its involvement in developing "working solutions to the County's motel homeless issues."
- The City of Irvine has made a commitment "to include homeless housing at the former El Toro Marine Air Station."
- San Clemente, Buena Park, Westminster, La Habra, and Cypress are also making efforts to provide low cost housing and shelters as well as other services for the homeless.
- The Santa Ana Police Department and the Orange County Sheriff's Department have promoted a very humanistic attitude toward the homeless and those with severe needs who are forced to live on the streets. Every officer has information readily available for those who need special services; they address the problems as a social issue rather than a violation of the law. On the other hand, the police will deal with the criminal element and remove them from the other homeless population.

### **5.5 Orange County's Outreach Court**

After several planning meetings to explore community courts' needs and resources, the Outreach Court Program was developed as an offshoot that could be implemented quickly with little cost to address a significant community problem. In 2003, Orange County held its first Outreach Court session at a local shelter for homeless defendants to resolve outstanding infractions and misdemeanor criminal cases.

The purpose of Outreach Court is to give the homeless access to the court system to settle matters pending against them. It helps the homeless move from the streets through shelter programs and county services to self-sufficiency.

The core elements of the Outreach Court include:

- “Voluntary Program  
Participants in the program must sign up for the program on their own and no one is taken in to custody at the Outreach Court sessions.
- “Addresses Range of Infractions and Misdemeanor Offenses  
Qualifying offenses are non-violent Infractions and Misdemeanors. Each case is carefully reviewed by either the District Attorney’s Office or City Attorney’s Office, and Public Defenders Office to determine eligibility.
- “Progressive Plea Bargain  
The Outreach Court Program ‘OCP’ offers a different plea structure from the traditional court proceeding. The OCP plea agreement responds to the cases/offenses that homeless participants receive due to their condition and status: living on the streets. Additionally, the OCP agreement acknowledges the efforts the participants undertake before their appearance in court. ...
- “Alternative Sentencing  
The OCP ‘sentences’ participants to activities in the shelter program or community... . The alternative sentencing structure is not coercive or punitive in nature, but rather designed to assist homeless participants with reintegration into society. ... These activities replace traditional court sentence options of fines, public work service and custody.”

Although the Outreach Court is under the auspices of the court, the Grand Jury believes the Outreach Court serves a vital function by facilitating the self-sufficiency of the homeless.

## **5.6 Prior Grand Jury Reports**

Prior Grand Juries studied the homeless topic as follows:

- 1988-1989 – “Homeless Families”  
Recommendations were for the OC Department of Education to track homeless children; the BOS to name a full-time homeless coordinator who would develop a homeless tracking system and create an 800 homeless hotline, direct all appropriate agencies to develop a directory of homeless services, work with the League of Cities to take a leadership role, and support the Community Development Council in utilizing an existing trailer to provide services where the homeless frequent; and, the SSA to decentralize its facilities throughout the county to better serve the homeless.  
There was no response from the Department of Education. The BOS implemented only one of the eight recommendations, partly implemented three, did not implement two, had no jurisdiction over one, and considered the Homeless Issue Task Force to be addressing one.

- 1990-1991 – “Homelessness – Orange County’s Dilemma”  
Recommendations were for the BOS to appoint a blue ribbon commission on the homeless, appoint a full-time homeless coordinator, develop a long-range plan, provide funding to support the Homeless Issues Task Force, and reconsider the low organizational placement of the Housing Office.  
The BOS implemented only two of the five recommendations and partly implemented the other three.
- 1994-1995 – “Shelters for Homeless Families in Orange County”  
Recommendations were for the BOS to acquire deactivated military base property for shelters and child care facilities and for the SSA to provide a centralized system for shelter vacancies, facilitate programs at shelters, and develop a tracking system for homeless families.  
The BOS and SSA begged off any action that would reallocate resources or spend additional funds to support any of the recommendations.

Despite some actions by the BOS or any governmental body within Orange County, the county’s homeless population increased by 600% since 1989 while the general population increased less than 30%. The Grand Jury believes that, as San Francisco did, Orange County should say to itself: *We can take better care of our own!*

## 6. Findings

In accordance with California Penal Code § 933 and § 933.05, each finding will be responded to by the government entity to which it is addressed. The responses are to be submitted to the Presiding Judge of the Superior Court. The 2005-2006 Orange County Grand Jury has arrived at the following findings:

- 6.1** *Low priority for the homeless:* The homeless problem does not appear to be a priority with the Board of Supervisors (BOS) as indicated by the fact that only \$143,000 has been allocated from the FY 2005-2006 general fund for the homeless and that is solely for management salaries. The County only allocates minimal funds from the general budget to support a two-person homeless unit that also is responsible for seniors.
- 6.2** *Responses by BOS to past grand jury reports:* Since 1989, three grand juries have made recommendations to the BOS to address the homeless problem. Despite previous efforts by the BOS, including responses to these reports, the homeless population has dramatically increased over that same time period.
- 6.3** *Lack of distributed services for the homeless:* The vast majority of county services are centralized in Santa Ana.

**Responses to Findings 6.1 through 6.3 are required from the Orange County Board of Supervisors.**

## 7. Recommendations

In accordance with California Penal Code § 933 and § 933.05, each recommendation will be responded to by the government entity to which it is addressed. The responses are to be submitted to the Presiding Judge of the Superior Court. Based on the findings, the 2005-2006 Orange County Grand Jury makes the following recommendations:

- 7.1** *Make the homeless problem a higher priority:* The BOS should reconsider the current priority level for homeless issues. To effectively support programs, provide shelters, and low cost housing for the homeless, the BOS should consider allocating sufficient funds from the general budget and coordinating efforts with private, state, and federal organizations. (See Findings 6.1 and 6.2)
- 7.2** *Create a high level leader over the homeless issue:* The BOS should consider funding and directing the County Executive Officer (CEO) to appoint a high-level leader with support staff. The leader would report to the CEO and work with county agencies and cities to:
- Coordinate homeless programs to maximize their efforts
  - Secure new county and other funds for homeless programs
  - Monitor all fund expenditures to provide better service for the homeless
- (See Findings 6.1 and 6.2)
- 7.3** *Distribute services for the homeless throughout the county:* The BOS should consider providing county services for the homeless in one-stop centers at strategic locations throughout the county to provide comprehensive assistance. (See Finding 6.3)

**Responses to Recommendations 7.1 through 7.3 are required from the Orange County Board of Supervisors.**

## 8. References

1. Orange County Strategic Financial Report, November 2005
2. "Orange County 2006 Community Indicators" report
3. California Assembly Bill AB 2034, 2000
4. Orange County Continuum of Care Report, June 2005
5. "San Francisco Plan to End Chronic Homelessness," 2004
6. "Homeless Families," 1988-1989 Orange County Grand Jury
7. "Homelessness – Orange County's Dilemma," 1990-1991 Orange County Grand Jury
8. "Shelters for Homeless Families in Orange County," 1994-1995 Orange County Grand Jury
9. Strategies for Preventing Homelessness, U. S. Department of Housing and Urban Development, Office of Policy Development and Research, May 2005