



SPECIAL MEETING OF THE COMMISSION ON HOMELESSNESS

www.oaklandca.gov/boards-commissions/commission-on-homelessness

Agenda

Wednesday, April 23, 2022

5:15 PM

Oakland City Hall

Hearing Room 2

1 Frank H. Ogawa Plaza, 1st Floor

All public bodies subject to the Brown Act were temporarily allowed by Assembly Bill 361 to have online-only meetings during the state of emergency. As the emergency order was lifted by the State of California on February 28, 2023, all public meetings including Oakland City Council and Boards and Commission meetings are required to be held in-person under California state law.

PUBLIC PARTICIPATION

The Oakland Commission on Homelessness encourages public participation in the meetings. The public may observe and/or participate in this meeting in several ways.

NO PUBLIC COMMENT IS TAKEN VIA ZOOM.

To observe the meeting by video conference, please click on this link:

<https://us06web.zoom.us/j/84452083786> at the noticed meeting time.

Instructions on how to join a meeting by video conference are available at: <https://support.zoom.us/hc/en-us/articles/201362193>, which is a webpage entitled “Joining a Meeting.”

- **To listen to the meeting by phone**, please call the numbers below at the noticed meeting time: Dial (for higher quality, dial a number based on your current location): +1 669 900 9128 or +1 346 248 7799 or +1 253 215 8782 or +1 646 558 8656 or +1 301 715

8592 or +1 312 626 6799. For each number, please be patient, and when requested, dial the following Webinar ID: 844 5208 3786

After calling any of these phone numbers, if you are asked for a participant ID or code, press #. Instructions on how to join a meeting by phone are available at: <https://support.zoom.us/hc/en-us/articles/201362663>, which is a webpage entitled “Joining a Meeting by Phone.”

- **PUBLIC COMMENT:** There are **two ways** to comment on agenda items.

- **COMMENT IN ADVANCE.** Send your comments to commissiononhomelessness@oaklandca.gov no later than one (1) hour **BEFORE** the meeting starts, along with your full name and the agenda item number related to your comments. Please note that eComment submissions close one (1) hour before the posted meeting time. All submitted public comments will be provided to the Commissioners prior to the meeting.

- **In-person at the Meeting by SPEAKER CARD.** To comment at the meeting in-person, you must submit a speaker card for each item before the item is called. Speaker cards will be accepted by Admin Staff until the item is called. Once your name is called, you will be allowed to speak. Speakers are generally limited to two minutes at the discretion of the Chair.

If you have questions about these protocols, please e-mail
commissiononhomelessness@oaklandca.gov

- **Parking** While attending Homelessness Commission meetings, you may park for free in the Dalziel Building Garage (located on 16th Street between San Pablo Avenue and Clay Street). As of September 2023, parkers must use the [ParkMobile](#) parking app on a mobile device to manage their parking. Please ask attendant for assistance.

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Agenda
Wednesday, April 23, 2022
5:15 PM
Oakland City Hall
Hearing Room 2
1 Frank H. Ogawa Plaza, 1st Floor

1. Call to Order and Roll Call

- a. Commission Members: Yolanda Anderson, Janny Castillo, Marcus Christmas, Candice Elder, Joey Harrison, Marlene Hurd, Alexis Lozano, Mark Walker

2. Public Comment

- a. Attendees must fill out a speaker card for each item they wish to comment on. Speaker cards will be accepted up until Public Comment for each item begins. Please submit your cards to the Admin Staff before being recognized by the presiding officer.

3. Approval of Draft Minutes for the meeting of January 22, 2024

4. Receive an Oral Informational Report on the Encampment Resolution Funding Grant

5. Receive an Informational Report on Homeless Encampment Management Operations

6. Receive an Informational Report on Encampment Management Service Requests and Operations

7. Receive an Informational Report on the Homelessness Division's Updates to the Performance Audit of the City of Oakland's Homeless Encampment Management Interventions & Activities Audit for Fiscal years 2018-19 and 2019-20

8. Discussion and Vote to Adopt Meeting Dates for Calendar Year 2025

9. Standing Committee Updates

- **Policy Committee Update**
 - **Encampment Management Policy**
- **Ad Hoc Committee Updates**
 - **Work Plan**
 - **Annual Report**
- **Governance Committee Appointments**
 - **Bylaws**

10. Approval of Proposed Schedule of Future Meetings and Agenda Topics

11. Open Forum

12. Adjournment



**SPECIAL
MEETING OF THE
COMMISSION ON HOMELESSNESS**

Do you need an ASL, Cantonese, Mandarin, or Spanish interpreter or other assistance to participate? Please email commissiononhomelessness@oaklandca.gov or call (510) 238-7542 or (510) 238-2007 for TDD/TTY five days in advance.

¿Necesita un intérprete en español, cantonés o mandarín, u otra ayuda para participar? Por favor envíe un correo electrónico a commissiononhomelessness@oaklandca.gov o llame al (510) 238-7542 o al (510) 238-2007 para TDD/TTY por lo menos cinco días antes de la reunión. Gracias.

你需要手語, 西班牙語, 粵語或國語翻譯服務嗎? 請在會議前五個工作天電郵

commissiononhomelessness@oaklandca.gov 或 致電 (510) 238-7542 或 (510) 238-2007 TDD/TTY.



**SPECIAL
MEETING OF THE
COMMISSION ON HOMELESSNESS**



**CITY OF OAKLAND
MEETING OF THE
COMMISSION ON HOMELESSNESS**

DRAFT MEETING MINUTES

Wednesday, January 22, 2025, at 5:00 PM
1 Frank H Ogawa Plaza
Hearing Room 1

1. Call to Order and Roll Call

The meeting was called to order at 5:10 p.m.

Present: Yolanda Anderson, Janny Castillo, Joey Harrison, Alexis Lozano, Marlene Hurd – 5

Excused: Mark Walker, Marcus Christmas, Candice Elder-3

Vacant-1

2. Public Comment

There were no speakers.

3. Approval of Draft Minutes for the meeting of October 23, 2024

A motion was made by Chair Lozano and seconded by Commissioner Anderson to approve the draft meeting minutes of October 23, 2024. Upon call of the vote, the motion passed by

Ayes: Chair Lozano, Vice-Chair Castillo, Anderson, Harrison– 5, Abstention: Hurd – 1, Excused: Mark Walker, Marcus Christmas, Candice Elder-3

4. Receive a Form 700 Informational Presentation from the Office of The City Clerk

City Clerk Asha Reed and Office staff, Britney Davis and Krystal Sams, provided an overview of the obligation, responsibility, and expectations for commissioners to fill out Form 700 (Statement of Economic Interest) annually to maintain compliance as a public official in their capacities as members of a board and/or commission.

There were no speakers on this item.

5. Receive a Report and Provide Feedback to the Oakland Department of Transportation for the Undercrossing Improvements Project

Ruth Meza, a Transportation Planner from the Department of Transportation's Major Projects Division provided an overview, what has been so far, and what the next steps are for the [Undercrossing Improvements](#) project. Commissioners provided feedback on the design of the undercrossings. Commissioners provided feedback around lighting, wayfinding, placemaking on the project.

There were no speakers on this item.

6. Discussion and Action on the Proposed Schedule of Future Meetings and Agenda Topics



**CITY OF OAKLAND
MEETING OF THE
COMMISSION ON HOMELESSNESS**

DRAFT MEETING MINUTES

Wednesday, January 22, 2025, at 5:00 PM
1 Frank H Ogawa Plaza
Hearing Room 1

A motion was made by Chair Lozano to postpone the item to the next commission meeting and seconded by Commissioner Anderson. Upon call of the vote, the motion was passed by **Ayes: Anderson, Chair Lozano, Harrison, Hurd, Vice-Chair Castillo – 5, Excused: Walker, Christmas, Elder –3**

9. Open Forum

There were no speakers.

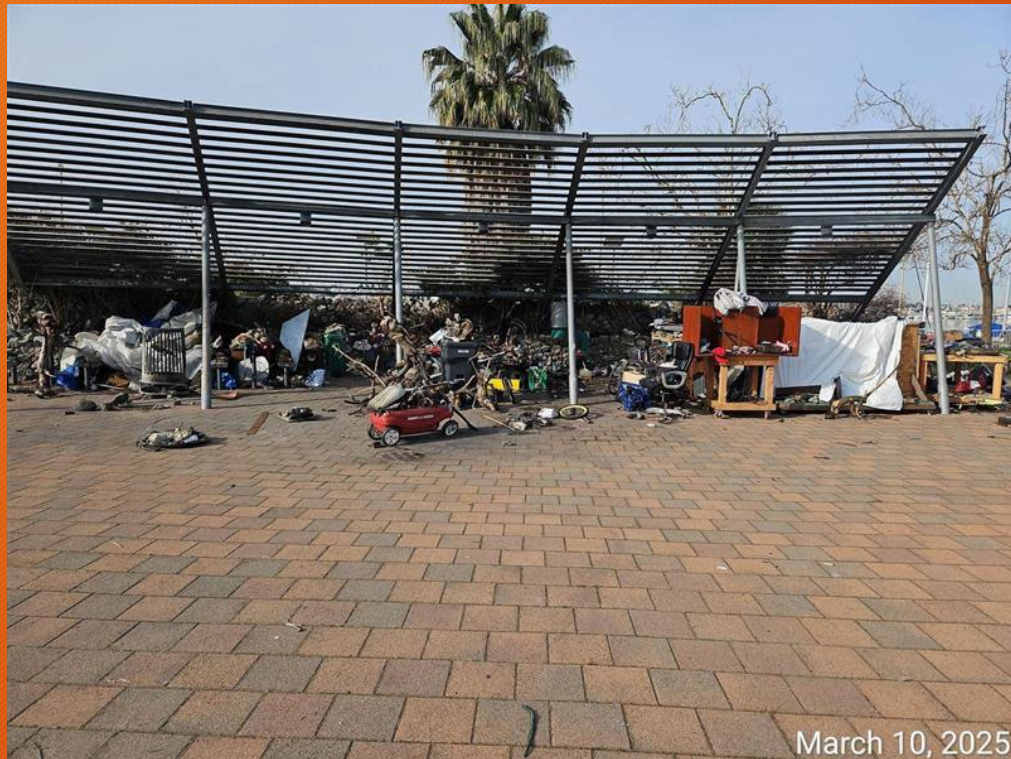
10. Adjournment

A motion was made by Commissioner Hurd and seconded by Anderson to adjourn the meeting. Upon call of the vote the motion was passed by **Ayes: Anderson, Chair Lozano, Harrison, Hurd, Vice-Chair Castillo – 5, Excused: Walker, Christmas, Elder –3**

The meeting was adjourned at 6:06p.m.

Encampment Management Operations

Union Point Park



Wood Street between West Grand Avenue and 32nd Street

Before



After



Bernhardt Drive between Saint Elmo and Kerwin Avenue

Before



After



San Leandro Street between 54th and Seminary

Before



After



Peralta Park - 10th and 12th Street Underpasses

Before



After



105th Avenue and San Leandro Street

Before



After

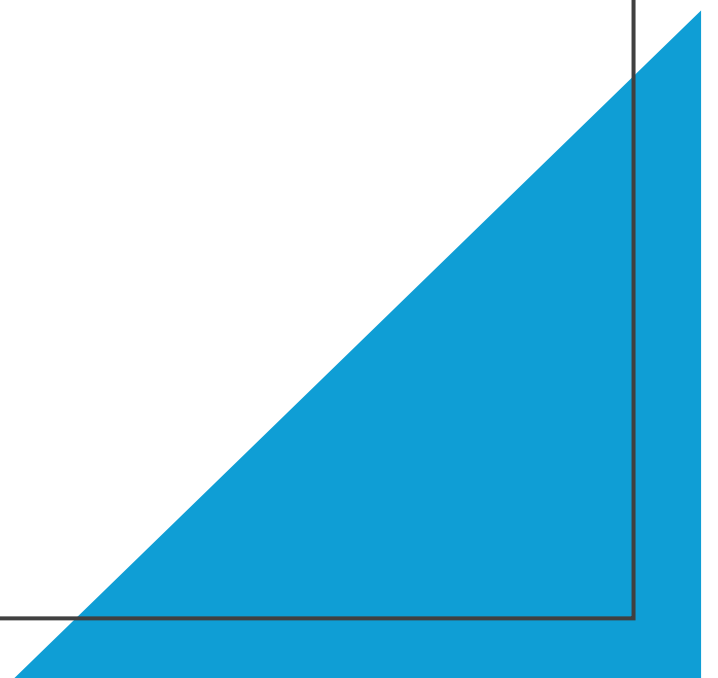


Informational Report on Encampment Management Service Requests and Operations

Commission on Homelessness

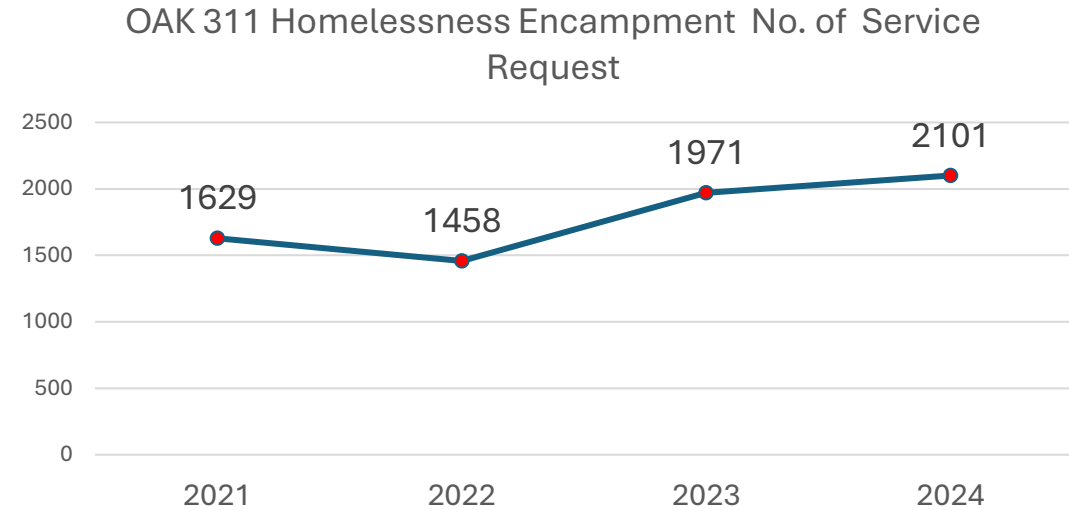
April 23, 2025

Glenn Harold Duffey – Assistant to the City Administrator



Homeless Encampment Service Requests – Oak311

	2021	2022	2023	2024	All Years
No. of HE Service Requests	1629	1458	1971	2101	7159



Over the past four years, there has been a substantial rise in the number of service request for encampment management.

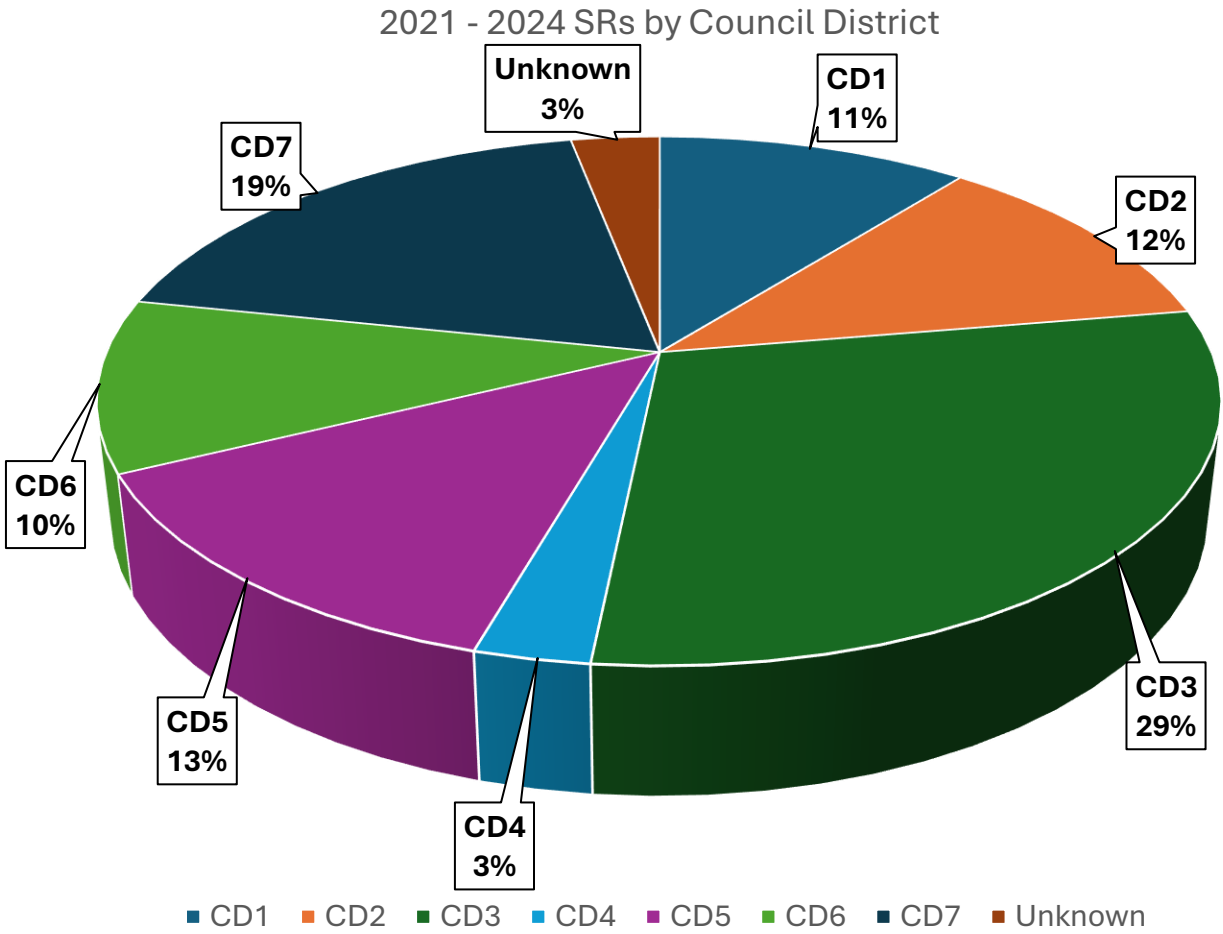
- In 2022, the number of requests decreased by about 10.50% from the baseline number of requests in 2021 due to the ransom ware attack.
- In 2023, the number of requests increased by 35.19% from the baseline number of requests in 2022.
- In 2024, the number of requests increased by 6.60% from the baseline number of requests in 2023.
- Over the four years of 2021-2024, the total increase in the number of encampment service requests was **28.97%** As shown on the table.

Encampment Service Requests by Council District

District	2021	2022	2023	2024	4-years YTD	YTD % Change 2021 - 2024
CD1	128	172	235	231	766	80%
CD2	120	156	260	299	835	149%
CD3	409	431	562	693	2095	69%
CD4	71	29	46	56	202	-21%
CD5	247	236	254	216	953	-13%
CD6	199	136	210	209	754	5%
CD7	434	281	269	352	1336	-19%
Unknown	21	17	135	45	218	114%
Total	1629	1458	1971	2101	7159	29%

The breakdown of service requests 4 years
YTD shows:

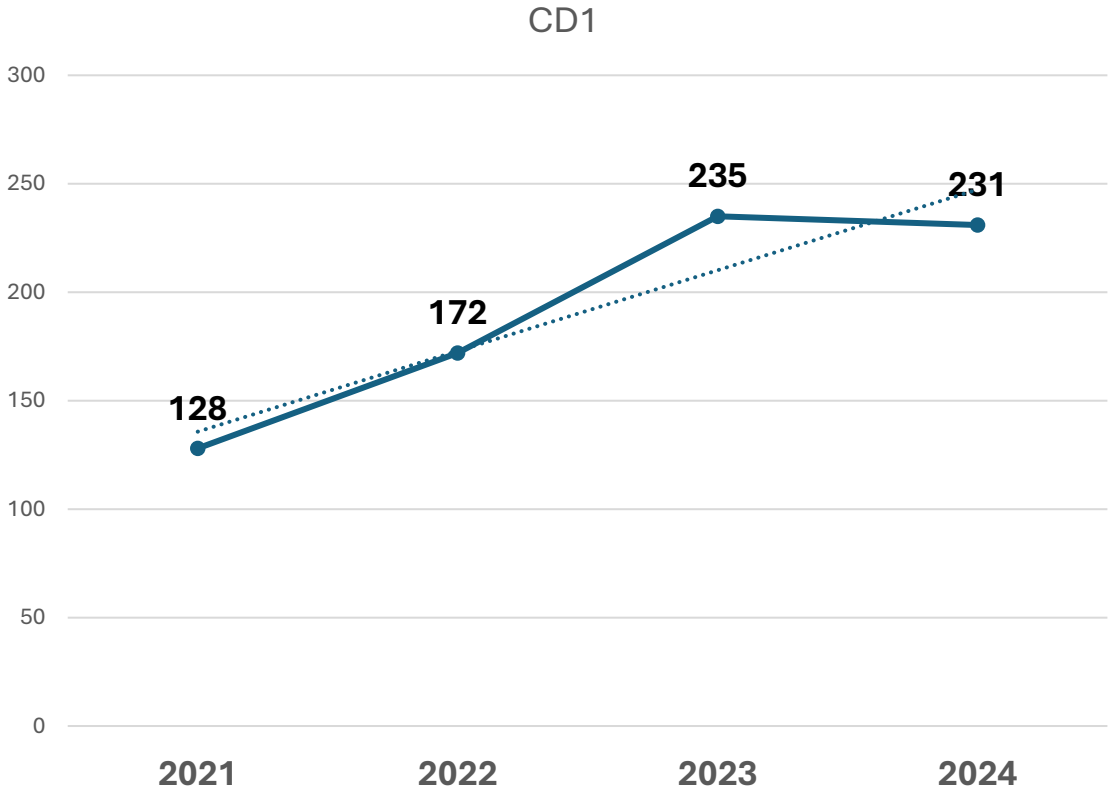
- ✓ District 3 at 29%
- ✓ District 7 at 19 %
- ✓ District 5 at 13%
- ✓ District 2 at 12 %
- ✓ District 1 at 11%
- ✓ District 6 at 10 %
- ✓ District 4 at 3%
- ✓ Unknown at 3 %



Encampment Service Requests in Council District 1

2021 - 2024 SRs by Council District 1

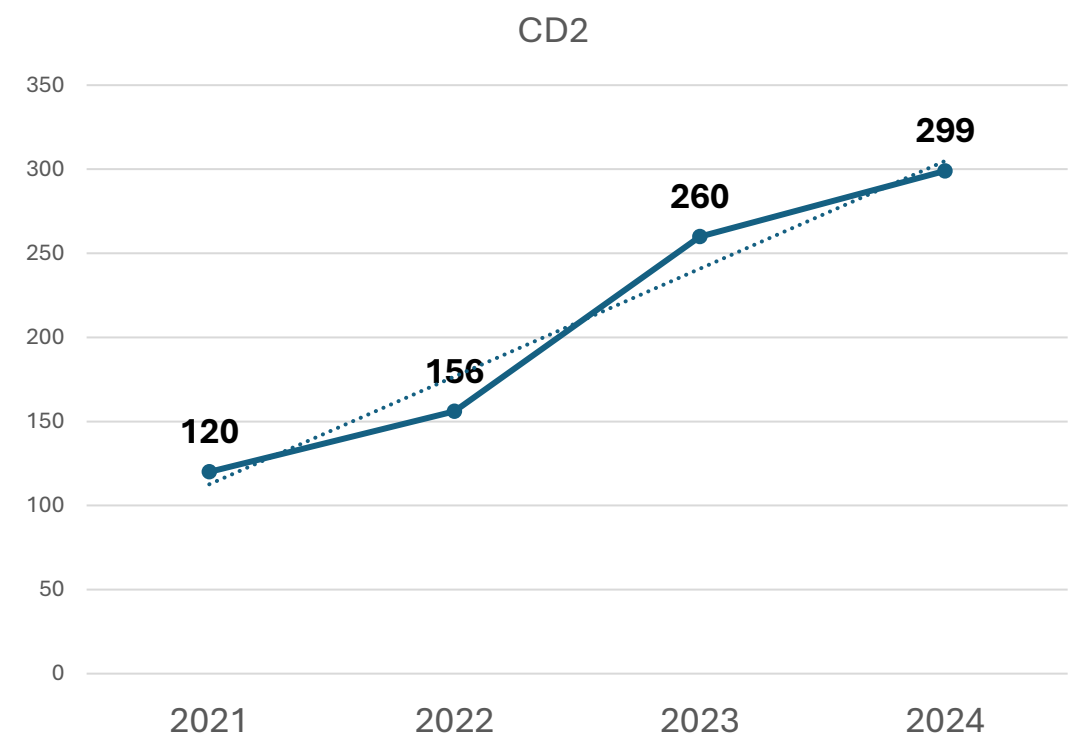
District	2021	2022	2023	2024	4- years YTD	YTD % Change 2021 - 2024
CD1	128	172	235	231	766	80%



Encampment Service Requests in Council District 2

2021 - 2024 SRs by Council District 2

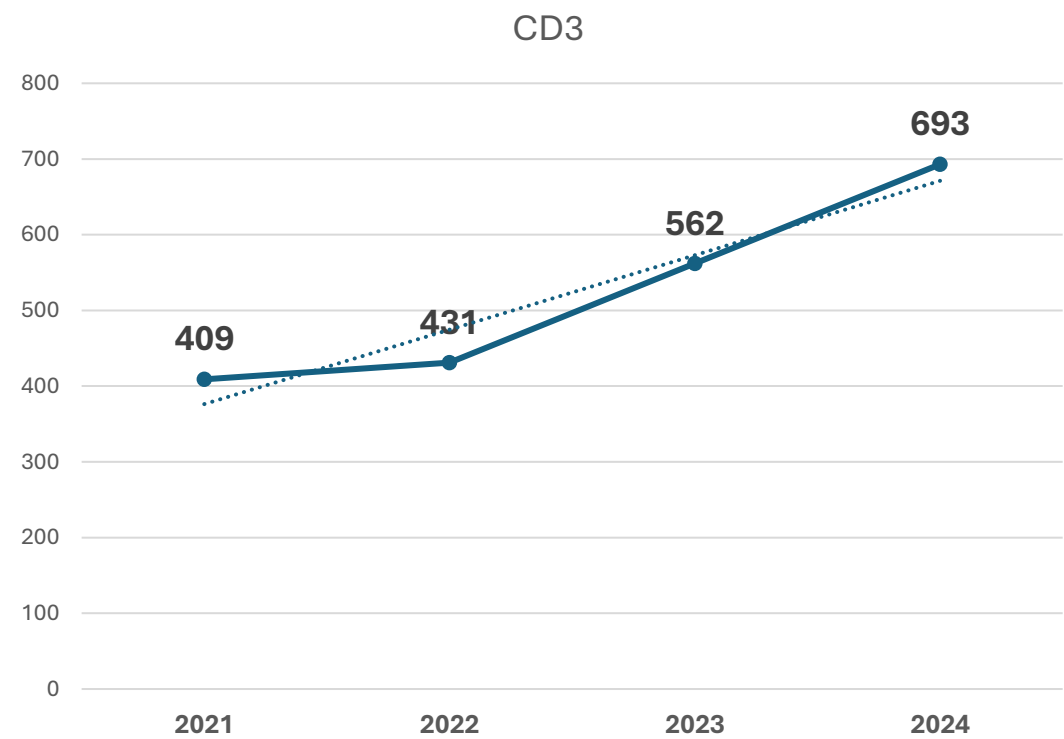
District	2021	2022	2023	2024	4- years YTD	YTD % Change 2021 - 2024
CD2	120	156	260	299	835	149%



Encampment Service Requests in Council District 3

2021 - 2024 SRs by Council District 3

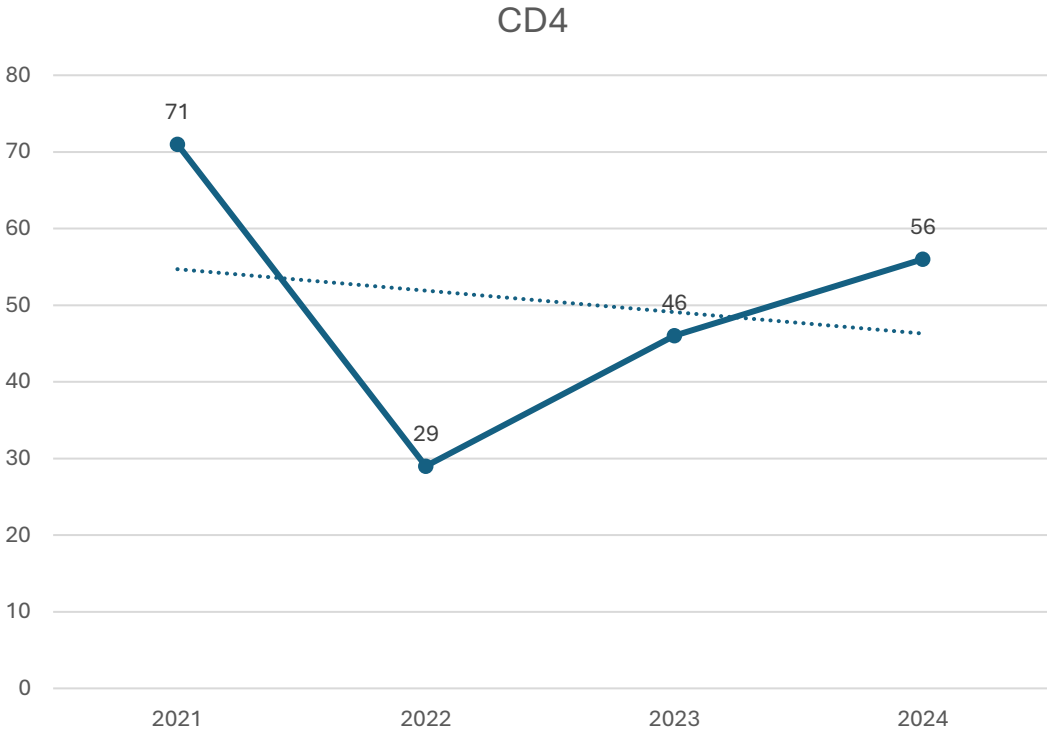
District	2021	2022	2023	2024	4- years YTD	YTD % Change 2021 - 2024
CD3	409	431	562	693	2095	69%



Encampment Service Requests in Council District 4

2021 - 2024 SRs by Council District 4

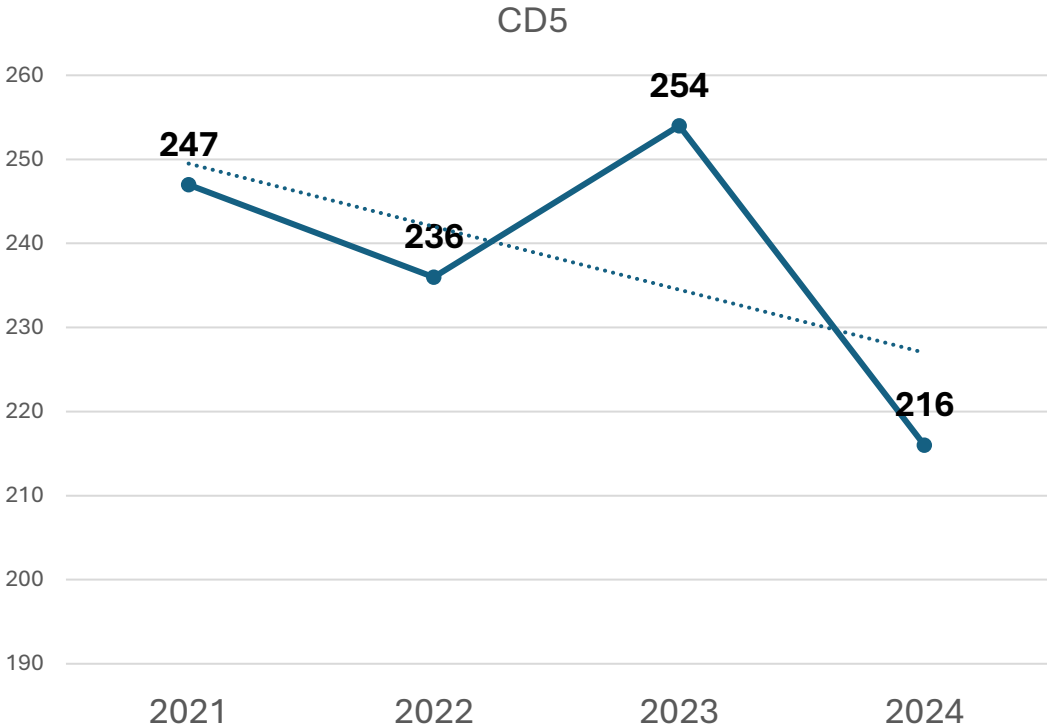
District	2021	2022	2023	2024	4- years YTD	YTD % Change 2021 - 2024
CD4	71	29	46	56	202	-21%



Encampment Service Requests in Council District 5

2021 - 2024 SRs by Council District 5

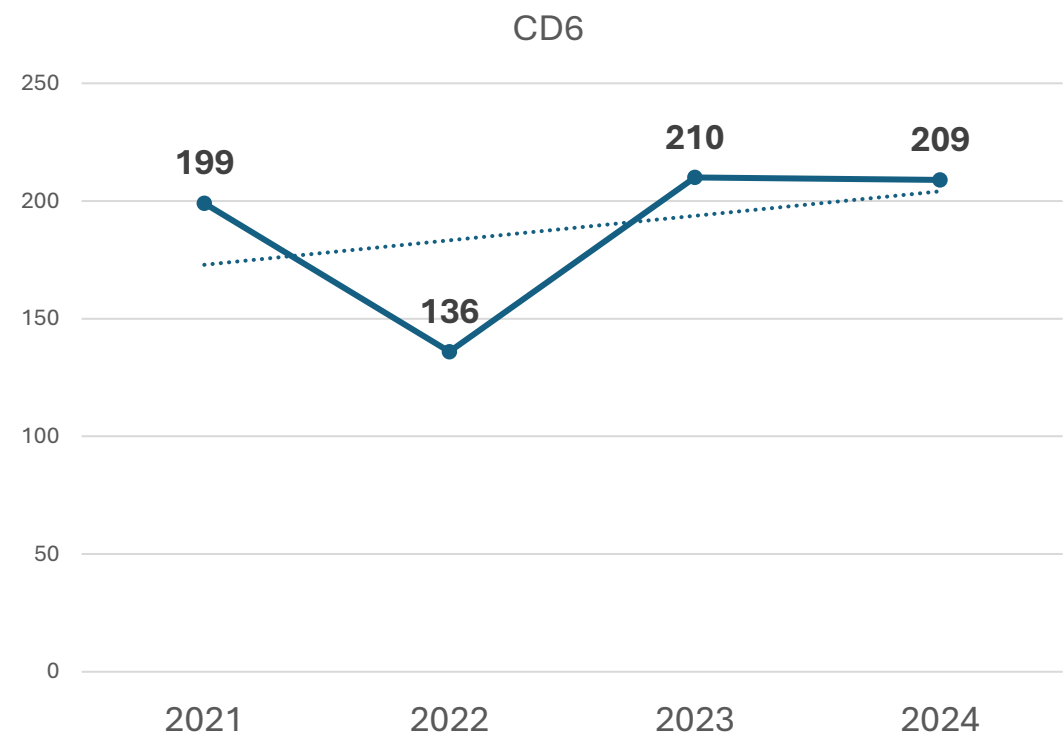
District	2021	2022	2023	2024	4- years YTD	YTD % Change 2021 - 2024
CD5	247	236	254	216	953	-13%



