



COUNTY OF SAN DIEGO

BOARD OF SUPERVISORS

1600 PACIFIC HIGHWAY, ROOM 335, SAN DIEGO, CALIFORNIA 92101-2470

AGENDA ITEM

DATE: February 8, 2022

TO: Board of Supervisors

SUBJECT

ADDRESSING HOMELESSNESS AMONG OLDER ADULTS (DISTRICTS: ALL)

OVERVIEW

Older adults are at the center of California's housing affordability and homelessness crisis. As the cost of housing continues to soar, many older Californians living on low and fixed incomes are being forced to choose between paying rent, eating, or buying medications. As a result, older adults represent the fastest growing age group of the people experiencing homelessness in San Diego.

Older Adults and Homelessness

The number of newly homeless in San Diego County doubled in 2020. According to San Diego's 2020 Point in Time Count, one out of four of San Diego's homeless adults is over the age of 55. Among this group of unsheltered older adults, 88% became homeless in San Diego County and 43% are experiencing homelessness for the first time in their lives. There are 2,000 older adults that are actively homeless, and this number is projected to triple over the next decade. The number of adults aged 55 and over is projected to grow from 170,000 in 2017 to 225,000 by 2026, with the fastest growth among those 65 and over.

Furthermore, homelessness among older adults has disproportionately impacted communities of color. In San Diego, African Americans make up 4% of the general population, but nearly a quarter of the homeless population. According to the California Office of Statewide Health Planning and Development (OSHPD), Emergency Department Discharge Data, 62% of homeless individuals that are aged 55 or older that are discharged from the emergency department are persons of color and 17% of those individuals are African American. Since these alarming statistics have been collected in the last few years through the 2020 Regional Task Force on the Homeless, and 2019 State discharge and Serving Seniors data collection, homelessness and financial insecurity have continued to worsen as a result of economic effects of COVID-19, inflation, and double digit rent price increases.

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Challenges for Older Adults

Living on a fixed income is a challenging reality for millions of older Americans. Social Security provides most retirement income for approximately half of households aged 65 and older. Cost of Living Adjustments for retirees has not kept pace with the increased cost of housing in San Diego. In California, older adults who collect Social Security can expect to receive less than \$1,500 on average per month to pay their bills when the average rent in the region for an apartment is just under \$2,500. This leaves more older Americans living on fixed incomes that make it challenging to pay for necessary expenses such as food, transportation and medical expenses. Approximately half of households aged 55 and older have no retirement savings in a defined benefit plan or IRA. Many become homeless because they lack an economic safety net. Some suffer catastrophic events with dire financial consequences and may be forced to take actions that compromise their savings and financial security.

Further, older adults are not always eligible for certain programs. For instance, rapid rehousing programs are often designed to target working populations that are temporarily experiencing homelessness. Older adults may not be able to work due to age and physical ailments, so alternatives such as a shallow rent subsidy program are especially pertinent for older adults.

Our regional housing supply has not kept pace with the needs of low-income older adults, where wait lists for subsidies and voucher programs can extend several years. According to the National Coalition for the Homeless, there are at least nine older adults waiting for every one unit of affordable senior housing nationwide. There are currently almost 68,000 individuals on the San Diego County Housing Choice Voucher waitlist and nearly 40,000 individuals on waitlists for Project Based Vouchers. Collectively, nearly 65% of the population on the waitlists are older adults or have an older adult family member. San Diego County's skyrocketing rents and affordable housing shortages are the greatest barriers low-income older adults face. With the average rent for a one-bedroom apartment in San Diego being \$2,443 per month, older adults living on fixed incomes are struggling to keep a roof over their heads.

Early Intervention to Keep People in Their Homes

For a significant number of older adults, a relatively modest increase in rental assistance could be difference between staying in their homes or experiencing an episode of homelessness. More than half (56%) of those interviewed in the 2021 Serving Seniors Needs Assessment said that an additional \$300 or less of monthly income would increase their rent security. Permanent supportive and deed restricted affordable housing for older adults are long term solutions that also need to be addressed, but in the short term, the shallow rental subsidy program could help to prevent individuals from falling into homelessness.

We know that an ounce of homeless prevention is worth a pound of cure. Studies show that early intervention programs that keep people in their homes and prevent an experience of homelessness often leads to dramatically better life outcomes and cost savings.

Today's action aligns with the County's homelessness framework and aims to design a new pilot program at the County that will provide a shallow rental subsidy to low-income, rent-burdened older adults who are imminently at-risk of homelessness thereby keeping people in their homes and preventing an experience of homelessness. This action also calls for an evaluation

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framework to be developed to determine the effectiveness of this pilot in realizing improved life outcomes for program participants, and cost savings resulting from reduced homeless emergency services.

**RECOMMENDATION(S) SUPERVISOR JOEL ANDERSON AND SUPERVISOR
LAWSON-REMER**

1. Direct the Chief Administrative Officer to design a pilot shallow rental subsidy program for older adults who are low-income, rent-burdened, and at-risk of homelessness and return to the Board within 90 days with program design and eligibility recommendation for consideration and approval by the Board of Supervisors.
2. Direct the Chief Administrative Officer to explore the inclusion of the below criteria in the program parameters:
 - a. Eligible applicants should be 55 years of age or older;
 - b. Eligible applicants should be low income, possibly at or below 50% of the Area Median Income;
 - c. Eligible applicants should be rent-burdened, as defined by the U.S. Department of Housing and Community Development;
 - d. Eligible applicants should be actively seeking alternative affordable housing or enrollment in a Project Based Voucher, Housing Choice Voucher, or public housing Program waitlist;
 - e. Eligible applicants should be determined to be at-risk of homelessness
 - f. The program would pay rental subsidies to landlords on tenants' behalf.
3. Direct the Chief Administrative Officer to return to the Board within 90 days with recommendations around pilot program size, dollar amount, and funding sources. Potential funding sources could include one-time stimulus funds and already appropriated ARPA funds dedicated to homeless solutions
4. Direct the Chief Administrative Officer to develop an evaluation framework to determine program effectiveness and include this framework in the 90-day return back. The evaluation framework should include a logic model, anticipated short-term and medium-term results, programmatic output and outcome metrics that will be collected and tracked over time, and specific plans for evaluating the program effectiveness (such as a quasi-experimental program design).

