

Sacramento Continuum of Care Needs Assessment and Gaps Analysis: Summary Findings

Updated: August 10, 2022¹

The following are summary findings from a comprehensive gaps analysis conducted by Sacramento Steps Forward, in consultation with the Sacramento Continuum of Care, City of Sacramento, and Sacramento County. The gaps analysis approach involved the following:

1. Estimating the *annual* number of people who experience literal homelessness in Sacramento County.
2. Estimating the annual service needs of those who experience literal homelessness, including need for targeted prevention assistance, based on an optimal range and availability of services that result in literal homelessness being prevented or quickly and successfully ended.
3. Examination of current and planned (i.e., funded and under-development) capacity expected to be available currently and in the next three years in Sacramento County to address service needs.
4. Estimating the service gaps remaining after accounting for current and planned capacity.

Estimated Annual Number of People who Experience Literal Homelessness in Sacramento County: 16,500 to 20,000

It is estimated that between 16,500 and 20,000 people in any given year experience literal homelessness in Sacramento County.²

Key Characteristics

Among people who experience literal homelessness annually, it is estimated that:

- One out of four people (~23%) are adults and children in family households.
- Almost half of all people (~45%) are unsheltered (1 or more days) and do not or cannot access shelter.
- Two out of three (~66%) access homeless assistance (outreach, shelter, re-housing, etc.), but the remainder do not due to insufficient capacity, access, quality of services, or other issues.
- Black and African American people are significantly over-represented among people who experience homelessness: 39% of all people experiencing homelessness compared with 11% overall in Sacramento County³.
- The number of adults who experience homelessness and are disabled has grown significantly (40% of unsheltered adults in 2019 compared to 58% in 2022).
- 60% of all adults who used prevention and homeless services in 2021 reported having one or more severe and persistent behavioral health conditions.
 - 53% reported having a debilitating mental health issue.
 - 24% reporting having a debilitating substance use issue.
 - 18% reported having BOTH mental health AND substance use issues
- Chronic homelessness has also increased significantly.
 - One out of three adults (~36%) are chronically homeless (disabled and literally homeless for 12 months or more currently or over four episodes in three years); most are in adult only households.
 - A growing percentage of disabled adults are 'aging into' chronic homelessness.

¹ Preliminary gaps analysis results were based in part on 2019 point-in-time (PIT) count data. The gaps analysis was subsequently updated to account publication of the [2022 PIT count results](#).

² A range is used to reflect annual estimates given year-to-year variability. A specific estimate of 19,553 people annually was used only as a baseline for system modeling. The annual estimate was calculated using a combination of Homeless Management Information System (HMIS) data for calendar year 2021 and the 2022 Point-in-Time (PIT) count for the Sacramento CoC geographic area (Sacramento County).

³ American Community Survey, Sacramento County Population Estimates, July 2021 (V2021).

Estimated Annual Prevention and Homeless Assistance Needs

The following service estimates are based on documented or otherwise assumed needs among those who experience literal homelessness annually. The estimates assume a much higher use of services than currently (91% vs 66%) due to greater availability of services, improved community-wide and equitable access, and adherence by providers to evidence-based practices. The gaps included in the table are estimates based on the types and amount of assistance people generally need to successfully avoid or resolve homelessness. Estimates assume each type of service is generally available when needed and desired by qualifying populations and are intended for planning purposes only.

Assistance Type (among those using the system)	Individuals (12,010)	Family Households (1,184)	Estimated Total System Capacity NEED	Estimated Total System Capacity GAP (additional capacity needed)
Targeted Homelessness Prevention (including one-time and short-term prevention assistance for highest risk)	~ 36% (3,200 individuals)	~ 38% (350 families)	~ 16 Full-Time Equivalent (FTE) staff @ 20 cases/FTE ≥ \$11.3M Annual Financial Assistance (above current levels)	~ 16 Full-Time Equivalent (FTE) staff @ 20 cases/FTE ≥ \$11.3M Annual Financial Assistance (above current levels)
Among those not prevented...				
Diversion (including housing problem-solving and diversion provided through Coordinated Access System)	100% (6,500 individuals)	100% (700 families)	Estimated FTEs and financial assistance costs pending implementation of new Coordinated Access System and further analysis of baseline need.	Pending further analysis of needed capacity. <i>There is little diversion assistance currently available.</i>
Among those not diverted...				
Street Outreach (providing individualized engagement and connection to shelter, rehousing assistance, other services)	~ 55% (4,700 individuals)	~ 36% (300 families)	~ 21 FTEs @ 40 cases/FTE	Pending further analysis of current and planned capacity.
Temporary Housing (emergency shelter, transitional housing, interim housing)	~ 90% (7,800 individuals)	~ 98% (700 families)	IND: 2,200 to 2,700 beds FAM: 300 to 350 units	Near-term: pending further analysis of current capacity Future: -0- gap for families assuming fully developed prevention, rehousing assistance. TBD singles pending further analysis.
Short/Medium-Term Rehousing Assistance (including rapid rehousing, other individualized rehousing assistance)	~ 64% (5,600 individuals)	~ 66% (500 families)	IND: 2,800 to 3,400 case slots (avg daily active cases) FAM: 250 to 320 case slots ~ 150 FTEs @ 22 cases/FTE ≥ \$18M Annual Financial Assistance	COMBINED: 600-750 case slots ~ 29 FTEs @ 22 cases/FTE ≥ \$3.6M Annual Financial Assistance
Permanent Supportive Housing and other Dedicated Permanent Housing Assistance with Ongoing Services	~ 34% (3,000 individuals annually, plus 1,500 current CH)	~ 18% (130 families)	PSH Units COMBINED: 7,100 to 8,600 units/vouchers (for all current/new chronic) Other PH w/Services COMBINED: 1,600 to 2,000 annual placements (for non-chronic, disabled)	PSH Units/Vouchers COMBINED: 4,100 to 5,000 units Other PH w/Services COMBINED: 1,600 to 2,000 annual placements