Encampment Service Requests in Council District 6

2021 - 2024 SRs by Council District 6

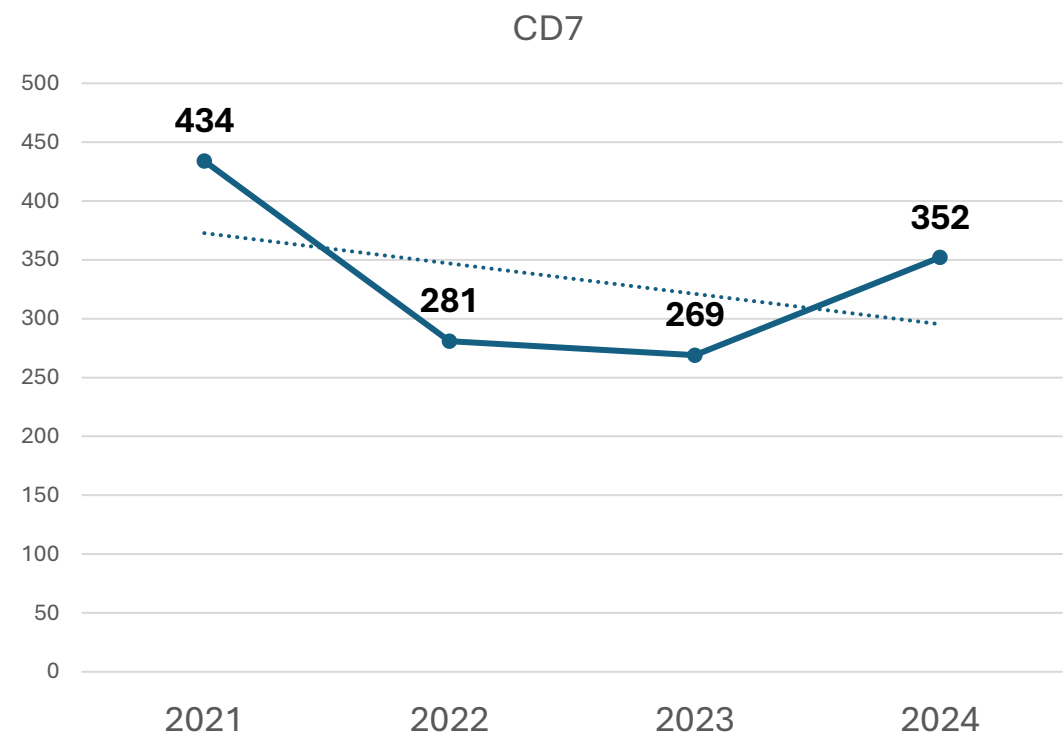
District	2021	2022	2023	2024	4- years YTD	YTD % Change 2021 - 2024
CD6	199	136	210	209	754	5%



Encampment Service Requests in Council District 7

2021 - 2024 SRs by Council District 7

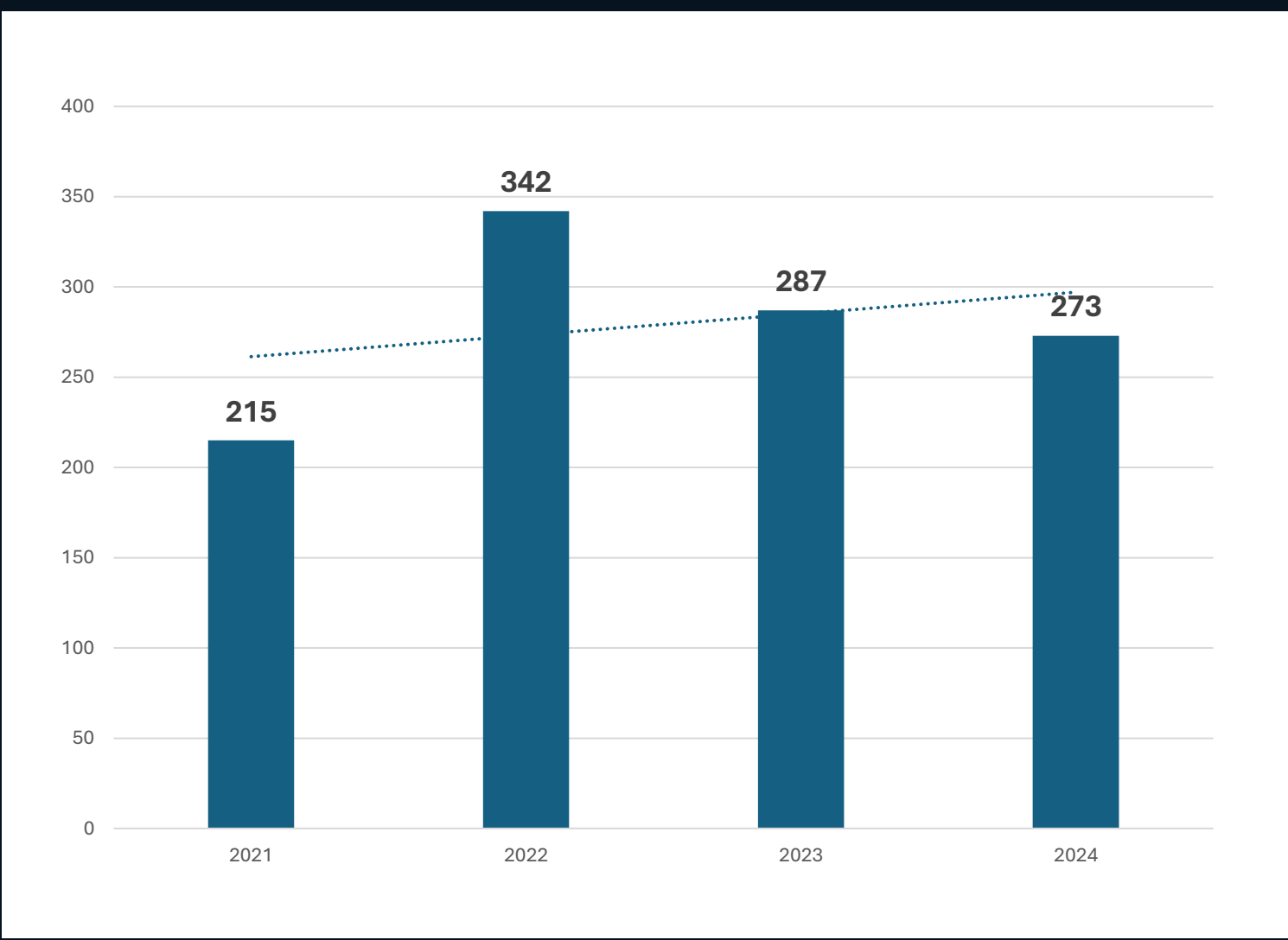
District	2021	2022	2023	2024	4- years YTD	YTD % Change 2021 - 2024
CD7	434	281	269	352	1336	-19%



	2021	2022	2023	2024	Grand Total
Completed EMT Operations	215	342	287	273	1117

From January 2021 to December of 2024 the EMT completed 1117 encampment operations performing up to eight scheduled operations weekly based on the size of an encampment.

2021-2024 Completed EMT Operations

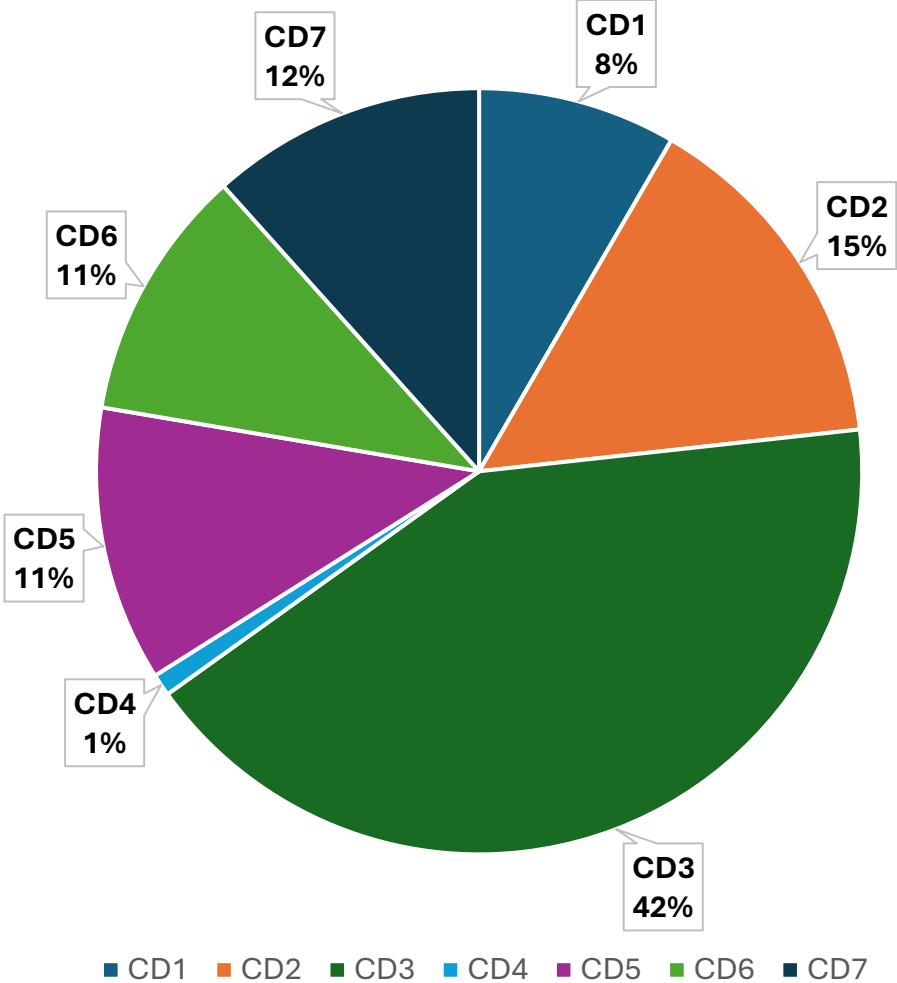


2021-2024 Completed EMT Operations by Council District

Council District	2021	2022	2023	2024	Grand Total
CD1	18	13	13	21	65
CD2	32	41	20	33	126
CD3	90	196	164	95	545
CD4	2	0	0	0	2
CD5	25	50	61	48	184
CD6	23	7	8	20	58
CD7	25	35	21	56	137
Total	215	342	287	273	1117

The breakdown of operation shows over 4 years YTD shows:

- ✓ District 3 at 42%
- ✓ District 2 at 15 %
- ✓ District 7 at 12%
- ✓ District 6 at 11 %
- ✓ District 5 at 11%
- ✓ District 1 at 8 %
- ✓ District 4 at 1%



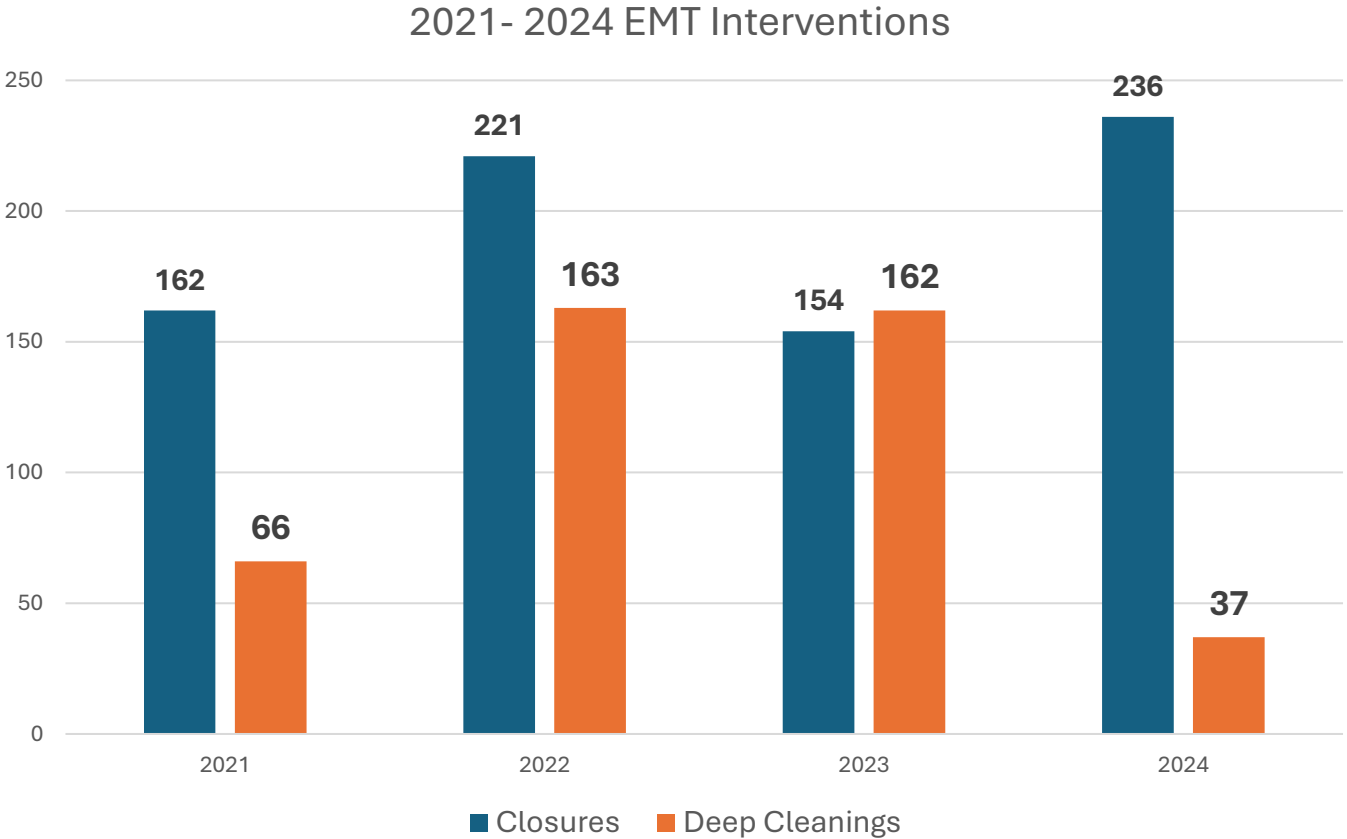
2021-2024 EMT Interventions

Interventions	2021	2022	2023	2024	Total
Closures	162	221	154	236	773
Deep Cleanings	66	163	162	37	428
Total	228	384	316	273	1201

From January 2021 to January 2025, the EMT conducted 1150 encampment operations , the team executed 1234 interventions.

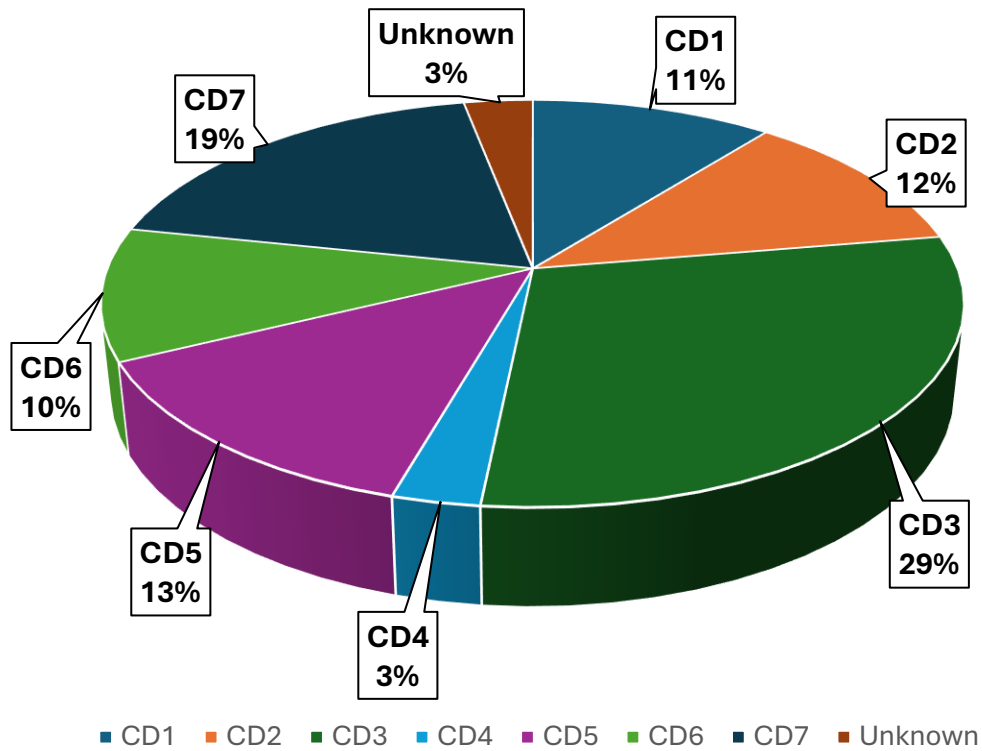
As an important context, an EMT operation can be comprised of more than one intervention. For an example, an operation could include deep cleaning and partial closure within a single operation. As a result, the number of operations over a period will naturally exceed the number of overall operations that are conducted.

Closure over the four years of 2021-2024, the total increase has increased of 45.68%.

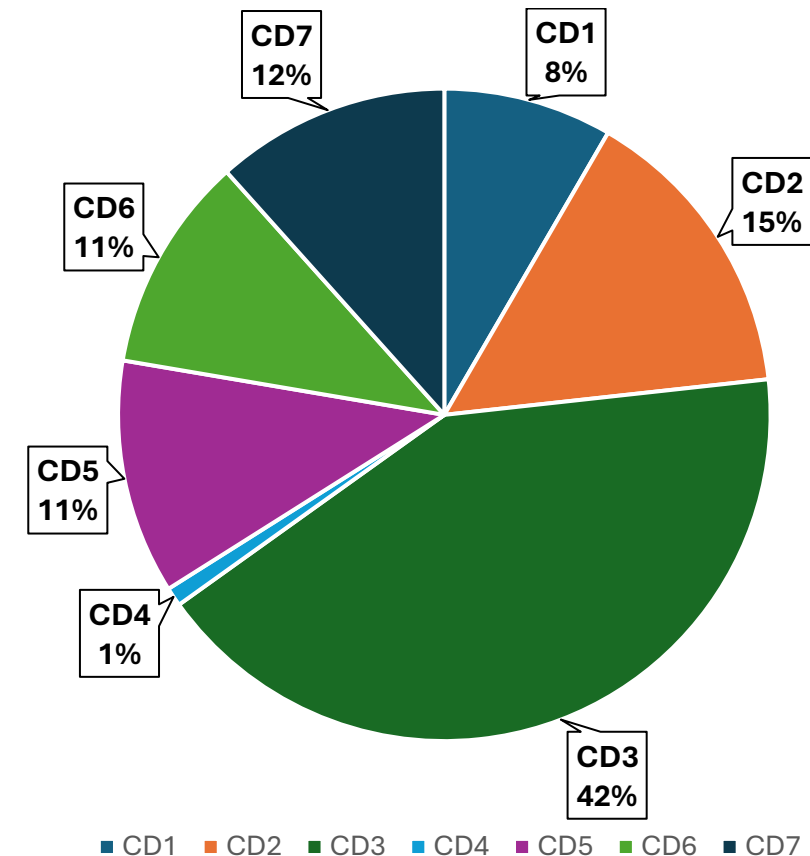


EMT Actions vs. Calls for Service Request 2021-2024 by Percentage

21- 25 Years Homeless Encampment Service Requests by Council District

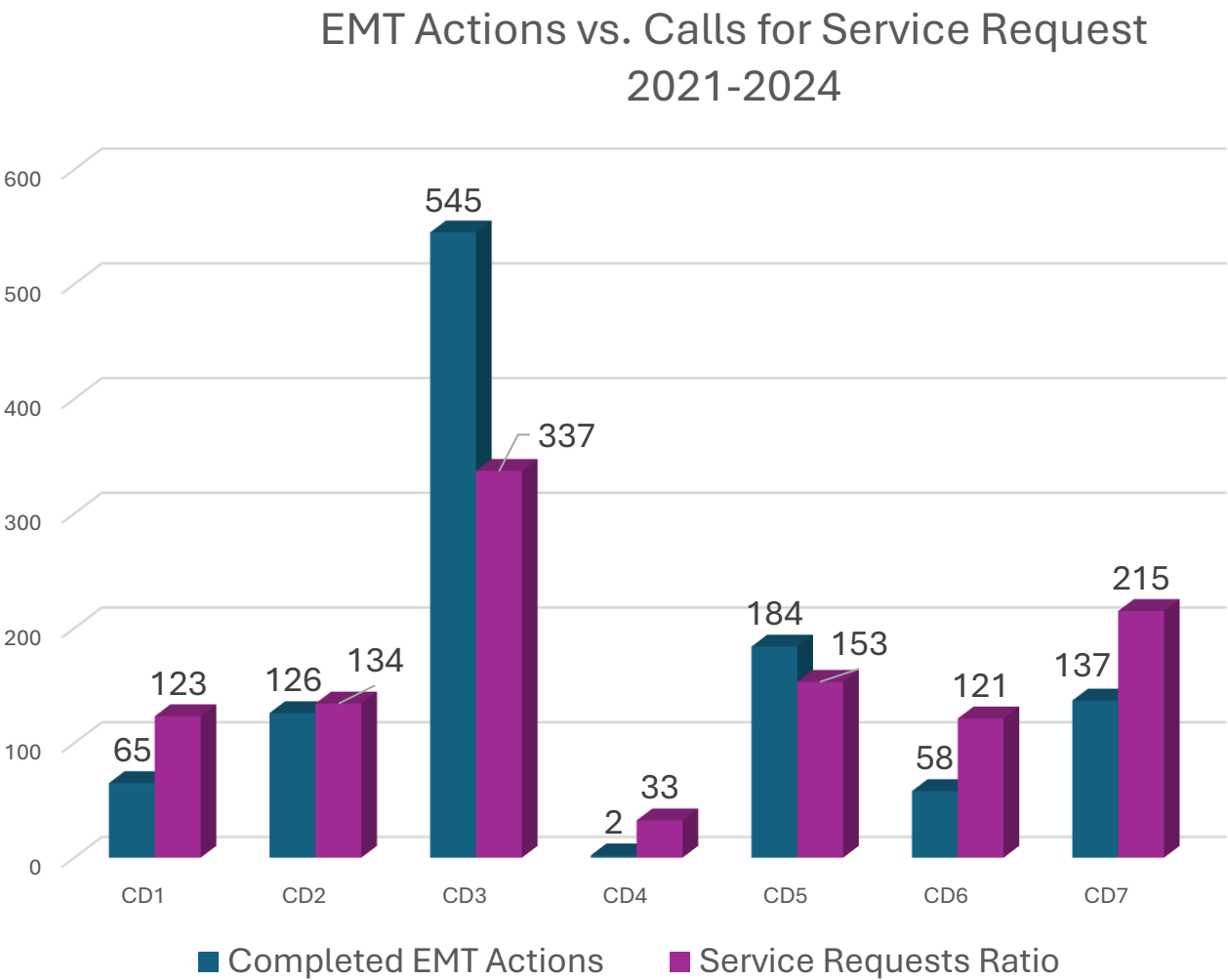


21-25 Years Operation by Council District



EMT Actions vs. Calls for Service Request 2021-2024

District	Completed EMT Actions	Service Requests Ratio
CD1	65	123
CD2	126	134
CD3	545	337
CD4	2	33
CD5	184	153
CD6	58	121
CD7	137	215
	1117	1117



CITY OF OAKLAND



CITY HALL • 1 FRANK H. OGAWA PLAZA • OAKLAND, CALIFORNIA 94612
Commission on Homelessness www.oaklandca.gov/boards-commissions/commission-on-homelessness

April 23, 2025

To: Members of the Commission on Homelessness

Re: Performance Audit of The City of Oakland's Homeless Encampment Management Interventions and Activities
for Fiscal Years 2018-19 and 2019-20

Overview

The Homelessness crisis in Oakland has reached a pivotal point. Our cities most vulnerable residents are suffering. This crisis has not only taken a human toll on the homeless, but so many residents and businesses have also been affected by this crisis. The quality of life for all Oaklanders has been impacted in one way or another by this crisis. The City of Oakland is yet again facing one of its biggest challenges and will require innovative, multilayered, malleable, and comprehensive policies, strategies, and resources to address the crisis. In addition to addressing this calamity, one must always leave room for evaluation, assessment, and reflection to challenge us to push to higher standards for success.

On April 14, 2021, the City Auditor released an Audit titled Performance Audit of Oakland's Homeless Encampment Management Interventions & Activities for Fiscal Years 2018-19 and 2019-20. In this report, you will only find the responses to the recommendations from the Homelessness Division (HD) of the City Administrator's Office (CAO) that pertain to the work and responsibilities of the Encampment Management Team (EMT). The Homelessness Division manages the City's EMT which performs all logistical planning for intervention operations at homeless encampments throughout the city.

The team is a "interdepartmental working group" lead by the Homelessness Division of the City Administrator Office. The EMT was established in late spring of 2017. The EMT tracks encampments and prioritizes, coordinates, and schedules the city's encampment interventions, which may include encampment closures, cleanings, and garbage and hygiene services. The Encampment Management Team is comprised of staff from the following departments and outside agencies:

- City Administrator's Office
- The City Attorney's Office

- Public Works Department
- Human Services Department
- Department of Transportation
- Oakland Police Department
- Oakland Fire Department
- Parks, Recreation & Youth Development De
- Representatives from Bay Area Rapid Transit (BART), Caltrans, Alameda County's Homeless Response Team
- Outreach Team
- Other agencies and City departments as needed

The City Auditor's Office is tasked with examining City programs, operations, and the activities of various city departments. Accordingly, they released their audit report of the EMT's activities for Fiscal Years 2018-19 and 2019-20. According to the auditor's report, the Encampment Audit examined the City of Oakland's encampment management services and activities. The purpose of the audit was to examine the City's practices for managing encampments throughout the city. The audit's objectives were to determine the cost of encampment interventions and activities; determine how many encampments existed in the City of Oakland; assess the quality of conditions at encampments; assess whether the City is achieving its goals and objectives; and determine response times for 911 and 311 calls. Additionally, the audit assessed the closure notification and the bag-and-tag processes, and the quality of data around encampment management services and activities, and identified best practices employed by other governments.

The Homelessness Services and Measure Q audits are included in this report because the CAO's Homelessness Division was included as a respondent on some of the recommendations.

Homelessness Division of The City Administrators Office Responses to City Audits

PERFORMANCE AUDIT OF THE CITY OF OAKLAND'S HOMELESS ENCAMPMENT MANAGEMENT INTERVENTIONS & ACTIVITIES FISCAL YEARS 2018-19 AND 2019-20

Rec #	Recommendation	Responsible Party	Last Reported Status (as of 6/30/2024)	Last Reported Status Update (as of 6/30/2024)	Target Date	Implementation Status (as of 12/31/2024)	Status Update (as of 12/31/24)
1	Implement an organizational structure for the EMT that includes defined roles, responsibilities and authority, including a	CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.		Implemented	Staff created an Encampment Management Team (EMT) org chart. The EMT has about three to four Responsibilities.

	clearly defined decision-making process.						
2	Modify its encampment schedules to better document the types of interventions, the rationale for the intervention, the date of the intervention, the number of staff needed for the intervention, and the number of hours needed to complete the intervention.	CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.		Implemented	Encampment schedules document interventions, their type, and the date of the intervention. In addition to that, the number of staff needed for each intervention can be found in the EMT's GM Edits document and in EMT agendas. Every Friday Administrative Staff sends each City Council office a weekly District Encampment Actions letter outlining planned operations that will take place in their district over the month. The letter also provides the rationale for each intervention. The number of hours are captured and tracked by individual departments that track hours in City Works or respective department management database or platform type receptacles.
3	Work with the EMT to develop a more user-	CAO	Not Implemented	The City Administration did not provide a status		Implemented	This has been implemented internally,

	friendly system for tracking encampment activities. This system should include drop-down menus to provide uniform naming conventions, as well as stronger controls to ensure that information on encampment activities are complete and consistently documented.			update in time to include in this report.			but the public only has access to a PDF. We do have internal spreadsheet that documents activities.
4	Establish written criteria for determining which encampments should receive garbage services, portable toilets, and other hygiene services, and document which encampments are to receive these services based on these criteria.	Multiple - CAO/HSD	Not Implemented	The City Administration did not provide a status update in time to include in this report.	Spring 2025	Partially Implemented	The Encampment Management Policy (EMP) states that the EMT will use the 2018 Minimum Health and Safety Standards as a guide to determine which encampments are eligible for intervention. HSD manages hygiene stations assigned to encampments. If there are 10 or more people at a site, then that encampment is put on a prioritization list to be assigned a hygiene unit by HSD/CHS. The HD contacts HSD/CHS to remove porta potties after an operation results in a closure. (CAO/HD response)

5	<p>Modify the Encampment Management Policy to address outreach strategies prior to interventions. The outreach strategies should include:</p> <ul style="list-style-type: none"> - Establishing specific outreach goals - Defining and expanding roles and responsibilities for all stakeholders involved, including City staff and contracted service providers - Ensuring adequate funding - Implementing monitoring and reporting protocols to ensure internal and external stakeholders can track the effectiveness of outreach strategies. 	Multiple - CAO/HSD	Not Implemented	The City Administration did not provide a status update in time to include in this report.		Implemented	<p>The outreach team provides outreach and notification strategies consistent with the Miralle Settlement Agreement. Additionally, they track all offers and acceptance of services and/or shelter. In FY 24–25, the contracted service provider added a Clinical Care Team to address ADA issues reported by encampment residents. The outreach team and the HD track the effectiveness of the strategies. The information is documented and imported into a document that lives with HD. The outreach service provider has goals for noticing, outreach strategies, and tracking census numbers at encampments. Our goal as cited in the EMP is to offer temporary housing and register people into the HMIS system.</p> <p>(CAO/HD response)</p>
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6	Develop policies and procedures to document the City's outreach efforts at encampments, including the outreach provided, the acceptance of services, and the alternative shelter offered.	Multiple - CAO/HSD	Not Implemented	The City Administration did not provide a status update in time to include in this report.		Implemented	The outreach team provides outreach and notification strategies consistent with the Miralle Settlement Agreement. Additionally, they track all offers and acceptance of services and/or shelter. In FY 24–25, the contracted service provider has added a Clinical Care Team to address ADA issues reported by encampment residents. The outreach provider documents, tracks, and imports the information into a document that lives with HD. (CAO/HD response)
7	Evaluate other cities' methods for informing encampment residents of impending interventions so that encampment residents are adequately notified of scheduled interventions.	Multiple - CAO/HSD	Not Implemented	The City Administration did not provide a status update in time to include in this report.		Implemented	Staff has had meetings with other cities experiencing chronic homelessness in the region, attended weekly and monthly city, county and regional meetings, and attend conferences to share best practices and exchange ideas and strategies with other cities and jurisdictions. We are also complying

							through the Miralle Settlement Agreement. (CAO/HD response)
8	Take appropriate actions to ensure City staff comply with the Standard Operating Procedure for the bag-and-tag process.	Multiple - CAO/OPW	Not Implemented	The City Administration did not provide a status update in time to include in this report.		Implemented	City staff complies with the SOP for the bag-and-tag process. The Multiple departments of the EMT are involved in the bag-and-tag process to ensure compliance. During operations, the Bag-and-Tag process is under the direction of Public Work Supervisors in coordination with the Encampment Management Team. OPD is responsible for the storage of the property. The team follows the guidelines of the Encampment Management Policy and the Standard Operating Procedure. The Miralle Settlement established and outlines the Standard Operating Procedure for the bag-and-tag process. A flyer is provided to encampment resident which outlines the process and provides

							clear instruction for how to retrieve property after an intervention. (CAO/HD response)
9	Evaluate other cities' use of storage facilities to provide alternatives to the bag-and-tag process.	Multiple - CAO/HSD/OPW	Not Implemented	The City Administration did not provide a status update in time to include in this report.		Implemented	We are under Miralle Settlement Agreement which requires us to have two locations for storing belongings. This cannot be modified as it is court enforced legally binding settlement agreement. (CAO/HD response)
10	Develop a clear, comprehensive policy for transportation assistance following an encampment closure or re-closure. The City contracts should align with any policy changes.	Multiple - CAO/HSD	Not Implemented	The City Administration did not provide a status update in time to include in this report.	Summer 2026	Partially Implemented	There is transportation assistance, but we need to produce a written policy and add it to the SOW (FY26-27) to be included in the contract. The contracted outreach team can provide transportation to unhoused persons that accept services. Ideally, this is done before the actual closure date. Once an unhoused individual accepts services, the outreach team can provide transport to facility to provide review, intake, and/or final relocation.

							<p>The contracted outreach team also transports encampment residents to programs, the Housing Resource Center (HRC) and/or medical locations. If the outreach team cannot provide a transport at that time, then a rideshare or electric scooter is procured for the transport. MACRO also assists with taking homeless residents to St. Vincent de Paul and other intervention sites.</p> <p>(CAO/HD response)</p>
11	The Police Department should modify its call reports to identify when staff respond to encampment calls.	Multiple - OPD/ITD	Not Implemented	The City Administration did not provide a status update in time to include in this report.			<p>This does not fall under the purview of the CAO/HD. We will however, ask to see how dispatch captures calls for service.</p> <p>(CAO/HD response)</p>
12	Work with the records management software vendor and Fire Dispatch Center to establish a unique Incident Type that will allow the department to distinguish medical emergency calls at encampments from all other medical emergencies. Further, the Fire	OFD - Fire Dispatch Center	Partially Implemented	The City Administration did not provide a status update in time to include in this report.			<p>This does not fall under the purview of the CAO/HD. It is HD's understanding that Fire does categorize Encampment Service calls. (CAO/HD response)</p>

	Department should ensure staff use the appropriate disposition code upon clearing the location.						
13	Evaluate both the integrity of the 311 Call Center data and the resolution of calls regarding encampments.	Multiple - CAO/EMT	Not Implemented	The City Administration did not provide a status update in time to include in this report.	Fall 2025	Partially Implemented	OAK 311 sends public complaints to the Homelessness Division's email address. HD triages to see if it is an Encampment Management issue or an issue for another city department. Administrative staff provides data on responses they receive from departments after they triage. If it falls under another department, then the respective department should operate under their authority and follow up. However, HD receives very little input from triaged calls to departments and calls are logged and scheduled for an intervention as a larger encampment management issue. (CAO/HD response)
14	Document the amount of time spent, and staff needed, on encampment	Multiple - CAO/HSD	Not Implemented	The City Administration did not provide a status		Implemented	The amount of time spent and staff needed on encampment

	interventions such as closures, re-closures, cleanings, and hygiene services.			update in time to include in this report.			interventions can be found in the EMT's GM Edits document and the EMT agendas. Every Friday Administrative Staff sends each City Council office a weekly District Encampment Actions letter outlining planned operations that will take place in their district over the month. HSD-CHS manages the Hygiene stations assigned to encampments. If there are 10 or more people at a site, then that encampment is put on a prioritization list to be assigned a hygiene unit by HSD-CHS. The HD contacts HSD-CHS to remove porta potties after an operation has occurred resulting in a closure.(CAO/HD response)
15	Develop written goals and objectives for its encampment management activities. These goals and objectives should formally communicate what the City hopes to achieve with	CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.		Implemented	The goals and objectives for encampment management activities can be found within:

	its encampment management activities.						<ul style="list-style-type: none"> - The Miralle Settlement Agreement - The EMP - The Mayor's Executive Order
16	Develop a strategic plan that includes written strategies for achieving its encampment management goals and objectives and establish formal systems for assessing the City's progress in implementing these strategies	CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.	Summer 2025	Partially Implemented	<p>Implementation of the EMP is HD's goal and guidelines are established as follows:</p> <ul style="list-style-type: none"> - The Miralle Settlement Agreement - The City's EMP - The Mayor's Executive Order <p>These, in addition to the protection of critical infrastructure in the city of Oakland determines our strategies to address this recommendation. We are in the process of developing a comprehensive strategic plan that incorporates all documents.</p>
17	Develop annual work plans identifying goals and deadlines for the next year	CAO	Not Implemented	The City Administration did not provide a status	Summer 2025	Partially Implemented	Much of our work is driven by citizen complaints and Policy

	and the strategies for achieving them.			update in time to include in this report.			makers. Guidelines established by the Miralle Settlement Agreement, the EMP, and the Mayor's Executive Order guide the comprehensive work plan that has clear priorities. The documents already identify the goals and strategies for achieving them.
18	Develop a formal comprehensive budget for encampment management activities including all direct and indirect costs.	CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.	Summer 2025	Partially Implemented	This recommendation will be completed and will include included direct and indirect costs as staff is working on the FY 25-27 budget.
19	Establish funding/project codes to track expenditures for encampment-related activities across City departments.	CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.	Winter 2025	Partially Implemented	HD staff met with the Finance Department and created a project code, but HD staff is uncertain when this will be implemented across the board. Other departments will be using the same project code and will work with Finance to establish relevant codes.

