

City and County of San Francisco

Human Services Agency

Department of Human Services
Department of Aging and Adult Services

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***CARE NOT CASH –
OVERVIEW AND PROGRESS REPORT***

**PREPARED FOR:
SAN FRANCISCO TEN YEAR PLAN
IMPLEMENTATION COUNCIL**

FEBRUARY 9, 2005

***CARE NOT CASH PROGRESS REPORT -
TEN YEAR PLAN IMPLEMENTATION COUNCIL***

BACKGROUND

On November 5, 2002, the voters of San Francisco passed Proposition N (the “Care Not Cash” initiative), which made specific changes to the City’s four aid programs collectively known as the County Adult Assistance Programs (CAAP). CAAP provides 100 percent county funded cash aid and services to single, indigent adults residing in San Francisco who have no other means of support.

Upon passage of Care Not Cash in 2003, about 2,900 CAAP recipients (35 percent of the caseload) declared themselves to be homeless residents of San Francisco. Despite the provision of enhanced employment, counseling and supportive services made available to CAAP recipients over the last several years, the issue of homelessness has remained an obstacle to stabilizing the lives of this population. Many homeless recipients suffer from mental illness and substance addiction and regularly re-cycle through the City’s shelter system, mental health facilities, emergency rooms and detoxification centers without achieving long term housing. Care Not Cash was proposed as a means to better serve this targeted population through the provision of supportive housing.

OVERVIEW

Proposition N directs the Department of Human Services to offer homeless CAAP clients housing and meals in lieu of a portion of the maximum cash aid payment; such individuals would generally receive a cash grant of \$59/month. Funding that would have otherwise been used for cash aid payments is then made available for expanded services to homeless individuals, including the development of affordable housing opportunities, and access to mental health, substance abuse and other support services.

Care Not Cash establishes a fund (the “Human Services Care Fund”) to provide these services to homeless individuals. The fund results from savings due to caseload decline and the reduced cash grant. The fund totals about \$14.5 million annually.

In implementing the Care Not Cash program, DHS’ primary goal is to reduce homelessness and improve the health and welfare of homeless indigent adults receiving cash assistance through enhanced services and expanded housing opportunities. The following core principles are guiding the Department’s implementation of Care Not Cash:

1. People are better served in shelter/housing than on the streets.
2. Services should be tailored to meet individuals’ needs.
3. Length of time in shelters should be minimized.
4. Affordable housing options should be expanded.

Through its implementation of Care Not Cash, DHS expects to:

1. Expand affordable housing units and services for CAAP clients
2. Decrease the number of CAAP clients who are homeless
3. Increase accountability throughout the public assistance delivery system for homeless indigent adults.

PROGRESS TO DATE

Housing Expansion

Under Care Not Cash, the Department of Human Services, in partnership with several non-profit organizations, has leased 794 units of supportive housing for single adults through our SRO Housing Program. This housing is located predominantly in single room occupancy (SRO) hotels that have been renovated to meet the needs of our clients. Under the SRO Housing Program, DHS enters into a contract with a non-profit organization to provide the property management and client supportive services. Clients who are placed in the SRO Housing Program sign an individual lease and are required to use a portion of their cash assistance to pay rent. The units under the SRO Program are considered permanent housing and clients have full tenants' rights.

HOTEL	NUMBER OF UNITS	NON-PROFIT PROVIDER
Mary Elizabeth Inn	25	MEI
McAllister	80	Conard House
Arlington	25	St. Vincent De Paul
Elm	81	Episcopal Community Services
Hillsdale	84	Episcopal Community Services
Mentone	71	Episcopal Community Services
All Star	87	Tenderloin Housing Clinic
California Drake	51	Tenderloin Housing Clinic
Graystone	74	Tenderloin Housing Clinic
Pierre	87	Tenderloin Housing Clinic
Royan	69	Tenderloin Housing Clinic
Union	60	Tenderloin Housing Clinic
TOTAL UNITS	794	

In addition to the 794 units currently under contract, DHS anticipates leasing an additional 275 units this fiscal year (by July 2005) and another 150 in fiscal year 2005-06. These additional units will bring the total number of supportive housing units leased under Care Not Cash to 1,219. **As of February 4, 2005, DHS' Housing Access Team (HAT) has placed 690 homeless CAAP clients into supportive housing through the implementation of Care Not Cash.**

