

MOVING SAN LUIS OBISPO COUNTY FROM HOMELESSNESS TO HOPEFULNESS

Homelessness is not just a statistic; it is a human experience affecting our entire community. The County of San Luis Obispo Board of Supervisors (BOS) has recognized homelessness as the number one issue in the County, releasing a plan in 2022 to mobilize resources to combat the issues head on.

SUMMARY

The San Luis Obispo County Grand Jury (SLOCGJ) investigated the actions taken by the County and Cities to address homelessness as outlined in the “San Luis Obispo Countywide Plan to Address Homelessness 2022-2027” (The County’s Plan). The plan calls for a “whole-of-community effort to address homelessness to reduce the number of people experiencing homelessness by 50% of the current levels within 5 years.”

INTRODUCTION/PURPOSE

Homelessness is a serious issue that affects many people in the United States. According to the latest data from the Department of Housing and Urban Development (HUD), there were more than 653,000 people experiencing homelessness in the U.S. and 181,400 in California on a single night in January 2023. This was a 12% increase from 2022. Homelessness can have negative impacts on the health, well-being, and dignity of individuals and families as well as on the social and economic fabric of communities.

In San Luis Obispo County, homelessness increased by 32% from 2017 to 2019, reaching a total of 1,483 people as cited in the County’s 2022-2027 Homeless Plan. An updated Point-In-Time Count was conducted in January 2024; preliminary results released on May 6, 2024, indicate that the count has declined to 1,171. The Point-In-Time counts are an estimate based on a one-day blitz count of the visibly unhoused. Eighty percent of the homeless identified were unsheltered, meaning they lived in places not meant for human habitation such as streets, parks, cars, or

encampments. The main causes of homelessness in the County were lack of affordable housing, unemployment and underemployment, substance abuse, mental illness, and domestic violence.

The County has developed a multifaceted five-year plan to address homelessness which includes six Lines of Effort:

1. creating affordable and appropriate housing and shelter options,
2. reducing barriers to housing stability,
3. improving data management,
4. streamlining funding and resources,
5. strengthening regional collaboration, and
6. building public engagement.

The County's Plan states it best:

“Making incremental increases in uncoordinated efforts to reduce homelessness is no longer an option for our region. This plan outlines a bold, housing-centric strategy to reduce the number of people experiencing homelessness to 50% of the current level within 5 years. Achieving this goal will require a whole-of-community effort that includes increasing the availability of non-congregate shelters; reexamining and diversifying funding sources; strengthening regional partnerships; and modernizing the data systems and structures that address homelessness.”

Homelessness means living in a state of constant insecurity, uncertainty, and vulnerability. The unhoused face many challenges such as lack of shelter, food, health care, education, and employment opportunities. They also experience social stigma, discrimination, and isolation from mainstream society. Homelessness can have negative impacts on their physical and mental well-being as well as their sense of dignity and self-worth.

Homelessness is a complex and multifaceted issue that affects our larger community which has implications for housed citizens. Some are concerned, frustrated, or angry about this issue,

wondering why it is not being addressed. Some community members deal with issues such as litter, crime, or safety in their neighborhoods. Others may see the struggles of the homeless and may feel compassion, empathy, or sympathy for them. They may have to confront their own perceptions about the homeless and question their own values, beliefs, or responsibilities as members of the community.

As previously stated, the goal of The County's Plan is to reduce the number of people experiencing homelessness by 50% by 2027. The SLOGJ examined the County's progress toward this goal.

ORIGIN

Last year's 2022-2023 SLOGJ investigated the Oklahoma Safe Parking and found the San Luis Obispo County program was not working as intended. Addressing the problems at this site was essential due to safety concerns, County liability, and the need for better planning for any future safe parking initiatives. The 2023-2024 SLOGJ was concerned that the unfavorable press regarding this specific site and some of its residents perpetuated an unfairly negative image of people caught in homelessness. As a result, the SLOGJ sought to look broadly at the County's overarching plans and programs to address homelessness.

METHOD/PROCEDURE

The SLOGJ used the following methods for its investigation:

- conducted interviews of City and County leadership,
- conducted interviews with other stakeholders related to affordable housing,
- spoke to several frontline homeless relief executives, workers, and volunteers in the County,
- toured various facilities and non-profits throughout the County, and
- reviewed documents including State, County and City Plans, Commission Reports, Non-profit Annual Reports, Program Reports, and various published reports and articles throughout the nation.

BACKGROUND

The first Line of Effort of The County’s Plan for the first year was to find locations and start the building of nontraditional interim supportive housing with the goal of creating 300 units within three years. As of April 2024, the SLOGJ was able to confirm the following new units/beds are operational, in the process of being built, or in the planning phase toward the 300-unit goal:

Interim Housing	New Units / Beds	City	Status
Five Cities Homeless Coalition – Cabins for Change 16th Street	20	Grover Beach	Operational
Sun Street Recuperative Care	6	San Luis Obispo	Operational
El Camino Homeless Organization - ECHO	20	Paso Robles	Operational
Five Cities Homeless Coalition – Cabins for Change 4th Street	30	Grover Beach	Operational
Welcome Home Village	34	San Luis Obispo	Planned Opening 2025
Pine Street Project	20	Paso Robles	Planned Opening – Late 2024
Total	130		

Note: This list does not include pre-existing units/beds or units designated for permanent housing.