20	<p>Perform a staffing analysis to assess the City's staffing requirements for encampment management activities. The staffing analysis should not only address the number of staff needed to carry out encampment management activities, but should also address the appropriate mix and composition of staff needed to effectively administer the new encampment policy. This staffing analysis, at minimum, should assess the need for:</p> <ul style="list-style-type: none"> - Police officers providing the current level of security at encampment interventions - Staff resources needed to monitor and enforce the encampment policy - Administrative staff needed to improve recordkeeping. 	CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.	Winter/ Spring 2025	Partially Implemented	<p>The EMT assess' its resources and identifies what is needed for each encampment activity and intervention. The Homelessness Division has Administrative Staff and two staff members that support operations/ interventions. Since this audit was released, the HD has added staff levels to strategically and affectively carry out operations. The HD teams works closely with the outreach team to provide access to temporary long term and short term shelter options. The implementation of Safe Work Zone has allowed staff to re-evaluate time to be more effective and efficient. But, we will continue to refine our operations and costs to develop realistic expectations based on fiscal capacity and compare to demand for services.</p>
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21	Clearly define and document roles, responsibilities and authority of all staff working on encampment activities, to ensure all staff have a shared understanding of their respective roles, responsibilities, authority, and the expectations they hold for one another.	CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.		Implemented	Meetings help determine resources needed based upon and at that time assessments made about resources and the possible need to acquire additional internal and external resources. These things are covered in EMT, Monthly EMT leadership and Policy and Procedures meetings.
22	Develop and implement written policies and procedures for carrying out all its encampment management activities. These policies and procedures should include the following: - Establish a definition, including criteria, for the term "encampment" and thresholds for responding to and providing services to the various encampments	CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.	Fall 2025	Partially Implemented	Written Policies and Procedures can be found in the City's Encampment Management Policy, the Miralle Settlement Agreement, and the Mayor's Executive Order. Staff are working with policy makers to modify EMP. Other recommendations here will be addressed when

	<ul style="list-style-type: none"> - How the City will monitor encampments to ensure compliance with the new encampment management policy - How the City will enforce the new encampment policy when encampments are not complying with the new encampment management policy - How the City will conduct a racial equity analysis and the semi-annual review to ensure the desired outcomes are achieved. 						the updated EMP goes to City council.
23	<p>Develop data collection systems that include the following:</p> <ul style="list-style-type: none"> - Information needed to measure the City's progress in achieving its encampment management goals and objectives - Activity reports that provide information to management such as the number of interventions conducted by types, the number of encampments provided various hygiene services, the number of trash pickups, the amount of garbage removed from homeless encampments, the number of inspections 	CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.	Fall/Winter 2025	Partially Implemented	Because the EMT consists of various departments, respective departments individually collect data. At some point, the goal will be to develop one system where all data can be stored, tracked, and reviewed to measure the city's success in achieving encampment management goals, the production of comprehensive activity reports for management, and the HD will add its encampment

	<p>conducted of encampments, condition reports on encampments, the number of complaints received from residents and businesses, the number of fire and medical emergencies at encampments, crime statistics, emergency response times to encampments, and the number of enforcement actions conducted</p> <p>- Demographic information on encampments to facilitate the racial equity review and the semi-annual review to ensure the desired equity outcomes are achieved.</p>						<p>demographic data so that the Department of Race and Equity can use that data in addition to the Point in Time (PIT) count data to help facilitate reviews to ensure their desired equity outcomes are achieved.</p> <p>The City will start developing a strategy to determine how we perform in addressing encampments in:</p> <ul style="list-style-type: none"> - High Sensitivity Zones - Infrastructure Preservation - Life Safety - Imminent Danger
24	Assign responsibility for developing and maintaining a comprehensive master list of encampments, which maps the locations of encampments, both formal and informal encampments, including but not limited to, informal tent or small cabin encampments, formal encampments, areas where residents are	CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.		Implemented	<p>There are over 1400 encampments and currently our priorities are to track encampments in high priority zones. They are tracked by type and impact to the community. Encampments in low sensitivity zones are normally not tracked unless they become problematic and turn</p>

	living in parked vehicles, and safe parking areas. This master list should include the population and demographics of the encampments. The maps should also identify the locations of these encampments in relation to storm drain inlets and existing streams, rivers, and flood control channels, as well as other surface water bodies within the City to ensure compliance with federal, state, and regional permits.						into a high sensitivity zone encampment. We will continue to provide analysis of encampments and track them on a quarterly basis and use GIS mapping that tracks and monitors critical infrastructure and life safety issues.
25	Develop formal training programs for City staff working on encampment activities. This training should include training on crisis interventions and understanding, recognizing, and interacting with encampment residents suffering from trauma.	Multiple - CAO/HSD	Not Implemented	The City Administration did not provide a status update in time to include in this report.	Fall/Winter 2025	Not Implemented	HSD/CHS is the lead on this recommendation. They are contracting with PAVE to do the training. There is a contract being routed. (CAO/HD response)
26	Use the "U.S. Substance Abuse and Mental Health Services" Trauma-Informed Toolkit for Homeless Services to evaluate how well trauma informed practices are incorporated into the City's encampment	CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.			This does not fall under the purview of the CAO/HD. This Self-Assessment Toolkit cannot be implemented by the Homelessness Division. The HD performs and executes

	practices to identify areas for organizational growth, and make practical changes using their self-assessment tool-kit.						operations for encampment closures and cleanings. This toolkit is meant to assess programs that serve homeless persons who participate in interim and other housing programs at specific sites. The HD does not house nor run programs at any facilities.
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PERFORMANCE AUDIT OF THE CITY OF OAKLAND'S HOMELESSNESS SERVICES: BETTER STRATEGY AND DATA ARE NEEDED FOR MORE EFFECTIVE AND ACCOUNTABLE SERVICE DELIVERY AND POSITIVE OUTCOMES FOR OAKLAND'S HOMELESS RESIDENTS

(*Recommendation #27 is the only recommendation the Homelessness Division can respond to and has fulfilled its portion of the recommendation for this audit)

Rec #	Recommendation	Responsible Party	Last Reported Status (as of 6/30/2024)	Last Reported Status Update (as of 6/30/2024)	Target Date	Implementation Status (as of 12/31/2024)	Status Update (as of 12/31/24)
1	Work with the County HMIS Lead or otherwise identify a way to access data on "returns to homelessness", by program type and service provider, in order to identify how many participants who exited to permanent housing, return to homelessness six, 12, or 24 months later.	HSD	Not Implemented	The City Administration did not provide a status update in time to include in this report.			

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2	Adopt exits to positive destinations and exits to streets or unknown destinations as metrics for Emergency Shelters, and set performance targets.	HSD	Not Implemented	The City Administration did not provide a status update in time to include in this report.			
3	Continuously review existing performance metrics and corresponding performance targets across all program types, and consider adjusting and developing new ones as needed.	Multiple - HSD/CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.			This is not CAO/HD'S responsibility.
4	Ensure that requirements within service provider contracts reflect adopted performance metrics and targets and ensure such requirements are consistent across different service provider contracts within the same program type.	Multiple - HSD/CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.			This is not CAO/HD'S responsibility.
5	Collect and analyze HMIS data on lengths of stay at crisis response and longer-term housing programs to identify why and when participants exit, and identify trends across different program types and service providers, and use this information to	Multiple - HSD/CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.			This is not CAO/HD'S responsibility.

Rec #	Recommendation	Responsible Party	Last Reported Status (as of 6/30/2024)	Last Reported Status Update (as of 6/30/2024)	Target Date	Implementation Status (as of 12/31/2024)	Status Update (as of 12/31/24)
	inform programmatic decisions that may help the City promote better program performance and improve participants' outcomes.						
6	Evaluate the maintaining/increasing income metric and enrollments in mainstream and health insurance benefits metrics by program type and service provider to identify successes and failures related to participant enrollment. This information should then be used to implement improvements in enrolling participants in benefits programs and to hold service providers accountable.	HSD	Not Implemented	The City Administration did not provide a status update in time to include in this report.			
7	Review participants' income data across programs to reveal the range of incomes and use this information to inform the development and adaptation of City programs to provide deeply affordable housing.	HSD	Not Implemented	The City Administration did not provide a status update in time to include in this report.			

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8	Clarify what the RV Safe Parking program is intended to accomplish in terms of outcomes for its participants. Once these outcomes are determined, decide what metrics are important and set realistic targets for those metrics.	HSD	Not Implemented	The City Administration did not provide a status update in time to include in this report.			
9	Add a dedicated staff member with requisite analytical and technical skills to consistently track and monitor HMIS data, analyze data, and present results for management to review and adjust operations and strategies, as needed. Such a staff member could facilitate better use of and training on HMIS.	Multiple - HSD/CAO/HRM	Not Implemented	The City Administration did not provide a status update in time to include in this report.			This is not CAO/HD'S responsibility.
10	Work with the County HMIS Lead to identify and develop standard and custom reports within HMIS, including reports for real-time bed utilization and returns to homelessness at six months, 12 months, or 24 months after exiting to permanent housing.	HSD	Not Implemented	The City Administration did not provide a status update in time to include in this report.			

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11	Secure training on HMIS data entry and how to produce various reports, including customized reports. If necessary, an outside contractor should be considered if the County HMIS Lead cannot provide adequate or timely training.	HSD	Not Implemented	The City Administration did not provide a status update in time to include in this report.			
12	Adopt and negotiate with service providers, a performance metric and benchmark for timely input of client data into HMIS, preferably in alignment with the CoC's three-day target. Once implemented and negotiated into contracts, the City should continuously track and monitor performance. Additionally, the City should assist service providers in remediating any data concerns quickly.	HSD	Not Implemented	The City Administration did not provide a status update in time to include in this report.			
13	Advocate for the County to improve its HMIS data and reporting capabilities, including disaggregating program outcomes by race.	Multiple - HSD/CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.			This is not CAO/HD'S responsibility.

Rec #	Recommendation	Responsible Party	Last Reported Status (as of 6/30/2024)	Last Reported Status Update (as of 6/30/2024)	Target Date	Implementation Status (as of 12/31/2024)	Status Update (as of 12/31/24)
14	Implement the use of the dashboards to promote access, transparency, and public accountability. The dashboard at a minimum should include bed utilization and returns to homelessness data, as well as the metrics listed in sections 1 and 2 (i.e., exits to permanent housing, homelessness, positive destinations, streets or unknown destinations, maintaining or increasing incomes, and enrollments in mainstream benefits and health insurance).	HSD	Not Implemented	The City Administration did not provide a status update in time to include in this report.			
15	Work with the County HMIS Lead to identify and develop standard and custom reports within HMIS that break down data by race. Reports should be reviewed on a regular basis to track progress. This information should be incorporated in regular progress reports to the City Council and the Commission on Homelessness. (The establishment of regular progress reports is	Multiple - HSD/CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.	September 2025	Partially Implemented	The City and County are working on a Memorandum of Understanding (MOU) to better collaborate on homelessness interventions and shelter services. (CAO/HD response)

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	included in the last section of the report).						
16	Continuously review racial and other demographic data from HMIS, PIT Counts, and the U.S. Census to ensure the City is identifying and serving communities particularly vulnerable to, or impacted by, homelessness.	HSD	Not Implemented	The City Administration did not provide a status update in time to include in this report.			
17	Design, document, and implement improved monitoring procedures that comprehensively incorporate risks, ensure enforcement of contract deliverables, and ensure corrective action plans are implemented.	Multiple - HSD/CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.			This is not CAO/HD'S responsibility.
18	Consider the advantages and disadvantages of implementing multi-year contracts to minimize the administrative burdens presented by annual contract renewals.	Multiple - HSD/CAO/OCA/City Council	Not Implemented	The City Administration did not provide a status update in time to include in this report.			This is not CAO/HD'S responsibility.
19	Consider how to design contracts to promote accountability for reaching performance targets, including both incentives and consequences based on level of performance.	Multiple - HSD/CAO/OCA/DWES/Finance	Not Implemented	The City Administration did not provide a status update in time to include in this report.			This is not CAO/HD'S responsibility.

Rec #	Recommendation	Responsible Party	Last Reported Status (as of 6/30/2024)	Last Reported Status Update (as of 6/30/2024)	Target Date	Implementation Status (as of 12/31/2024)	Status Update (as of 12/31/24)
20	Develop written goals and objectives for the City's homelessness services. These goals and objectives should formally communicate what the City aspires to achieve with its homelessness services. Audit findings and recommendations should be considered in the development of these goals and objectives.	Multiple - HSD/CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.			This is not CAO/HD'S responsibility.
21	In coordination with the Commission on Homelessness, develop a strategic plan that includes written strategies for achieving the City's homelessness services goals and objectives, and establish formal systems for assessing the City's progress in implementing these strategies.	Multiple - HSD/CAO/HCD	Not Implemented	The City Administration did not provide a status update in time to include in this report.	Fall/Winter 2025 or Winter 2026	Not Implemented	This is not CAO/HD'S responsibility. CAO/HD can coordinate w/ HSD for the participation of the Commission on Homelessness (COH). (CAO/HD response)
22	Develop annual workplans to accomplish the strategic plan by identifying goals and deadlines for the next year and the strategies for achieving them.	Multiple - HSD/CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.	Fall/Winter 2025 or Winter 2026	Not implemented	This is not CAO/HD'S responsibility. The CAO/HD will develop the work plan as recommended in the Encampment Management Interventions and

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							Activities Audit. (CAO/HD response)
23	Report annually on activities, progress, and results of the strategic plan.	Multiple - HSD/CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.			This is not CAO/HD'S responsibility.
24	Consult with the City Council and the Commission on Homelessness to develop comprehensive financial reports on homelessness services funding that include funder, program type, and service provider. We recommend these financial reports be both retrospective and prospective, and cover multiple years.	Multiple - HSD/CAO/Finance	Not Implemented	The City Administration did not provide a status update in time to include in this report.			This is not CAO/HD'S responsibility.
25	Periodically, at least annually, compile and present a comprehensive report on homelessness services including detailed information on the service providers, such as performance metrics and targets. Staff should consult with the City Council and the Commission on Homelessness about the information needed to	Multiple - HSD/CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.			This is not CAO/HD'S responsibility.

Rec #	Recommendation	Responsible Party	Last Reported Status (as of 6/30/2024)	Last Reported Status Update (as of 6/30/2024)	Target Date	Implementation Status (as of 12/31/2024)	Status Update (as of 12/31/24)
	provide adequate oversight and use their input to develop a standard report format that can be updated annually and modified as needed.						
26	Perform a staffing analysis to assess the City's staffing requirements for homelessness services. The staffing analysis should not only address the number of staff needed to carry out homelessness service activities, but it should also address the appropriate mix and composition of staff needed to effectively manage homelessness services and address the audit findings.	Multiple - CAO/HSD	Not Implemented	The City Administration did not provide a status update in time to include in this report.			This is not CAO/HD'S responsibility.
27	Clearly define and document roles, responsibilities, and authority of all staff working on homelessness services, including the Homelessness Administrator's staff.	Multiple - CAO/HSD	Not Implemented	The City Administration did not provide a status update in time to include in this report.		Partially implemented	Homelessness Services is a function of the Community Homeless Division in the Human Services Department. Therefore, they should develop or have developed this for their division. HD staff has an EMT Org Chart and drafted a document of the HD's staff roles and

Rec #	Recommendation	Responsible Party	Last Reported Status (as of 6/30/2024)	Last Reported Status Update (as of 6/30/2024)	Target Date	Implementation Status (as of 12/31/2024)	Status Update (as of 12/31/24)
							responsibilities. (CAO/HD response)
28	We recommend the City Council designate the Commission on Homelessness as the entity to oversee the development of the initial strategic plan for the City's homelessness services, and its ongoing monitoring.	Multiple - City Council/CAO/HSD/HCD	Not Implemented	The City Administration did not provide a status update in time to include in this report.			Please keep in mind that the COH has clear mandates spelled out in their enabling legislation. CHS can work with the COH to develop the initial strategic plan for the City's homelessness services, and its ongoing monitoring, but this should be lead by HSD. The HD's staff can facilitate the work with the COH. (CAO/HD response)
29	We recommend the City Council adopt the Oakland homelessness response strategic plan once completed.	Multiple - City Council/HSD/CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.			This is not CAO/HD'S responsibility.
30	We recommend the Commission on Homelessness determine and request the additional resources needed to develop and monitor the strategic plan for homelessness services.	Multiple - CAO/HSD/HCD	Not Implemented	The City Administration did not provide a status update in time to include in this report.			This is not CAO/HD'S responsibility. The HD's staff can share this recommendation with the COH. Please remember that the COH has a number of mandates it must produce and comply with dictated by the

Rec #	Recommendation	Responsible Party	Last Reported Status (as of 6/30/2024)	Last Reported Status Update (as of 6/30/2024)	Target Date	Implementation Status (as of 12/31/2024)	Status Update (as of 12/31/24)
							enabling legislation. (CAO/HD response)

MEASURE Q - BUDGET TRANSPARENCY, PERFORMANCE MANAGEMENT, AND STRONGER OVERSIGHT NEEDED TO ENSURE OAKLANDERS BENEFIT FROM THE 2020 PARKS AND RECREATION PRESERVATION, LITTER REDUCTION, AND HOMELESSNESS SUPPORT ACT

(* The Homlessness Division of the City Administrator's Office will implemet recommendations 10, 13, and 14 by the target date)

Rec #	Recommendation	Responsible Party	Last Reported Status (as of 6/30/2024)	Last Reported Status Update (as of 6/30/2024)	Target Date	Implementation Status (as of 12/31/2024)	Status Update (as of 12/31/24)
2	We recommend the City Administrator develop and propose to the City Council for its consideration, a policy for establishing future maintenance of effort thresholds that are simple, easy to interpret, and represent minimum service levels from base levels.	CAO	Partially Implemented	To the City Council's Finance & Management Committee, the Finance Department has presented and recommended a policy for establishing future maintenance of effort thresholds. The City Council has not yet considered or voted on the policy.	Nov 2024		This is not in the Homelessness Division's purview.
3	To ensure consistency in interpretation and application, we recommend the Budget Bureau document its methodology for calculating the	Finance - Budget Bureau	Partially Implemented	The Budget Bureau reports this was included in the FY 2024-25 Adopted Budget, which has not been issued at the time of publication.	Dec 2024		

Rec #	Recommendation	Responsible Party	Last Reported Status (as of 6/30/2024)	Last Reported Status Update (as of 6/30/2024)	Target Date	Implementation Status (as of 12/31/2024)	Status Update (as of 12/31/24)
	maintenance of efforts for Measure Q.						
4	For future special tax programs, we recommend the Budget Bureau create a maintenance of effort methodology and guidelines prior to developing the measures' first budgets.	Finance - Budget Bureau	Partially Implemented	The Finance Department reports it has presented a policy to the City Council Finance and Management Committee as a recommendation. The City Council has yet to fully consider it and vote on it.	Nov 2024		
5	We recommend the Budget Bureau adjust its budgeting for costs associated with administering the ballot measure to reflect the County's collection fee amount of 1.7 percent of revenue.	Finance - Budget Bureau	Partially Implemented	The Budget Bureau reports this was included in the FY 2024-25 Adopted Budget, which has not been issued at the time of publication.	Dec 2024		
6	To track the effectiveness of Measure Q funds in reaching voter-approved objectives, we recommend the City Administrator's Office, in conjunction with the Public Works and Human Services departments, at a minimum, set a baseline for parks maintenance	Multiple - CAO/OPW/HSD	Not Implemented	The City Administration did not provide a status update in time to include in this report.	May 2025	Partially implemented.	OPW's Bureau of Environment awarded a contract to Kimley-Horn to develop park assessments. Drafts of these assessments are expected to be reported to the Parks and Recreation Advisory

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	conditions and the number of people experiencing homelessness in or adjacent to City parks for measurement going forward.						Commission at their September 2025 meeting. The assessments will respond to this recommendation.
7	We recommend the City Administrator's Office identify baseline performance related to objectives of City special tax programs and establish outcome measures to periodically report to the City Council.	CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.			This is not in the Homelessness Division's purview.
8	We recommend the Public Works Department develop outcomes-based park condition standards for all City parks and use those standards to inform its routine maintenance schedule based on the condition standards and what condition levels it can achieve.	OPW	Not Implemented	The City Administration did not provide a status update in time to include in this report.	Dec 2025	Partially implemented.	OPW's Bureau of Environment awarded a contract to Kimley-Horn to develop park assessments. Drafts of these assessments are expected to be reported to the Parks and Recreation Advisory Commission at their September 2025 meeting. The assessments will respond to this recommendation.

Rec #	Recommendation	Responsible Party	Last Reported Status (as of 6/30/2024)	Last Reported Status Update (as of 6/30/2024)	Target Date	Implementation Status (as of 12/31/2024)	Status Update (as of 12/31/24)
9	We recommend the Public Works Department implement an annual parks condition assessment informed by park condition standards, and report on that annually to the Parks and Recreation Advisory Commission.	OPW	Not Implemented	The City Administration did not provide a status update in time to include in this report.	Dec 2025	Partially implemented.	OPW's Bureau of Environment awarded a contract to Kimley-Horn to develop park assessments. Drafts of these assessments are expected to be reported to the Parks and Recreation Advisory Commission at their September 2025 meeting. The assessments will respond to this recommendation.
10	We recommend the Human Services Department, in conjunction with the City Administrator's Homelessness Division, develop performance measures, with an emphasis on reducing the number of people experiencing homelessness in or adjacent to City parks, and report on those measures to the Commission on Homelessness.	Multiple - HSD/CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.	May 2025	Not implemented	(CAO/HD response)

Rec #	Recommendation	Responsible Party	Last Reported Status (as of 6/30/2024)	Last Reported Status Update (as of 6/30/2024)	Target Date	Implementation Status (as of 12/31/2024)	Status Update (as of 12/31/24)
11	We recommend the Public Works Department assign staff to report on the progress of stormwater quality projects funded by Measure Q to the Parks and Recreation Advisory Commission.	OPW	Not Implemented	The City Administration did not provide a status update in time to include in this report.	July 2024	Implemented	OPW began periodic reporting to the Parks and Recreation Advisory Commission on the progress of Measure Q-funded stormwater initiatives at their July 10, 2024 meeting.
12	We recommend the City Administrator's Office periodically evaluate and report on special tax programs' ongoing performance and outcome measures against baseline performance.	CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.			This is not in the Homelessness Division's purview.
13	To facilitate citizen oversight of homelessness efforts, we recommend the City Administrator's Office bring regular operational and expenditure reports to the Commission on Homelessness, and that the Commission establish a regular agenda item for this purpose.	CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.	Fall 2025	Not Implemented	The Homelessness Division (HD) will ask the CAO's office to bring a regular operational and expenditure reports to the Commission on Homelessness (COH). The commission will add this as an agenda item semi-annually.
14	We recommend the Commission on Homelessness fulfill its	Commission on Homelessness	Not Implemented	The City Administration did not provide a status update	Fall/Winter 2025 or Winter 2026	Not Implemented	The COH will add a section to include Measure Q when it

Rec #	Recommendation	Responsible Party	Last Reported Status (as of 6/30/2024)	Last Reported Status Update (as of 6/30/2024)	Target Date	Implementation Status (as of 12/31/2024)	Status Update (as of 12/31/24)
	statutory obligation by publishing an annual report, pursuant to Oakland Municipal Code Section 4.56.060, including a section on Measure Q.			in time to include in this report.			produces its Annual Report.
15	We recommend the City spend its budget allocation for an annual audit of Measure Q funds collected and expended, as required by California Government Code sections 50071.1 and 50075.3.	CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.			This is not the Homelessness Division's Responsibility
16	We recommend that for future special tax programs, the City Administrator's Office initiate a best practice policy requiring an annual report on revenues, expenditures, and the status of open projects, to make sure that the City satisfies California Government Code sections 50075.1 and 50075.3.	CAO	Not Implemented	The City Administration did not provide a status update in time to include in this report.			This is not the Homelessness Division's Responsibility

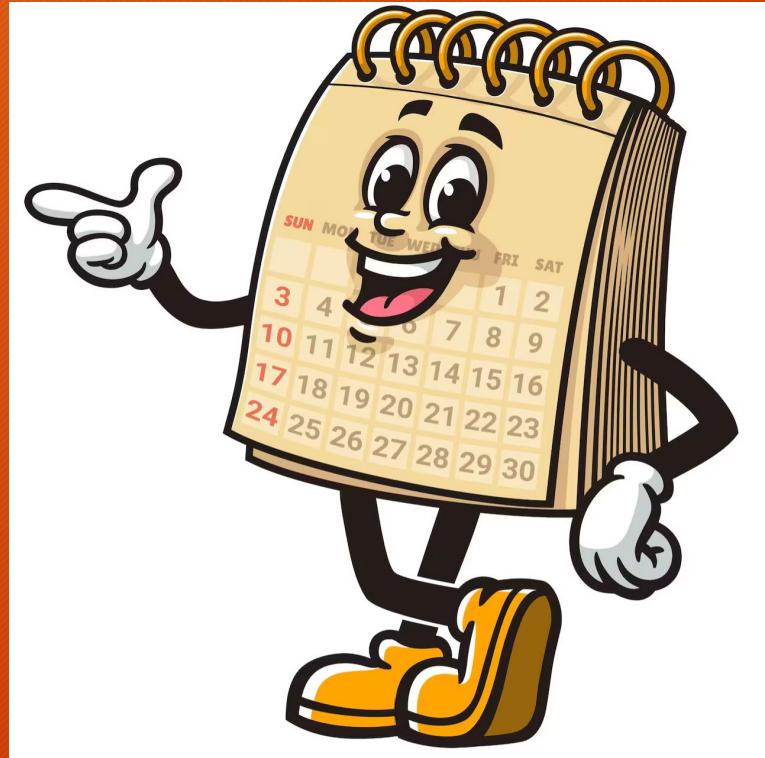
Attachments:

Attachment A - [Performance Audit of the City of Oakland's Homeless Encampment Management Interventions and Activities Audit Fiscal Years 2018-19 and 2019-20](#)

Attachment B - [PERFORMANCE AUDIT OF THE CITY OF OAKLAND'S HOMELESSNESS SERVICES:
Better strategy and data are needed for more effective and accountable service delivery and positive outcomes for Oakland's homeless residents](#)

Attachment C - [Measure Q - Budget Transparency, Performance Management, and Stronger Oversight Needed to Ensure Oaklanders Benefit from the 2020 Parks and Recreation Preservation, Litter Reduction, and Homelessness Support Act](#)

Item # 6 Discussion and Vote to Adopt Meeting Dates for Calendar Year 2025



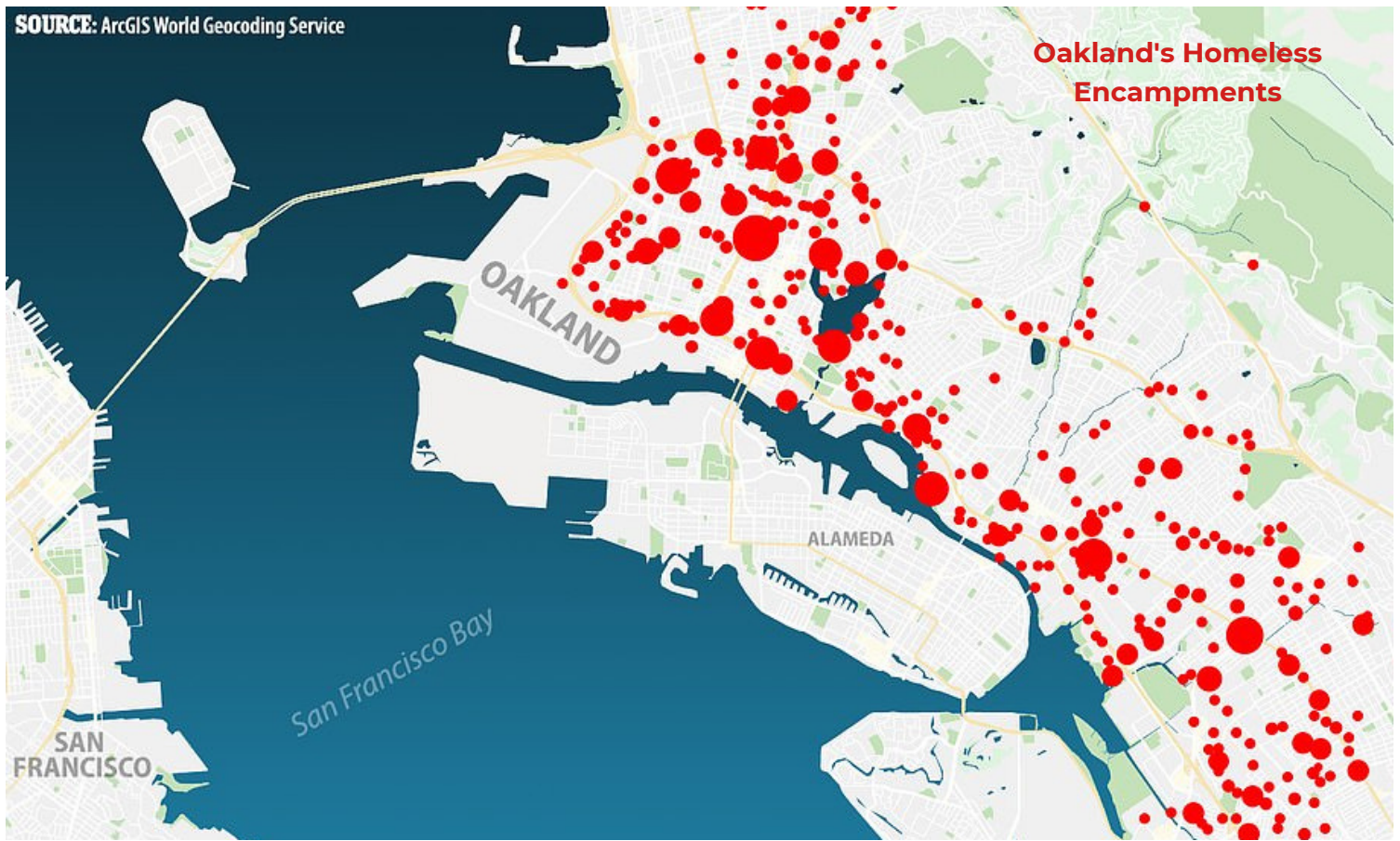
Calendar Year 2025

- January through June
- August
- October or November
- Committee Meetings (Scheduled as Needed)

Proposed Schedule of Future Meetings and Agenda Topics

Meeting Date	Agenda Items
Future Meetings	<ol style="list-style-type: none"> 1. Receive an Expenditure, Revenue, and Performance Report on Measures Q and W 2. Receive an Oral Informational Report on Encampment Management Operations 3. Strategic Plan Report with Human Services Department Reports or Produce Strategic Plan if City Council designates to COH 4. Receive an Informational Report from CHS 5. Receive an Informational Report on COH Recommendations to Remedy Homelessness 6. Receive an Informational Report on Recommendations From The Commission on How to Prioritize The Allocation of Funds In Accordance With The Requirements of Enabling Legislation 7. Receive an Informational Report on the Encampment Management Policy 8. Receive an Informational Report about the UCSF and the Turner Institute's Study on Service Provider Fatigue 9. Receive an Informational Operational and Expenditure report from the City Administrator's Office 10. Presentation on 2024 Point in Time (PIT) Count methodology and next steps 11. Receive Standing Committee Reports <ol style="list-style-type: none"> a. Policy Committee Update <ol style="list-style-type: none"> i. Encampment Management Policy b. Ad Hoc Committee Updates <ol style="list-style-type: none"> i. Work Plan ii. Annual Report c. Governance Committee Appointments <ol style="list-style-type: none"> i. Bylaws

SOURCE: ArcGIS World Geocoding Service



PERFORMANCE AUDIT OF THE CITY OF OAKLAND'S HOMELESS ENCAMPMENT MANAGEMENT INTERVENTIONS & ACTIVITIES FISCAL YEARS 2018-19 AND 2019-20

CITY AUDITOR

Courtney Ruby, CPA, CFE

AUDIT TEAM

Assistant City Auditor, Mike Edmonds, CIA

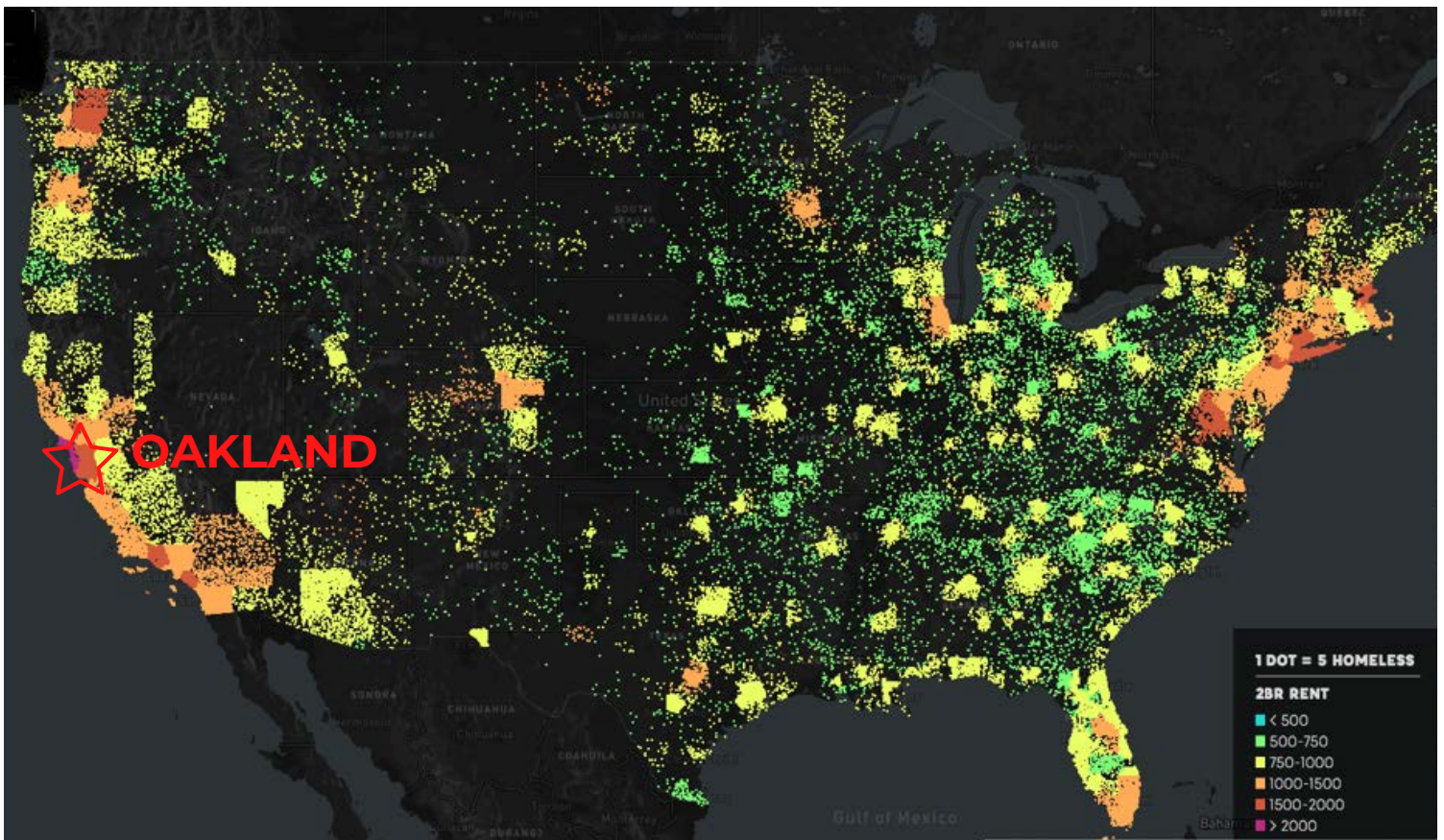
Performance Auditor, Jennifer Lim, CIA

Senior Performance Auditor, Orshi Kovesdi, MBA

Senior Performance Auditor, Mark Carnes, CFP

Performance Auditor, Daniel Williams

APRIL 14, 2021



Source: Understanding Homelessness/Sasaki: <https://www.bloomberg.com/news/articles/2017-04-07/where-america-s-homeless-live>.

Acknowledgments

Homelessness is a serious problem, not just in Oakland, but across the United States. Solving the root causes of homelessness and housing affordability will require an unprecedented amount of intergovernmental, business, and nonprofit coordination and cooperation – it will require a model similar to the COVID response where we all come together with a sense of urgency, respect, commitment, and shared purpose. Therefore, I'd like to thank all those who contributed to this important audit.

Thank you to the City's Encampment Management Team and all the City departments and offices that assisted us in completing this audit.

I also want to thank Oakland's homeless advocates and members of the homeless population for meeting with us at the start of this audit. Both your lived experiences and knowledge of homelessness helped us better understand the problems our unsheltered community are facing.

I want to commend Pauline Miller, Juliet Flores Wilson, and Alexandra Marzolf, from the Goldman School of Public Policy at the University of California, Berkeley, for their outstanding work and contributions to this report.

I especially want to thank my entire team for their tireless work, dedication, and energy they put into this audit. Your expertise and professionalism shine through in this report.

Last, but certainly not least, I want to thank my Assistant City Auditor, Mike Edmonds, for his partnership and auditing expertise. This report is one of many exceptional audits we have produced together since 2007 when he first served as my Assistant City Auditor. He is a gifted professional, a dear friend, and a trusted confidant. As Mike ventures into retirement, we thank him for making all of us in the City Auditor's office better auditors and for his dedicated service to the City of Oakland.



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April 14, 2021

HONORABLE MAYOR
HONORABLE CITY COUNCIL
HONORABLE CITY ATTORNEY
HONORABLE COMMISSIONERS
CITY ADMINISTRATOR
OAKLAND RESIDENTS

**RE: PERFORMANCE AUDIT OF THE CITY OF OAKLAND'S HOMELESS ENCAMPMENT
MANAGEMENT INTERVENTIONS AND ACTIVITIES**

Dear Mayor Schaaf, City Council President Bas, Members of the City Council, City Attorney Parker, Members of the Commission on Homelessness, City Administrator Reiskin, and Oakland Residents:

For several years, the residents of Oakland have identified homelessness as the most pressing issue facing our City. As such, this audit was a priority for both the City Auditor's Office and the City Council. I want to acknowledge City Council President Bas for her leadership on this issue, and her collaboration in defining the audit objectives with my office. This audit report is the first of two audit reports on homelessness.