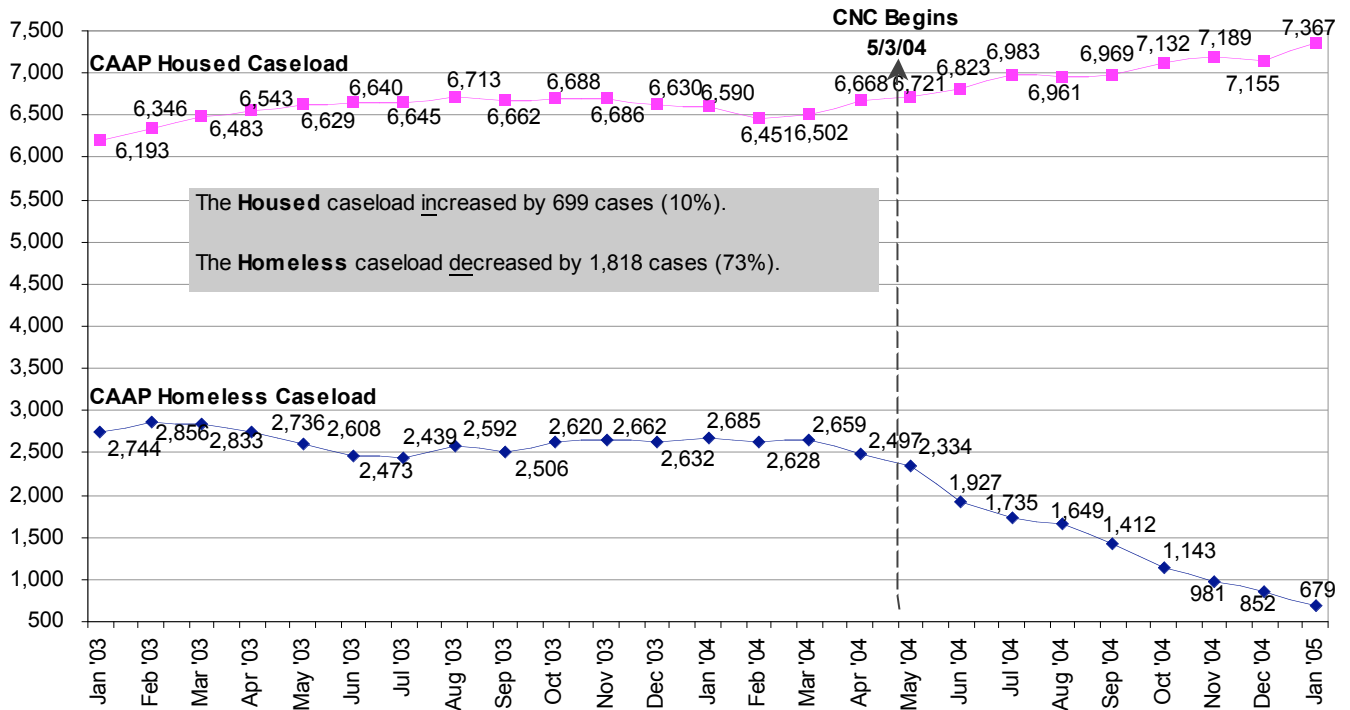
Decrease in Homeless

As the graph on the following page illustrates, the number of homeless individuals receiving cash welfare assistance through the County Adult Assistance Program (CAAP) has declined significantly (73 percent) since implementation. About 38 percent of the 1,818 person decline is the result of homeless individuals moving into permanent housing. As indicated above, 690 homeless CAAP

recipients have moved into housing through Care Not Cash. The remaining 1,128 individuals are no longer on the rolls.

Although it is difficult to determine where these individuals are residing as they are no longer in contact with DHS, one assumption is that the lower cash benefit for those who declare themselves homeless (from a maximum of \$420 to \$59) has resulted in fewer non-San Francisco residents receiving county cash aid. DHS is planning to issue a request for proposals to select a third party evaluator to help determine where these individuals reside.

CAAP Housed and Homeless Caseload



The caseload decline far outpaces the department’s budgeted caseload projections. As a result, funds that the department budgeted to be spent on direct cash assistance will be available to expand permanent supportive housing and related services for this population. These additional funds will allow DHS to expand the SRO Housing Program under Care Not Cash by hundreds of units. This budget augmentation will be reflected in the Department’s fiscal year 05-06 budget submission to the Mayor’s Office.