The SLOGJ was unable to confirm if the County is on track to meet the 300-bed goal by August 2025 as the County’s Plan lacks specific benchmarks toward achievement of the Plan.

NARRATIVE

CHAPTER 1: THE COUNTY’S STRATEGIC PLAN LACKS QUANTIFIABLE GOALS

The “San Luis Obispo Countywide Plan to Address Homelessness 2022-2027” is a five-year plan containing general time frames for the plan completion to reduce homelessness by 50%. The SLOGJ determined that The County’s Plan lacks quantifiable goals that are needed to address the specific strategies being implemented in The County’s Plan. Without specific metrics and conditions that relate to timelines and schedules, it is difficult to know whether The County’s Plan is on track for success. Quantifiable goals are useful to inform the public and elicit public engagement.

CHAPTER 2: COUNTY LEADERSHIP AND TURNOVER

Multiple interviewees reported that staffing changes and vacancies within the County leadership created challenges in terms of completing actions required to support the implementation of The County's Plan on homelessness. The plan lacks specificity, and although the high-level goals were discussed, details were notably absent and noted as needing to be developed by incoming staff.

The County was able to provide information and progress on filling the vacant positions which included organizational changes that will introduce qualified individuals to the management team. Hiring efforts do not address future turnover, which could adversely impact the implementation of The County's Plan in the future.

CHAPTER 3: PLACING FACILITIES IN COMMUNITIES

"We need the dirt," meaning real estate. This was a common refrain heard repeatedly during the SLOGGJ investigation. "We need to move the homeless from unacceptable encampments and into more suitable and sustainable approved locations" was another.

The County's Plan calls for rapidly creating and supporting low cost, nontraditional interim housing solutions. To meet the goal, the County has been working with the Cities as well as several non-profits. While there have been successes, which are discussed in this report, there are still significant challenges in finding suitable sites for shelters, non-congregate transitional housing, affordable housing, and warming centers.

The SLOGGJ investigation revealed that the locations selected for these sites are often fraught with difficulties:

1. Zoning and Ordinance Complexities: The County as well as the Cities grapple with intricate zoning regulations and local ordinances when identifying suitable land for homeless shelters. Zoning laws dictate land use, density, and activities that are permitted within an area. These regulations often clash with the urgent need for shelter spaces. The

County's efforts to establish shelters have encountered roadblocks due to zoning restrictions that limit where such facilities can be located.

2. Public Opposition and NIMBY Syndrome: Many public officials advised that the "Not In My Backyard" (NIMBY) issue poses a significant challenge. When proposed shelter sites emerge, local residents often express resistance due to potential impacts on property values, safety, crime, and neighborhood aesthetics. While these concerns often have merit, Cabins for Change (CFC) and El Camino Homeless Organization (ECHO) demonstrate that well-managed shelter housing can be successfully integrated as part of a neighborhood.

The prolonged process of vetting land for shelter sites comes with a significant financial burden. Environmental assessments, legal consultations, and community-engagement efforts require financial resources. Additionally, delays caused by zoning disputes, public opposition, and bureaucratic hurdles prolong the process, sometimes jeopardizing funding.

For example, the County of San Luis Obispo received a \$13.4 million grant from the State to develop interim and permanent very low-income housing. The County's first site slated for these facilities was to be located near Prado Road and South Higuera Street. Due to neighborhood concerns and zoning, the County had to look for a new site before funding expires in 2026. The longer it takes to establish shelters, the more taxpayers bear the burden of emergency services, law enforcement, clean-up efforts, and healthcare costs associated with the unsheltered homeless.

The SLOCGJ's investigation determined that the County as well as some Cities have not placed an emphasis on implementing Line of Effort 6, "Building public engagement through information and partnership." During the investigation, the SLOCGJ learned that the communication effort had been delayed due to County staff turnover. It is critical for the County to engage in transparent communication and form partnerships between County officials, non-profits, and the community at large. Communication efforts including advising and educating the public

about the benefits of well-managed shelters, addressing misconceptions, and developing plans to address public concerns are key elements of the County's five-year plan.

Every SLOCGJ interviewee advised how addressing homelessness is a complex challenge and finding suitable sites for shelters, affordable housing, or warming centers has met with various obstacles. Examples of specific San Luis Obispo County sites experiencing setbacks and outcomes are as follows.