The audit found the City's efforts to address homelessness are akin to those of other local governments dealing with the growing number of unsheltered residents in their communities, which has only worsened by the severe economic impact of the COVID pandemic. In July 2019, Alameda County released its Homeless Point-in-Time count, indicating the number of homeless residents living in Oakland between 2015 and 2019 had increased from 2,191 to 4,071, an increase of 86 percent. Nearly 79 percent of these individuals were unsheltered due to the lack of permanent affordable housing options, coupled with limited emergency and temporary housing options. The count also identified that 70 percent of Oakland's homeless population are African American, compared to 24

percent in the general population. Moreover, the vast majority of known homeless encampments are within communities of concern.

The impacts of homeless encampments are far-reaching, affecting the City's housed and unhoused residents, City workers, City services, businesses, and the community. The purpose of the audit was to examine the City's practices for managing the numerous encampments throughout the City. Specifically, the audit objectives were to determine the cost of encampment interventions and activities, determine how many encampments exist in the City of Oakland, assess the quality of conditions at encampments, assess whether the City is achieving its goals and objectives, and determine response times for 911 and 311 calls. Also, we assessed the closure notification process, the bag-and-tag process, and the quality of data around encampment management services and activities and identified best practices employed by other local governments as well.

The increase in homeless residents resulted in a significant rise in the number of encampments. The City estimates that at least 140 encampments are scattered throughout the City, and this estimate may be conservative. In response to the rise in encampments, the City established the Encampment Management Team (EMT) in 2017, a multi-departmental team to coordinate the City's encampment response. The EMT developed an Encampment Management Policy (EMP), designed to address the physical management of homeless encampments and establish criteria for determining the types of interventions to undertake at encampments.

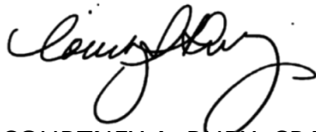
The audit found the City was not adequately prepared to shoulder such a massive project and the EMT was overwhelmed by the undertaking of closing and cleaning encampments throughout Oakland. Specifically, the audit found the City lacked an effective strategy for dealing with the growth in encampments and did not provide sufficient policy direction or adequate funding at the onset of this crisis. Additionally, the EMT lacked sufficient resources, including a budget. The audit also identified the City needs more complete data on encampment activities, increased outreach, improved notification before encampment interventions occur, improved collection of encampment residents' belongings during interventions, and a formal transportation policy to assist encampment residents in relocating. Overall, the audit found the City needs to establish and fund a formal encampment management program to address the findings in the audit and to put in place effective management systems to implement, evaluate, and monitor the new encampment policy passed in October 2020.

Every day our unhoused residents are exposed to unsanitary and dangerous conditions and are vulnerable to serious health risks and significant safety hazards that threaten their lives. As leaders and policymakers across the country seek timely affordable housing solutions and come up with creative policies to help our unsheltered, we on the West Coast, and the

Bay Area specifically, are called to work at a faster pace than most. Our housed and unhoused residents are counting on us to make this right. It is both a humanitarian duty and a civic expectation that our homeless become housed, and our City streets and parks are returned to their intended public uses.

This is a very complex problem requiring every level of government to participate through policy, funding, leadership, and cooperation. COVID has required an unprecedented amount of intergovernmental, business, and nonprofit coordination. Addressing the root causes of homelessness and affordability will require a similar commitment in which we all come together with a sense of urgency, respect, commitment, and shared purpose.

Sincerely,

A handwritten signature in black ink, appearing to read 'Courtney Ruby', with a stylized flourish at the end.

COURTNEY A. RUBY, CPA, CFE
City Auditor

Oakland's City Auditor is an elected official and works for, and reports to, the residents of Oakland. The Auditor's job is to provide oversight to the City's activities. The Auditor has the authority to access and audit City financial and administrative records, plus the policies and procedures of all City agencies and departments.

To make sure this work is done objectively and without bias, the City Auditor is not connected to any other City departments and has no day-to-day financial or accounting duties for the City of Oakland. This autonomy allows for independent analyses, ensuring tax dollars and other resources serve the public interest.

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Executive Summary

OVERVIEW

This report examines the City of Oakland's encampment management services and activities and has four sections. Section 1 discusses the impacts of encampments on Oakland residents, both housed and unhoused, City staff, City services, businesses, and the community, as well as the City's efforts to mitigate the impacts of encampments. Section 2 addresses the Police Department's and the Fire Department's response times to 911 emergency calls at encampments and the City's response to the 311 Call Center service requests at encampments. Section 3 includes estimates of the City's costs associated with encampment activities. Specific cost details and the roles and responsibilities of staff working on encampment activities, and the audit methodology to estimate such costs, are shown in the Appendix. Finally, Section 4 provides guidance for the City Administration to more effectively implement the City's new encampment policy.

BACKGROUND

Cities across the country, especially the West Coast, are facing a homelessness crisis. The federal Department of Housing and Urban Development released a study in late 2019, which stated, "While the rest of the country experienced a combined decrease in homelessness in 2019, significant increases in unsheltered and chronic homelessness on the West Coast, particularly California and Oregon, offset those national decreases, causing an overall increase in homelessness of 2.7 percent in 2019." The study found 567,715 persons experienced homelessness on a single night in 2019, an increase of 14,885 homeless individuals since 2018.

Oakland has been significantly impacted by the homelessness crisis. In July 2019, Alameda County released its Homeless Point-in-Time count, indicating the number of homeless residents living in Oakland between 2015 and 2019, increased from 2,191 to 4,071, an increase of 86 percent. Nearly 79 percent of these individuals were unsheltered due to a lack of permanent affordable housing options coupled with limited emergency and temporary housing options.

Oakland, like other jurisdictions, has experienced a significant increase in the number of encampments. However, the number of encampments and the number of residents occupying encampments changes frequently and is difficult to quantify. A 2018 report identified 329 encampments in the City of Oakland. In comparison, the City's May 2019 master list of encampments identified 87 specific encampments and the City's master list of encampments in October 2020 included 140 encampments.

Like other cities, the City of Oakland established a multi-departmental team, the Encampment Management Team (EMT), in 2017, to coordinate its response to the numerous encampments throughout the City. The goal of the team is to address issues arising from the increase in encampments and coordinate the City's response to managing encampments. The EMT was initially comprised of staff from the following departments and outside agencies: City Administrator's Office, Public Works, Human

Executive Summary

Services, Transportation, Police, Fire, Parks, Recreation and Youth Development, the Mayor's Office and Alameda County Vector Control. On occasion, representatives from Bay Area Rapid Transit (BART), Caltrans, Alameda County's Homeless Response Team, and other agencies and City departments also participate.

OBJECTIVES

A City survey of Oakland residents reported that homelessness and affordability of housing were the two biggest issues that Oakland residents wanted addressed in the City's upcoming two-year budget cycle. Conducting an audit addressing homelessness was a high priority for the City Auditor since taking office in January 2019; it was also a high priority for the Oakland City Council (City Council). Accordingly, the City Auditor and City Council identified the following points for the audit to consider:

1. Determine the cost of the encampment management services.
2. Determine how many encampments exist in the City of Oakland.
3. Assess the quality of conditions at encampments.
4. Assess whether the City is achieving its goals and objectives.
5. Determine response times for 911, 311, and 211 calls.
6. Determine how many homeless are served in encampments, including the number receiving permanent housing and retention rates on permanent housing.
7. Assess the closure notification process.
8. Assess the bag-and-tag process.
9. Identify best practices.
10. Assess the quality of data around the encampment management services.
11. Assess the coordination, partnerships, and performance of City departments, other governmental agencies, and contractors.

This audit is not intended to address all aspects of homelessness. For instance, this audit will not assess shelter options such as Community Cabins, recreational vehicles (RV) sites, transitional housing, and other shelters. The audit also does not address the causes or solutions to homelessness. Rather, this report focuses on the City's encampment management services and activities. It also includes information related to encampment conditions, but due to the COVID-19 (COVID) pandemic, the City Auditor was unable to perform a formal assessment of the quality and conditions of encampments. In addition, we did not assess 211 response times given this is a county system that connects residents with a broad scope of services.

Additionally, the City Auditor will issue a separate audit report at a later date to address the following issues: 1) assessing the coordination, partnerships, and performance of City departments, other governmental agencies, and contractors, and 2) determining the number of encampment residents receiving permanent housing and corresponding retention rates.

WHY THIS AUDIT MATTERS

This audit report provides critical information to City policymakers and City staff to assist them in overseeing and managing the City's encampment activities. For instance, the report highlights the

Executive Summary

significant impacts encampments have on encampment residents, the community, business, and City staff, as well as the City's efforts to mitigate these impacts. Moreover, the report identifies opportunities to enhance the City's intervention efforts. The report also includes information on the Police Department and the Fire Department's response to emergencies at encampments. This information is valuable for policymakers to ensure encampment residents are receiving appropriate and equitable service. To manage the City's encampments, the report estimates the City has incurred approximately \$12.6 million in costs, most of it unbudgeted, over the last two fiscal years. Reliable cost information is critical for City policymakers to have in order to develop informed encampment management policy decisions and appropriately budget for encampment services and activities. The report ends by providing a roadmap for the City Administration to more effectively implement the City's new encampment policy, scheduled to take effect in January 2021.

KEY FINDINGS AND SUMMARY OF RECOMMENDATIONS

Section 1: The impacts of encampments are far-reaching—affecting the City's housed and unhoused residents, City workers, City services, businesses, and the community.

- **Encampments:**
 - are unhealthy for its residents due to unsanitary (i.e., vermin, lack of clean water, garbage, needles, etc.) and dangerous living conditions (i.e., murders, drug use, etc.), fires, and health risks to vulnerable individuals.
 - have significantly impacted City staff through traumatic experiences, dangerous working conditions, and other safety risks. As a result, multiple City staff have filed workers' compensation claims, one of which resulted in an employee receiving \$19,000 in compensation.
 - have impacted City services through an increased demand for public safety and service requests. Additionally, multiple legal actions have been filed against the City.
 - have had significant impacts on Oakland businesses and their clients/customers and staff. Additionally, businesses have reported damage to property and safety concerns.
 - have significantly impacted the community through destroyed or compromised City parks, illegal dumping, environmental issues, damaged or blocked public rights-of-way and traffic signals, and damage to other public infrastructure.
- The EMT coordinates and schedules the City's encampment interventions, which include closures, cleanings, and garbage and hygiene services, based on the initial Encampment Management Policy.
- The City conducted nearly 2,100 interventions in FY 2018-19 and FY2019-20. These interventions included a total of approximately 500 closures, re-closures, and cleanings. Additionally, the City provided nearly 1,600 garbage pickups and other hygiene services such as installing and maintaining showers and portable toilets.
- The City faced numerous challenges in addressing the growing number of encampments including, but not limited to, the lack of affordable housing, the lack of shelter options, shelter options that did not meet the personal needs of homeless individuals, and legal actions that delayed the City's intervention efforts.

Executive Summary

- The EMT and the City were overwhelmed by the undertaking of closing and cleaning encampments because the City was not adequately prepared to undertake such a massive project. Specifically, the City lacked an effective strategy for dealing with the growth in encampments and did not provide sufficient policy direction or adequate funding at the onset of this crisis, and the EMT lacked sufficient resources, including a budget.
- Opportunities exist to enhance the City's encampment interventions by:
 - improving the information on the schedule of interventions,
 - documenting the criteria for determining which encampments receive garbage and hygiene services.
 - enhancing outreach efforts and re-assessing the notification process for interventions, improving the bag-and-tag process, and
 - developing a clear policy on transportation provided to residents at closures.

This section includes 10 recommendations to: improve the organizational structure of the EMT; ensure adequate recordkeeping for interventions; better define when services are provided to encampments; improve outreach, the intervention notification process, and the bag-and-tag process; and develop a comprehensive policy for providing transportation assistance when encampments are closed. A more detailed and comprehensive list of these 10 recommendations are listed on page 39 of the report and the City Administration has agreed to implement these 10 recommendations.

Section 2: The Police Department's response times to 911 emergency calls at encampments were not timely, but the Fire Department's responses to fire emergencies at encampments were timely, and the response time to 311 service requests need further examination.

- Police Department
 - In FY 2018-19, the Police Department received 823 calls to encampments. We were unable to analyze all these calls because response data was incomplete. Accordingly, we analyzed 572 calls in which the data was complete. Most of these calls to encampments were Priority 2, which ideally should be responded to in 10 to 15 minutes. The Police Department, however, responded to these calls in an average of 4 hours. The range of response times was 0 to 54 hours and the median response time was 2 hours.
 - In FY 2019-20, the Police Department received 636 calls to encampments. We analyzed 416 of these calls. Again, most of these calls to encampments were Priority 2 calls. The Police Department's response to these calls averaged 6 hours, the median response time was approximately 3 hours, and response times ranged from 0 to 153 hours. For the one Priority 3 call, the Police Department responded in approximately 7 hours.
- Fire Department
 - The Fire Department responded to 988 encampment related fires in fiscal years 2018-19 and 2019-20.
 - The Fire Department responded to 90 percent of these calls in less than 8 minutes in fiscal years 2018-19 and 2019-20.

Executive Summary

- We were unable to assess the response time for medical emergencies because the Fire Department currently does not track data for calls for medical emergencies at encampments.
- 311 Call Center
 - In calendar years 2018 and 2019, the Call Center received a total of 1,152 calls related to encampments.
 - 311 Call Center response times are based on closed service requests. In calendar year 2018, there were 299 closed cases and the average response time was 22 days. In calendar year 2019, there were 152 closed cases and the average response time was 39 days.
 - Given the gravity of the homeless crisis, the response times are concerning, and the Administration should evaluate both the integrity of the data and the resolution of calls regarding encampments.

This section includes three recommendations to better identify all police and fire emergencies at encampments and improve tracking of 311 calls concerning encampments. A more detailed and comprehensive list of these three recommendations are listed on pages 44-45 of the report and the City Administration has agreed to implement these three recommendations.

Section 3: The City incurred approximately \$12.6 million in direct costs associated with encampment activities in fiscal years 2018-19 and 2019-20. Most of these costs were unbudgeted and resulted in the City forgoing other services to redirect staff and resources to encampment activities

- The City did not budget and track costs for encampment management activities
- The audit estimates that the City incurred approximately \$12.6 million in direct costs associated with encampment activities in FY 2018-19 and FY 2019-20.
- The audit estimates the hourly cost of closures and cleanings to be \$1,464 per hour.
- The audit could not quantify the cost of a second crew, which is used on larger interventions, or days with multiple interventions.
- In addition to incurring costs, encampment activities are diverting time and resources from other City services like illegal dumping and fire inspections.

This section includes one recommendation to improve recordkeeping for tracking and monitoring costs on encampment activities. A more detailed recommendation is listed on page 51 of the report and the City Administration has agreed to implement this recommendation.

Section 4: The City needs to develop and implement formal management systems to effectively administer the new encampment policy

- The City Council adopted a new Encampment Management Policy in 2020 designating high and low sensitivity areas, determining findings that will prompt EMT interventions, and providing

Executive Summary

guidance on addressing unreasonable health and safety risks, promoting voluntary compliance, and strategies to address non-compliance.

- The 2020 Encampment Management Policy also includes an equity provision in recognition that 70 percent of Oakland's homeless population are African American, and the vast majority of known encampments are within communities of concern.
- To be more proactive, programmatic, and strategic, the City will need to create a more formal program to manage the encampment services and activities. The program should include
 - establishing measurable goals and objectives,
 - developing written strategic plans for achieving goals and objectives,
 - establishing formal systems for assessing progress in implementing strategies,
 - developing annual work plans to implement strategies and achieve goals and objectives,
 - developing annual budgets and tracking costs for encampment management activities,
 - determining the appropriate staffing levels, the appropriate composition of staff, and defining the roles, responsibilities, and authority of staff,
 - developing written policies and procedures to guide the implementation of the new policy,
 - developing data collection systems to manage encampment activities, and
 - ensuring staff are adequately trained.

This section includes 12 recommendations to establish a formal encampment management program with appropriate controls in place to effectively manage the City's new encampment management policy. These controls include goals and objectives, developing a strategic plan and annual work plans, establishing formal systems for tracking progress in implementing strategies, developing a budget and comprehensive system for tracking costs of encampment activities, assessing staffing requirements, defining the roles and responsibilities of staff, developing written policies and procedures, developing data collection systems, assigning responsibility for maintaining an up-to-date list of all encampments in the City, and developing training programs for staff working on encampment activities. A more detailed and comprehensive list of these 12 recommendations is listed on pages 60-62 of the report and the City Administration has agreed to implement all 12 of these recommendations.

Introduction and Background

Introduction

Homelessness, homeless encampments, and housing affordability are among the biggest issues facing the City of Oakland (City). Accordingly, the City Auditor placed a high priority on performing an audit of homeless services and put it at the top of her annual workplan, soon after taking office in January 2019. In June 2019, the Oakland City Council (City Council) also requested the Office of the City Auditor (City Auditor) examine the City's practices for managing the numerous encampments¹ throughout the City. The City Auditor and City Council identified the following points for the audit to address:

1. Determine the cost of the encampment management services.
2. Determine how many encampments exist in the City of Oakland.
3. Assess the quality of conditions at encampments.
4. Assess whether the City is achieving its goals and objectives.
5. Determine response times for 911, 311,² and 211³ calls.
6. Determine how many homeless are served in encampments, including the number receiving permanent housing and retention rates on permanent housing.
7. Assess the closure notification process.
8. Assess the bag-and-tag⁴ process.
9. Identify best practices.
10. Assess the quality of data around the encampment management services.
11. Assess the coordination, partnerships, and performance of City departments, other governmental agencies, and contractors.

This audit is not intended to address all aspects of homelessness. For example, this audit will not assess shelter options such as Community Cabins, recreational vehicles (RV) sites, transitional housing, and other shelters. Rather, this report is focused on the City's encampment management services and activities. Due to the COVID-19 (COVID) pandemic, the City Auditor was unable to perform a formal assessment of the quality and conditions of encampments, however, the report does include information related to encampment conditions. Additionally, the following issues will be addressed in a separate audit report at a later date: 1) assessing the coordination, partnerships, and performance of City departments, other governmental agencies, and contractors, and 2) determining the number of encampment residents receiving permanent housing and corresponding retention rates.

This report has four sections. Section 1 discusses the impacts of encampments on Oakland residents, both housed and unhoused, City staff, City services, and the community, as well as the City's efforts to mitigate the impacts of encampments. Section 2 addresses the Police Department's and Fire

¹ The term encampment is widely used to describe homeless individuals choosing to live together in groups, which may also be referred to as tent cities, homeless settlements, and homeless camps. The nature of encampments, as well as the definition of and what constitutes an encampment, is further discussed later in the Background section and throughout the report.

² OAK 311 is a service to make it easier for Oaklanders to report problems and request infrastructure maintenance. For more information on OAK 311, click [here](#).

³ We did not assess 211 response times because it is an Alameda County program that connects residents with a broad scope of health and human services in their community. For more information on 211, click [here](#).

⁴ The City of Oakland's bag-and-tag process is a system to bag up, tag, and store the belongings of encampment residents during an encampment closure, so encampment residents can later retrieve their belongings.

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Department's response times to 911 emergency calls at encampments and the City's response to the 311 Call Center service requests at encampments. Section 3 includes estimates of the City's costs associated with encampment activities. Specific cost details and the roles and responsibilities of staff working on encampment activities, and the audit methodology to estimate such costs, are shown in the Appendix. Finally, Section 4 provides guidance for the City Administration to more effectively implement the City's new encampment policy.

Background

What is homelessness?

According to the Oxford Encyclopedia of Social Work, homelessness is formally defined by the United States government as a condition in which a person "lacks a fixed, regular, and adequate nighttime residence, and if they sleep in a shelter designated for temporary living accommodations or in places not designated for human habitation."

Who are the homeless?

To address the diversity within the population experiencing homelessness, the federal Department of Housing and Urban Development (HUD) defines four subpopulations. These subpopulations are:

- Chronically homeless – defined by HUD as an unaccompanied individual or head of a family household with a disabling condition, who has either continuously experienced homelessness for more than a year or has experienced at least four episodes of homelessness totaling 12 months, in the past three years,
- Unaccompanied children – children under the age of 18 who are not accompanied by a parent or guardian,
- Persons in families with children – at least one adult and one child under the age of 18, and
- Veterans – persons who have served in the military.

Counting the homeless

Although it may not be possible to know the exact number of people experiencing homelessness, the primary data for measuring homelessness trends is the Point-in-Time count, a nationwide count of the number of people that meet the HUD definition of homelessness on a single night in January.

The Point-in-Time counts are considered conservative for several reasons. HUD acknowledges that factors such as a distrust of public services, mental health issues, and a desire to not be found make it difficult to count the homeless population. Also, the definition of homeless differs amongst other federal agencies. For example, HUD guidelines specify that only institutions with space dedicated to people experiencing homelessness are included in the Point-in-Time count. As a result, the count does not include individuals experiencing homelessness who are in jail, hospitals, or substance abuse treatment facilities on the night of the count. Also, HUD does not consider children living in motels or hotels or living with relatives as homeless, with several exceptions. However, the Department of

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Education and the Department of Health and Human Services consider children living in hotels and motels or staying with others that are not relatives as homeless.

National trends in homelessness

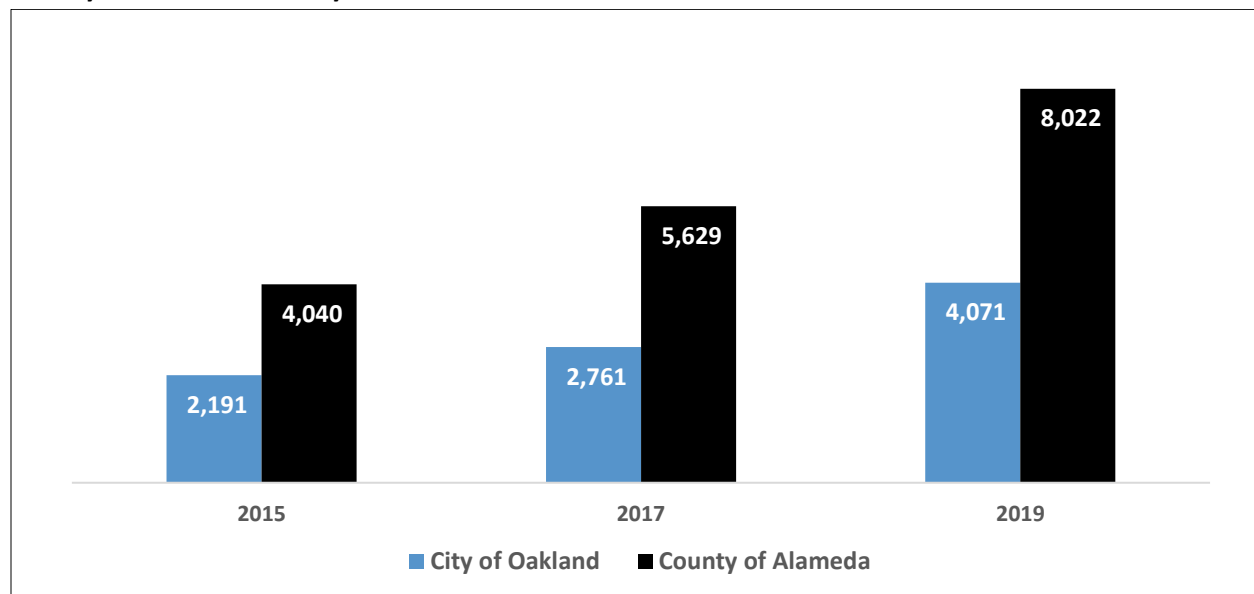
Cities across the country, like Oakland, are facing a homelessness crisis. A HUD study released in late 2019, reported that “While the rest of the country experienced a combined decrease in homelessness in 2019, significant increases in unsheltered and chronic homelessness on the West Coast, particularly California and Oregon, offset those national decreases, causing an overall increase in homelessness of 2.7 percent in 2019.” The study found 567,715 persons experienced homelessness on a single night in 2019, an increase of 14,885 homeless individuals since 2018.

Oakland and Alameda County trends in homelessness

In July 2019, Alameda County released its Homeless Point-in-Time count, indicating the number of homeless residents living in Oakland between 2015 and 2019, increased from 2,191 to 4,071, an increase of 86 percent. Nearly 79 percent of these individuals were unsheltered due to a lack of permanent affordable housing options coupled with limited emergency and temporary housing options.

As shown in Exhibit 1 below, homelessness in Alameda County and Oakland is at its highest level in the last five years. Between 2015 and 2019, the number of homeless in Oakland and Alameda County nearly doubled.

Exhibit 1: Total number of individuals experiencing homelessness in the City of Oakland and Alameda County between calendar years 2015 – 2019



Source: Alameda County Point-in-Time Count and Survey from 2015, 2017, and 2019

Exhibit 2 below shows the subpopulations in Oakland and Alameda County as of the 2019 Point-in-Time count.

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Exhibit 2: Total number of federally reported subpopulations experiencing homelessness in the City of Oakland and Alameda County in 2019

Subpopulation Category	City of Oakland		Alameda County	
	#	%	#	%
Unaccompanied Youth and Young Adults	468	11%	731	9%
Persons in Families with Children	198	5%	524	7%
Chronically Homeless	865	21%	2,236	28%
Veterans	361	9%	692	9%
Homeless Individuals not categorized in the above subpopulations	2,179	54%	3,839	48%
Total Homeless Population	4,071	100%	8,022	100%

Source: Alameda County Point-in-Time count and survey 2019

As Exhibit 2 shows, in January 2019, the Point-in-Time count identified 8,022 homeless individuals in Alameda County, of which, 4,071 were located in Oakland. Unaccompanied youth and young adults represented 468 individuals, or 11 percent of the homeless population in Oakland. Persons in families with at least one adult and one child under the age of 18 represented 198 individuals, or 5 percent of the overall homeless population. This was a decrease from 2017, when families represented 9 percent of the population (262 individuals). Veterans represented 361 individuals, or 9 percent of the homeless population. HUD does not categorize all homeless into one of these subgroups. In 2019, more than half or 2,179 homeless individuals were not categorized into any of the four subpopulations.

As noted above, the Homeless Point-in-Time count is considered a conservative count of persons experiencing homelessness. Various agencies have different methodologies for determining the numbers of homeless individuals and families. For example, a January 2021 report issued by the Oakland-Berkeley-Alameda County Continuum of Care found that, in Oakland, 6,087 households, without children were experiencing homelessness and 499 families with children were experiencing homelessness.

According to the Point-in-Time count, Black/African Americans are disproportionately affected by homelessness. In Alameda County, Black/African Americans represent 11 percent of the County's general population but make up 47 percent of the homeless population. In Oakland, Black/African Americans represent 24 percent of the City's general population but make up 70 percent of the City's homeless population.

The next Point-in-Time count was scheduled for January 2021 but was delayed due to of the COVID pandemic.

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All levels of government, the private sector, and nonprofits are working to address homelessness

Agencies from all levels of government and within the private and nonprofit sectors have dedicated resources to address homelessness through various programs and services. We have listed several agencies and their programs and services below.

Federal agencies

U.S. Department of Housing and Urban Development (HUD)

- Provides funding to states and local governments and nonprofit providers to serve individuals and families across the country who are affected by homelessness.
- Serves over one million people through emergency, transitional, and permanent housing programs each year.

U.S. Interagency Council on Homelessness (USICH):

- Comprises 19 federal member agencies and is charged with coordinating the federal response to homelessness by fostering partnerships at every level of government and the private sector.
- Provides expert guidance to communities and leads interagency working groups to design and implement strategies to end homelessness. USICH develops tools and guidance to support all communities in implementing best practices and it leads the interagency implementation of the federal strategic plan, *Home Together*, to prevent and end homelessness.

State of California

Multiple state entities in California administer a variety of homeless service programs:

- The Business, Consumer Services, and Housing Agency (BCSH) administers the Homeless Emergency Aid Program (HEAP), which provides a total of \$500 million in one-time funding to localities. This funding is meant to assist localities in addressing their immediate homelessness challenges.
- The Department of Housing and Community Development, the California Department of Social Services, the California Housing Finance Agency, California Tax Credit Allocation Committee, and the Homeless Coordinating and Financing Council (HCFC) administer some of the state's longest standing and/or largest housing and homelessness programs.
- Other state departments administer programs that address homelessness indirectly. Those departments include the Department of Health Care Services, the Department of Veterans Affairs, the Office of Emergency Services, and the Department of Corrections and Rehabilitation.

Alameda County

Multiple county agencies and departments administer a variety of homeless programs:

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- County Encampment Response Team (ERT) has been established to coordinate responses to encampments, with an initial focus on unincorporated county areas and prioritizing other County-managed properties.
- Alameda County Homeless Council developed an ‘Encampment Toolkit’ that includes a framework and policies to be piloted within unincorporated areas to assist unsheltered persons. The toolkit will also be modified so that it can be utilized in City-County partnership agreements.
- Alameda County’s Public Health Department has partnered with Oakland to implement vector and rodent control, as well as a Hepatitis A vaccine program for residents in encampments.
- The City and County have been working together to provide a variety of interventions to address COVID among unsheltered individuals. This includes moving homeless individuals into hotels and RV’s and providing COVID tests.
- Other County agencies and departments address homelessness, including the Health Care Services Agency, the Housing and Community Development Department, and the Social Services Agency.

Organizations and service providers around the Bay Area

Numerous organizations provide a variety of services to the homeless including, but not limited to

- Bay Area Community Services,
- Building Futures with Women and Children,
- East Oakland Community Project,
- Health Care for the Homeless,
- Lifelong Medical,
- Operation Dignity, and
- Roots Community Health Center.

Many informal groups, faith-based organizations, and private individuals visit encampments regularly to provide food and personal items.

What is the City of Oakland doing in response to homelessness?

The City has initiated numerous actions to address homelessness in Oakland. In 2006, the City developed the Permanent Access to Housing (PATH) framework as a roadmap for ending homelessness. In 2019, the City updated the PATH framework to align the City’s efforts with national best practices and to focus on homelessness within the City. The PATH framework aims to reduce the number of people experiencing homelessness. Specifically, the framework

- Provides an outline for addressing homelessness across the full spectrum of services from prevention, intervention, and solutions to end homelessness.
- Identifies the scale and scope of the investments needed to make substantial change in the current crisis.
- Seeks to align all stakeholders on the importance of investing across the spectrum of services and in setting ambitious measurable goals.
- Points to the absolute need to increase revenues.

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- Informs policy makers about what to advocate for from federal, state, county, and private funding partners.

Additionally, the PATH framework outlines strategies to reach its goals and commits to measuring the effectiveness of these strategies annually for the life of the plan. The framework outlines specific strategies⁵ to reduce homelessness in Oakland by

- Reducing the number of people who become homeless each year.
- Increasing the number of people returning to housing as quickly as possible.
- Expanding, improving and maintaining crisis response beds.
- Assisting people in securing the incomes and support they need to avoid returning to homelessness.
- Expanding the supply of deeply affordable and supportive housing for Oakland's most vulnerable residents.
- Addressing impacts of unsheltered homelessness on sheltered and unsheltered neighbors.

The City's Crisis Response and Long-term/Permanent Housing Options

The City offers two types of housing options: crisis response and long-term/permanent housing. Crisis response beds provide temporary night-by-night shelter or lodging for those experiencing homelessness. These include transitional housing, shelters, RV Safe Parking, Operation HomeBase, and Community Cabins. Since 2017, the City has significantly reduced its capacity to house the homeless in shelters, transitional housing, community cabins, and RV sites. According to Human Services, the City has more than doubled its capacity over the last three years. Additionally, the City offers long-term/permanent housing options including: rapid re-housing, Project HomeKey, and long-term re-housing services. The City's crisis response and long-term/permanent housing options are described below.

Crisis response options

Transitional housing

The City and its contractors oversee five transitional housing programs: 1) Families in Transition, 2) the Matilda Cleveland, 3) the Oakland Homeless Youth Housing Collaborative, 4) the Holland, and 5) the Henry Robinson Center. Each program is intended to provide transitional housing services to stabilize unhoused residents and provide resources to prepare them to transition to permanent housing.

Shelters

The City funds or partially funds nonprofits to operate four low-barrier emergency shelters for single adults and for families: 1) Crossroads Shelter, 2) Family Matters, 3) St. Vincent de Paul, and 4) Building Futures with Women and Children shelters. The shelters do not provide transitional or long-term housing. Each shelter provides slightly different services to its clients. Services include two to three

⁵ The PATH framework outlines more specific goals, which can be found [here](#).

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meals per day, drinking water, clean bathrooms and showers, and varying levels of case management services and aftercare support.

Operation HomeBase

In response to the COVID pandemic, the City received 67 RVs donated by the State of California. The City uses these vehicles to provide medically vulnerable unsheltered residents a safe space to maintain social distancing. Operation HomeBase can serve a maximum of 128 people at any given time. Participants must either be 65 years of age or older or have an underlying medical condition that makes them more vulnerable to complications from COVID. The program was funded by a combination of funds from the State of California's Emergency COVID Response Fund, and a \$500,000 donation from a private donor. The City also anticipates receiving some reimbursement for its expenses related to the COVID pandemic from the Federal Emergency Management Agency (FEMA).

Recreational Vehicle (RV) Safe Parking

The City has three RV Safe Parking sites: 1) High Street, 2) 71st Avenue, and 3) Beach Street. The City contracts with nonprofit partners to manage the sites. Each site consists of a parcel of publicly or privately-owned land, where residents can legally park their RV (regardless of whether it is operable). The sites are intended to provide a safe and healthy option for residents who reside in RVs. Currently, the RV Safe Parking program has the capacity to host 108 RVs, depending on the size and available spaces at the sites.

Community Cabins

The Community Cabin sites are a coordinated grouping of small shelters that sleep two people per unit. The City has six Community Cabin sites: 1) Lake Merritt, 2) Mandela North, 3) Mandela South, 4) Northgate, 5) Miller, and 6) Oak Street. Like the RV Safe Parking sites, day-to-day operations at each site are managed by different nonprofit organizations contracted by the City to provide site maintenance, housing navigation services, and site security. Residents have access to support services provided by the contracted nonprofit organizations. Community Cabins are available to adults over the age of 18 and are not intended to be a long-term housing solution, but rather a stepping stone to help residents gather the resources needed to secure permanent housing. Currently, the Community Cabin program has a capacity to house 232 individuals at any given time.

Exhibit 3 below summarizes the City's crisis response bed capacity, which provides temporary shelter or lodging for those experiencing homelessness.

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Exhibit 3: Summary of crisis response bed options and capacity

Crisis Response Bed Options	Name	Number of Beds	Accommodates Families ⁶
Transitional Housing	Families in Transition	28	X
	Matilda Cleveland	43	X
	Oakland Homeless Youth Housing Collaborative	22	
	Holland	85	
	Henry Robinson	137	
Shelters	Crossroads Shelter	142*	X
	Family Matters	62	X
	St. Vincent de Paul	100	
	Building Futures with Women and Children Shelters	20	X
Operation HomeBase	Operation HomeBase	128	
RV Safe Parking	High Street	90	
	71st Avenue	92	
	Beach Street	34	
Community Cabins	Lake Merritt	40	
	Mandela North	38	
	Mandela South	38	
	Northgate	40	
	Miller	38	
	Oak Street	38	
Total Number of Beds		1,215	

* This includes 10 beds only available in the winter

As Exhibit 3 above shows, for crisis response housing options, the City has a total of 1,215 beds available.

⁶ The number of available beds for housing options accommodating families are based on the average size of homeless families, which is 3.1 family members. Additionally, the number of available beds for RV sites are based on 2 people per RV.

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Long-term/permanent housing options

Rapid re-housing

The City and its contractors oversee three rapid re-housing options: 1) North County Family, 2) North County Youth, and 3) St. Mary's. These options provide move-in assistance, short-term rental subsidies, and connection to support services to quickly transition homeless households to a permanent housing solution. Currently, these three sites provide a total of 169 beds.

Project Homekey Initiative

Project Homekey is a statewide grant initiative, where local jurisdictions and their development partners acquire and rehabilitate a variety of housing types, including (but not limited to) hotels, motels, vacant apartment buildings, and residential care facilities to serve people experiencing and/or at risk of experiencing homelessness or who are also at risk of serious illness from COVID.