EQUITY IMPACT STATEMENT

A shallow rent subsidy program would help prevent financially vulnerable older adults from losing their housing and having to forgo basic needs that others can typically afford. Older adults of color are more likely to face extreme rent burden and are at a much greater risk of becoming homeless. By providing shallow rent subsidies to aging individuals with limited income and no alternative housing or employment options, this preventive initiative will assist those on the verge of homelessness. It will help promote equitable living and uplift low-income older adults and communities of color.

FISCAL IMPACT

The recommendation to have staff come back with a proposed program design does not have a fiscal impact at this time. There will be no immediate change in net General Fund costs and staff years. Funds for a new shallow rent subsidy program are not included in the County's Fiscal

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Year 2021-2023 Operational Plan. Program costs could be several million dollars a year but would depend on design parameters including the subsidy amount and number of older adults served. The funding source for ongoing costs of a new program has not been identified.

BUSINESS IMPACT STATEMENT

N/A

ADVISORY BOARD STATEMENT

N/A

BACKGROUND

Older adults possess specific age-related obstacles contributing to their risk of becoming homeless. Fixed incomes, reduced employment opportunities, declining health, and diminishing mobility all present obstacles to housing and financial security. Although homelessness is an increasingly common issue for all age groups, the older adult population faces specific and unique circumstances leading to homelessness including economic stresses, age-related mental and physical health issues, and the Digital Divide.

According to the UCLA Center for Health Policy Research, the estimated annual basic cost of living in 2019 for a household with a single elder in San Diego is \$30,372 which is 8.8 % higher than the California average, while the median Social Security allotment for a single older adult is only \$13,147. As a result, the number of older adults experiencing homelessness is alarming and expected to increase significantly in the next few years. A 2021 report released by the local nonprofit, Serving Seniors, found that many survey participants said that they were struggling to make rent and 56% needed an additional \$300 a month to be housing secure. It also showed that 11% of surveyed seniors had gone without food or medication in order to pay rent. Among those who are or had been homeless, 45% had gone without food or medication.

The shallow subsidy approach entails utilizing funds to prevent homelessness from ever occurring, rather than implementing more costly interventions aimed at sheltering individuals once they are already experiencing homelessness. As noted, a few hundred dollars per month may prevent half of the older adults surveyed in the Serving Seniors Homeless Needs Assessment from experiencing homelessness while estimates provided by County staff for emergency shelter operating costs including services range between \$2,500-\$6,000 per month per unit depending on the type of shelter intervention and services offered, excluding site acquisition and development costs. Additionally, the trauma associated with experiencing even one occurrence of homelessness, can be avoided through early interventions that prevent homelessness from ever occurring. A highly targeted shallow rental subsidy program would allow San Diego County service providers to stabilize a portion of older adults at risk of homelessness.

A preventative mechanism to homelessness to keep older adults in their home and out of the Coordinated Entry System (CES) is a shallow rent subsidy program that provides payment assistance to older adults on fixed income. Los Angeles County, Alameda County, Hennepin County and many other jurisdictions across the nation have implemented successful shallow rent subsidy programs for specific populations. Los Angeles County's program has a successful model for older adults. In analyzing other models of older adult shallow subsidy programs and projected

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numbers provided by Serving Seniors that would best meet the needs of older adults, the subsidy program would give older adults meeting eligibility criteria a set percentage of their monthly rent based on a graduated scale. The program could also entail a pre-defined cap on rent increases for participating landlords and properties and the paying of the landlord or property management directly to avoid triggering taxable income that would negatively impact other benefits.

This program would drastically improve housing stability for older adults who need ongoing financial assistance and connect these individuals to other existing resources and social supports, such as self-sufficiency program enrollment, IHSS, caregiving and social participation programs, meal delivery services, health care, and medical care. The contractor selected to oversee the program would be responsible for the administering of the monthly checks to landlords, as well as light oversight and case management, to ensure that each older adult is connected to support services provided by the County, our subcontractors and community partners. The program could also help program participants in accessing other housing resources such as permanent subsidies, vouchers, and affordable housing options for older adults to increase long-term housing security.

According to a May 2021 Justice In Aging survey, there were nearly 92,000 Californians over 65 who were not caught up on rent. California's Master Plan for Aging calls for housing for all stages and ages. The County of San Diego needs to make significant investments in housing and homeless prevention solutions to ensure that all older Californians can remain in their homes and communities.

LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

The shallow rent subsidy program would help to reduce disproportionalities in homelessness through the upstream, preventive approach of protecting older adults who are susceptible of falling into homelessness.

Respectfully submitted,



JOEL ANDERSON
Supervisor, Second District



TERRA LAWSON-REMER
Supervisor, Third District

ATTACHMENT(S)

- A) Serving Seniors Homeless Needs Assessment
- B) Emergency Department and Hospital Reported Homelessness Among Discharged Residents Aged 55+, San Diego County, 2019
- C) HHSVA voucher waitlists