1. Prado Day Center Expansion (2019):

- The Prado Day Center in San Luis Obispo provides services to homeless individuals during the day. There were plans to expand its capacity to accommodate more people.
- Setback: The proposed expansion faced public opposition from nearby residents and businesses due to concerns regarding safety, property values, and neighborhood impact.
- Result: Despite efforts to address concerns, the project was eventually halted due to community resistance.

2. Higuera Street Parking Lot (2020):

- The City of San Luis Obispo explored using a vacant parking lot on Higuera Street as a temporary homeless shelter.
- Setback: The proposal faced legal challenges related to zoning regulations and land use.
- Result: The legal complexities and opposition led to delays, and the site was not utilized as planned.

3. South Higuera Street (2021):

- Another site on South Higuera Street was considered for a permanent homeless shelter.
- Setback: The proposal encountered resistance from neighboring businesses concerned about the impact on their operations.

- Result: Despite efforts to address concerns, the project faced neighborhood opposition and financial challenges and was not implemented.
4. Paso Robles Emergency Warming Center (2022):
- The City of Paso Robles sought to establish an emergency warming center for homeless individuals during cold weather.
 - Setback: The proposed site faced zoning issues and concerns about its proximity to residential areas.
 - Result: The city struggled to find an alternative location that satisfied both safety requirements and community acceptance. The City is currently working on a grant to fund a community building that will also serve as a warming center.
5. Grover Beach Safe Parking Program (2023):
- Grover Beach explored a safe parking program for people living in their vehicles.
 - Setback: Identifying suitable parking lots and obtaining necessary permits proved challenging.
 - Result: A lack of available sites and bureaucratic hurdles hindered the program's implementation. In the end, the city determined that Safe Parking was not a viable solution as it does not move people into permanent living solutions.
6. 40 Prado (2023):
- The original plan, announced in 2020, was to add 40 tiny homes on its property to provide 90-day transitional housing for its clients.
 - Setback: In 2023 residents and businesses near the center expressed concerns about the potential impacts of the tiny homes on the neighborhood such as increased traffic, noise, crime, and decreased property values. They have also argued that the project does not comply with the zoning and land-use regulations of the area and have filed appeals and lawsuits to stop it.
 - Result: Despite efforts to address concerns, the project was eventually halted due to community concerns and zoning issues. The County is currently working to develop an alternate site near Johnson Avenue.

CHAPTER 4: COUNTY & CITY PARTNERSHIPS WITH NON-PROFITS FIND SUCCESS

The development of The County's Plan included the need to partner with various agencies and stakeholders, including non-profits. The SLOGJ chose to focus on one of the identified groups, Homeless Service Providers. To support these efforts, the SLOGJ interviewed representatives from the seven incorporated cities in the County and a member of the County BOS. Site visits were conducted at:

- Cabins for Change (CFC), operated by 5 Cities Homeless Coalition (5CHC),
- El Camino Homeless Organization (ECHO), and
- 40 Prado Homeless Services Center (40 PRADO), operated by the Community Action Partnership of San Luis Obispo (CAPSLO).

Of interest is how these non-profits are helping meet the goals of The County's Plan.

The BOS representative as well as all city representatives interviewed expressed their reliance on, and confidence in, these non-profit organizations. Without hesitation they acknowledged the importance of their working relationships with these non-profits in the successful outcome of a viable plan to address homelessness in the County.

A challenge for 5CHC, ECHO, and CAPSLO is their reliance on donations, fundraising, and grants, which comprise a large portion of their annual budgets. These funding sources are not on-hand in advance of operations but are raised throughout the year. These organizations are budgeted at levels they believe to be achievable but not sustainable for the long term. In addition, these organizations rely heavily on volunteers and donations of food and other supplies. Sustaining or increasing these funds to allow for expansion is challenging as grants and donations are not predictable year over year.

Different models exist for shelters. Non-congregate shelters differ from traditional communal shelters by providing individualized spaces for residents. Instead of large dormitory-style accommodations, non-congregate shelters offer private rooms or cabins, allowing each person,

couple, or family to have their own space. The County's Plan calls for an increase in non-congregate shelters.

Programs offering a 90-day model are an innovative approach to addressing homelessness. These programs are designed to transition the individual into permanent housing rather than just providing temporary nightly shelter. Currently, both 5CHC and ECHO operate under a 90-day model. With 40 Prado's recent conversion to a 90-day model, there is currently no nightly drop-in shelter in the County.

Under the 90-day model, shelter residents are required to participate in programs designed to address their individual needs, foster stability, and facilitate transitions into permanent housing. Case managers are assigned to individuals to assess their needs, create personalized plans, and connect them with required resources. Case managers assist individuals with:

- securing identification documents,
- providing employment assistance
- training in life-skills, and
- accessing medical care, mental health support, substance abuse treatment, and social services.

The goal is to address the entirety of the situation, meeting each individual where they are in their life and transitioning them into permanent housing.