As part of its Project Homekey Initiative, the State of California awarded the City of Oakland \$21.3 million for three housing projects: 1) Clifton Hall, 2) Inn at Temescal, and 3) scattered sites throughout the City. These three projects provide a total of 171 units for people experiencing or at risk-of homelessness. Clifton Hall, a dormitory building previously owned by the California College of the Arts, has 61 units and is located in the Rockridge neighborhood. The Inn at Temescal is an existing hotel located in the Temescal neighborhood and has 21 units for veterans experiencing homelessness and at severe risk of contracting COVID. The City, in partnership with the Bay Area Community Services (BACS), acquired funds through Project Homekey to provide 89 units of housing in locations scattered throughout Oakland.

Long-term re-housing services

The two providers, Abode Services and First Place for Youth, are social service and housing providers that aim to re-house people in need. Currently, in Oakland these providers have 125 units for adults and youth aged 18 to 24, including families. Beginning in FY 2020-21, the providers may be able to serve up to an additional 40 families.

Exhibit 4 below summarizes the City's long-term/permanent housing options for those experiencing homelessness. These include rapid re-housing, Project Home Key, and long-term re-housing services.

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Exhibit 4: Summary of long-term/permanent housing options

Long-term/Permanent Housing Option	Name	Number of Beds	Number of Units ⁷	Accommodates Families ⁸
Rapid Re-Housing	North County Family Rapid Re-Housing	118		X
	North County Youth Rapid Re-Housing	40		
	St. Mary's Rapid Re-Housing	11		
Project Homekey	Clifton Hall Dorm		61	
	Temescal Inn		21	
	Scattered sites		89	
Long-Term Re-Housing Services	Adobe		100	X
	First Place for Youth		25	X
	Total Number of Beds and Units	169	296	

Between rapid-rehousing, Project Homekey, and long-term subsidies and services, the City has a total of 169 beds and an additional 296 units available.

The City established an Encampment Management Team to coordinate the City's response to the increase in encampments

What is an encampment?

Cities, suburban communities, and rural areas across the United States have seen, in recent years, a rise in the number of people experiencing unsheltered homelessness and choosing to live together. The term encampment is widely used to describe these groups, but other terms include tent cities, homeless settlements, and homeless camps. Federal, state, and local governments, including Oakland, do not have a single definition of what constitutes an encampment. This issue will be discussed further in Section 4.

The term encampment has connotations of both impermanence and continuity. People are staying in temporary structures or enclosed places that are not intended for long-term continuous occupancy. Inhabitants may be a core group of people who are known to one another and who move together to different locations when necessary, or they may be a changing group of people who cycle in and out of a single location. The physical structures that make up encampments can take many forms, including tents on pallets and shanties, or lean-to shacks built with scavenged materials. Structures may be simple or complex multi-room compounds. People experiencing homelessness in encampments may also stay in

⁷HUD defines a unit as a house, apartment, group of rooms, or single room occupied, or intended as occupancy, as separate living quarters.

⁸As noted in footnote 6, the number of available beds for housing options accommodating families are based on the average size of homeless families, which is 3.1 family members.

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groups of cars or vans or in man-made tunnels and naturally occurring caves. According to a HUD report, several related factors seem to influence whether people experiencing homelessness prefer to stay in encampments, instead of shelters or other unsheltered locations. These factors include: 1) shortcomings in the shelter system, 2) a sense of safety and community within encampments, and 3) a desire for autonomy and privacy.

Specific shortcomings in the shelter system contribute to increased numbers of people congregating in encampments such as

- an insufficient supply of shelter beds to meet the demand,
- restrictions in shelters that would result in separation from a partner, family member, or pet,
- shelter entry/exit times and locations that are inconvenient or incompatible with people's daily routines,
- concerns about the security of personal belongings and difficulty moving belongings in and out of shelters daily,
- concerns about personal safety and exposure to germs and disease within shelters,
- specific barriers to entry, such as sobriety requirements and entry fees, and
- general perceptions of shelters as "inhospitable," "alienating," "demeaning," and offering little or no support or case management to find permanent housing.

Oakland, like other jurisdictions, experienced a significant increase in the number of encampments. The number of encampments and the number of residents occupying encampments changes frequently and is difficult to quantify. The Just Cities October 2018 Report⁹ identified 329 encampments in the City of Oakland. In comparison, the City's May 2019 master list of encampments identified 87 specific encampments and the City's master list of encampments in October 2020 included 140 encampments.

The City established a multi-department team in 2017

Like other cities, the City of Oakland established a multi-departmental team to coordinate its response to the numerous encampments throughout the City. The City's Encampment Management Team (EMT) was created in late spring of 2017. The goal of the team is to address issues arising from the increase in encampments and coordinate the City's response to managing encampments. The EMT was initially comprised of staff from the following departments and outside agencies: City Administrator's Office, Public Works, Human Services, Transportation, Police, Fire, Parks, Recreation and Youth Development, Alameda County Vector Control, and the Mayor's Office. On occasion, representatives from Bay Area Rapid Transit (BART), Caltrans, Alameda County's Homeless Response Team, and other agencies and City departments also participate.

Exhibit 5 below outlines City departments' and offices' encampment-related responsibilities and services. Information on the estimated costs for each of the departments and offices incurred on

⁹ Led by The Village, the East Oakland Collective, the Dellums Institute for Social Justice/Just Cities, the Goldman School of Public Policy's Rawan Elhalaby and Dr. Dan Lindheim, and the Housing and Dignity Project worked for almost a year to develop a community-based plan to house all of Oakland's unhoused residents. The report, *Housing Oakland's Unhoused*, can be found [here](#).

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encampment activities is provided in Section 3 and in the Appendix, which provides detailed cost information, descriptions of each of the department's and office's responsibilities on encampment activities, and the methodology used to estimate the cost incurred.

Exhibit 5: Departments' and offices' roles related to encampment activities

Departments and Offices	Encampment-Related Activities
Human Services Department (Human Services)	<ul style="list-style-type: none"> • Attends EMT meetings • Manages contracts for street outreach, including advance notification process of encampment interventions • Provides supplemental outreach at encampments • Manages contracts for health and hygiene interventions such as portable toilets, handwashing stations, water stations, and mobile showers at encampments • Provides direct and on-going outreach specifically to support encampments in managing hygiene interventions • Coordinates with the County on public health issues such as COVID impacts on encampment residents
Oakland Public Works (Public Works)	<ul style="list-style-type: none"> • Attends EMT meetings • Performs cleaning and clearing operations associated with various encampment interventions to protect the public right of way, remove debris, and store materials if needed • Performs garbage services at encampments • Manages hazardous waste removal contract
Oakland Police Department (Police Department)	<ul style="list-style-type: none"> • Attends EMT meetings • Participates in all interventions to create a safe working zone for City staff • Dispatches and responds to emergency calls at encampments • Traffic control • Tagging and towing abandoned vehicles
Oakland Fire Department (Fire Department)	<ul style="list-style-type: none"> • Attends EMT meetings • Performs inspections for fire hazards at encampments • Provides education on fire prevention • Provides staff during some interventions • Manages hazardous waste removal contract • Responds to fires at encampments • Responds to calls for medical emergencies at encampments
Department of Transportation (Transportation)	<ul style="list-style-type: none"> • Attends EMT meetings • Assesses and repairs electrical issues that occur at encampments such as illegal wire splices and wire thefts and resulting impairment of traffic signals and street lighting
Parks, Recreation and Youth Development	<ul style="list-style-type: none"> • Attends EMT meetings • Identifies and reports encampment-related issues at parks

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Departments and Offices	Encampment-Related Activities
City Attorney's Office	<ul style="list-style-type: none">• Attends EMT meetings• Advises all departments on matters related to homeless encampments, policies, services, and interventions• Defends City in lawsuits challenging encampment policies and practices• Represents City in state regulatory enforcement actions and interagency disputes (CalTrans/BART)• Advises on grant applications for state and federal funding• Drafts legislation, including Planning Code Amendments to authorize emergency shelters and RV parking; resolutions approving leases, grants, and appropriations• Reviews grants and Professional Services Agreements with homeless service providers• Negotiates and drafts contracts for the purchase, sale, and lease of real property for shelter operations• Advises Commission on Homelessness and City Council• Drafts legal opinions
City Administrator	<ul style="list-style-type: none">• Sets agenda and leads EMT meetings• Coordinates the City's cross-departmental and inter-agency homelessness response
Mayor's Office	<ul style="list-style-type: none">• Attends EMT meetings• Participates in other key local, regional, and statewide efforts• Participates in policy discussions related to encampment activities• Assists in building public-private partnerships to fund and evaluate efficacy of innovative homelessness interventions

The City established the Commission on Homelessness

The Commission on Homelessness (Commission), a citizen oversight body, was established in 2018 and seated in November 2020. This Commission oversees the revenue collected from the 2018 Measure W vacant parcel tax and the 2020 Measure Q parcel tax received by the City for homeless services. Measure W raises revenue for 1) homeless services, 2) preserves existing funding, 3) provides new funding for new affordable housing options, and 4) illegal dumping remediation. Measure Q provides funding for 1) the maintenance and improvement of City parks, landscape maintenance, and recreational facilities and services, 2) homeless services, and 3) the maintenance and cleaning of stormwater trash collection systems and reducing trash and litter in our parks, creeks, and waterways.

In addition, the Commission will make recommendations to the City Council for strategies to remedy homelessness, make budget recommendations on homelessness priorities to the Mayor and the City Council each biennial budget cycle, and review and respond annually to the City's Encampment Management Policy and the PATH framework. They will also hear reports on the available housing, programs, and services for persons experiencing homelessness in the City including, but not limited to, street outreach, homeless shelters, transitional housing, housing exits, and permanent supportive

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housing as needed. The Commission is staffed by the Homeless Administrator and will meet at least four times a year. City Council appointed the Commissioners in November 2020 and their first meeting took place the following month.

Section 1

Impacts of Encampments and the City's Efforts to Mitigate Them

Finding: The impacts of encampments are far-reaching—affecting the City's housed and unhoused residents, City workers, City services, businesses, and the community

Summary

Encampments in Oakland have grown significantly, creating health and safety issues for the City's housed and unhoused residents. Encampments have also significantly impacted City staff, City services, businesses, and the community. In fiscal years 2018-19 and 2019-20, the City undertook approximately 500 closures, re-closures, and cleanings to manage the impacts of encampments. Additionally, the City provided nearly 1,600 garbage services and other hygiene services such as installing and maintaining showers and portable toilets. The EMT and the City were overwhelmed by the undertaking of closing and cleaning encampments because the City was not adequately prepared to undertake such a massive project. Specifically, the City lacked an effective strategy for dealing with the growth in encampments and did not provide sufficient policy direction or adequate funding at the onset of this crisis, and the EMT lacked sufficient resources, including a budget. The need to establish management systems to address these shortcomings is detailed in Section 4 of this report. We also identified several other areas for the City to enhance its intervention activities. These areas include the need for more complete data on encampment activities, increased outreach, improved notification and bag-and-tag processes, and the need for a clear and comprehensive policy on transporting encampment residents, in the event of a closure.

Encampments are unhealthy for the unsheltered and have significantly impacted City staff, City services, businesses, and the community

As noted in the introduction, the number of encampments in Oakland has grown significantly over the last several years. The encampments have had significant impacts on the residents of encampments, City staff, City services, businesses, and the community.

Encampments are unhealthy for its residents

In a 2018 report on adequate housing as a component of the right to an adequate standard of living, the United Nations General Assembly described treatment of encampments in Oakland and San Francisco as "cruel and inhumane." It reported that by discouraging informal encampments in the City, residents were denied access to water, sanitation, and health services.

Audit Results

The unsheltered have endured significant impacts due to living in encampments. Moreover, many of the unsheltered are already more vulnerable to health and safety risks. These impacts are described below.

- **Unsanitary conditions** - Encampments lack clean water, accumulate large amounts of garbage, needles, human feces, rodents, and other vermin. Additionally, poor hygiene at encampments contribute to dental, skin, and other health problems, as well as diseases and illnesses. For example, in 2017, former Governor Brown declared a State of Emergency when a Hepatitis A outbreak in San Diego killed 20 homeless individuals and left hundreds sick. The City responded to the Hepatitis A outbreak in Southern California by increasing hygiene services, such as providing and keeping portable toilets clean, to avoid a similar outbreak in Oakland.
- **Dangerous living conditions** - Crimes including murders, sex trafficking, and drug use have become a significant problem in encampments. The City began tracking murders in encampments in 2020, and in calendar year 2020, 19 murders occurred at encampments, which represents 18 percent of all Oakland murders in 2020. Sex trafficking and forced labor is another significant problem at encampments. According to the National Alliance to End Homelessness, “Human trafficking exploits a person through force, fraud, or coercion for forced labor or commercial sex. Traffickers prey on the vulnerabilities of individuals in poverty, experiencing homelessness, or who are part of marginalized populations.” People are more susceptible to engaging in dangerous employment when they lack housing. It should be noted that individuals from outside of the unsheltered communities also contributed to the violence and illegal activities in and around the encampments.

- **Fires** - Fires are common and pose significant safety hazards.

Encampment residents turn to wood stoves and camp fires for heat and cooking. These fires have the potential to become out of control and burn down camp structures and injure people, as shown by the photo on the right. Larger fires can spread to more populated areas and damage buildings and infrastructure, as



demonstrated by the recent loss of the Vietnamese American Community Center. In fiscal years 2018-19 and 2019-20, the Fire Department responded to 988 fire emergencies at encampments. In 2019, several homeless individuals moved into a boarded up vacant building that was previously damaged by a fire and started another fire. In 2020, an encampment resident died from a fire at an encampment.

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- **Vulnerable to health risks** - The homeless face barriers to accessing healthcare—leading to further health challenges. Strong evidence links homelessness with health issues such as mental illness, substance abuse, poor nutrition, skin conditions, diabetes, and higher exposure to weather-related incidents. Studies have shown high mortality rates among homeless people in general. For example, a 2019 report by the National Health Care for the Homeless Council stated that people who are homeless have higher rates of illness and die on average 12 years sooner than the general U.S. population. The COVID pandemic has only exacerbated the health risks to the homeless. People who are experiencing homelessness often have compromised immune systems and may be at elevated risk for viruses like COVID. They may be also at a higher risk of developing complications due to COVID, as they are more likely to have underlying chronic conditions compared to the general population.

Working at encampments has significantly impacted City staff

Not only do the conditions and risks at encampments affect encampment residents, but they also affect the work and well-being of City staff. City staff have encountered dangerous, stressful, and intense working environments within the encampments, leading to injuries and workers' compensation claims. Encampment activities have led to increased demand on public safety responses and legal actions against the City. Finally, City staff have had to forego their primary duties to work on encampment activities. The impacts of encampments on City staff are outlined below.

- **Traumatic experiences** - City staff reported trauma and obtained counseling services to help cope with the intense working environments at encampments. Verbal and physical confrontations are common when carrying out their duties.
- **Dangerous working conditions** - City staff were threatened on multiple occasions with weapons, such as guns, bottles, axes, and aggressive dogs when working at encampments. Further, staff have stepped on needles, handled human waste, and were exposed to COVID.
- **Other safety risks** - The Fire Department also reported that firefighters have been exposed to serious safety risks while fighting fires along railroad lines, where encampments are often located. The Fire Department has needed to contact the railroad companies to close the railroad lines during these fires. Delays in the railroad companies' responses to these requests have caused dangerously close calls for firefighters with approaching trains. Even though no injuries to firefighters have occurred, the Fire Department has lost firehoses, nozzles, and



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other equipment during these incidents. The above photo shows an encampment fire on East 12th Street, located along the BART tracks.

Because of these traumatic and dangerous working conditions, City staff have filed multiple workers' compensation claims due to mental stress or physical injury. In FY 2018-19, City staff filed four workers' compensation claims and another 22 claims in FY 2019-20. These claims were related to City staff working with the homeless population. For example, in 2019, a City employee filed a workers' compensation claim and received approximately \$19,000 to compensate the employee for mental stress while working with encampment residents, picking up human waste and needles, and experiencing harassment from City management. Most of the claims in 2020 were related to COVID exposures.

Encampments have impacted City services

Encampments have also impacted City services as described below.

- **Increased demand for public safety responses** - In fiscal years 2018-19 and 2019-20, the Police Department responded to 1,459 calls at encampments. As noted above, homicides at encampments represented 18 percent of all homicides occurring citywide in 2020. Additionally, the Fire Department responded to 988 fire emergencies at encampments in the same period. In some instances, the fires were significant and required responses with multiple fire engines and trucks. In some instances, the Fire Department has been challenged to extinguish fires due to the lack of fire hydrants near encampment locations. As a result, the Fire Department has needed additional engines to provide water to extinguish the fires.
- **Increased demand for service requests** - In calendar years 2018 and 2019, the 311 Call Center received a total of 1,152 complaints about encampments.
- **Legal actions filed against the City** - In 2018, the Ninth Circuit Court of Appeals issued a landmark ruling in *Martin v. Boise*, finding that Boise's enforcement of a "no camping" ordinance against homeless individuals violated the Eighth Amendment's prohibition against cruel and unusual punishment. Since the *Martin* ruling, seven lawsuits have been filed against the City challenging its homeless encampment management policies, practices, and procedures as unconstitutional. Each of the seven lawsuits alleges, among other claims, that the City has violated the constitutional civil rights of homeless individuals in violation of the Fourth, Eighth, and Fourteenth Amendments.¹⁰

In addition, in October 2020, the San Francisco Bay Conservation and Development Commission (BCDC) issued a cease and desist order demanding that the City remove all encampments at Union Point Park

¹⁰ The Fourth Amendment prohibits unreasonable searches and seizures and requires a search warrant supported by probable cause. The Eighth Amendment is a prohibition of cruel and unusual punishment that directly forbids communities from criminalizing certain aspects of homelessness. The Fourteenth Amendment guarantees all citizens equal protection under the laws.

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due to deteriorating conditions at several park sites located along the shoreline as a result of destructive encampment activities, or face penalties in the amount up to \$6,000 per day.

Homeless encampments have had significant impacts on Oakland businesses

As described below, homeless encampments have had significant impact on businesses in Oakland.

- **Impacts on clients/customers and staff** - Kaiser Permanente (Kaiser) reported their patients, as well as staff, were affected by the nearby encampment at Mosswood Park. For example, the smoke from open fires at the encampment permeated the hospital buildings, affecting patients and staff. This was especially concerning as vulnerable patients sought medical attention in these buildings. In fact, Kaiser Pediatrics is directly adjacent to the encampment. In a collaborative effort with Operation Dignity and the City of Oakland, Kaiser donated \$1 million to provide housing and support services for 50 people living at the encampment and relocated encampment residents to nearby hotels and other supportive housing.

A large encampment located at the Home Depot store near the Fruitvale neighborhood also experienced significant impacts to its customers and employees. During a cleaning of this encampment in November 2019, the City removed more than 250 tons (75 truckloads) of debris and garbage. In another incident, a man living in his RV brandished a pistol threatening two employees. In response to this and other incidents, Home Depot hired additional security and lobbied City officials to clean up and relocate the encampment. The encampment was closed in January 2020 and some residents were relocated to a Safe RV site that opened across the street.

The Oakland Marina tenants near Union Point Park are also impacted by encampments. Given the break-ins of the bathroom facilities, which tenants use to access showers, and threats of physical violence, it is difficult to rent boat slips at this marina.

Other businesses have reported stolen and abandoned vehicles left on the street for several months. In some cases, there are individuals residing in the vehicles. Further, this takes up needed parking spaces and blocks entrances.

- **Damage to property** - Business have reported being broken into. For example, at an Oakland marina, private bathrooms have been broken into, resulting in significant repair costs.
- **Safety concerns** - This includes harassment, blocked entryways, drug use, discarded hypodermic needles, prostitution, and more.

Encampments have significantly impacted the community

Encampments have also had significant impacts on the community. Some of these impacts include destroying or compromising City assets, environmental damage, and affecting public right-of-way and traffic, resulting in significant repair costs.

- **Destroyed or compromised City parks** - Residents in an encampment near Lake Merritt caused damage to the restored tidal marsh along the Lake Merritt channel in Peralta Park. This park

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renovation was part of the 10th Street Lake Merritt Channel widening project completed in 2018, at a cost of \$21 million. State and federal permits required the restoration as part of the overall project and required the City to maintain the parks in compliance with the permit criteria. The park now has extensive damage and the water quality of the channel has been compromised due to an encampment near the park. These damages include damaged park vegetation, broken irrigation lines, and ruined fencing. Encampment residents also urinated and defecated in the marsh. To repair the damage, the City will need to fence off the area, replace the soil, put in trees and plants, and repair the irrigation system. The City projects these repairs will cost an estimated \$550,000.

Another park, Union Point Park, is one of the most heavily impacted parks by homeless encampments. The San Francisco Bay Conservation and Development Commission (BCDC) has received numerous complaints from residents about conditions at the park that rendered the park unusable. In November 2019, BCDC staff observed numerous tents, vehicles, and other evidence of people living in the area and throughout the park. BCDC staff observed substantial amounts of dead or overgrown vegetation, numerous piles of debris, substantial graffiti, and poorly maintained restrooms, barbecues, and benches. BCDC staff also reported that numerous benches had been burned to the ground, and other instances of poor maintenance. Furthermore, BCDC staff found numerous public access amenities were missing, including a bicycle rack, public and Bay Trail signs, and several picnic tables. Staff were unable to access missing amenities and improvements, due to the presence of encampments, which prevented access to many portions of the park. Finally, BCDC staff reported that the park was unusable by the public for safe walking, picnicking, or other uses. The City performed a preliminary assessment of damage and estimated the repair cost for the lighting alone to be \$500,000. This does not include additional costs to repair bathrooms, landscaping, benches, and other damaged amenities. Due to the extent of the damage, the scope of the repairs exceeds existing contract capacities and vendor capabilities. These repairs will need to be addressed through the Capital Improvement Program, with corresponding procurement timelines and City Council approval of capital expenditures.

- **Illegal dumping** - Illegal dumping in and around encampments poses significant health and safety hazards to the encampment residents and the community. Illegal dumping refers to the willful, intentional, or negligent depositing, dropping, dumping, placing or throwing of any waste matter onto public property that is not expressly designated for disposal of waste matter. The City has received multiple complaints from residents, businesses, and City staff related to excessive garbage and litter associated with encampments. The complaints cited inaccessible roads and parks, overflowing garbage cans and garbage in waterways, needles on the ground, vermin, and more. One complaint of the illegal dumping of debris and appliances noted a person was “shooting up” drugs, while rats crawled around his feet. Additionally, the City re-allocated its Keep Oakland Clean and Beautiful (KOCB) Public Works’ staff and resources, which are normally dedicated to removing illegal dumping throughout the city, to spend 80 percent of their time performing interventions at encampments. Below are examples of illegal dumping in two City parks—Union Point Park and Mosswood Park.

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- **Water quality** - Encampments have caused environmental issues for the community. For instance, some encampments or RV's parked on City streets disposed of hazardous and human waste into the storm drain system, which flows to San Francisco Bay, potentially contaminating the Bay. Moreover, the Regional Water Quality Board, which regulates discharges to the Bay, is including a new provision in its latest administrative draft of Oakland's discharge permit to address such problems associated with homelessness. Additionally, as mentioned above, human waste was also found in the Lake Merritt channel, compromising water quality.
- **Public rights-of-way and traffic signals have been affected** - Encampments that spill out onto sidewalks and streets block public rights of way and violate the Americans with Disabilities Act. The blockages hinder school walking routes and neighborhood access to grocery stores and other commercial areas. The encampments may also hinder the ability of children to walk to school safely. For instance, encampments on 29th and 30th Streets in West Oakland were blocking both sides of the sidewalk under the freeway in a residential neighborhood.

Encampment residents have also illegally tapped into the Pacific Gas and Electric Company (PG&E) power connections through the City's utility boxes, electrical cabinets, and/or street light and traffic signal poles. This illegal tapping results in safety issues for drivers, pedestrians, and others by turning off traffic signals and street lighting. In addition, the City could risk liability if such events cause vehicular accidents and increased street crime due to the lack of adequate street lighting. The picture to the right is an example of electrical damage caused by encampment residents.



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- **Other public infrastructure has been damaged or compromised** - Encampment residents have also damaged other infrastructure. For example, in January 2019 and again in August 2020, encampment fires occurred in the same area under the BART tracks in East Oakland. Train service was halted in both directions due to these fires as transit officials surveyed the tracks for damage. Thick smoke from the 2019 fire caused visibility issues and a track support pillar was damaged. In addition, the Fire Department reported that one individual living under the BART tracks had one tent, around 80 bikes, tarps, lumber, and rubber tires at their encampment. The Fire Department reported that if the rubber tires had caught on fire, the BART tracks would have been destroyed.

Several encampment residents have resorted to opening fire hydrants, as a result of not having access to a clean water supply. Without specialized tools to open the hydrants, the fasteners on the hydrants can become stripped. Stripping the fasteners can make the hydrants difficult or impossible for firefighters to operate when needed. The improper use of hydrants can potentially cause other issues such as backflow contamination in the water system. In response, the East Bay Municipal Utility District has placed security locks on some hydrants, but some of the security locks have been removed. Additionally, nearby water lines have been tapped.

The Encampment Management Team was established to coordinate the City's response to the growing number of encampments

The EMT was created as an ad hoc multi-departmental team to coordinate the City's response to the growing number of encampments throughout the City. Accordingly, the City Administrator assigned an Assistant to the City Administrator to lead the team in developing and implementing the City's Encampment Policy. In 2020, the City Administrator appointed a Homeless Administrator to lead the Encampment Management Team. As noted earlier, the team included staff from the City Administrator's Office, Public Works, Human Services, the Police Department, the Fire Department, Transportation, Parks, Recreation and Youth Development, Mayor's Office, and City Attorney's Office on an as needed basis.

In 2017, the EMT developed the Encampment Management Policy (Policy) as one part of the City's strategy to address homelessness in Oakland. The Policy addressed the physical management of homeless encampments and established criteria for determining the various types of interventions to undertake at encampments. The criteria determining the level of intervention includes: health, safety, location, and size. Within each of the criteria are several factors that the EMT weighs in its decision-making process. The interventions include

- Closure – removing the encampment,
- Enforcement of closure – when homeless individuals return to a previously closed encampment, the City performs an intervention to prevent re-encampment. The 2017 Policy refers to this intervention as an enforcement of closure; however, this report will use the term “re-closure” to refer to this type of intervention,
- Cleaning – temporarily moving an encampment so that health and hygiene issues can be addressed and allowing the encampment to return, and

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- Hygiene and garbage services – providing portable toilets, hand-washing stations, regular garbage service, and/or traffic barriers to protect the health and safety of those in an encampment.

Prior to COVID, the EMT met every other week to make decisions related to encampment interventions. The EMT identified encampments for interventions primarily based on complaints received through the Oakland Call Center (Oak 311) and from complaints or observations from City staff.

The City conducted nearly 2,100 interventions in FY 2018-19 and 2019-20

In fiscal years 2018-19 and 2019-20, the City conducted nearly 2,100 interventions at encampments. These interventions included a total of approximately 500 closures, re-closures, and cleanings. Additionally, the City provided nearly 1,600 garbage services and other hygiene services such as installing and maintaining showers and portable toilets. The totals for FY 2019-20 are only for the first eight months of the fiscal year because the City suspended most closures, re-closures, and cleanings interventions at the beginning of the COVID pandemic as recommended by the federal Center for Disease Control and Prevention, state, and local guidelines.

Exhibit 6 below breaks down the number of interventions by type for fiscal years 2018-19 and 2019-20. Each intervention type such as a closure, re-closure, cleaning, and hygiene/garbage services counts as one intervention per encampment. For example, some encampments receive weekly garbage services and each pick-up is counted as one intervention.

Exhibit 6: Encampment interventions by type in fiscal years 2018-19 and 2019-20

Type of Intervention	Encampment Interventions FY 2018-19	Encampment Interventions FY 2019-20 (reflects 8 months)	Total Interventions
Closure	38	20	58
Re-Closure	56	67	123
Cleaning	224	74	298
Subtotal of Closures, Re-Closures, and Cleanings	318	161	479
Hygiene and Garbage Services*	797	802	1,599
Total Number of Encampment Interventions	1,115	963	2,088

Source: Chart created by auditors based on data provided by Oakland Public Works

*Not all encampments that receive portable toilets and hand-washing stations receive garbage service.

As Exhibit 6 above shows, the City reduced the number of closures and cleanings in FY 2019-20 compared to the previous fiscal year and increased the number of re-closures. On the other hand, the

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City provided more hygiene and garbage services in the first eight months of FY 2019-20 than in the prior 12 months.

In March 2020, the City suspended its encampment policy and enacted a temporary policy in response to the COVID pandemic, which accounts for some of the changes in the number of interventions. The City stopped closing encampments, significantly reduced the number of cleanings, and increased the number of encampments receiving hygiene and garbage services. The number of encampment sites receiving hygiene interventions was increased from 20 to 40.

The City's temporary policy included

- immediate suspension of the Encampment Management Policy and the Standard Operating Procedure and the implementation of a Temporary Encampment Management Policy effective March 2020,
- suspension of ordinary closures and ordinary cleaning interventions,
- suspension of towing, including oversized vehicles, and
- immediate intensive outreach to identify vulnerable unsheltered residents to relocate them to hotels and trailers.

The City's approach was consistent with relevant federal, state, and local legal and policy mandates or guidelines issued in response to COVID.

The challenges of addressing the growing number of encampments

The challenges of addressing the growing number of encampments and the City's efforts to address the conditions at encampments overwhelmed the EMT and the City. The following factors severely hampered the City's efforts to address the conditions at encampments throughout the City:

- The City lacks sufficient housing alternatives to house the unsheltered population.
- Offers of shelter beds are often declined because the shelters may not meet personal needs, such as restrictions for allowing pets.
- Closed encampments are often re-populated because many residents do not want to be displaced or relocated.
- Encampment residents complained, and even threatened City staff, about being displaced from encampments.
- Legal actions were filed against the City to stop its intervention efforts. As noted earlier, the City had seven lawsuits filed against it related to encampments and interventions.
- Encampment residents and their advocates protested at City Hall and at scheduled encampment closures to stop the City's intervention efforts.
- Residents and businesses complained about the growing number of encampments springing up in their neighborhoods and business districts.
- City staff were traumatized and burned-out because of the intense environment in which they worked.

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The City's efforts were also hampered by the lack of adequate resources and planning to carry out this massive undertaking. Specifically, we noted

- The City lacked an effective strategy for dealing with the growth in encampments.
- The City did not provide sufficient policy direction early on, including adequate funding.
- The EMT lacked sufficient resources to address the growing number of encampments and the City did not budget for the City's intervention activities.
- The EMT's collective decision-making was hampered because it lacked clear authority to make decisions on interventions. EMT members assigned to the team could not always attend the meetings or did not have the authority to commit resources to planned interventions. For instance, if department directors did not attend the meetings, they needed to be consulted at a later date to commit their departments' resources. Other members of the team, such as the Police Department's staff, did not have the authority to commit resources to conduct additional same day interventions. As a result, scheduling of interventions was more difficult, and delays were encountered.
- City staff were not adequately trained on crisis management and dealing with traumatized encampment residents.

These management issues and other management systems needed to improve the City's encampment management activities are addressed in Section 4.

The City's intervention efforts are constrained by recent legal decisions

The City's encampment-related actions are constrained by the ruling in the 2018 Ninth Circuit Court of Appeals case of *Martin v. Boise*. In *Martin*, the Court found that Boise's enforcement of a "no camping" ordinance against homeless individuals violated the Eighth Amendment's prohibition against cruel and unusual punishment. Since that ruling, seven lawsuits have been filed against the City challenging its homeless encampment management policies, practices, and procedures. Each of the seven lawsuits alleges, among other claims, that the City violated the constitutional civil rights of homeless individuals in violation of the Fourth, Eighth, and Fourteenth Amendments.

The Fourth and Fourteenth Amendment claims allege that the City improperly seized and destroyed property, and that other due process violations occurred during encampment cleaning and closure operations. However, the property collection and storage procedures in the City's Standard Operating Procedure (SOP) have been reviewed in the course of the litigation and, based on the preliminary proceedings, the SOP does not violate the Fourth or Fourteenth Amendments. The SOP requires legally sufficient notice before property is collected and allows property to be retrieved after storage.

The Eighth Amendment claims allege that the City is "criminalizing" the "status" of being homeless. In *Martin*, the Ninth Circuit explained that, "as long as there is no option of sleeping indoors, the government cannot criminalize indigent, homeless people for sleeping outdoors, on public property, on the false premise they had a choice in the matter." *Martin* prohibits punishing or criminalizing an involuntary act or condition if it is an "unavoidable consequence" of the status of being homeless.

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Significantly, however, the ruling in *Martin* is narrow. The decision distinguishes individuals who have access to adequate shelter and recognizes a city's ability to regulate public conduct and that which takes place on its property, stating:

Naturally our holding does not cover individuals who do have access to adequate shelter, whether because they have the means to pay for it or because it is realistically available to them for free, but who choose not to use it. Nor do we suggest that a jurisdiction with insufficient shelter can never criminalize the act of sleeping outside at particular times or in particular locations might well be constitutionally permissible. So, too, might an ordinance barring the obstruction of public rights of way or the erection of certain structures.

The City does not issue citations or arrest individuals for violating local or state laws aimed at prohibiting sitting, lying, or sleeping in public. Instead, the Police Department is tasked with ensuring and maintaining a safe work zone for staff from Public Works who perform cleaning and clearing operations at encampments.

The City may have the authority to determine the “time and place” of certain activities or the use of its public property. Nonetheless, it is legally obligated to follow established due process legal precedent, the ruling in *Martin*, as well as its own homeless encampment management policies, procedures, and legislation.

Opportunities exist to enhance the City's encampment interventions

We also identified other opportunities to enhance the City's intervention efforts. These enhancements include

- improving the information on the schedule of interventions,
- documenting the criteria for determining which encampments receive garbage and hygiene services,
- enhancing outreach efforts and re-assessing the notification process for interventions, improving the bag-and-tag process, and
- developing a clear policy on transportation provided to residents at closures.

Encampment Management schedule of interventions needs improvement

The Encampment Management schedule, the City's main record of interventions, tracks encampment interventions including the location of encampments, date(s) of intervention, number of crews used, and the types and conditions of encampments. However, this schedule does not adequately capture the types of interventions, the rationale for the intervention, the date of the intervention, the number of staff needed for the intervention, and the number of hours needed to complete the intervention. This information should provide a more accurate and comprehensive record of the City's encampment intervention activities. It could also provide a basis for planning future interventions.

The City's information on the schedule was incomplete. For instance, the schedule did not include the following information:

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- Not all interventions were recorded on the schedule. The EMT schedule was missing days/weeks of scheduled interventions that had occurred. This makes it difficult for the City to accurately track the number and location of encampment interventions.
- The City did not adequately document the reason for applying an intervention at a specific encampment. The policy requires encampment interventions consider safety, health, location, and size when determining which intervention to apply, but the actual justifications for the interventions were not recorded.
- The description of the type of intervention was not consistent. One column identifies the type of intervention, but because there is no standard for inputting data, it showed numerous variations of the same intervention. Having uniform naming conventions of interventions would improve documentation on the number and types of interventions.
- The schedule did not reflect when an intervention was postponed or cancelled, nor did the schedule accurately reflect when the intervention occurred. The schedule should indicate when an intervention was scheduled and whether the intervention took place on that day.
- The number of staff and hours spent at an intervention were not documented. The resources spent on interventions was not documented on the schedule.

The City needs to improve controls for data collection activities associated with encampment activities. The EMT meets regularly to share information and coordinate activities, however, regular communication did not necessarily translate to quality record-keeping as described in the section above.

Much of what is known about encampments takes the form of institutional knowledge, which could present challenges when organizational changes such as staff turnover occur.

Establishing controls around collected data provides assurance that the data is comprehensive, accurate, consistent, and ultimately reliable, so that the City can make data-driven decisions regarding encampment management.

The City needs to develop formal criteria for determining which encampments receive garbage and hygiene services

The EMT determines which encampments receive various services such as garbage services, portable toilets, handwashing stations, and other hygiene services. The City currently provides garbage services and hygiene services to approximately 40 encampments.

The City, however, does not provide these services to all encampments. Although the City increased these services to encampments, the criteria on which encampments receive these services is not written and the decisions reached are not documented. To ensure equitable service, the City should develop written criteria to determine which encampments should receive these services and then document which encampments receive these services based on these criteria.

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The City should enhance its outreach efforts and should reassess how it notifies encampment residents of impending interventions

A critical piece of carrying out an encampment intervention is the outreach to homeless individuals prior to the intervention. The City contracts with a nonprofit, Operation Dignity, to provide homeless outreach services at encampments. Human Services staff provide supplemental outreach services as needed. Outreach is a process designed to seek out and offer basic services to homeless individuals who might otherwise be overlooked or underserved. Effective outreach requires building trust and rapport, ensuring that people's basic needs are met, and supporting them along pathways toward housing stability.

