

DATE ISSUED: July 25, 2001

REPORT NO. 01-162

ATTENTION: Land Use and Housing Committee  
Agenda of August 1, 2001

SUBJECT: Transitional Housing Program for Displaced Seniors

SUMMARY

Issues -

1. Should the City Council approve, in concept, the development of a transitional housing program that will provide housing and services for up to 50 displaced seniors?
2. Should the City Council direct the City Manager to identify funding sources, in partnership with the Housing Commission, Centre City Development Corporation and the County of San Diego, for the lease and operational costs associated with a transitional housing facility for displaced seniors?
3. Should the City Council direct the City Manager to pursue master lease agreements with the Sara Francis and/or Capri Hotel?
4. Should the City Council direct the City Manager to proceed with a site search for additional locations to house up to 50 displaced seniors in the downtown or surrounding area, if necessary?

Manager's Recommendation(s) -

1. Approve, in concept, the development of a transitional housing program that will provide housing and services for up to 50 displaced seniors.
2. Direct the City Manager to identify funding sources, in partnership with the Housing Commission, Centre City Development Corporation and the County of San Diego, for the lease and operational costs associated with a transitional housing facility for displaced seniors.

3. Direct the City Manager to pursue master lease agreements with the Sara Francis and/or Capri Hotel.

4. Direct the City Manager to proceed with a site search for additional locations to house up to 50 displaced seniors in the downtown or surrounding area, if necessary.

Other Recommendation(s) – None

#### Fiscal Impact

The total projected annual cost for the proposed program is approximately \$490,000. The lease for a block of up to 35 rooms is estimated to be \$168,000. Operations cost is expected to be \$322,000. The County of San Diego, Health and Human Services Agency, Departments of Aging and Independence Services and Mental Health Services have committed to partnering with the City to explore possible funding sources to cover the operating costs. It is anticipated that the City would fund the facility cost that includes a \$168,000 master lease and \$20,000 for furnishing. The total estimated fiscal impact to the City is \$188,000. Possible funding sources include the Special Needs Homeless CDBG fund, Centre City Development Corporation, and the San Diego Housing Commission.

#### BACKGROUND

The community based Ad Hoc Committee on Senior Issues was established in March 2000. In March of this year, the Committee met to address an apparent rapid rise in the number of displaced seniors living in the downtown area. The Committee is composed of more than forty leaders (see attached member list) in the field including City and County of San Diego staff, nonprofit service providers and representatives of local elected officials. Senior Community Centers, a downtown San Diego nonprofit social service provider, reported that they have case managed more than 145 displaced seniors at their day center since January 1, 2001 – twice the number served during the same period last year. St. Vincent de Paul reported 165 unduplicated seniors were sheltered between December 15, 2000 and March 15, 2001 at the Newton Street shelter as part of the City's 2000-2001 Winter Shelter Program. This represents a 100% increase over the same period last year. As a result, the Committee recommends the City pursue the development of a facility that will house up to 50 displaced seniors on a case managed basis. This report responds to that recommendation.

#### DISCUSSION

**Needs Assessment:** As a result of rapidly increasing rents, very low vacancy rates and the closure of 250 SRO rooms by the federal government, large numbers of senior citizens who live on very low fixed-incomes have been displaced from housing. Reports from St. Vincent de Paul and Senior Community Centers indicate an increase of at least a 100% in the number of seniors seeking shelter over last year. Many more seniors appear to be in jeopardy of losing their housing. Senior Community Centers reported large increases in the number of people seeking food through their nutrition program. This suggests that many more seniors do not have enough income to buy food and pay rent. Seniors who have insufficient income to meet their basic needs

are at eminent risk of being displaced from their housing. Senior Community Centers, with the support of the City's Homeless Services Administrator, has applied to Alliance Healthcare Foundation for a grant to study the immediate issues related to the displacement of seniors from their homes. The study, to be completed later this year, will also assess the risk that present economic conditions could displace even larger numbers of seniors in the near future.

**Special Needs and Short-Term Transitional Housing Program:** The Transitional Housing Program for Displaced Seniors would be designed to house up to 50 displaced seniors in up to 35 leased rooms in a downtown SRO (15 rooms at double occupancy). Twenty-five of the 50 beds would be targeted to *special needs* seniors and would be available to the *AB 2034, Integrated Services Program*. These seniors suffer from multiple problems and need a longer-term transitional program. This program would also help fulfill the City Council's commitment to create 100 new transitional housing beds for special needs populations by December 2001. The remaining 25 beds would be designated as short-term transitional beds. The seniors housed in this program would be moved to a permanent housing arrangement in 30-60 days.

**Siting:** The U.S. General Services Administration (GSA) currently owns the Capri Hotel. An arrangement with GSA is being considered in which GSA would require the contracted hotel operator to master lease a block of up to 35 rooms to the City for the purpose of establishing the Transitional Housing Program for Displaced Seniors in a designated section of the hotel. The owner of the Sara Francis Hotel has also expressed interest in master leasing a block of rooms to the City for use by this program. The turnover rate at the Sara Francis is much slower than at the Capri Hotel and could take several months for the necessary number of rooms to become available through attrition. The Capri rents rooms by the week, which could make these rooms available faster. However, use of the Capri would be limited to one to two years due to the planned demolition of the hotel and the expansion of the federal court facility.

**Zoning/Conditional Use Permit:** Both the Capri and Sara Francis Hotel sites are located in the "C" Zone of the downtown Planned Ordinance District. They are, therefore, eligible and required to apply for a Conditional Use Permit (CUP) to operate a transitional housing program. The requested CUP would be narrowly focused to provide transitional housing to displaced seniors only. As this would be a *Process Five* CUP application, it could be approved by the City Council concurrent with approval of the overall project.

**Program Goal:** The goal of the Transitional Housing Program for Displaced Seniors is to provide case management services that will integrate housing, nutrition, physical and mental health care and social services for displaced seniors. These services would facilitate their ability to transition to more permanent housing and make lifestyle changes that will allow them to live more safely and/or independently. The success of the program will be evaluated according to the periodic assessment of client outcomes, utilization reports, and client satisfaction with services.

**Program Staffing:** The program will employ a Program Manager, two Case Managers and six Residential Attendants (24-hour coverage).

**Program Schedule and Persons Served:** The Transitional Housing Program for Displaced Seniors is expected to begin operations by November 1, 2001. It is anticipated that approximately 300 to 350 unduplicated displaced seniors will be served annually.

ALTERNATIVE (S) - None

Respectfully submitted by,

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Ronald G. Thurlow  
Administrator  
Homeless Services Program

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Concur: Debra Fischle-Faulk  
Deputy Director  
Community Services

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Concur: Hank Cunningham  
Director, Community and Economic  
Development

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Approved: Bruce Herring  
Deputy City Manager

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ATTACHMENTS: 1) Proposed Project Plan  
2) Proposed Budget  
3) Member List for Ad Hoc Committee on Senior Issues