The County's Citizens' Homeless Accountability Commission (CHAC) 2023 Annual Report focusing on the goals and execution of the County's 5-Year Plan acknowledged that much of the data comes from nongovernmental service providers that may have a financial interest in positive reporting. The CHAC verified reports from these service providers and concluded that most are "performing extraordinarily well within the limits placed on them."

5 Cities Homeless Coalition (5CHC) / Cabins for Change (CFC)

Since opening its first 20 cabins in Grover Beach on December 23, 2022, and through mid-March 2024, the total number of individuals housed was 94. The program’s goal is to obtain housing success within 90 days of entry. To date, 5CHC has achieved a 71% success rate of clients graduating to permanent housing. The average stay through March 2024 is 109 days due to a lack of available permanent supportive housing. As of May 2024, there were 310 individuals wait-listed for cabin shelter. The facility provides residents with private shelter and the opportunity to utilize available resources to take their next steps toward sustainable housing. The 5CHC problem-solving approach provides computer access, internet, phone, mailing address, food, and hygiene supplies in addition to basic shelter. The 5CHC also prevented 103 at-risk community members from losing their existing housing and entering homelessness with rapid financial assistance. A warming center is opened as needed during inclement weather. The 5CHC Outreach Team has specialized knowledge and serves as a bridge to community services such as housing, medical care, behavioral health, and substance abuse treatment. The 5CHC Outreach Team serves the south County.

On May 3, 2024, 5CHC opened an additional 30-unit non-congregate shelter facility in Grover Beach. The City of Grover Beach purchased the land and offered the 5CHC a 55-year lease for the shelter. The Balay Ko Foundation donated approximately \$2.6 million to the project, and Dignity Moves, a Santa Barbara-based company, is the developer for the cabins.



Cabins for Change, Grover Beach
Location 1



Cabins for Change, Grover Beach
Location 2

El Camino Homeless Organization (ECHO)

ECHO began in an Atascadero church in 2001 and has grown over time. They currently have a total of 130 beds with 125 beds allocated to their 90-day shelter program and five night-by-night beds for emergencies. Of the 130 beds, 110 are located in Atascadero in a residential neighborhood with schools nearby. This placement within the community has been successful because ECHO prioritizes their responsibility as a good neighbor. The Atascadero location has congregate shelter beds designated for men, women, and families.



Converted Motel 6, Paso Robles

The newest addition to ECHO’s program has been 20 beds in Paso Robles at a converted Motel 6. This location is operated in partnership with HASLO. ECHO operates the shelter beds while the Housing Authority of San Luis Obispo (HASLO) operates low-income permanent housing within the previous Motel 6 location. This partnership has allowed many who are sheltered at the location to move to a permanent bed while continuing to live within this supportive community. Those in permanent housing then become a hopeful demonstration of program success for new entries into the 90-day shelter beds. ECHO reports a success rate of 60% for moving people into permanent housing compared to progress in



Representative Handprints on ECHO’s Wall of Success

increasing the inventory of affordable housing, the national average of 10%. ECHO’s most successful year was 2023 with 201 people becoming housed. At the time of the SLOCGJ visit in mid-March 2024, 62 people had become housed. Their waitlist for housing is approximately 330 individuals comprising the 130 people in their shelter program and an additional 200 unhoused that they interact with through their outreach program. Those 200 are often also waitlisted for a shelter bed. Occasionally, through the outreach team’s efforts, permanent housing can be found before a shelter bed opens.

ECHO behavioral health case workers for both the shelter and the outreach program take a multifaceted and individualized approach to preparing their clients to successfully transition into permanent housing. Through these efforts their clients have a high success rate at staying permanently housed. Some of these efforts include teaching life skills for employment, financial literacy, health care management, and parenting.

Services offered through ECHO include:

- overnight shelter,
- meals,
- showers,
- laundry,
- mail/phone services, and
- access to case management.

The meal program is central to the ECHO operation. Meals are offered free of charge to anyone. The program serves their shelter clients and also the larger community. Homeless individuals hesitant to engage with the ECHO outreach team can come for meals and gradually develop trust that may lead to future engagement. Clients that have been successfully housed continue to be welcomed for meals to maintain their connection to this supportive community. Additionally, the meal program provides some homeless prevention when income levels put someone in the position of having to choose between rent and food.

40 PRADO HOMELESS SERVICES CENTER / CAPSLO

The Homeless Services Division of CAPSLO serves the unhoused community of San Luis Obispo County, utilizing funds in three major programs:

- Sheltering at 40 Prado which includes Safe Parking and a warming center as needed,
- Recuperative Care Program, and
- Case Management, which supports the unhoused and links them to needed resources.

Since 1989, CAPSLO's Homeless Services Division has provided programs aimed to help homeless individuals and families achieve economic stability and overcome obstacles to successful permanent housing.

The 40 Prado Homeless Service Center aids individuals and families to help move them to self-sufficiency. The total capacity is 128 beds, 95 of which are for adults. Services include:

- overnight shelter,
- meals,
- showers,
- laundry,
- mail/phone services,
- access to case management,
- primary medical care, and
- animal kennels.