Currently, outreach services include, but are not limited to, providing hygiene services to encampments, notifying residents prior to interventions, offering alternative shelter, providing harm reduction supplies,¹¹ facilitating reunification with family and friends, and more. Due to COVID, the audit was unable to make a comprehensive assessment of outreach services at encampments, but did identify the following observations:

- In several instances, the City extensively documented outreach at specific encampment closures such as identifying the number of encampment residents and the conditions at the encampment. The City, however, did not consistently document this information. Collecting data around the outreach provided, including the level of acceptance of services and alternative shelter offered, allows the City to analyze this information and adapt outreach strategies if needed.
- Encampment outreach is not sufficiently addressed in the 2017 or the 2020 EMT policy, other than to address the outreach related to the notification process. Specific outreach strategies should be established, and the results should be periodically reported to relevant stakeholders.
- The outreach strategy should include
 - establishing specific outreach goals,
 - defining and expanding roles and responsibilities for all stakeholders involved, including City staff and contracted outreach service providers,
 - ensuring adequate funding, and
 - implementing monitoring and reporting protocols, to ensure internal and external stakeholders can track the effectiveness of outreach strategies.

Prior to closures and cleaning interventions, the EMT policy requires the City to notify encampment residents no less than 72 hours ahead of interventions. For closures, the City is also required to post signage in multiple languages. Human Services manages the notification and outreach process through a third-party contractor, Operation Dignity, that notifies encampment residents no less than 72 hours in advance of closures and cleanings.

¹¹ These include food, hygiene kits, and blankets.

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Operation Dignity provides Human Services staff with photos of the posted notifications to document the notifications were posted (see example to the left). The audit selected a random sample of 11 encampment interventions to verify Operation Dignity posted the proper notification no less than 72 hours in advance of the intervention, as required by the City's policy. City staff provided documentation from Operation Dignity that the notifications were posted for all 11 interventions tested.

Encampment residents, however, have voiced concerns that notifications are not regularly posted or viewed before an intervention, and some residents were unprepared on the day of an intervention.

As the picture to the right indicates, the audit team witnessed notifications ripped off and discarded,

potentially before encampment residents had seen them. Further, Operation Dignity staff may conduct an encampment visit at a time when few residents are present, and in these cases, some unsheltered residents may first encounter Operation Dignity staff on the day of an intervention.

These observations suggest that the notification process, even when followed, is not effective because the City cannot provide adequate assurance that encampment residents were properly notified of impending interventions.

Based on a limited sample of interventions, it appears the City complied with its notification process, however, the City should re-assess this process. Requiring encampment residents to relocate, even for a short period of time, can be very traumatic, especially for those residents with special needs. Thus, the City should evaluate its method for notifying residents of pending interventions. In doing so, the City should reassess whether there should be multiple in-person notifications that include documenting contact with the residents. Such an approach, if implemented, should be evaluated for its cost effectiveness, given increased in-person notifications and documentation will require more staff resources.



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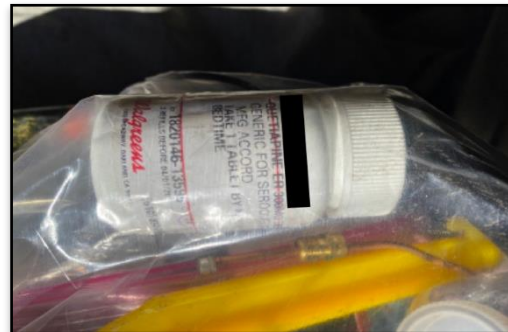
The bag-and-tag process could be improved

During encampment closures and re-closures, the City's Standard Operating Procedure (SOP) requires Public Works staff to dispose of items that are clearly garbage or unsafe for storage. All other personal belongings left at a site are to be collected, labeled, and stored (a process called bag-and-tag) in the Public Works warehouse for at least 90 days. Public Works staff are required to fill out an itemization form detailing the belongings collected with the location, date, and time of collection. A 'Notice of Collected Property' is posted at the site, which includes the Public Works Call Center phone number so that the encampment resident can reclaim their property.

According to City staff, encampment residents are encouraged to keep their belongings with them. Thus, the bag-and-tag process is not often used. When the process is used, however, the City's procedures were not strictly followed as the audit found the following discrepancies:

- **Perishable items** - The SOP states that Public Works staff should dispose of belongings that are clearly garbage or are unsafe for storage, such as food or food wrappers, soiled items, or used personal hygiene items. Auditors observed perishable items, including string cheese, being stored.

- **Controlled substances** - The SOP states that all medications and controlled substances will be turned over to the Police Department. However, auditors observed a container of anti-psychotic medication being stored, as shown to the right.



- **Lack of labels/itemization** - The SOP states that Public Works staff will collect, bag, and label personal belongings left at the site and itemize belongings collected. The labeling should include the location, date, and time of collection on the itemization form. Auditors observed that all items collected were not labeled as required. As a result, it is difficult to ensure belongings are returned to their owner.

- **Unorganized storage** - Auditors observed roughly 30 unlabeled bicycles (including parts and tires) stacked on top of each other, as shown to the right. The department would benefit from a system of organization and documentation of items.

- **90-day storage** - The SOP states that collected belongings will be stored at a Public Works Department facility for at least ninety (90) days. We observed a lack of organization and labeling of items, suggesting that following guidelines for storage time is likely difficult to



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follow. Without an organizational structure, the City may also expose itself to additional risk associated with the potential for items to be misplaced or stolen.

Other jurisdictions have articulated a similar need to improve the storage options of personal belongings for unsheltered individuals. For instance, the City of Los Angeles recommends offering subsidized transportation to storage facilities. While this option would certainly remove existing barriers that may currently discourage encampment residents from utilizing storage options, Public Works currently stores possessions in a single shipping container, unfit to accommodate many additional items. Los Angeles also recommends increasing access to neighborhood-based storage facilities in close proximity to encampments by operating on City-owned property or offering vouchers to private storage facilities and establishing storage limits. A similar approach could allow the City of Oakland to reduce barriers to encampment residents accessing their property.

The City needs to develop a clear, comprehensive policy for transportation assistance

The City should develop a clear, comprehensive policy for transportation assistance following a closure or a re-closure. Currently, Operation Dignity is contracted to provide unsheltered individuals with transportation assistance in the form of bus tickets, cab vouchers, agency vehicles with staff, and/or companion public transportation, but only when the individual is being connected with benefits or services with a designated destination prior to closure. Encampment residents, who have not been offered shelter, denied shelter options, are waiting to enter Community Cabins or Safe RV sites, or want to relocate to another encampment rely on volunteers unaffiliated with the City to help coordinate their transportation. Occasionally, City staff offer stranded encampment residents transportation assistance to shelter options or other locations. Informal transportation agreements between encampment residents and City staff or volunteers demonstrate a gap in policy. The City should reassess its contractual agreement with Operation Dignity or otherwise ensure that transportation needs are met when City actions result in the displacement of encampment residents.

Conclusion

Encampments in Oakland have grown significantly creating health and safety issues for the City's housed and unhoused residents. Encampments have also significantly impacted City staff, City services, businesses, and the community. In fiscal years 2018-19 and 2019-20, the City undertook nearly 2,100 interventions to manage the impacts of encampments. These interventions at encampments included approximately 500 closures, re-closures, and cleanings, and approximately 1,600 garbage services, and other hygiene services. The EMT and the City were overwhelmed by the undertaking of closing and cleaning encampments because the City was not adequately prepared to undertake such a massive project. Specifically, the City lacked an effective strategy for dealing with the growth in encampments and did not provide sufficient policy direction or adequate funding at the onset of this crisis, and the EMT did not have resources, including a budget. The need to establish management systems to address these shortcomings is in Section 4 of this report. We also identified several other areas for the City to address, in order to enhance its intervention activities. These areas include the need for more complete

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data on encampment activities, increased outreach, improved notification and bag-and-tag processes, and a clear, comprehensive policy on transporting residents, in the event of a closure.

Recommendations

To enhance its encampment intervention activities, the City Administration should

1. Implement an organizational structure for the EMT that includes defined roles, responsibilities and authority, including a clearly defined decision-making process.
2. Modify its encampment schedules to better document the types of interventions, the rationale for the intervention, the date of the intervention, the number of staff needed for the intervention, and the number of hours needed to complete the intervention.
3. Work with the EMT to develop a more user-friendly system for tracking encampment activities. This system should include drop-down menus to provide uniform naming conventions, as well as stronger controls to ensure that information on encampment activities are complete and consistently documented.
4. Establish written criteria for determining which encampments should receive garbage services, portable toilets, and other hygiene services, and document which encampments are to receive these services based on these criteria.
5. Modify the Encampment Management Policy to address outreach strategies prior to interventions. The outreach strategies should include
 - establishing specific outreach goals,
 - defining and expanding roles and responsibilities for all stakeholders involved, including City staff and contracted service providers,
 - ensuring adequate funding, and
 - implementing monitoring and reporting protocols to ensure internal and external stakeholders can track the effectiveness of outreach strategies.
6. Develop policies and procedures to document the City's outreach efforts at encampments, including the outreach provided, the acceptance of services, and the alternative shelter offered.
7. Evaluate other cities' methods for informing encampment residents of impending interventions so that encampment residents are adequately notified of scheduled interventions.
8. Take appropriate actions to ensure City staff comply with the Standard Operating Procedure for the bag-and-tag process.
9. Evaluate other cities' use of storage facilities to provide alternatives to the bag-and-tag process.
10. Develop a clear, comprehensive policy for transportation assistance following an encampment closure or re-closure. The City contracts should align with any policy changes.

Section 2

Police, Fire, and 311 Response Times

Finding: The Police Department's response times to 911 emergency calls at encampments were not timely, but the Fire Department's responses to fire emergencies at encampments were timely, and the response time to 311 service requests need further examination

Summary

In addition to providing interventions, the City also responds to emergency and service requests related to encampments. The Police Department responds to 911 emergency calls for services at encampments and the Fire Department responds to fire and medical emergencies at encampments. The 311 Call Center receives and responds to service requests at encampments.

The Police Department's response time to emergency calls at encampments averaged four to six hours in fiscal years 2018-19 and 2019-20. The Police Department also needs more information to fully capture all police emergencies at encampments. The Fire Department responded to fire emergency calls at encampments in less than eight minutes in fiscal years 2018-19 and 2019-20. The Fire Department's response times to medical emergencies could not be calculated because the Fire Dispatch Center does not distinguish these calls from other medical emergencies. The 311 Call Center's average response time to service requests was 22 days in 2018 and 39 days in 2019.

The Police Department's response to 911 emergency calls at encampments were not timely

The Police and Fire Communications Divisions are charged with handling police, fire, and medical-related calls. The Communications Divisions answer the calls and dispatches them to either the Police Department's Patrol Divisions and/or the Fire Department.

Response time goals for police emergency calls

Calls for service that require a physical police response are categorized and dispatched by the 911 Call Center as Priorities 1, 2, and 3. The priorities are described below.

- **Priority 1 calls** are the highest priority and include situations where life or property is in imminent danger. These include crimes in progress such as robberies, rapes, assaults, or burglaries. These calls also include violent disturbances, reports of individuals with guns, or shots fired.

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- **Priority 2 calls** include situations that require an immediate response, with no immediate threat to life or property. These include family disputes, disturbance of the peace, and suspicious activities.
- **Priority 3 calls** include calls where there is no substantial threat to life or property, but a police response is needed. These include reports of crimes where a significant amount of time has elapsed since the occurrence of the crime. For example, someone comes home from work to find their home had been broken into several hours earlier.

According to a 2010 Oakland Police Department report, a reasonable standard for a priority 1 call is for no more than five minutes from the time the call is received at the 911 Call Center until a police officer is on scene. The report also noted that Priority 2 calls should be responded to within 10 to 15 minutes and Priority 3 calls should be responded to within 30 minutes.

To achieve these response times, the 2010 report stated that the Police Department would need at least 420 to 517 officers on patrol to achieve the response time goals. In 2009, the Police Department had 334 officers on patrol, or 86 to 183 fewer patrol officers than the report stated would be needed to achieve the response time goals. As of December 31, 2020, the Police Department had 248 officers actually working on patrol. Although the Police Department has not achieved staffing levels required to achieve the response time goals specified in the 2010 report, these ideal response times provide context for the Police Department's response times at encampments.

The Police Department's response to emergency calls at encampments were not timely

In FY 2018-19, the Police Communications Division dispatched 823 emergency calls to encampments. We were unable to analyze all these calls because response data was incomplete. Accordingly, we analyzed 572 calls in which the information was complete. Exhibit 7 below shows the priority of the calls, the range of response times, the average response time, and median response time for the 572 calls.

Exhibit 7: FY 2018-19 Police Department response time to 911 calls at encampments

Call Priority	Number of Calls	Response Time Range	Average Response Time	Median Response Time
1	1	25 minutes	25 minutes	25 minutes
2	568	0 - 54 hours	4 hours	2 hours
3	3	1– 13 hours	7 hours	7 hours
TOTAL CALLS	572			

Source: Dispatch data provided by the Police Department

As Exhibit 7 above shows, the Police Department's response times to calls to encampments in FY 2018-19 were not timely. The overwhelming majority of the calls to encampments were Priority 2, which ideally should be responded to in 10 to 15 minutes. The Police Department, however, responded to

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these calls in an average of 4 hours. The range of response times was 0 to 54 hours and the median response time was 2 hours.

Our review of the FY 2019-20 calls to encampments showed similar results. In FY 2019-20, the Communications Division dispatched 636 emergency calls to encampments. We analyzed 416 calls, of which, 415 calls were Priority 2, and 1 call was a Priority 3. Exhibit 8 below summarizes the Police Department's response times to the 416 calls.

Exhibit 8: FY 2019-20 Police Department's response times to 911 calls at encampments

Call Priority	Number of Calls	Response Time Range	Average Response Time	Median Response Time
1	0	N/A	N/A	N/A
2	415	0 – 153 hours	6 hours	3 hours
3	1	7 hours	7 hours	7 hours
TOTAL CALLS	416			

Source: Dispatch data provided by the Police Department

As Exhibit 8 above shows, the Police Department's response time to the 415 Priority 2 calls at encampments was slower than the previous year. The Police Department's response time for the Priority 2 calls averaged 6 hours, the median response time was approximately 3 hours, and response times ranged from 0 to 153 hours. For the one Priority 3 call, the Police Department responded in approximately 7 hours.

According to Police Department staff, the 911 emergency calls identified as encampment calls do not capture all encampment-related calls. In some instances, the Police Department's Patrol staff respond to emergencies near encampments that involve encampment residents. The Communications Division would be unable to classify these calls as encampment-related when the calls come in.

The Fire Department's response time to encampment fires were timelier than the Police Department's, but information is needed on medical emergencies

The Fire Department responds to fire incidents such as structure fires, fires at encampments, and other fires such as vehicle fires, vegetation fires, or other outside fires. The Fire Department's goal is to respond to 90 percent of fire calls within seven minutes. Exhibit 9 below shows the fire incident types and numbers for each incident type for fiscal years 2018-19 and 2019-20.

Exhibit 9: Fire Department's incident types and numbers for fiscal years 2018-19 and 2019-20

Fire Incident Types	FY 2018-19	FY 2019-20
Structures	901	907
Encampments	447	541
Other (Vehicle, Vegetation, Outside Fires)	2,192	2,896
Total	3,540	4,344

Source: Dispatch data provided by the Fire Department

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As Exhibit 9 above shows, the Fire Department responded to 447 fire calls at encampments, or 12.6 percent of all Fire Department calls, during FY 2018-19 and 541, or 12.5 percent of all Fire Department calls in FY 2019-20.

Exhibit 10 below shows the Fire Department's response times to encampment fires in fiscal years 2018-19 and 2019-20.

Exhibit 10: Fire Department's response time to encampment fires in fiscal years 2018-19 and 2019-20

	FY 2018-19	FY 2019-20
Total Response Time	7 minutes 53 seconds	7 minutes 54 seconds

Source: Response time data provided by Oakland Fire Department

As Exhibit 10 above shows, the Fire Department responded to 90 percent of its calls to encampments in 7 minutes and 53 seconds in FY 2018-19. In FY 2019-20, the Fire Department responded to 90 percent of calls to encampments in 7 minutes and 54 seconds. The Fire Department's response times to encampment fires were consistent over the two years. In addition, the Fire Department's responses to encampment fires were slightly better than its responses to all other fires in which the Fire Department responded to in both fiscal years. Specifically, in FY 2018-19, the Fire Department responded to 90 percent of all fires in 8 minutes and 6 seconds. Similarly, in FY 2019-20, the Fire Department responded to 90 percent of all fires in 8 minutes and 12 seconds.

We were unable to assess the response time for medical emergencies because the Fire Department currently does not track data for calls for medical emergencies at encampments.

311 Call Center response time data needs further examination

We also analyzed response times for 311 calls associated with encampment complaints. Residents contact the 311 Call Center to register complaints about various City activities, including complaints about encampments. As mentioned earlier, the Encampment Management Team uses the complaints received through the 311 system to assist in determining which encampments to perform interventions. Unlike the Police Department's and Fire Department's response times, the 311 response times are calculated from the time the complaint was received to when it was resolved or closed.

In calendar years 2018 and 2019, the Call Center received a total of 1,152 calls related to encampments, 627 calls in 2018 and another 525 calls in 2019. Exhibit 11 below shows the average response range, the average response time, and median response time. Our analysis included only calls that were closed. As noted above, the Call Center received 627 calls in 2018, but only 299 calls were formally closed. In 2019, 525 were received, but only 152 calls were closed. Additionally, the 311 calls we analyzed specifically identified encampments, but there likely were other calls for illegal dumping at or near encampments that may not have been identified as an encampment complaint.

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Exhibit 11: Response times to close 311 encampment service requests in calendar years 2018 and 2019

Category	Calendar Year 2018	Calendar Year 2019
Response Time Range	0 – 212 days	0 – 202 days
Average Response Time	22 days	39 days
Median Response Time	12 days	23 days
# of Closed Cases	299	152

Source: Analysis created by auditors based on Oak 311 service request data

As Exhibit 11 above shows, the response times ranged from less than 1 day to 212 days in 2018 and less than 1 day to 202 days in 2019. The average response time was 22 days in 2018 and 39 days in 2019. The median response time was 12 days in 2018 and 23 days in 2019.

Given the gravity of the homeless crisis, the response times are concerning, and the Administration should evaluate both the integrity of the data and the resolution of calls regarding encampments.

Conclusion

The Police Department responds to 911 emergency calls for services at encampments and the Fire Department responds to fire and medical emergencies at encampments. The Police Department's response time averaged four to six hours in fiscal years 2018-19 and 2019-20. The Police Department needs more information reported to fully capture all police emergencies at encampments. The Fire Department responded to fire emergency calls at encampments in less than eight minutes in fiscal years 2018-19 and 2019-20. The Fire Department's response times to medical emergencies cannot be calculated because the Fire Dispatch Center does not distinguish these calls from other medical emergencies. The response time for 311 calls related to encampments ranged from less than 1 day to 212 days in 2018 and 2019. These response times could be improved, and the corresponding data should be reviewed to ensure the integrity of the data and to determine if calls are being properly resolved and closed.

Recommendations

To capture all emergency calls to encampments, the Police Department should

11. Modify its call reports to identify when staff respond to encampment calls.

To more comprehensively identify emergency calls associated with encampments, the Fire Department should

12. Work with the records management software vendor and Fire Dispatch Center to establish a unique Incident Type that will allow the department to distinguish medical emergency calls at encampments from all other medical emergencies. Further, the Fire Department should ensure staff use the appropriate disposition code upon clearing the location.

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To address the concerning 311 Call Center response times, the City Administration should

13. Evaluate both the integrity of the 311 Call Center data and the resolution of calls regarding encampments.

Section 3

City's Costs Associated with Encampment Activities

Finding: The City incurred approximately \$12.6 million in direct costs associated with encampment activities in fiscal years 2018-19 and 2019-20. Most of these costs were not budgeted and resulted in the City forgoing other services to redirect staff and resources to encampment activities

Summary

In fiscal years 2018-19 and 2019-20, we estimate multiple City departments and offices incurred approximately \$12.6 million in direct costs associated with encampment activities. The City currently does not have a comprehensive budget and formal systems in place to account for the costs associated with activities at encampments, including the time spent on interventions. Further, the City has not established a dedicated budget for encampment management activities, so departments are left to use their existing budgets and resources to address encampment activities.

The City does not budget and track costs for encampment management activities

The City does not possess a specific, programmatic budget that covers the full scope of the encampment management activities it performs. Some departments have limited dollars allocated for encampment-related services, while most do not, and fund encampment activities through their department budgets, thus prioritizing encampment management activities over other department obligations. As a result, the true cost of encampment management activities can become obscured within larger operational budgets, leaving the extent of these expenditures unknown.

The City currently does not have formal systems in place to account for the costs associated with activities at encampments. Therefore, we estimated the costs based on interviews with various department staff and obtained documentation, whenever possible, to estimate the City's costs associated with activities at encampments. Our estimate is not intended to be an exact accounting for all costs the City is currently incurring. Instead, it is an estimate based upon known costs and activities associated with encampments.

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Multiple City departments and offices incurred approximately \$12.6 million in direct costs associated with encampment activities in fiscal years 2018-19 and 2019-20

Multiple City departments and offices perform a variety of activities associated with encampments located throughout the City. We estimate that the City incurred approximately **\$12.6 million** in direct costs associated with encampment activities in fiscal years 2018-19 and FY 2019-20. In FY 2018-19, we estimate the City incurred approximately \$5.5 million in direct costs and \$7.1 million in direct costs in FY 2019-20, an increase of 30 percent between the two fiscal years. The methodologies used to estimate these costs are shown in the Appendix. Exhibit 12 below provides an overview of the City's estimated costs on encampment-related activities in fiscal years 2018-19 and 2019-20.

Exhibit 12: Estimate of the direct costs the City incurred on encampment activities by departments and offices for fiscal years 2018-19 and 2019-20

Departments and Offices	FY 2018-19	FY 2019-20	2-Year Total	% Change
Public Works	\$ 1,569,000	\$ 1,652,000	\$ 3,221,000	5%
Police Department	\$ 1,469,000	\$ 1,628,000	\$ 3,097,000	11%
Human Services	\$ 811,000	\$ 1,333,000	\$ 2,144,000	64%
Fire Department	\$ 733,000	\$ 1,032,000	\$ 1,765,000	41%
City Attorney	\$ 415,000	\$ 822,000	\$ 1,237,000	98%
City Administrator	\$ 191,000	\$ 296,000	\$ 487,000	55%
Transportation	\$ 168,000	\$ 145,000	\$ 313,000	-14%
Parks, Recreation & Youth Development	\$ 88,000	\$ 116,000	\$ 204,000	32%
Mayor	\$ 12,000	\$ 74,000	\$ 86,000	517%
Total	\$ 5,456,000	\$ 7,098,000	\$ 12,554,000	30%

As Exhibit 12 above shows, the direct costs the City incurred increased from \$5.5 to \$7.1 million between fiscal years 2018-19 and 2019-20. This represents an increase of 30 percent from FY 2018-19 to FY 2019-20 for all departments and offices.

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Exhibit 13 shows the percentage of combined total costs incurred for encampments activities by departments and by offices for fiscal years 2018-19 and 2019-20.

Exhibit 13: Estimated percentage of combined total costs incurred by departments and offices for fiscal years 2018-19 and 2019-20

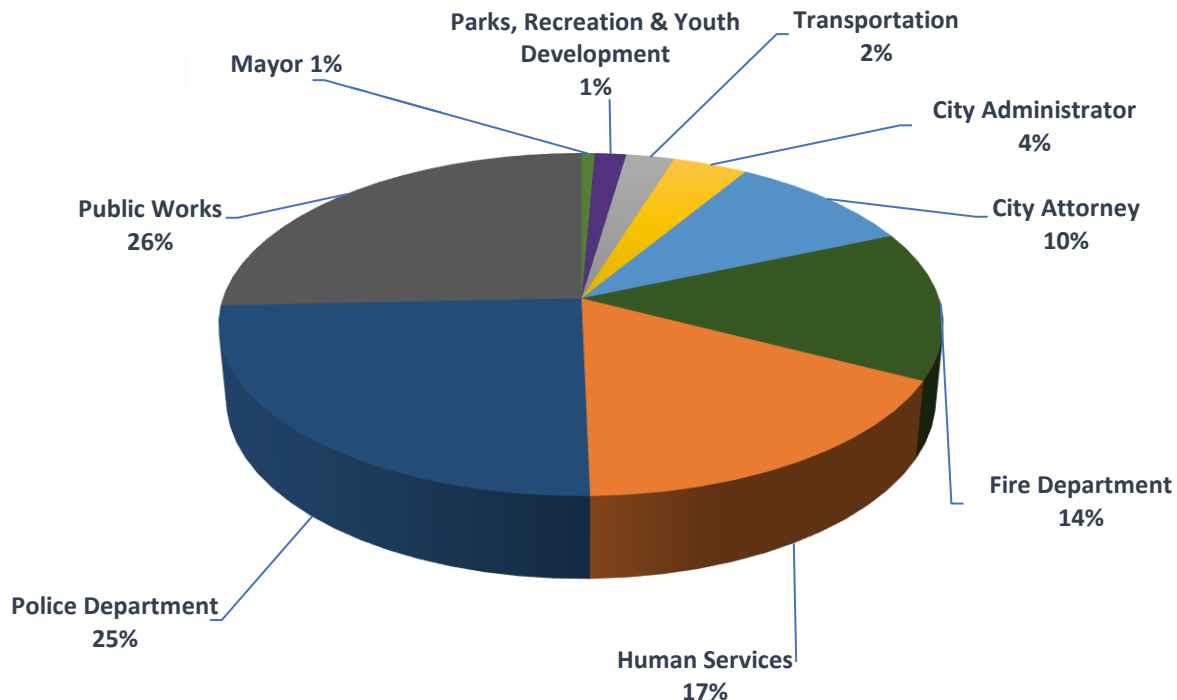


Exhibit 13 represents each department's and office's percentage of the combined total costs for both fiscal years 2018-19 and 2019-20. Public Works and the Police Department accounted for approximately 50 percent of the costs the City incurred on activities associated with encampments between fiscal years 2018-19 and 2019-20. Human Services and the Fire Department accounted for the next largest percentage of the costs with 31 percent of the total cost. The remaining 19 percent of the costs were split between Department of Transportation, Parks, Recreation and Youth Development, the City Administrator's Office, the City Attorney's Office, and the Mayor's Office.

This analysis focuses on the City's significant costs directly associated with encampment activities. As such, not all departments that provide services to the homeless population are included in this cost analysis. We did not include cost analyses for other departments that have been indirectly impacted by homelessness. For example, this analysis does not include the Oakland Public Library, which serves the unsheltered population with computers and literacy services.

Also, we did not include overhead costs in this analysis. Overhead costs refer to all indirect expenses of running a department or function in the City. For example, certain administrative functions like accounting, cash management, telephone expenses, and information technology. These costs can be difficult to allocate because the City uses predetermined overhead rates to recover costs from each department's budget.

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We estimated the hourly cost of closures and cleanings to be \$1,464 per hour

We also calculated the hourly rate of a typical encampment intervention such as a closure or a cleaning. As shown on Exhibit 14, a typical encampment intervention deploys 12 staff and a total of 8 vehicles and pieces of equipment. We calculated the average hourly cost to be \$1,464 per hour. As Exhibit 14 shows, our estimate includes Public Works staff (one supervisor, four Maintenance Workers, three Street Maintenance Leaders, and one Heavy Equipment Operator), and Police Department staff (one Sergeant and two Officers). The estimate also includes the vehicles and equipment needed for a typical intervention. The estimate does not include the cost of the EMT to plan the interventions.

Exhibit 14: Hourly cost of intervention activities in FY 2019-20 and the list of staff, vehicles, and equipment used on interventions

Number of Staff	Number of Vehicles/Equipment ¹²
<u>Public Works (9)</u> <ul style="list-style-type: none">• Public Works Maintenance Workers (4)• Street Maintenance Leaders (3)• Heavy Equipment Operator (1)• Public Works Supervisor (1) <u>Police Department (3)</u> <ul style="list-style-type: none">• Police Officers (2)• Police Sergeant (1) Total number of staff: 12	<u>Public Works</u> <ul style="list-style-type: none">• 25-Cubic Yard Packers (2)• Pickup Trucks (2)• Lightning Loader (1)• Front End Loader (1)• Dingo (1)• Trailer (1) Total number of vehicles/equipment: 8
Hourly Cost of Interventions: \$1,464	

Source: Prepared by auditors based on data from the City's financial reporting system and information from Public Works

According to City staff, the interventions can vary in time from several hours to several days. We were unable to estimate the cost of each intervention because the departments and offices involved with the interventions do not track the amount of time spent. To provide some perspective, however, an encampment intervention taking two hours would cost approximately \$3,000 and an intervention taking three days would cost approximately \$35,000.

We could not quantify the cost of a second crew, which is used on larger interventions, or days with multiple interventions

Sometimes, the City needs a second crew at encampment interventions due to the size or number of interventions planned for that day. The additional crew is typically made up of one Street Maintenance

¹² A 25-Cubic Yard Packer carries and compresses debris. Once the load is full, City staff dump the debris at the David Street Transfer Station (DSTS). This piece of equipment requires a commercial license to drive. The Lightning Loader and the Front-End Loader are used either to load debris on the vehicle itself or on other vehicles. City staff later dispose of the debris at the DSTS. Both loaders require a commercial license to drive. The Dingo is used to load debris onto the 25-cubic yard Packer.

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Leader, two Public Works Maintenance workers, and two Police Officers, as well as two additional pieces of equipment, which likely incurs significant costs.

However, we were unable to estimate costs associated with the additional crew for several reasons. First, prior to May 2019, Public Works neither tracked the instances when an additional crew was needed, nor the number of hours the additional staff spent at the operations. Second, the Police Department did not start tracking the same information until February 2020.

Until the City comprehensively tracks the hours associated with the second crew (i.e., Public Works staff and Police officers), the costs cannot be accurately calculated nor estimated.

In addition to incurring costs, encampment activities are diverting time and resources from primary City services

As Oakland's homelessness crisis grows, so does the cost for managing the encampments. City departments and offices had to prioritize encampment management at the expense of other City services.

City services that have been affected by the City's increased focus on encampments include

- **Illegal dumping** – the Keep Oakland Clean and Beautiful Division of Public Works used funding and staffing dedicated to illegal dumping services to carry out encampment interventions, leaving fewer staff to respond to illegal dumping complaints.
- **Residential and commercial fire inspections** – the Fire Prevention Bureau of the Fire Department inspects encampments for fire hazards and investigates causes of fires at encampments. Inspectors have less time to dedicate to residential and commercial fire inspections, thereby reducing the number of fire safety inspections conducted and revenue generated from these inspections.
- **Abandoned autos** – the Abandoned Auto Unit of the Police Department participates in some encampment interventions to tag and facilitate the towing of cars. As such, the Police Department faces a growing backlog of abandoned auto cases that are not encampment-related and are impacting neighborhoods.
- **Hazardous material disposal** – the volume of hazardous waste generated by encampments has imposed a burden on the Fire Department. Collecting, handling, recycling, treating, storing and disposing hazardous waste from encampments has significantly increased the department's costs dedicated to hazardous materials.
- **Street light and traffic signal maintenance** – the Department of Transportation is responsible for repairing illegal wire taps into the City's utility boxes, electrical cabinets, and street light and traffic signal poles at encampments. Additionally, when conducting repairs, they require support from the Police Department, the Fire Department, and Public Works for safety and assistance removing debris. These repairs pull staff from their primary responsibility of maintaining street lights and traffic signals.

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Conclusion

In fiscal years 2018-19 and 2019-20, we estimate multiple City departments and offices incurred approximately \$12.6 million in direct costs associated with encampment activities. The City currently does not have a comprehensive budget or formal systems in place to account for the costs associated with activities at encampments, including the time spent on interventions. Further, the City has not established a dedicated budget for encampment management activities, so departments are left to use their existing budgets and resources to address encampment activities. Recommendations for the need for a budget and cost tracking system have been incorporated into Section 4.

Recommendation

To provide the City with systems for tracking and monitoring costs associated with encampment activities, the City should

14. Document the amount of time spent, and staff needed, on encampment interventions such as closures, re-closures, cleanings, and hygiene services.

Section 4

Management Systems Needed to Effectively Implement the New Encampment Management Policy

Finding: The City needs to develop and implement formal management systems to effectively administer the new encampment policy

Summary

The City Council adopted a new encampment policy in October 2020, which was scheduled to take effect in January 2021. The new policy will significantly change how the City manages homeless encampments throughout the City. To effectively implement the policy, the City will need to take a more proactive, programmatic, and strategic approach in managing encampments throughout the City. Such an approach includes establishing a more formal structure more akin to how other programs are managed. This includes establishing goals, objectives, strategies, and annual workplans for achieving the City's vision, a budget for encampment management activities, assessing staffing roles and requirements, implementing written policies and procedures, better management information, and staff training.

The City Council adopted a new Encampment Management Policy in 2020

The City Council adopted a new encampment management policy in October 2020, which was scheduled to become effective in January 2021. The purpose of the policy is to protect and serve all Oaklanders – sheltered and unsheltered, by balancing the interests of residents. Key elements of the policy include

1. **Designating high-sensitivity areas**, where unmanaged encampments are presumed to cause unreasonable health and safety impacts due to the nature of the location. These areas are formally designated by the City Council and can include parks, protected waterways, and other public lands. In these locations, the City would prioritize maintaining the areas free of encampments. The City Council reserves the right to allow encampments in high-sensitivity areas; however, it is recommended that the operation and management of encampments in these areas be in collaboration with a managing agency such as a nonprofit organization, advocacy group, faith-based organizations, other public agency, or a grassroots collective. The managing agency would work in collaboration with encampment residents and the City to mitigate safety and health hazards. Encampments located within a high-sensitivity area that are

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not approved by the City Council will be subject to a closure intervention. Except when urgent health and safety concerns require shorter notice, encampment residents will be given no less than 72 hours to accept an offer of shelter or alternative housing, if such referrals are available. Individuals are also free to voluntarily relocate to a low-sensitivity area if shelter provisions are declined. All declinations will be documented.

2. **Designating low-sensitivity areas**, where enforcement will not be prioritized. These areas are to be monitored and managed by the EMT. These areas will have a set of standards that need to be followed and encampments that do not comply with the standards and with applicable and generally enforced state codes and local ordinances are subject to EMT intervention.
3. **Determining findings that will prompt EMT intervention.** The policy allows the EMT to consider public health findings and public safety findings to justify interventions at encampments. Potential public health findings include but are not limited to: confirmed cases of infectious diseases, confirmed exposures to infectious diseases, and excessive animal or vector hazards, such as rats and other vermin. The public safety findings include but are not limited to: the location of the encampment impedes traffic or the right-of-way, excessive fire hazards, and excessive amounts of waste, debris, and garbage. The interventions to address these findings of public health or safety include: hygiene and garbage services, deep cleaning, partial closures, and closures. Additionally, the policy provides guidance on proper noticing prior to any encampment intervention. The policy also addresses the storage of individuals' property, in the event of an intervention.
4. **Providing guidance on addressing unreasonable health and safety risks, promoting voluntary compliance, and strategies to address non-compliance.** For instance, the policy provides guidance on proper noticing prior to any encampment intervention. The policy also addresses the storage of individuals' property, in the event of an intervention. It also provides guidance on compliance to balance the rights of encamped individuals against the City's fundamental duty to maintain public safety and public health.

The policy also includes an equity provision in recognition that 70 percent of Oakland's homeless population are African American, and the vast majority of known encampments are within communities of concern.¹³ Accordingly, the policy was developed with an intentional focus on achieving the following equity outcomes:

- Health and safety standards are achieved and maintained for encampment residents who are disproportionately Black, Indigenous, and Persons of Color (BIPOC).
- BIPOC neighborhoods and businesses are not disproportionately impacted by vehicle and street encampments.
- Service provisions close disparities in BIPOC groups' representation in homelessness.

¹³ Communities of concern are determined by eight factors: minority, low-income, level of English proficiency, elderly (over 65), zero-vehicle households, single parent households, disabled, and rent-burdened households.

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The policy requires that an equity analysis be conducted in coordination with the City's Department of Race and Equity after the adoption and implementation of the policy to ensure the stated outcomes are achieved and maintained. Furthermore, the policy will undergo a semi-annual equity review to determine its effectiveness in relation to the equity indicators and outcomes consistent with guidelines and best practices promoted by the City's Department of Race and Equity.

The policy also requires the City launch at least one co-governed encampment pilot on public land in 2021. The policy requires the pilot be developed in collaboration with the unhoused community, advocates, housed and business neighbors, and the councilmember of the district.

To be more proactive, programmatic, and strategic, the City will need to formalize its encampment management activities into a more formal program

To be more proactive, programmatic, and strategic, the City will need to formalize its encampment management activities into a more formal program. The City needs to establish a more formal structure more akin to how other programs are managed. This formal management structure should include

- establishing measurable goals and objectives,
- developing written strategic plans for achieving goals and objectives,
- developing annual work plans to implement strategies and achieve goals and objectives,
- establishing formal systems for tracking progress in implementing strategies,
- developing annual budgets and tracking costs for encampment management activities,
- determining the appropriate staffing levels, the appropriate composition of staff, and defining the roles, responsibilities, and authority of staff,
- developing written policies and procedures to guide the implementation of the new policy,
- developing data collection systems to manage encampment activities, and
- ensuring staff are adequately trained.