Key Takeaways

- ✓ Investments in prevention, diversion, and permanent housing solutions (e.g., housing navigation, rapid rehousing, permanent supportive housing) will directly reduce the number of people experiencing homelessness, the time people spend homeless, and returns to homelessness. When funded, developed, and operated consistently, these responses can eliminate the need for additional emergency shelter capacity.
- ✓ Alternatively, without significant additional prevention and rehousing capacity (“business as usual”), more people will experience homelessness, requiring more emergency shelter and other costly crisis services.
- ✓ Near-term investment in additional shelter capacity is needed to ensure safety and access to rehousing assistance but should be flexible to allow for later repurposing/use for housing.
- ✓ Efforts are needed to *increase positive turn-over* (and openings) among current PSH units, *increase the overall number of PSH units* funded with homeless assistance and other resources, and *increase other community-based affordable housing and service solutions* to address gaps.
- ✓ The need for rehousing supports and affordable, supportive housing options cannot be met by the homeless crisis response system alone. Cross-sector collaborations to develop sustainable housing and service supports for people with needs beyond housing are needed, such as for people with severe and persistent disabling conditions, returning citizens (following incarceration), and for older adults.

Factors Influencing Future Need

Population growth and demographic changes:

Although the Sacramento County general population growth is just under 1% on average per year over the past ten years, changes in demographic makeup (e.g., higher rate of growth among low- and very low-income households) of the County can directly affect the number of people experiencing homelessness and potentially needing prevention or

shelter and rehousing assistance. The gaps analysis assumes no marked changes in population growth or characteristics will occur over the next five years.

Availability of affordable housing and other forms of assisted/supportive housing in the community:

The severe lack of naturally occurring and subsidized affordable housing options directly impacts the number of households that are precariously housed and inherently at-risk of literal homelessness. The average rent in Sacramento County has increased 16.7% since 2019, increasingly pricing out lower-income households, while at the same time vacancy rates are declining, directly decreasing viable housing options for lower-income households, and increasing risk for housing insecurity and homelessness. According to the latest Out of Reach report from the National Low-Income Housing Coalition, a full-time worker would have to earn at least \$28.75 an hour to afford a two-bedroom apartment at current fair market rental rates (\$1,495).⁴ The gaps analysis assumes housing market conditions will not materially improve.

Landlord partnerships:

Landlord partners are essential to the success of homeless crisis response system, both to support and prevent households who are facing eviction, as well as to increase access to housing options in the rental market that might otherwise not be available to people experiencing homelessness and systemic racism. Increased investment in landlord partnerships and the capacity to maintain and grow partnerships can indirectly and directly influence the success of prevention and rehousing efforts, particularly with owners and property managers willing to consider applicants with potential credit, rental history, or criminal justice system involvement. The gaps analysis assumes growing investment and partnerships will occur as part of the natural evolution of the homeless crisis response system, consistent with other communities around California and the U.S.

Fidelity to evidence-based and best practices:

There is a growing body of empirical research on program practices and interventions, and documented evidence-based practices that prevention and homeless assistance providers can adopt to improve service quality, equity, and outcomes. Adherence to practices such as Housing First, motivational interviewing, harm reduction, and positive youth development, are key to improving system performance while ensuring efficient and, when needed, targeted use of resources. The gaps analysis assumes local providers will continue to adopt and iterate evidence-based and best practices, while local public and private funders continue to further standardize such practices and requirements in program funding, monitoring, and compliance activities.

Funding availability and strategic allocation

Funding availability and strategic allocation for prevention and homeless services is a critical ingredient to developing a comprehensive, coordinated, and community-wide approach to preventing and ending homelessness. Coordinated approaches to determining local priorities, allocating resources, and monitoring investments for intended outcomes are hallmarks of high functioning, equitable, and effective homelessness prevention, and crisis response systems. The gaps analysis assumes that local entities – the City of Sacramento, Sacramento County, other Sacramento County municipalities, and the Continuum of Care – will continue to align funding priorities and allocation decisions toward achieving the regional plan, closing gaps, and achieving better outcomes for Sacramento residents.

⁴ Fair Market Rents are often not fully representative of typical rental costs and likely understate actual rental costs in many areas.
Rev. 08/10/2022