In addition to the sheltering program at 40 Prado, the unhoused community is offered a Safe Parking Program allowing individuals to have a safe place to park their vehicles onsite overnight. An onsite warming center is opened during inclement weather.

40 Prado services includes a Recuperative Care Program which provides 10 beds and a safe place to convalesce for individuals who would otherwise be discharged to the streets. This program provides around-the-clock staffing, case management, and a registered nurse. Intake to this program is from local hospitals and skilled nursing facilities.

Since implementing the 90-day shelter program in September 2023 through February 2024, there have been 132 participants. Of those 82 have been successfully housed, and 104 remain on a wait list. The average length of stay was 94 days.

CHAPTER 5: FUNDING FOR NON-PROFITS

There are several funding sources available for homeless programs in San Luis Obispo County. These include funding from government agencies including federal, state, County and City, as well as grants and private contributions. The SLOCGJ reviewed operations of three nonprofit organizations that provided homeless services for the County: Five Cities Homeless Coalition (5CFC), El Camino Homeless Organization (ECHO), and CAPSLO (40 Prado).

Cabins for Change (CFC) / 5 Cities Homeless Coalition (5CHC)

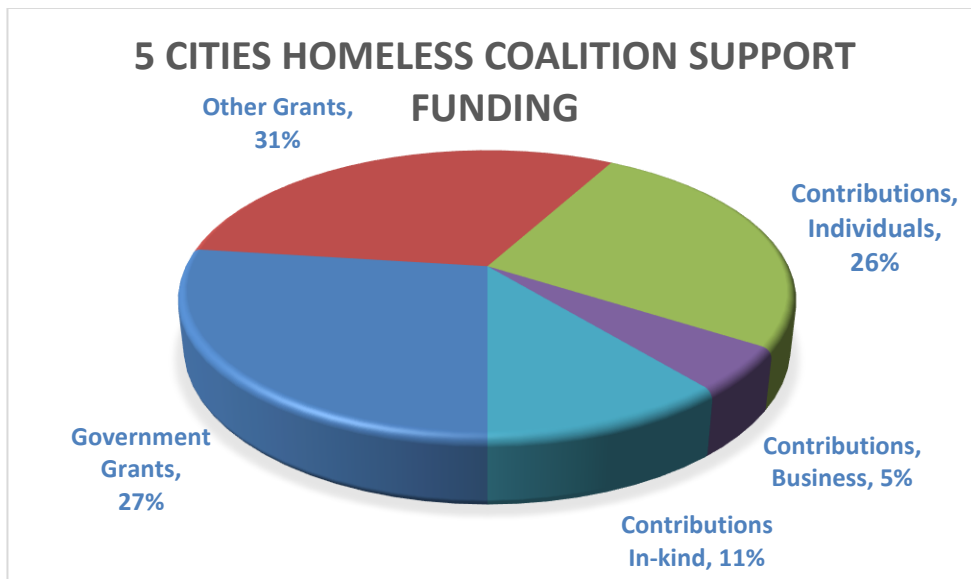
Five Cities Homeless Coalition, Inc., (5CHC) classifies funds as Revenue (77%) and Support (23%).

The sources of the funding for Revenue Category are:

- Government Contracts 99%
- Special Events and other fundraising 1%

The sources of the funding for Support Category are:

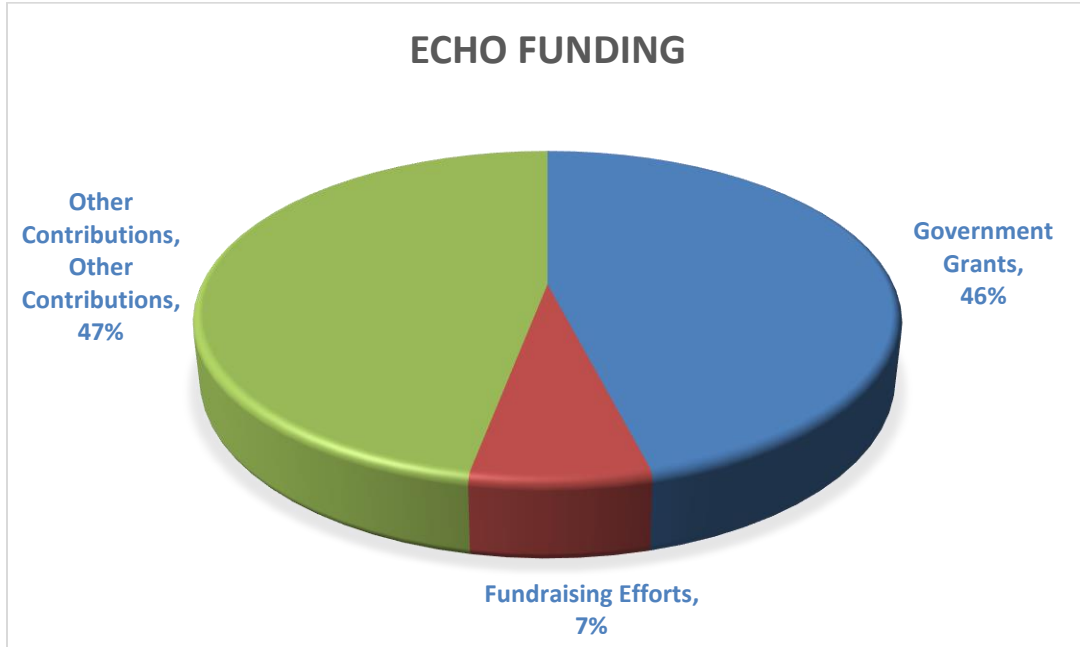
- Government Grants 27%
- Other Grants 31%
- Contributions from Individuals 26%
- Contribution from Businesses 5%
- Contributions in-kind 11%