The City needs to develop formal goals, objectives, strategies, and annual workplans to effectively implement the City's new Encampment Management Policy

The City needs to establish measurable and achievable goals and objectives for its encampment activities. These goals and measurable objectives should formally communicate what the City hopes to achieve with its encampment management activities. Measurable goals and objectives would also assist the City in determining to what degree its efforts are succeeding in achieving intended results and whether its activities are having a positive effect (health, safety, equity) on sheltered and unsheltered Oaklanders.

A study from Arizona State University identified some potential measures of effectiveness for managing homeless encampments. These include but are not limited to

- reduced numbers of encampments and the homeless living in them,
- less crime in areas around the encampments,
- fewer resident complaints about the homeless' behavior and encampments,
- fewer health and safety hazards associated with encampments,

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- reduced number of conflicts between the homeless and others over use of public space,
- fewer or less serious crimes committed against the homeless living in encampments,
- fewer calls for police service to the encampment area,
- fewer calls for police service for nuisance problems caused by the homeless,
- fewer calls for police service by businesses and residents concerning the homeless, and
- lower costs of police response dealing with homeless encampments.

In addition to these measures, the City needs to establish formal goals and objectives for addressing the equity outcomes specified in the new policy.

The City also needs to establish a strategic plan for achieving its goals and objectives, specifically related to encampment management. A strategic plan assists a formal program in providing a sense of direction and defining the activities to achieve stated goals and objectives.

Additionally, the City needs to establish annual workplans. These workplans should identify goals and deadlines for the next year, the strategies for achieving them, and provide transparency around the work to be accomplished. To ensure its efforts are achieving the desired outcomes, the City should also establish formal systems for tracking progress in implementing strategies.

The City needs to budget and account for encampment activities

Budgets are statements of value that reflect organizational priorities. The budget process requires organizations to consider actual and estimated expenditures in light of available revenues; defines spending limitations; and essentially serves as a roadmap for how public funds will be used. The budget process can help hold government agencies accountable, as each budget cycle provides an opportunity to evaluate whether funds have been used for their intended purposes and whether those purposes have produced desired results.

As stated in Section 3, the City does not possess a specific, programmatic budget that covers the full scope of the encampment management activities it performs. Because encampment activities are not budgeted for in full, the City lacks a formal fiscal plan for encampment activities. The lack of a budget for encampment management inhibits the City's ability to understand, monitor, and evaluate the role of encampment management as part of its larger strategy for addressing homelessness. It also limits the City's ability to consider how scarce resources might be allocated between encampment management and other programs, reduces opportunities for public oversight and input on funding decisions about encampment management, and prevents the City from determining whether funds are being expended efficiently or allocated toward the most effective actions for serving the homeless population. These concerns were echoed by City staff in interviews.

As noted in Section 3, the City incurred approximately \$12.6 million in direct costs related to encampments and does not have formal systems in place to account for the costs associated with encampment activities. Our estimate above does not include overhead costs. When establishing a budget for the encampment management program, all these costs should be considered and included to fully account for the true cost of encampment interventions.

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Other cities have experienced similar financial reporting challenges and have recommended the use of budgeting and improved citywide cost tracking systems as solutions to financial data quality issues and capturing comprehensive financial information. The City of San Diego recently recommended the development of a “funding strategy and long-term financial plan” to accurately identify the full cost of the homeless services it provides (including encampment abatement) and monitor whether departmental spending is achieving the City’s homelessness goals. The City of Seattle is currently developing a tracking system for encampment abatement costs across City departments, and the City of San José has recommended changes to its expenditure tracking system to more precisely monitor spending that occurs at the programmatic or service level.

The City needs to determine appropriate staffing levels, roles, and the composition of staff for future encampment management activities

Based on the City’s experience with encampment activities over the last several years, the City should be better able to assess its staffing needs and the mix of staffing necessary to manage encampments in the future. The City should re-assess its staffing to determine whether additional resources are needed to carry out the new policy. The City should also re-assess whether the current mix of staff is appropriate as the City moves forward in managing encampments. For instance, the City should re-assess whether the current levels of law enforcement staff are needed. Currently, the Police Department participates in all interventions to create a safe working zone for City staff. However, certain homeless individuals, especially immigrants and refugees, might be reluctant to speak with police officers. Research has found that immigrants are less likely to report crimes to the police for reasons including: negative experience with law enforcement in country of origin, fear of the police due to immigration status, and cultural and language barriers. Other jurisdictions are using different staffing models to address homeless encampments. The City of Austin Homeless Outreach Team (HOST) operates in sections of the City to address the needs of people living on the streets. The HOST includes two police officers, two behavioral health specialists, one paramedic, and one outreach social worker.

Additionally, the City will need to determine whether other skill sets are needed to implement the new policy. For instance, the City will need to monitor encampments on an on-going basis to ensure that encampments are complying with the new policy. This type of monitoring may require a skill set like Code Enforcement inspectors to monitor encampments to ensure they are complying with the new policy. The City may also need administrative staff to manage the data collection around encampments. As mentioned in other sections of this report, the City needs better data collection methods and documentation requirements to provide appropriate, consistent, and reliable information on its encampment activities.

The City also needs to clearly define and document the roles, responsibilities, and authority of staff working on encampment activities. Teams function more effectively and efficiently when members share a common understanding of their respective roles, responsibilities, authority, and the expectations they hold for one another when working together to accomplish their vision, mission, goals, and objectives.

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The City should develop policies and procedures for guiding the effective implementation of the new Encampment Management Policy

Policies and procedures are an essential part of any organization. Together, policies and procedures provide a roadmap for day-to-day operations. They ensure compliance with laws and regulations, give guidance for decision-making, and streamline internal processes. Written policies and procedures are particularly important for managing the City's encampment activities because of the interdepartmental nature of the City's encampments.

Some of the areas in need of clear policies and procedures include but are not limited to

- establishing a definition and criteria for what constitutes an encampment,
- establishing thresholds for responding to and providing encampment interventions and services,
- monitoring the conditions of encampments for compliance with the Encampment Management Policy,
- enforcing the Encampment Management Policy, and
- assigning responsibility for conducting the racial equity analysis and the semi-annual review, as well as defining how these requirements will be met.

As mentioned in the background section of this report, federal, state, and local governments, including Oakland, have not established a single definition of encampments. A HUD report from January 2019 states, "Researchers and other experts have not yet developed a single, standard set of criteria defining a group of people experiencing unsheltered homelessness as an 'encampment.'" Defining the term 'encampment' would allow the City to establish thresholds for responding and providing encampment interventions and services. It would also allow the City to maintain consistent data on encampment activities and to monitor implementation based upon established guidelines and encampment management policies. The definition of encampments should consider, but not be limited to, the size, type of structure, and length of stay.

The City's new Encampment Management Policy establishes areas where unmanaged encampments are presumed to cause unreasonable health and safety impacts due to the nature of the location. In addition, the new policy designates where enforcement will not be prioritized. These areas are to be monitored and managed by the EMT. These areas have a set of standards that need to be followed and encampments that do not comply with the standards and with applicable and generally enforced state codes and local ordinances, are subject to EMT intervention.

The City will need to develop a written policy and procedure defining how it will monitor compliance with the new encampment policy. It will also need a policy and a procedure defining how it will enforce the policy when encampments are out of compliance. These policies and procedures will define parties responsible for carrying out these policies, as well as procedures.

As noted above, the City's new Encampment Management Policy requires the City to conduct a racial equity analysis to assess whether the stated equity outcomes are achieved and maintained. Furthermore, the policy requires a semi-annual equity review to determine its effectiveness in relation

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to the equity indicators and outcomes consistent with guidelines and best practices promoted by the City's Department of Race and Equity. The City needs to develop a policy assigning responsibility for conducting the racial equity analysis and the semi-annual review, as well as procedures defining how these requirements will be met.

The City needs more data to effectively measure the desired outcomes

Strong performance management rests on the simple principle that "what gets measured gets done." In an ideal performance measurement system, metrics flow from the top-level strategic objectives down to the daily activities of its frontline employees. Managers continually monitor those metrics and regularly engage with their teams to discuss progress in meeting the targets.

The City needs to improve its data collection systems to manage the City's encampment activities

The City needs to improve its data collection systems related to encampment activities, including

- data to assess whether the City is achieving its goals and objectives,
- activity information, and
- master list of encampments.

The City should determine the data needed to assess whether it is meeting its established encampment management goals and objectives. Further, the City will need to develop metrics for key encampment management activities, including but not limited to

- interventions conducted by type,
- encampments provided various hygiene services,
- garbage services,
- garbage tonnage removed from homeless encampments,
- inspections conducted at encampments,
- condition reports on encampments,
- complaints received from residents and businesses
- fires and medical emergencies at encampments,
- crime statistics at encampments,
- response times to emergencies at encampments, and
- enforcement actions conducted.

The City also needs to track the number of residents in encampments, as well as demographic information to provide a basis for assessing whether the City is achieving equity outcomes specified in the Encampment Management Policy.

A master list of encampments will be an important tool in assisting the City to monitor encampments to ensure that encampments are following the new policy. The City currently lacks an accurate, comprehensive list of encampments. The latest encampment list was updated in October 2020. Prior to this update, the City had not updated the list since May 2019. We tested the accuracy and completeness

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of the City's current list of 140 encampments updated in October 2020. Based on our sample of 41 encampments, 12 encampments were no longer in existence and we also identified 5 encampments that were not on the list. Thus, we concluded that the City's current list is not complete and accurate. This suggests that the City needs to continually update its master encampment list to ensure it has a complete and accurate inventory of encampments that need to be managed.

Although encampments are difficult to track due to the frequent changes in size and location, the City must develop and maintain an accurate, comprehensive master list of encampments to monitor compliance with the new policy.

The City needs to maintain data to comply with federal, state, and regional permits

Besides monitoring the encampments for compliance with the new policy, the City needs to develop and maintain a master list of encampments to comply with new permit requirements established by the Bay Area Regional Water Quality Control Board (Control Board). The Federal Clean Water Act (Act) addresses urban stormwater runoff pollution of the nation's waters. In response to the Act, the US Environmental Protection Agency (EPA) promulgated rules establishing the National Pollution Discharge Elimination System (NPDES) stormwater program. The rules require municipal operators that serve populations of 100,000 or greater to implement a stormwater management program to control polluted discharges. The Control Board regulates the City's discharges to the storm drains, which flow to San Francisco Bay.

The Control Board issues county-wide permits to the municipal operators approximately every five years that address the conditions the municipalities and local agencies in the county must comply with to regulate the discharge of pollutants into the storm drains. In November 2015, the Control Board re-issued the county-wide municipal stormwater permits on the Municipal Regional Stormwater NPDES Permit to regulate stormwater discharges from municipalities and local agencies in Alameda, Contra Costa, San Mateo, and Santa Clara counties, and the cities of Fairfield, Suisun City, and Vallejo.

The Control Board is developing a new NPDES permit and has developed and released an administrative draft permit for public comment. The draft permit contains provisions to address the management, tracking, and reporting of non-stormwater discharges from homeless encampments. The draft permit will require municipalities such as Oakland to create a map identifying the location of encampments, both formal and informal, including but not limited to, informal tent or small cabin encampments, formal encampments, areas where residents are living in parked vehicles, and safe parking areas. The map should identify the locations of these encampments in relation to storm drain inlets and existing streams, rivers, and flood control channels, as well as other surface water bodies within the permittee's jurisdictions.

City staff need training on crisis management and interacting with traumatized encampment residents

As noted in Section 1, City staff working on encampment activities reported difficulties in working in a stressful, intense environment. As a result, staff reported trauma and have needed to obtain counseling

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services to help deal with the stress of the work. City staff reported being threatened on multiple occasions with weapons such as guns, an axe, a dog, and endured multiple verbal confrontations.

Most of the City staff working on encampment activities have not received training on how to interact with encampment residents that are dealing with trauma and/or mental health issues and how to use crisis intervention practices in situations with homeless residents. Staff in the Police Department's Abandoned Auto Unit specifically cited the need for training on how to deal with encampment residents that live in abandoned autos or encampments.

The City of Seattle's former Navigation Team, which is comparable to the City's Encampment Management Team, received a four-hour training on trauma informed care from the King County Health Department. The U.S. Substance Abuse and Mental Health Services has commissioned a Trauma-Informed Toolkit for Homeless Services, in recognition that homeless individuals have significant histories of trauma that impact their current functioning and needs. This toolkit is designed to be used by homeless-serving programs to evaluate how well trauma-informed practices are incorporated, identify areas for organizational growth, and make practical changes using their self-assessment evaluation as a guide.

Conclusion

In October 2020, the City Council adopted a new encampment policy that was scheduled to take effect in January 2021. The new policy will significantly change how the City manages homeless encampments throughout the City. To effectively implement the policy, the City will need to take a more proactive, programmatic, and strategic approach in managing encampments throughout the City. Such an approach includes establishing a more formal structure modeled on how other programs are managed. This includes establishing goals, objectives, strategies, and annual workplans for achieving the City's vision, a budget for encampment management activities, assessing staffing roles and requirements, implementing written policies and procedures, better management information, and staff training.

Recommendations

To implement more formal systems to manage encampment activities, the City should

15. Develop written goals and objectives for its encampment management activities. These goals and objectives should formally communicate what the City hopes to achieve with its encampment management activities.
16. Develop a strategic plan that includes written strategies for achieving its encampment management goals and objectives and establish formal systems for assessing the City's progress in implementing these strategies.
17. Develop annual work plans identifying goals and deadlines for the next year and the strategies for achieving them.
18. Develop a formal comprehensive budget for encampment management activities including all direct and indirect costs.

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19. Establish funding/project codes to track expenditures for encampment-related activities across City departments.
20. Perform a staffing analysis to assess the City's staffing requirements for encampment management activities. The staffing analysis should not only address the number of staff needed to carry out encampment management activities but should also address the appropriate mix and composition of staff needed to effectively administer the new encampment policy. This staffing analysis, at minimum, should assess the need for
 - police officers providing the current level of security at encampment interventions,
 - staff resources needed to monitor and enforce the encampment policy, and
 - administrative staff needed to improve recordkeeping
21. Clearly define and document roles, responsibilities, and authority of all staff working on encampment activities, to ensure all staff have a shared understanding of their respective roles, responsibilities, authority, and the expectations they hold for one another.
22. Develop and implement written policies and procedures for carrying out all its encampment management activities. These policies and procedures should
 - Establish a definition, including criteria, for the term 'encampment' and thresholds for responding to and providing services to the various encampments.
 - Determine how the City will monitor encampments to ensure compliance with the new Encampment Management Policy.
 - Determine how the City will enforce the new encampment policy when encampments are not complying with the Encampment Management Policy.
 - Determine how the City conducts its racial equity analysis and the semi-annual review to ensure the desired outcomes are achieved.
23. Develop data collection systems that includes
 - information needed to measure the City's progress in achieving its encampment management goals and objectives,
 - activity reports that provide information to management such as the number of interventions conducted by types, the number of encampments provided various hygiene services, the number of garbage services, the amount of garbage removed from encampments, the number of inspections conducted of encampments, condition reports on encampments, the number of complaints received from residents and businesses, the number of fire and medical emergencies at encampments, crime statistics, emergency response times to encampments, and the number of enforcement actions conducted, and
 - demographic information on encampments to facilitate the racial equity review and the semi-annual review to ensure the desired equity outcomes are achieved.
24. Assign responsibility for developing and maintaining a comprehensive master list of encampments, which maps the locations of encampments, both formal and informal, including but not limited to, informal tent or small cabin encampments, formal encampments, areas where residents are living in parked vehicles, and safe parking areas. This master list should include the population and demographics of the encampments. The maps should also identify the locations of these encampments in relation to storm drain inlets and existing streams, rivers,

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and flood control channels, as well as other surface water bodies within the City to ensure compliance with federal, state, and regional permits.

25. Develop formal training programs for City staff working on encampment activities. This training should include training on crisis interventions and understanding, recognizing, and interacting with encampment residents suffering from trauma.
26. Use the 'U.S. Substance Abuse and Mental Health Services' Trauma-Informed Toolkit for Homeless Services to evaluate how well trauma-informed practices are incorporated into the City's encampment practices to identify areas for organizational growth, and make practical changes using their self-assessment tool-kit.

Objectives, Scope, and Methodology

Objectives

The audit had the following objectives:

1. Determine the cost of the encampment management services.
2. Determine how many encampments exist in the City of Oakland.
3. Assess the quality of conditions at encampments.
4. Assess whether the City is achieving its goals and objectives.
5. Determine response times for 911 and 311 calls.
6. Assess the closure notification process.
7. Assess the bag-and-tag process.
8. Identify best practices.
9. Assess the quality of data around the encampment management services.

Scope

The scope of the audit includes fiscal years 2018-19 through 2019-20 and includes the current policy the City Council approved in October 2020.

Methodology

To achieve the audit objectives, we

- Reviewed policies relevant to encampment management including, the Encampment Management Policy 2017, the Temporary Encampment Management Policy March 2020, the Encampment Management Policy January 2021 and Public Works' Standard Operating Procedures.
- Reviewed City Council meetings related to encampment management and related staff reports.
- Interviewed City management and staff from the Departments of Human Services, Public Works, Police, Fire, Parks, Recreation and Youth Development, Transportation, Office of the Mayor, City Administrator, and City Attorney to gain an understanding of their roles related to encampment management activities.
- Interviewed homeless individuals and advocates.
- Reviewed City of Oakland's PATH framework.
- Reviewed Alameda County's Point-in-Time Homeless Survey and a United States Department of Housing and Urban Development study released in late 2019.
- Reviewed the current and draft Water Board permits.
- Reviewed relevant City, state, and federal guidelines.
- Reviewed audits and related best practices of homeless services in other jurisdictions.
- Performed a site visit of Public Works' storage facility to assess whether the bag-and-tag procedures were followed.
- Obtained a list of City-funded shelter options including emergency shelters, Community Cabins, RV sites, and transitional housing.
- Reviewed relevant legal proceedings.

Objectives, Scope, and Methodology

- Surveyed departments to identify the impact of homelessness on their work/services.
- Observed a sample of encampment closures.
- Reviewed the Encampment Management Team schedule to assess the quality of data and identify the number of closures, cleanings, garbage services, and hygiene services.
- Obtained and reviewed Police and Fire emergency call data and 311 service requests to analyze response times.
- Selected a sample of encampments from the City's October 2020 master list of encampments to verify its completeness and accuracy.
- Selected a sample of encampment closures/cleanings to verify that required notifications were posted.
- Reviewed Police Department's homicide report and identified those specifically related to encampments.
- Estimated costs incurred by departments on encampment management activities by calculating costs of staff time, equipment, materials, and third-party contracts.
- Reviewed workers' compensation claims related to homelessness.
- Reviewed and summarized actual homeless related expenditures and approved budgets.
- Obtained and reviewed research and other documents on the impact of homeless encampments on encampment residents, City staff, businesses, and the community.

Statement of Compliance with Government Auditing Standards

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix

Detailed cost analysis and description of encampment activities

Exhibit 15: Cost analysis summary for all City departments and offices fiscal years 2018-19 and 2019-20

Departments and Offices	FY 2018-19	FY 2019-20	2-Year Total	% Change
Public Works	\$ 1,569,000	\$ 1,652,000	\$ 3,221,000	5%
Police Department	\$ 1,469,000	\$ 1,628,000	\$ 3,097,000	11%
Human Services	\$ 811,000	\$ 1,333,000	\$ 2,144,000	64%
Fire Department	\$ 733,000	\$ 1,032,000	\$ 1,765,000	41%
City Attorney	\$ 415,000	\$ 822,000	\$ 1,237,000	98%
City Administrator	\$ 191,000	\$ 296,000	\$ 487,000	55%
Transportation	\$ 168,000	\$ 145,000	\$ 313,000	-14%
Parks, Recreation & Youth Development	\$ 88,000	\$ 116,000	\$ 204,000	32%
Mayor	\$ 12,000	\$ 74,000	\$ 86,000	517%
Total	\$ 5,456,000	\$ 7,098,000	\$ 12,554,000	30%

Below are the departments' and offices' detailed cost information associated with encampment activities, as well as their respective responsibilities for encampment activities.

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Department of Public Works

As Exhibit 16 shows, we estimate Public Works incurred costs of approximately \$3.2 million on encampment activities in fiscal years 2018-19 and 2019-20.

Exhibit 16: Oakland Public Works' cost of encampment activities in fiscal years 2018-19 and 2019-20

Oakland Public Works	FY 2018-19	FY 2019-20	% Change
KOCB Labor	\$1,233,000	\$1,314,000	7%
KOCB Equipment	\$180,000	\$246,000	37%
Parks Maintenance Labor, Materials, and Equipment	\$135,000	\$82,000	-39%
Hazardous Waste Removal Contracts	\$21,000	\$10,000	-52%
Total	\$1,569,000	\$1,652,000	5%
Combined Total	\$3,221,000		

As Exhibit 16 shows, Public Works incurred a total of \$3.2 million in the two fiscal years, of which \$1.6 million was incurred in FY 2018-19 and \$1.7 million in FY 2019-20, an increase of 5 percent between the two fiscal years. These labor costs were for staff of Keep Oakland Clean and Beautiful (KOCB) and Parks Maintenance staff. In addition, Public Works incurred additional costs for materials, equipment, and contracts.

KOCB Labor: In fiscal years 2018-19 and 2019-20, KOCB staff in Public Works incurred approximately \$2.5 million in labor costs¹⁴ associated with encampment activities. The KOCB Division is responsible for cleaning and clearing activities at encampment interventions throughout the City. Typically, the KOCB encampment crew has nine employees from KOCB's Illegal Dumping Section. These positions include Street Maintenance Leaders, Public Works Maintenance Leaders, a Heavy Equipment Operator, and a Public Works Supervisor. While 9 employees are typical, the number of employees on the crew can range from 4 to 12, depending on the size of an encampment. When assigned to an encampment crew, employees spend approximately 80 percent of their time (32 hours per week) on encampment-related activities.

KOCB also performs garbage services for approximately 40 encampments on a weekly basis and two encampments twice a week due to the large amount of garbage generated. Before COVID, KOCB performed garbage services to encampments twice a week, but they have doubled to four times a week since the pandemic began.

KOCB Equipment: In fiscal years 2018-19 and 2019-20, Public Works incurred approximately \$426,000 in equipment costs associated with the various interventions at encampments. The KOCB Division of Public Works rents equipment from its Equipment Services Division at a fixed monthly rate. Equipment

¹⁴ KOCB staff working on encampment interventions receive premium pay, which is included in the labor costs.

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used for encampment interventions include: 25 cubic yard packers, pick-up trucks, lightning and front-end loaders, a dingo, and a trailer.

Parks Maintenance Labor, Materials, and Equipment: In fiscal years 2018-19 and 2019-20, the Parks Maintenance Division of Public Works incurred \$217,000 in labor, material and equipment costs associated with illegal dumping at City Parks. The Parks Maintenance Division's role is to remove illegal dumping at parks, much of which is attributed to encampment residents. In the past, this division assisted in encampment operations, however, this is no longer the City's practice.

Hazardous Waste Removal Contracts: In fiscal years 2018-19 and 2019-20, Public Works incurred approximately \$31,000 in contract costs. Public Works uses a third-party contractor for hazardous waste removal and clean-up services at encampments. Hazardous waste includes waste such as hypodermic needles, feces, and sewage.

Cost Analysis Methodology

Calculating Labor Costs

1. Identified staff by position and the percentage of their total time spent on encampment-related work in fiscal years 2018-19 and 2019-20.
2. Identified one individual per position and obtained the corresponding Oracle report that shows actual and fully burdened labor costs and removed overtime costs as most overtime assignments were unrelated to work at encampments.
3. Applied the number of positions per classification to the labor cost identified in step two.
4. Added each employee's annual labor cost to arrive at the department's total encampment-related labor cost for each fiscal year.

Calculating Equipment Costs

1. Obtained the Public Works' rental report for equipment which shows monthly rental rates for each piece of equipment.
2. Obtained the list of equipment used for operating closures, cleanings, and garbage services and identified the monthly rental cost for each piece of equipment.
3. Multiplied the monthly rental cost for each piece of equipment by 12 months then added the cost of all items to arrive at the annual equipment rental cost.
4. Multiplied the annual equipment rental cost by 80 percent because KOCB works on EMT operations 80 percent of the week.

Calculating Hazardous Waste Contract Costs

1. Identified annual payments to Public Work's hazardous waste contractors for fiscal years 2018-19 and 2019-20.
2. Public Works estimated that 15 percent of hazardous waste payments are related to encampments. Applied 15 percent to all payments made to the hazardous waste contractor in FY 2018-19 to estimate encampment-related hazardous waste payments.

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3. For the first half of FY 2019-20, the same methodology as the step above was used to calculate encampment-related hazardous waste payments. Starting the second half of the fiscal year, the City started using specific codes to track encampment-related costs, so these codes were used to identify encampment-related costs in the second half of FY 2019-20.

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Police Department

As Exhibit 17 shows, we estimate that the Police Department incurred approximately \$3.1 million in costs associated with encampment activities in fiscal years 2018-19 and 2019-20.

Exhibit 17: Police Department's cost of encampment activities for fiscal years 2018-19 and 2019-20

Oakland Police Department	FY 2018-19	FY 2019-20	% Change
Homeless Outreach Team Labor	\$829,000	\$875,000	6%
Abandoned Auto Unit Labor	\$372,000	\$432,000	16%
Patrol Labor	\$268,000	\$321,000	20%
Total	\$1,469,000	\$1,628,000	11%
Combined Total	\$3,097,000		

As Exhibit 17 shows, the Police Department incurred an estimated \$1.5 million in encampment-related costs in FY 2018-19 and another \$1.6 million in FY 2019-20. The Police Department's costs are for labor costs associated with the Homeless Outreach Team, the Abandoned Auto Unit, and Patrol costs associated with responding to 911 emergencies at encampments.

Homeless Outreach Labor: In fiscal years 2018-19 and 2019-20, we estimate the Police Department's staff incurred approximately \$1.7 million in costs associated with encampment activities to provide support at closures, cleanings, and garbage services. The Police Department's Homeless Outreach Team has three employees, a Police Sergeant and two Police Officers, who dedicated 100 percent of their time to encampment-related work. In some instances, additional officer support is needed during larger operations to provide safety to the Public Works' crews. When additional officers are needed, the Police Department pays the officer's overtime to work at the encampment interventions. We could not estimate the cost of the additional officers for all of FY 2018-19 and the first seven months of FY 2019-20 because the Police Department did not start tracking the overtime costs associated with encampment activities until February 2020. Based on overtime data provided by the Police Department, the overtime costs for additional officers between February and June 2020 totaled \$7,000. During this period, the City was conducting fewer interventions due to COVID. Therefore, we could not develop an accurate estimate of these costs for the two fiscal years and excluded it from our analysis.

Abandoned Auto Unit Labor: In fiscal years 2018-19 and 2019-20, we estimate that the Police Department incurred over \$800,000 in labor costs in both fiscal years to provide support at moderate to large encampment closures. The Abandoned Auto Unit is responsible for traffic control and tagging and towing vehicles at encampments when necessary. On average, 6 to 10 civilian technicians from the Abandoned Auto Unit spend between 10 to 35 percent of their time on encampment-related work.

Patrol Labor: In fiscal years 2018-19 and 2019-20, we estimate that the Patrol staff incurred nearly \$600,000 in labor costs associated with responding to 911 emergency calls at encampments. Patrol staff responded to a total of 1,459 calls at encampments in both fiscal years.

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Additionally, the Police Department responded to 19 homicides at encampments in calendar year 2020. According to Police Department staff, homicides require much more intensive labor than other crimes therefore, its encampment-related costs may be higher than reported in this analysis.

Cost Analysis Methodology

Calculating Abandoned Auto Unit/Homeless Outreach Team Labor Costs

1. Identified staff by position and the percentage of their total time spent on encampment-related work in fiscal years 2018-19 and 2019-20.
2. Obtained an Oracle report that shows actual and fully burdened labor costs for the employees identified in step one.
3. Applied the percent of time worked on encampments to the average labor costs identified in step two for each position.
4. Added each employee's annual labor cost to arrive at the department's total encampment-related labor cost for each fiscal year.

Calculating Patrol Labor Costs

1. Obtained the Police Department's dispatch data for fiscal years 2018-19 and 2019-20 and isolated calls related to encampments.
2. Calculated the percent of encampment-related calls to all calls received by the Police Department's Dispatch Center for both fiscal years.
3. Applied the percent of encampment-related calls to the Police Department's Patrol costs for the respective fiscal year to arrive at estimated Patrol labor costs for each fiscal year.

Appendix

Human Services Department

As Exhibit 18 shows, we estimate Human Services incurred approximately \$2.1 million in costs in fiscal years 2018-19 and 2019-20.

Exhibit 18: Human Services' cost of encampment activities for fiscal years 2018-19 and 2019-20

Human Services Department	FY 2018-19	FY 2019-20	% Change
Labor	\$232,000	\$230,000	-1%
Health and Hygiene Services	\$226,000	\$750,000	232%
Street Outreach Services	\$353,000	\$353,000	0%
Total	\$811,000	\$1,333,000	64%
Combined Total	\$2,144,000		

As Exhibit 18 shows, Human Service incurred a combined total of \$2.1 million in costs in the two fiscal years, of which \$811,000 was incurred in FY 2018-19 and \$1.3 million in FY 2019-20. Total expenditures increased 64 percent between fiscal years 2018-19 and 2019-20. As shown above, the expenditures were for: Labor, Health and Hygiene Services, and Street Outreach Services. These items are described below.

Labor: In fiscal years 2018-19 and 2019-20, Human Services incurred approximately \$462,000 in labor costs associated with encampment activities. These costs include a portion of the salaries and benefits of four Human Services staff who are responsible for attending EMT meetings, managing contracts for encampment services, providing outreach services, managing hygiene interventions, and other encampment-related activities.

Health and Hygiene Services: In fiscal years 2018 and 2019, Human Services incurred costs of nearly \$1 million on health and hygiene services at encampments. Human Services provides health and hygiene interventions at encampments by providing portable toilets, wash stations, and mobile showers. Human Services has managed these interventions since 2017. A more formal program was developed in late 2018; and, in early 2019, Human Services created a full-time direct services position within the department to provide outreach specifically to support encampments in managing hygiene interventions. Starting in the spring of 2020, due to the COVID pandemic, the number of encampment sites receiving hygiene interventions was increased from 20 to 40.

Street Outreach Services: In fiscal years 2018-19 and 2019-20, Human Services incurred over \$700,000 in costs associated with contracted street outreach at encampments. Current street outreach services include general outreach to unsheltered individuals at encampments to build relationships, ensure basic needs are met, connect people to needed shelter and services, assist with connections to

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housing through the Coordinated Entry System,¹⁵ and assist people to obtain documents such as identification and social security cards. In addition, Human Services' outreach teams provide site profiles of encampments that may be scheduled for an intervention.

Human Services' work extends well beyond services provided to informal, unsanctioned encampments. In FY 2019-20, Community Housing Service's¹⁶ adopted budget was \$19.4 million. In FY 2020-21, the adopted budget increased to approximately \$48.5 million, reflecting the State of California HEAP and HHAP funds of approximately \$19 million (approved by City Council in May 2020 for expenditure in FY 2020-21 and beyond) and other funds allocated to address the rising cost of the homelessness crisis. Recent funds received from the state and federal governments can be spent over multiple years and have very specific funding requirements that limit their use. Most of these funds are used for homeless services outside the scope of encampment management. Human Services oversees the City's full array of services in response to addressing and ending homelessness for Oakland residents. These services include

- crisis response interventions such as street outreach, street based intensive case management (housing navigation), the Community Cabins program, and the Safe RV Parking Program,
- permanent shelter facilities for singles and families,
- transitional housing programs for unsheltered residents,
- permanent housing interventions (short-term and long-term subsidies, services to support people in housing),
- coordinated Entry – Human Services is the regional lead for implementing the Coordinated Entry system in Oakland,
- employment services for people who are unsheltered,
- homeless Prevention services to keep those most at risk of homelessness off the streets,
- hunger relief including the annual Thanksgiving dinner and brown bag distribution,
- coordination with County Health Care Services, Oakland Housing Authority, state agencies, and others to leverage and strengthen the system of support, and
- capacity building and investments in growing local, black-led agencies to support their work.

Cost Analysis Methodology

Calculating Labor Costs

1. Identified staff by position and the percentage of their total time spent on encampment-related work in fiscal years 2018-19 and 2019-20.

¹⁵ The Coordinated Entry system is a process developed to ensure all people experiencing a housing crisis have fair and equal access and are quickly identified, assessed for, referred, and connected to housing and assistance based on their strengths and needs

¹⁶ Community Housing Services is a service area within the Human Services Department that administers contracts and partners with nonprofits to assist the homeless and near-homeless community with temporary shelter, hotel/motel vouchers, rental assistance, eviction prevention, transitional, and supportive and special needs housing.

Appendix

2. Obtained Oracle report that shows actual and fully burdened labor costs for each employee identified in step one for the two fiscal years.
3. Applied the percent of time worked on encampments to each employee's annual labor costs identified in step two.
4. Added each employee's annual labor cost to arrive at the total labor cost for each fiscal year.

Calculating Health, Hygiene, and Street Outreach Costs

1. Obtained and reviewed documentation from Human Services to identify health and hygiene and street outreach costs.

Appendix

Fire Department

As Exhibit 19 shows, we estimate the Fire Department incurred costs of approximately \$1.8 million on encampment activities in fiscal years 2018-19 and 2019-20.

Exhibit 19: Oakland Fire Department's cost of encampment activities in fiscal years 2018-19 and 2019-20

Fire Department	FY 2018-19	FY 2019-20	% Change
Fire Prevention Labor	\$279,000	\$397,000	42%
Fire Suppression	\$438,000	\$599,000	37%
Hazardous Waste Removal Contract	\$16,000	\$36,000	125%
Total	\$733,000	\$1,032,000	41%
Combined Total	\$1,765,000		

As Exhibit 19 shows, the Fire Department incurred \$733,000 in costs on encampment activities in FY 2018-19 and \$1 million in FY 2019-20. These costs include labor costs for Fire Prevention staff, the cost of fire suppression, and contracts associated with hazardous material clean up.

Fire Prevention Labor: In fiscal years 2018-19 and 2019-20, the Fire Prevention Bureau (Fire Prevention) incurred an estimated \$676,000 in labor costs for encampment activities. Fire Prevention staff inspects encampments for fire hazards, investigate causes of fires at encampments, and approve removal of hazardous waste at encampments. Four Fire Prevention staff are assigned to work on encampment-related work, including an Assistant Fire Marshal, a Fire Investigator, a Fire Inspector, and a Hazardous Materials Inspector. Although these positions are assigned to work on encampments, they do not spend all their time on encampment-related work. Between the four positions, the time spent on encampments work ranged from an estimated 15 percent to 80 percent of their time.

Fire Suppression: The Field Operations Bureau is responsible for emergency medical response, fire suppression, mitigation of disasters, and rescue activities. In fiscal years 2018-19 and 2019-20, we estimate that fire suppression incurred over \$1 million in labor and equipment costs associated with responding to fires at encampments. In fiscal years 2018-19 and 2019-20, the Field Operations staff responded to nearly 1,000 calls at encampments. The Fire Department also responds to medical emergencies at encampment; however, the department was unable to determine the number of calls received for medical emergencies at encampments. Thus, our estimate of the Fire Department's costs does not include the cost of responding to medical emergencies at encampments.

Hazardous Waste Removal Contract: In fiscal years 2018-19 and 2019-20, the Fire Department spent \$52,000 for payments to contractors for hazardous material clean-up at encampments.

Appendix

Cost Analysis Methodology

Calculating Fire Prevention Labor Costs

1. Identified staff by position and the percentage of their total time spent on encampment-related work in fiscal years 2018-19 and 2019-20.
2. Obtained an Oracle report that shows actual and fully burdened labor costs for each employee identified in step one for the two fiscal years.
3. Applied the percent of time worked on encampments to each employee's annual labor costs identified in step two.
4. Added each employee's annual labor cost to arrive at the department's total encampment-related labor cost for each fiscal year.

Calculating Fire Suppression Costs

1. Obtained the number of calls, by fiscal year, for incidents at homeless encampments.
2. Obtained the cost of a single response by fiscal year.
3. Assumed 75 percent of calls for service for incidents at homeless encampments required a single engine or single response.
4. Multiplied 75 percent of the total calls by the cost of a single engine cost to calculate the annual cost of using a single engine.
5. Assumed the remaining 25 percent of calls for service at homeless encampments required a larger engine response.
6. Calculated a larger engine response cost by adding the cost for a Battalion Chief, three engine companies, and one truck company to calculate the cost per incident.
7. Multiplied 25 percent of the total calls for incidents at homeless encampments to the cost calculated in step 6.
8. Finalized annual cost by adding the annual single response call cost with the annual larger engine response call cost.