El Camino Homeless Organization (ECHO)

El Camino Homeless Organization (ECHO) funding is sourced from three different monetary categories:

- Fundraising Events 7%
- Government Grants 46%
- All other contributions 47%



40 PRADO HOMELESS SERVICES CENTER / CAPSLO

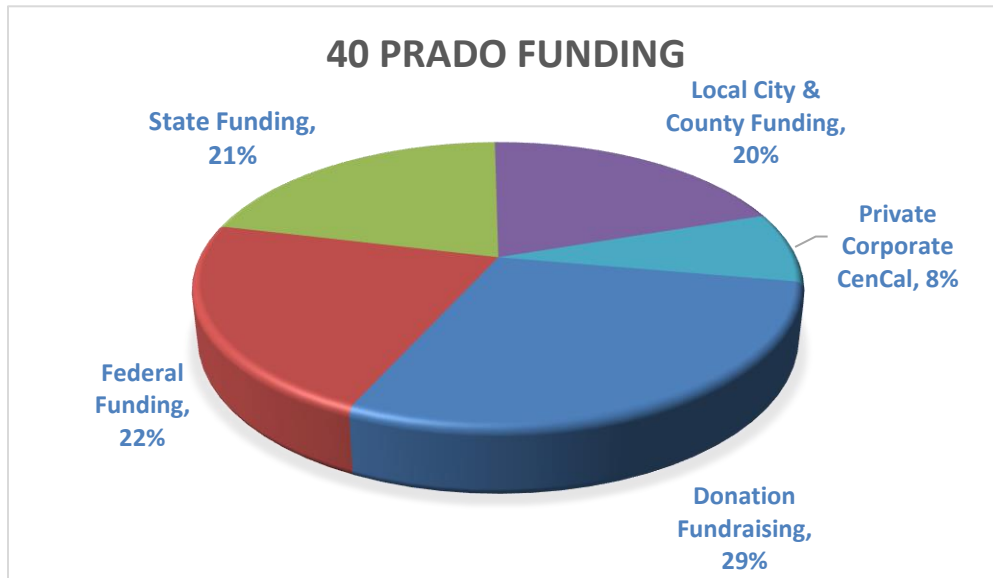
Homeless Division of CAPSLO (40 Prado) funds three major programs:

1. Shelter, Safe Parking, and Warming Center,
2. Recuperative Care, and
3. Case Management.

1. The Shelter, Safe Parking, and Warming Center percentages of the funding are:

- Donation/Fundraising 29%
- Federal Funding 22%
- State Funding 21%
- Local County and City 20%

- Private/Corporate-CenCal Health 8%



2. Recuperative Care funding comes from Private / Corporate-CenCal Health.

3. The Case Management percentages of funding are:

- Federal Funding 34%
- State Funding 22%
- Local County and City Funding 1%
- Private / Corporate-CenCal Health 43%

Overall, for these non-profits, the SLOGGJ found government grants range from 40% to 60% of the total funding. These grants have stipulations on funding resources and specific time periods and may not be relied upon as a permanent source of income to the organizations. The private contributions range from 35% to 50% and play a major role in the operations of these organizations.

Local governments rely on non-profits for full implementation of The County’s Plan. The challenge for our local government is to help secure ongoing funding for these vital partners.

CHAPTER 6: OUTREACH EFFORTS

The County and Cities deal with the lack of beds for the homeless through the use of outreach teams sometimes known as a Community Action Team or a CAT Team. These teams often consist of a police officer, a mental health worker, and a social worker. It is not uncommon for a medical professional or a firefighter to join a team. The purpose of the CAT Teams is to go into the community and develop a trust-building relationship with homeless individuals to create a path to services and ultimately to permanent housing.

Many of the homeless suffer from mental health issues, addictions, or physical disabilities that can be factors into them being unhoused. The comprehensive make-up of the CAT Teams allows most issues of the homeless to be addressed. The mental health worker and the social worker have access to many services provided throughout the County and will develop a plan tailored to the individual that will assist them in getting them off the street. The police officer acts as a liaison between the homeless and the legal system. The police have specialized training in engaging with the homeless and offering options that minimize the risk of incarceration.

The County has a full-time Behavioral Health Community Action Team (BHCAT) which includes a specially trained deputy and members of the County's Behavioral Health staff. This County team has formalized partnerships with the Paso Robles and the Atascadero Police Departments.

The City of San Luis Obispo has two outreach teams dealing with homelessness -- the Homeless Outreach Team (HOT) and the Projects for Assistance in Transitions from Homelessness (PATH). HOT is the action team that goes into the community to respond to those experiencing a mental health crisis. This team consists of a nurse, a psychiatric technician, a behavioral health therapist, a Transitions-Behavioral Health Association (TMHA) peer support specialist, two TMHA outreach workers, and a TMHA Case Manager. This team interacts with approximately 200 people yearly. PATH is the outreach service that engages with the homeless that are not currently connected to the services available to them.

ECHO is also heavily involved with outreach to the homeless in Paso Robles and Atascadero. ECHO Atascadero is contracted with the City of Atascadero to provide behavioral health workers for the team. The team in Paso Robles includes a police officer, a case manager, and County behavioral worker. An administrator for ECHO reported that these outreach teams have been very successful in interacting with the homeless and leading them to the help they need.

Morro Bay’s representative indicated that their City does not have an official CAT Team, but there are police officers and firefighters with special training to assist with the needs of the homeless.

The Five Cities Homeless Coalition (5CHC) provides trained outreach support from Avila Beach to the Santa Barbara County border with the goal of guiding the homeless to appropriate services.

CHAPTER 7: LACK OF TRANSITIONAL AND AFFORDABLE HOUSING

The availability of affordable housing and its effect on homelessness are continually identified as priority concerns by residents as well as County and City officials. The issues of homelessness and affordable housing are intertwined. First, to successfully transition the unhoused, there must be permanent housing options available to them. Second, affordable housing is necessary to prevent people from becoming unhoused. The County of San Luis Obispo has recognized this by creating the Homeless and Affordable Housing Division of the Department of Social Services in 2023.

The following table extracted from a report by the California Housing Partnership and data from the California Department of Housing and Community Development illustrates the Housing Cost Burden by income levels.

HOUSING COST BURDEN BY INCOME LEVEL		
Income Level as Percentage of Area Median Income (AMI)	Percent With Housing Cost Greater Than 30% of Income	Percent With Housing Cost Greater Than 50% of Income
Extremely Low Income <30% of AMI (\$25,319)	87%	83%
Very Low Income 30% to 50% of AMI (\$25,319 - \$42,199)	77%	43%
Lower Income 50% to 80% of AMI (\$42,199 - \$67,518)	63%	16%
Moderate Income 80% to 120% of AMI (\$67,518 – \$101,277)	39%	5%
Above Moderate Income >120% of AMI (\$101,277)	7%	1%

Access to affordable housing disproportionately impacts the lowest income earners, earning less than 80% of the AMI. In San Luis Obispo County, only 8% of the housing units would be affordable to households earning less than 30% of the AMI. As a result, this places these households at an increased risk of becoming homeless or living in overcrowded conditions. For very low and low-income earners, 70% reside in overcrowded housing conditions.

Seniors (age 62 and older) are a growing population in the County. Seniors represent more than a third of households earning less than 80% of the AMI. A significant number of seniors have housing cost burdens greater than 30% of their income, and a large percentage face housing costs greater than 50%.

The lack of affordable housing has broader impacts on employment and the economy. During the SLOCGJ’s investigation, many County department heads expressed a lack of staffing in their departments as a major concern. One impediment to recruiting qualified candidates is the cost of housing in the County. Private industries and other professional services such as medical providers, educators, and others have experienced difficulty in procuring housing at affordable levels. Due to the high cost of housing in San Luis Obispo County, businesses and industries that could provide head of household jobs are reluctant to locate in the County.

The Regional Housing Needs Assessment (RHNA) identifies the need for 3,256 new housing units in the County. Of those units, 1,891 were identified as needed for moderate and below moderate-income earners. Since January 1, 2019, the County has permitted 368 units, and 239 of the 1,891 have been built. The County has recognized the critical nature of this issue and has addressed it in the Housing Element (HE) of the 2020 General Plan. The HE lists more than 30 strategies regarding housing. The County staff prepared “The 2020-2024 Consolidated Plan and 2020 Action Plan” which provides a thorough analysis of affordable housing in the County. Organizations such as REACH, The California Housing Project, Road Map Home 2030, and others have done an extensive review of the issue.

Although slow, progress in increasing the inventory of affordable housing is occurring. Many non-profit agencies have worked to fill the gap. People’s Self-Help Housing, CAPSLO, HASLO, and Habitat for Humanity have all been integral in providing housing units. The County has identified sites and approved projects in Templeton, Nipomo, and San Miguel.

In 2023 the County dedicated \$11.1 million to the development of Affordable Housing and Permanent Supportive Housing projects. The Planning and Building Department identified the following anticipated projects.

In 2024, an estimated total of 381 units are planned:

- Atascadero – 75 units
- Morro Bay - 35 units
- Nipomo – 10 units
- Paso Robles – 79 units
- Pismo Beach – 76 units
- San Luis Obispo – 106 units

In 2025 (and beyond), an estimated total of 691 units are planned:

- Arroyo Grande – 63 units
- Atascadero – 114 units
- Cambria – 33 units

- Grover Beach – 53 units
- Paso Robles – 78 units
- San Luis Obispo – 322 units
- Templeton – 28 units

Additionally, the Dana Reserve Project which includes affordable housing components was approved by the BOS on April 24, 2024.

Several factors have been identified that contribute to the slow progress. These include:

- Length and cost of permitting process,
- Environmental Impact Reports,
- High builder fees,
- Community concerns,
- Lack of land inventory, and
- Infrastructure resources including water, sewer, transportation.

CONCLUSIONS

This investigation concentrated on the “San Luis Obispo Countywide Plan to Address Homelessness 2022-2027,” and examined not only the County’s responsibilities under that plan, but the mutual responsibilities of our cities and the critical role played by nonprofit organizations. Specific challenges included recruitment and retention of personnel essential to addressing homelessness, the difficulty in securing sites for transitional and permanent housing, finding secure annual funding for ongoing and new programs, providing education to the unhoused and to community residents alike, and the lack of affordable housing. The report also cites examples of successful transitional housing efforts in San Luis Obispo County. During these inquiries, the SLOGJ met many knowledgeable and concerned individuals who have accepted leadership and operational roles in solving the issues of homelessness in our communities. The challenges are daunting, and progress is never enough, but the collective efforts of San Luis Obispo County’s leaders, nonprofit partners, benefactors and dedicated professional staff are showing promise toward our goals.

FINDINGS

- F1. There is an absence of predictable year-over-year funding for homeless programs. The “San Luis Obispo Countywide Plan to Address Homelessness 2022-2027” relies heavily on partner agencies without providing adequate ongoing funding to those agencies.
- F2. The County’s staffing turnover and reorganization of its homeless services has caused the overall progress of the implementation of the “San Luis Obispo Countywide Plan to Address Homelessness 2022-2027” to be slower than projected and is at risk of not meeting County goals.
- F3. The County’s selection and vetting process for homeless services site selection has not always been successful due to zoning, ordinances, and public perception of the homeless.
- F4. The County has failed to implement a cohesive public awareness plan on homeless issues resulting in insufficient public engagement.
- F5. The “San Luis Obispo Countywide Plan to Address Homelessness 2022-2027” lacks quantifiable details and specificity to track progress toward meeting their stated goals.

RECOMMENDATIONS

- R1. The San Luis Obispo County Grand Jury recommends that the County revise its plan to include more specific and quantifiable timelines for implementing the “San Luis Obispo Countywide Plan to Address Homelessness 2022-2027” by December 31, 2024.
- R2. The San Luis Obispo County Grand Jury recommends that the County implement effective knowledge transfer management and succession planning practices to minimize the impact of staff turnover on completing the required tasks to ensure performance to the “San Luis Obispo Countywide Plan to Address Homelessness 2022-2027” by December 31, 2024.

R3. The San Luis Obispo County Grand Jury recommends that the County aggressively implement its plan for a comprehensive public awareness campaign to advise the community on homelessness issues. It is further recommended that the County and Cities work together to provide a cohesive voice. The San Luis Obispo County Grand Jury recommends completion by December 31, 2024.

REQUIRED RESPONSES

The Board of Supervisors is required to respond to R1 – R3. All responses shall be submitted to the Presiding Judge of the San Luis Obispo County Superior Court within 90 days of submission of the report. A paper and an electronic version of all responses shall be provided to the Grand Jury.

933.05. Findings and Recommendations

- (a) For purposes of subdivision (b) of Section 933, as to each grand jury finding, the responding person or entity shall indicate one of the following:
 - (1) The respondent agrees with the finding.
 - (2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefore.
- (b) For purposes of subdivision (b) of Section 933, as to each grand jury recommendation, the responding person or entity shall report one of the following actions:
 - (1) The recommendation has been implemented, with a summary regarding the implemented action.
 - (2) The recommendation has not yet been implemented, but will be implemented in the future, with a timeframe for implementation.
 - (3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.

(4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation therefore [sic].

Presiding Judge	Grand Jury
Presiding Judge Rita Federman Superior Court of California 1035 Palm Street Room 355 San Luis Obispo, CA 93408	San Luis Obispo County Grand Jury P.O. Box 4910 San Luis Obispo, CA 93403

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