Calculating Hazardous Waste Removal Contract

1. Identified annual payments to the Fire Department's hazardous waste contractor for fiscal years 2018-19 and 2019-20.
2. Identified total annual payments for both fiscal years. For FY 2019-20, we divided encampment-related costs (\$36,406) by the total annual payments to the third-party contractor, to determine that encampment-related payments represented 25 percent of OFD's total hazardous waste payment.
3. For FY 2018-19, because OFD did not track costs specific to encampments, we used the previously identified 25 percent in step 2 above and applied this percentage to the FY 2018-19 annual costs to arrive at encampment-related costs.

Appendix

City Attorney's Office

As Exhibit 20 below shows, we estimate the City Attorney incurred over \$1.2 million in costs associated with encampment activities in fiscal years 2018-19 and 2019-20.

Exhibit 20: City Attorney's cost of encampment activities in fiscal years 2018-19 and 2019-20

City Attorney's Office	FY 2018-19	FY 2019-20	% Change
Labor	\$413,000	\$792,000	92%
Expenses	\$2,000	\$30,000	1400%
Total	\$415,000	\$822,000	98%
Combined Total	\$1,237,000		

As Exhibit 20 shows above, the City Attorney incurred a combined total of over \$1.2 million in costs in the two fiscal years, of which \$415,000 was incurred in FY 2018-19 and \$822,000 in FY 2019-20, an increase of 98 percent between the two fiscal years. The City Attorney's costs associated with encampments increased by 98 percent between fiscal years 2018-19 and 2019-20, primarily due to the number of lawsuits filed against the City following the *Martin v. Boise* decision issued by the 9th Circuit Court of Appeals in September 2018.

Labor: The City Attorney's labor costs associated with encampment activities amounted to \$413,000 in FY 2018-19, and \$792,000 in FY 2019-20. Much of these costs were incurred defending the City in lawsuits and state agency enforcement actions. In addition, substantial costs were incurred providing legal services and advice to multiple departments and offices including: Human Services, Fire, Public Works, Housing and Community Development, Transportation, Police, City Administrator, and the Mayor's Office, on a broad range of encampment-related policies, legislation, reports, services and grant contracts, leases and other real property transactions, and other matters related to encampments.

Expenses: The City Attorney incurred expenses associated with encampment activities of approximately \$2,000 in FY 2018-19, and approximately \$30,000 in FY 2019-20. These expenses include support staff and litigation expenses such as depositions, mediation, and court transcripts.

Cost Analysis Methodology

1. Obtained and reviewed the documentation from City Attorney's office to identify the cost of labor and expenses.

Appendix

City Administrator's Office

As the Exhibit 21 below shows, we estimated the City Administrator's Office incurred costs of \$487,000 on encampment activities for fiscal years 2018-19 and fiscal years 2019-20.

Exhibit 21: City Administrator's cost of encampment activities for fiscal years 2018-19 and 2019-20

City Administrator	FY 2018-19	FY 2019-20	% Change
Labor	\$191,000	\$296,000	55%
Total	\$191,000	\$296,000	55%
Combined Total	\$487,000		

As Exhibit 21 above shows, the City Administrator's office incurred a combined total of \$487,000 in labor costs in the two fiscal years. Of this amount \$191,000 was incurred in FY 2018-19 and \$296,000 in FY 2019-20, an increase of 55 percent between the two fiscal years.

Labor: The City Administrator's office coordinates the City's cross-departmental and inter-agency responses related to homelessness. The City approved the creation of the Homeless Administrator position in June 2019 during the FY 2019-21 budget deliberations, to serve as the central coordinator of homelessness.

The City Administrator's encampment-related labor costs include one Assistant to the City Administrator in both fiscal years and one Homeless Administrator in FY 2019-20. These positions spent between 25 to 75 percent of their time on encampment-related work, and as the Homeless Administrator was brought online, the Assistant to the City Administrator's time was decreased accordingly.

Cost Analysis Methodology

1. Identified staff by position and the percentage of their total time spent on encampment-related work in fiscal years 2018-19 and 2019-20.
2. Obtained Oracle reports that show actual and fully burdened labor costs for the employees identified in step one.
3. Applied the percent of time worked on encampments to the average labor costs identified in step two for each position.
4. Added each employee's annual labor cost to arrive at the department's total encampment-related labor cost for each fiscal year.

Appendix

Department of Transportation

As Exhibit 22 below shows, we estimate that Transportation incurred over \$300,000 in costs associated with encampment activities in fiscal years 2018-19 and 2019-20.

Exhibit 22: Transportation's cost of encampment activities for fiscal years 2018-19 and 2019-20

Department of Transportation	FY 2018-19	FY 2019-20	% Change
Labor	\$79,000	\$77,000	-3%
Materials and Equipment	\$89,000	\$68,000	-24%
Total	\$168,000	\$145,000	-14%
Combined Total	\$313,000		

As Exhibit 22 above shows, Transportation incurred \$313,000 in encampment-related costs in fiscal years 2018-19 and 2019-20. These costs were for labor, materials, and equipment.

Labor: In fiscal years 2018-19 and 2019-20, we estimate Transportation incurred approximately \$156,000 in labor costs. Transportation staff works on electrical issues that occur at encampments such as illegal wire splices and wire thefts. Specifically, they perform an analysis of the impact to the electrical system and perform repairs. Additionally, Transportation provided KOCB with a heavy equipment operator to assist with encampment interventions. In FY 2019-20, however, this position was transferred to Public Works.

Materials and Equipment: In fiscal years 2018-19 and 2019-20, we estimate that Transportation incurred approximately \$157,000 for cost of materials and equipment. Materials used to fix the compromised electrical infrastructure included electrical wiring, traffic signal wiring, electrical street light fixtures, pull box covers, electrical cabinets, locks, concrete, and other necessary electrical components.

Cost Analysis Methodology

DOT uses work orders to document work performed at encampments. Work orders specify labor, material, and equipment costs.

Calculating Labor, Materials and Equipment Costs

1. Obtained and reviewed encampment-related work order data.
2. Identified the cost of labor, materials, and equipment for fiscal years 2018-19 and 2019-20.

Appendix

Department of Parks, Recreation and Youth Development

As Exhibit 23 below shows, we estimate that Parks, Recreation and Youth Development incurred costs of over \$200,000 related to encampment activities in fiscal years 2018-19 and 2019-20.

Exhibit 23: Parks, Recreation and Youth Development cost of encampment activities for fiscal years 2018-19 and 2019-20

Parks, Recreation and Youth Development	FY 2018-19	FY 2019-20	% Change
Labor	\$88,000	\$116,000	32%
Total	\$88,000	\$116,000	32%
Combined Total	\$204,000		

As Exhibit 23 shows, we estimate that Parks, Recreation and Youth Development incurred \$88,000 in costs related to encampment activities in FY 2018-19 and another \$116,000 in FY 2019-20.

Labor: Parks, Recreation and Youth Development's (PRYD) role related to encampment activities is to refer encampment issues to the EMT and to regularly attend the EMT meetings. PRYD is heavily impacted by homeless encampments located on City parks and recreation centers, but it does not play a role on the day of an intervention. We estimate that PRYD incurred over \$200,000 in labor costs. This includes two Recreation General Supervisors, six to seven Recreation Supervisors, one Facilities Manager, and one Recreation Center Director. These positions spent between 5 to 8 percent of their time on encampment-related work.

Cost Analysis Methodology

1. Identified staff by position and the percentage of their total time spent on encampment-related work in fiscal years 2018-19 and 2019-20.
2. Obtained an Oracle report that shows actual and fully burdened labor costs for the employees identified in step one.
3. Applied the percent of time worked on encampments to the average labor costs identified in step two for each position.
4. Added each employee's annual labor cost to arrive at the department's total encampment-related labor cost for each fiscal year.

Appendix

Mayor's Office

As the Exhibit 24 shows, we estimate the Mayor's Office incurred \$86,000 in costs related to encampment activities in fiscal years 2018-19 and 2019-20.

Exhibit 24: Mayor's Office cost of encampment activities for fiscal years 2018-19 and 2019-20

Mayor's Office	FY 2018-19	FY 2019-20	% Change
Labor	\$12,000	\$74,000	517%
Total	\$12,000	\$74,000	
Combined Total	\$86,000		

As Exhibit 24 shows, the Mayor's Office incurred a combined total of \$86,000 in costs in the two fiscal years, of which \$12,000 was incurred in FY 2018-19 and \$74,000 in FY 2019-20.

Labor: The Mayor's Office's role is to attend EMT meetings and engage in policy discussions related to encampment activities. However, they do not play a role on the day of an intervention. In FY 2018-19, the labor cost includes one staff who participated in EMT and policy meetings. In FY 2019-20 the labor cost included a Homeless Policy Director¹⁷ whose role is to serve as the Mayor's chief policy advisor to address Oakland's homeless crisis, represent the Mayor in key local, regional, and statewide efforts, and to help build public-private partnerships to test and evaluate innovative homelessness interventions. These positions spent between 5 and 50 percent of their time on encampment-related work in the two fiscal years.

Cost Analysis Methodology

1. Identified staff by position and the percentage of their total time spent on encampment-related work in fiscal years 2018-19 and 2019-20.
2. Obtained Oracle report that shows actual and fully burdened labor costs for the employees identified in step one.
3. Applied the percent of time worked on encampments to the average labor costs identified in step two for each position.
4. Added each employee's annual labor cost to arrive at the department's total encampment-related labor cost for each fiscal year.

¹⁷ This position is funded by a private grant.



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April 7, 2021

**The Honorable Courtney Ruby
Oakland City Auditor
1 Frank Ogawa Plaza, 4th Floor
Oakland, CA 94612**

RE: City Administrator's Response to the Homelessness Intervention Performance Audit

Dear City Auditor Ruby:

The City Administrator's Office appreciates the performance audit of the City of Oakland's homeless encampment management interventions and activities. Attached is management's response to the following recommendations:

- Enhance encampment intervention activities;
- Capture and identify emergency calls to encampments, including 311 Call Center responses;
- Develop systems for tracking and monitoring costs associated with encampment activities; and
- Implement more formal systems to manage encampment activities.

I want to thank you and your staff for the open communication during this audit. Management was kept up to date on all progress.

Sincerely,

A handwritten signature in black ink, appearing to read 'JM' or 'Jason Mitchell'.

Jason Mitchell, Assistant City Administrator on behalf of Edward
D. Reiskin, City Administrator

cc: LaTonda Simmons, Assistant City Administrator

Attachments: City Administration's Recommendation Implementation Plan Matrix



Section	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
1	To enhance its encampment intervention activities, the City Administration should:			
	1. Implement an organizational structure for the EMT that includes defined roles, responsibilities and authority, including a clearly defined decision-making process.	<ul style="list-style-type: none">• Create EMT org chart• Draft Operations Command statements for each department• Document workflow for complaints and interventions• Prepare decision matrix per workflow	CAO	6/2021
	2. Modify its encampment schedules to better document the types of interventions, the rationale for the intervention, the date of the intervention, the number of staff needed for the intervention, and the number of hours needed to complete the intervention.	<ul style="list-style-type: none">• Create Intervention Schedule• Create an Intervention Project Scope Template	CAO	9/2021



Section	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
	3. Work with the EMT to develop a more user-friendly system for tracking encampment activities. This system should include drop-down menus to provide uniform naming conventions, as well as stronger controls to ensure that information on encampment activities are complete and consistently documented.	<ul style="list-style-type: none">• Engage IT for Needs Assessment/ Business Analysis• Assess/determine system needs• Identify systems/product/costs	CAO	5/2021- 1/2022
	4. Establish written criteria for determining which encampments should receive garbage services, portable toilets, and other hygiene services, and document which encampments are to receive these services based on these criteria.	<ul style="list-style-type: none">• Identify criteria per the EMP, Fire Safety Codes, and other guiding documents• Draft intervention models using criteria• Formalize/Adopt intervention models per criteria options	CAO/HSD	7/1/2021 9/30/2021 10/1/2021



Section	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
	<p>5. Modify the Encampment Management Policy to address outreach strategies prior to interventions. The outreach strategies should include:</p> <ul style="list-style-type: none"> • Establishing specific outreach goals • Defining and expanding roles and responsibilities for all stakeholders involved, including City staff and contracted service providers • Ensuring adequate funding • Implementing monitoring and reporting protocols to ensure internal and external stakeholders can track the effectiveness of outreach strategies 	<ul style="list-style-type: none"> • Establish client outreach intervention plan template that delineates staff and provider roles • Incorporate template within provider protocols • Identify electronic systems for documenting the work and sharing metrics • Identify funding and support for systems 	CAO/HSD	<p>5/25/2021</p> <p>7/1/2021</p> <p>7/15/2021</p> <p>8/1/2021</p>
	<p>6. Develop policies and procedures to document the City's outreach efforts at encampments, including the outreach provided, the acceptance of services, and the alternative shelter offered.</p>	<ul style="list-style-type: none"> • Staff will create SOP to track service offer details and outreach regularity • Staff will establish digital and manual intake methods and reporting to track outreach • Staff will prepare reports and audit client interaction periodically to evaluate, performance, consistency, and other trends 	CAO/HSD	<p>Draft reqs 5/1/2021</p> <p>Pilot (Scope TBD subject to dev of APP) 6/1/2021</p> <p>Finalize 9/1/2021</p>



Section	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
	7. Evaluate other cities' methods for informing encampment residents of impending interventions so that encampment residents are adequately notified of scheduled interventions.	<ul style="list-style-type: none"> • Staff will contact comparable cities to review notification methods for interventions • Staff will modify procedures to align with best practices 	CAO/HSD	9/15/2021
	8. Take appropriate actions to ensure City staff comply with the Standard Operating Procedure for the bag-and-tag process.	<ul style="list-style-type: none"> • Staff instituted an inventory form to verify allowable items for storage and disposal of non- storable items consistent with SOP • Staff now requires 2nd level validation and sign off for bag and tag inventories 	CAO/OPW	3/2021
	9. Evaluate other cities' use of storage facilities to provide alternatives to the bag-and-tag process.	<ul style="list-style-type: none"> • Staff will follow up w/Los Angeles, San Jose and other comparable cities to assess practice on bag and tag procedures • Staff will modify City procedures to adhere to best practices. 	CAO/HSD/ OPW	7/2021
	10. Develop a clear, comprehensive policy for transportation assistance following an encampment closure or re-closure. The City contracts should align with any policy changes.	<ul style="list-style-type: none"> • Research/analyze policy on transportation models, determine costs • Draft recommendations, including funding options • Implement recommendation adopted, revise agreements; Pending funding approval 	HSD/CAO	5/2021 8/2021



Section	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
2	To capture all emergency calls to encampments, the Police Department should:			
	11. Modify its call reports to identify when staff respond to encampment calls.	<ul style="list-style-type: none">• The Communications Division uses incident type "encmp" for complaints regarding encampments and officer coding when clearing encampment related calls. Due to systems limitations, only one incident code can be applied with a limit of 5 disposition codes which can further describe the incident. If the call is crime related, the incident type re: the crime is applied in CAD and the department also applies the disposition code "encmp" when possible.• Implementation of the new CAD system (Premier One CAD) will allow unlimited disposition codes.• Until then, staff has asked Motorola, the current CAD vendor, to help identify more efficient tracking methods.• Staff will receive instruction to apply encampment codes consistent with the forthcoming definition created by these recommendations.	OPD	11/2021



Section	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
	To more comprehensively identify emergency calls associated with encampments, the Fire Department should:			
	12. Work with the records management software vendor and Fire Dispatch Center to establish a unique Incident Type that will allow the department to distinguish medical emergency calls at encampments from all other medical emergencies. Further, the Fire Department should ensure staff use the appropriate disposition code upon clearing the location.	<ul style="list-style-type: none"> March 2021 Oakland Fire Dispatch Center created an Incident Type and a Disposition code for all medical calls at encampments. Fire officers shall use the disposition code upon clearing the location to accurately track such calls. Fire Dispatch will manage the data collection for these incidents, and will add incident type figures to monthly and annual reports. 	The Fire Dispatch Center	5/2021
	To address the concerning 311 Call Center response times, the City Administration should:			
	13. Evaluate both the integrity of the 311 Call Center data and the resolution of calls regarding encampments.	<ul style="list-style-type: none"> Explore possible implementation and integration of complaint systems Determine resources Establish an accountability management plan Ensure resolution and reporting of request 	CAO/EMT	3/2023



Section	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
3	To provide the City with systems for tracking and monitoring costs associated with encampment activities, the City should:			
	14. Document the amount of time spent, and staff needed, on encampment interventions such as closures, re-closures, cleanings, and hygiene services.	<ul style="list-style-type: none"> Staff will create and utilize logs for the providers and staff planning and execution of field activities 	CAO/HSD	7/2021
4	To implement more formal systems to manage encampment activities, the City should:			
	15. Develop written goals and objectives for its encampment management activities. These goals and objectives should formally communicate what the City hopes to achieve with its encampment management activities.	<ul style="list-style-type: none"> Draft operational goals/objectives/ mission 	CAO	6/2021
	16. Develop a strategic plan that includes written strategies for achieving its encampment management goals and objectives and establish formal systems for assessing the City's progress in implementing these strategies.	<ul style="list-style-type: none"> Using policy documents, establish goals for department functions, standards, methods of evaluation 	CAO/All Departments	1/2022
	17. Develop annual work plans identifying goals and deadlines for the next year and the strategies for achieving them.	<ul style="list-style-type: none"> Analyze operations trends Establish full cycle goals 	CAO/All Departments	7/2021



Section	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
	18. Develop a formal comprehensive budget for encampment management activities including all direct and indirect costs.	<ul style="list-style-type: none">• From tasks, document all supported funding	CAO	7/2021
	19. Establish funding/project codes to track expenditures for encampment-related activities across City departments.	<ul style="list-style-type: none">• Meet with Finance/Budget to assign funds/project codes for use by all departments supporting encampment management activities subject to fund use restrictions	CAO/All Departments	9/2021
	20. Perform a staffing analysis to assess the City's staffing requirements for encampment management activities. The staffing analysis should not only address the number of staff needed to carry out encampment management activities, but should also address the appropriate mix and composition of staff needed to effectively administer the new encampment policy. This staffing analysis, at minimum, should assess the need for: <ul style="list-style-type: none">• Police officers providing the current level of security at encampment interventions• Staff resources needed to monitor and enforce the encampment policy• Administrative staff needed to improve recordkeeping	<ul style="list-style-type: none">• Assess EMT activity completion by intervention type• Assess budgeted support• Establish annual goals by intervention• Cost staffing support to # of proposed interventions	CAO/All Departments	9/2021



Section	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
	21. Clearly define and document roles, responsibilities and authority of all staff working on encampment activities, to ensure all staff have a shared understanding of their respective roles, responsibilities, authority, and the expectations they hold for one another.	<ul style="list-style-type: none">• Using draft Operations Command document, create member authority/role for each department	CAO/All Departments	9/2021
	22. Develop and implement written policies and procedures for carrying out all its encampment management activities. These policies and procedures should include the following: <ul style="list-style-type: none">• Establish a definition, including criteria, for the term "encampment" and thresholds for responding to and providing services to the various encampments• How the City will monitor encampments to ensure compliance with the new encampment management policy• How the City will enforce the new encampment policy when encampments are not complying with the new encampment management policy• How the City conduct racial equity analysis and the semi-annual review to ensure the desired outcomes are achieved	<ul style="list-style-type: none">• Establish descriptions for the execution of tasks• Establish definition of "Encampment"• Establish Encampment Oversight standards• Establish Encampment Enforcement standards• Establish Racial Equity Analysis Scope with semi-annual review deadlines	CAO/All Departments	1/2022



Section	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
	<p>23. Develop data collection systems that includes the following:</p> <ul style="list-style-type: none">• Information needed to measure the City's progress in achieving its encampment management goals and objectives• Activity reports that provide information to management such as the number of interventions conducted by types, the number of encampments provided various hygiene services, the number of trash pick-ups, the amount of garbage removed from homeless encampments, the number of inspections conducted of encampments, condition reports on encampments, the number of complaints received from residents and businesses, the number of fire and medical emergencies at encampments, crime statistics, emergency response times to encampments, and the number of enforcement actions conducted• Demographic information on encampments to facilitate the racial equity review and the semi-annual review to ensure the desired equity outcomes are achieved	<ul style="list-style-type: none">• Engage IT for Assessment/Analysis• Assess/determine system needs• Identify systems/ product/costs	CAO	5/2021- 3/2022



Section	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
	24. Assign responsibility for developing and maintaining a comprehensive master list of encampments, which maps the locations of encampments, both formal and informal encampments, including but not limited to, informal tent or small cabin encampments, formal encampments, areas where residents are living in parked vehicles, and safe parking areas. This master list should include the population and demographics of the encampments. The maps should also identify the locations of these encampments in relation to storm drain inlets and existing streams, rivers, and flood control channels, as well as other surface water bodies within the City to ensure compliance with federal, state, and regional permits.	<ul style="list-style-type: none">• Engage IT for Assessment/Analysis• Assess/determine system needs• Identify systems/ product/costs	CAO	5/2021- 3/2022
	25. Develop formal training programs for City staff working on encampment activities. This training should include training on crisis interventions and understanding, recognizing, and interacting with encampment residents suffering from trauma.	<ul style="list-style-type: none">• Develop and institute Homeless Engagement Strategy Guidelines• Staff will schedule trainings with partners and staff alike	CAO/HSD	9/2021



Section	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
	26. Use the 'U.S. Substance Abuse and Mental Health Services' Trauma-Informed Toolkit for Homeless Services to evaluate how well trauma-informed practices are incorporated into the City's encampment practices to identify areas for organizational growth, and make practical changes using their self-assessment tool-kit.	<ul style="list-style-type: none">• The City will obtain and review the Toolkit to incorporate practices into the Encampment Management practices	CAO/All Departments	12/2021



PERFORMANCE AUDIT OF THE CITY OF OAKLAND'S HOMELESSNESS SERVICES:

Better strategy and data are needed for more effective and accountable service delivery and positive outcomes for Oakland's homeless residents

CITY AUDITOR

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September 19, 2022



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September 19, 2022

HONORABLE MAYOR
HONORABLE CITY COUNCIL
HONORABLE CITY ATTORNEY
HONORABLE COMMISSIONERS
CITY ADMINISTRATOR
OAKLAND RESIDENTS

RE: PERFORMANCE AUDIT OF THE CITY OF OAKLAND'S HOMELESSNESS SERVICES

Dear Mayor Schaaf, City Council President Bas, Members of the City Council, City Attorney Parker, Members of the Commission on Homelessness, City Administrator Reiskin, and Oakland Residents:

For several years, the residents of Oakland have identified homelessness as the most pressing issue facing our City. As such, this audit was a priority for both the City Auditor's Office and the City Council. I want to acknowledge City Council President Bas for her leadership on this issue, and her collaboration in defining the audit objectives with my office.

This audit report is the second of two audit reports on homeless services. The first report, released in April 2021, focused on the City's Homeless Encampment Management Interventions and Activities. This report aims to provide critical information to City policymakers, leaders and staff to assist them in overseeing and managing the City's delivery of homelessness services.

The audit focuses on the City's performance in delivering crisis response, longer-term housing, and other supportive services. Specifically, the audit objectives were to:

1. Quantify the number of people receiving short-term, long-term, and permanent housing and their lengths of stay.
2. Evaluate the performance of contracted service providers against intended program outcomes.
3. Identify disparities in how the City's short-term, long-term, and permanent housing are provided to various subpopulations.
4. Assess the coordination and partnerships between City departments, other governmental agencies, and select service providers.

The audit scope was fiscal years 2018-19, 2019-20, and 2020-21. The audit report outlines key audit results across six sections.

Overall, the City's housing programs, which are primarily managed by third-party service providers, served a total of 8,683 participants during the three years audited. In these three years, the City spent nearly \$69 million on contracts for service providers to provide various homelessness services.

The report reveals the City's had mixed results in placing the homeless into permanent housing and better information is needed to determine whether they remain housed. The report also reveals mixed results in the City's ability to facilitate enrollment of the homeless in various income and health benefit programs, a proven first step in increasing a participants' ability to improve life circumstances and housing stability.

Underlying these mixed results is the City's access to timely, accurate, and complete data and its ability to use this data to adequately evaluate its own performance and the performance of the service providers contracted to provide direct homelessness services. This was compounded by the fact that the City's contract monitoring activities were incomplete, inadequately documented, and did not sufficiently address service delivery concerns. The audit did however find the City was delivering homelessness services in proportion to the racial make-up of the City's homelessness population per the latest Point-in-Time Counts

The report includes 30 recommendations, including 27 recommendations for the Administration to move the City's homelessness services forward with a strategic plan, increased public reporting and greater oversight. The Administration is in agreement with all 27 recommendations. The remaining three recommendations include two that are addressed to the City Council and one that is addressed to the Commission on Homelessness for their consideration.

In April 2022, Alameda County released a draft of the Home Together 2026 Community Plan (Plan) that stated every year new people experience homelessness in Alameda County, but the homelessness response system does not currently have enough capacity to keep up with annual inflow. The Plan predicts that by 2026, Alameda County will need an inventory of approximately 26,000 permanent housing units. As of 2021, there were 3,215 existing units, meaning the permanent housing inventory must increase eightfold by 2026. Knowing that Oakland's homeless population is roughly half of the County's homeless population, this is a staggering reality to consider, and it places an urgency on the City to implement the audit's recommendations to ensure people, plans, strategies, and oversight are in place to permanently house our homeless over the long-term, and to make certain they are in safe, clean and secure temporary housing arrangements until then.

Sincerely,



COURTNEY A. RUBY, CPA, CFE
City Auditor

Oakland's City Auditor is an elected official and works for, and reports to, the residents of Oakland. The Auditor's job is to provide oversight to the City's activities. The Auditor has the authority to access and audit City financial and administrative records, plus the policies and procedures of all City agencies and departments.

To make sure this work is done objectively and without bias, the City Auditor is not connected to any other City departments and has no day-to-day financial or accounting duties for the City of Oakland. This autonomy allows for independent analyses, ensuring tax dollars and other resources serve the public interest.

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Executive Summary

OVERVIEW

Homelessness is among the biggest issues facing Oakland. Accordingly, both the City Auditor and City Council placed a high priority on audits related to homelessness services and partnered together to establish several audit objectives. These objectives culminated in the April 2021 *Performance Audit of the City of Oakland's Homeless Encampment Management and Interventions and Activities*, and this audit, *Performance Audit of the City of Oakland's Homelessness Services: Better Strategy and Data are Needed for More Effective and Accountable Service Delivery and Positive Outcomes for Oakland's Homeless Residents*.

BACKGROUND

Homelessness in Alameda County and Oakland has grown over the years. Between 2015 and 2022, observed homelessness increased 131 percent and 141 percent in Oakland and Alameda County, respectively. The February 2022 Point-in-Time Count (PIT Count) identified 5,055 people experiencing homelessness in Oakland and 9,747 in Alameda County. It identified 1,718 or 34 percent of people experiencing homelessness in Oakland were sheltered, meaning they were residing in supervised shelters designed to provide temporary living arrangements and were receiving some services. The remaining 3,337, or 66 percent, were living on the street or other places not meant for human habitation.

The City of Oakland's Human Services Department has a Community Homelessness Services Division (CHS), which is primarily responsible for implementing the City's homelessness services. CHS expenditures grew significantly from \$21.7 million to \$28.9 million between fiscal years 2018-19 and 2020-21. The effects of increased funding related to COVID began in the last quarter of fiscal year 2019-20 and into fiscal year 2020-21 and beyond. Over 85 percent of this funding is for contracting with outside service providers, who directly provide the range of homelessness services including crisis response programs, longer-term housing programs, and other supportive services. This audit focuses on the City's performance in delivering crisis response, longer-term housing, and other supportive services.

Agencies from all levels of government and the private and nonprofit sectors are addressing homelessness through various programs and services. Effectively serving people experiencing

Executive Summary

homelessness requires significant coordination among these agencies and stakeholders. Therefore, this audit also focuses on the critical coordination and partnership with the City's contracted service providers, and the Oakland/Berkeley/Alameda County Continuum of Care (CoC) that is responsible for maintaining both the Coordinated Entry System that provides the entry point for many people to access homelessness services, and the required federal *Homeless Management Information System* (HMIS) that tracks clients and the services provided to them. Funding of various homelessness services comes from federal, state, local, and private funds.

AUDIT OBJECTIVES

The objectives of this audit were to:

1. Quantify the number of people receiving short-term, long-term, and permanent housing and their lengths of stay.
2. Evaluate the performance of contracted service providers against intended program outcomes.
3. Identify disparities in how the City's short-term, long-term, and permanent housing are provided to various subpopulations.
4. Assess the coordination and partnerships between City departments, other governmental agencies, and select service providers.

The audit scope was fiscal years 2018-19, 2019-20, and 2020-21. The audit report outlines key audit results across six sections.

WHY THIS AUDIT MATTERS

This audit report provides critical information to City policymakers, leaders and staff to assist them in overseeing and managing the City's delivery of homelessness services and permanently house our homeless.

In April 2022, Alameda County released a draft of the Home Together 2026 Community Plan (Plan) that stated every year new people experience homelessness in Alameda County, but the homelessness response system does not currently have enough capacity to keep up with annual inflow. The Plan predicts that by 2026, Alameda County will need an inventory of approximately 26,000 permanent housing units. As of 2021, there were 3,215 existing units, meaning the permanent housing inventory must increase eightfold by 2026. Knowing that Oakland's homeless population is roughly half of the County's homeless population, this is a

Executive Summary

staggering reality to consider, and it places an urgency on the City to implement the audit's recommendations to ensure people, plans, strategies, and oversight are in place to permanently house our homeless over the long-term, and to make certain they are in safe, clean and secure temporary housing arrangements until then.

KEY FINDINGS

Section 1: The City had mixed results in helping program participants exit to permanent housing, many crisis response and longer-term housing participants' long-term outcomes are unknown, and lengths of stay need more analysis.

The City provides various types of homelessness services housing programs to serve the City's homeless population. Shorter-term crisis response programs include Community Cabins, Emergency Shelters, Transitional Housing, and RV Safe Parking. Longer-term programs include Rapid Re-Housing, the Oakland Path Rehousing Initiative (OPRI), and Permanent Housing Services.

In fiscal years 2018-19, 2019-20, and 2020-21, the City's homelessness services housing programs served a total of 8,683 participants (6,697 in crisis response programs and 1,986 in longer-term housing programs). During this time, a total of 4,839 participants exited the City's homelessness services housing programs (4,110 in crisis response programs and 729 in longer-term housing programs).

The City's crisis response programs for single adults generally did not meet established performance targets for exits to permanent housing or exits to homelessness, or the City's target for exits to positive destinations, except for single adult Transitional Housing, which met the target for exits to homelessness in one fiscal year. Family crisis response programs had better performance with family Emergency Shelter and Transitional Housing programs, meeting the targets for exits to permanent housing in all three fiscal years audited. Family Transitional Housing met the targets for exits to permanent housing and exits to homelessness in all three fiscal years. Transitional Housing for transition-aged youth did not meet the targets for exits to permanent housing or exits to homelessness in any of the three fiscal years. We found that the City had not adopted exits to homelessness, exits to positive destinations, and exits to streets or unknown destinations metrics and corresponding targets for the Emergency Shelter program. The City also has not established metrics or targets for the RV Safe Parking program.

Longer-term housing programs, which serve far fewer people than crisis response programs and commit to providing more intensive services over longer periods of time, were more successful in meeting performance targets. For example, family Rapid Re-Housing programs met exits to permanent housing targets and exits to homelessness target in all three fiscal

Executive Summary

years. We also noted steady improvement in Rapid Re-Housing exits to permanent housing among single adult and transition-aged youth Rapid Re-Housing participants. Similarly, OPRI and Permanent Housing Services met their target to have 95 percent of participants remain housed for one year or longer in all three fiscal years. OPRI also met its target to have less than 5 percent of its participants exit to homelessness in two of the three fiscal years and Permanent Housing Services met this target in one of the three fiscal years.

Lastly, provider contracts and participant agreements specify goals on the maximum number of days participants can initially stay in various housing programs. Some participants stayed longer than terms outlined in provider contracts and participant agreements. The City should collect data to analyze this more closely.

Section 2: The City had mixed results in facilitating enrollments in benefit programs critical to improving homelessness services participants' life circumstances and housing stability.

Financial and mainstream public benefits have proven to be the first step in increasing a participant's ability to improve life circumstances and maintain permanent housing.

Based on our analysis of HMIS data, in fiscal years 2018-19, 2019-20, and 2020-21, participants' success in maintaining or increasing incomes varied across the different crisis response and longer-term housing programs. This metric is limited in its usefulness because many participants do not have incomes. Furthermore, it is important to recognize the limited value of "maintaining" incomes for people whose incomes are too low to afford housing.

Enrollment in non-cash mainstream benefits like state and federal financial resources, disability benefits, food assistance, and other assistance is an important metric for gauging the prospects of program participants' ability to achieve permanent housing. In fiscal years 2018-19, 2019-20, and 2020-21, the City's homelessness services programs missed targets for enrollments in mainstream benefits.

On the other hand, the majority of homelessness services programs achieved targets for enrolling participants in health insurance benefits, though results varied by program category and by fiscal year. The City should continuously review performance data to identify effective and ineffective programs and service providers. In addition, the City should continuously review the viability of the performance metrics and related performance targets and consider revising them and adopting new ones as needed, such as CHS did with some of the exit metrics discussed in Section 1. This is especially needed in the RV Safe Parking program, for which the City had not implemented any performance metrics or targets related to participant incomes and enrollment in mainstream benefits.

Executive Summary

Section 3: The City lacked access to timely, accurate, and complete data to fully understand service provider performance, bed utilization, and participants' returns to homelessness.

HMIS data entered by service providers need to be timely, accurate, and complete for the City to effectively monitor, manage, and evaluate homelessness services programs. However, the City's service providers have not been timely in entering participant data into HMIS and have also had challenges in entering accurate and complete data. The City should provide training on HMIS, monitor data quality issues, and hold service providers accountable to data quality standards. Timely, accurate, and complete data would enable the City to identify at any time, the use and capacity of its different programs which informs management of available resources and helps with planning for the future.

Additionally, for years, the Community Homelessness Services Division has been challenged by a lack of responsiveness from the County HMIS Lead and the system's inability to provide critical data reports and tools. The City should continue to work with the County HMIS Lead to access HMIS reports and tools. If necessary, the City should consider obtaining an outside contractor on how to use these reports and tools, which are necessary to determine whether program participants return to homelessness. A dedicated City staff member with analytical and technical skills can run these reports to consistently track, monitor, analyze, and present HMIS data for management. Once the City has access to the necessary data and tools to determine the success of its program performance, the City needs to have the ability to report on its programs publicly, thus fulfilling the need for transparency and public accountability.

Section 4: The City provided homelessness services to participants of different races roughly proportionately to their share of Oakland's homeless population, except for the RV Safe Parking program. More data is needed to ensure the City is meeting racial equity goals and identifying disparities affecting groups underserved or underrepresented by the City's homelessness services.

The City has established a goal to reach, serve, and improve outcomes for African Americans who are severely over-represented in the homeless population. The audit found that African American participants are proportionately represented in all but one of the City-funded homelessness services programs, the RV Safe Parking program. In addition, we found no major disparities across the races of program participants and their share of Oakland's homeless population. We also found no racial disparities among people exiting from homelessness services programs to permanent housing during the three-year audit scope. It appears this desired outcome was achieved roughly proportionately among participants of different races.

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To identify racial disparities and assess the City's homelessness services programs' progress toward the City's racial equity goals, the City has committed to breaking out program outcomes by race. The County HMIS Lead, however, is unable to break out these data by race. The City must continue working with the County HMIS Lead to overcome technical challenges so it can analyze all outcomes by race including exits to positive destinations, exits to streets or unknown destinations, maintaining or increasing incomes, and enrollments in mainstream benefits and health insurance.

Lastly, demographic data from PIT Counts, HMIS, and the U.S. Census can identify groups underserved or underrepresented by the City's homelessness services, compared to their estimated share of the overall population of Oaklanders experiencing homelessness. The City should review data to identify and quantify communities particularly vulnerable to or impacted by homelessness to inform the City's homelessness services.

Section 5: Improvements are needed in the monitoring, oversight, and administration of the City's homelessness services contracts

The City primarily contracts out its homelessness services to third-party service providers. Between fiscal years 2018-19 and 2020-21, expenditures for homelessness services contracts increased from \$19.7 million to \$25 million, or 27 percent.

CHS' current approach to contract monitoring is impractical to apply appropriate coverage and address increased risks. Instead, the City should adopt a comprehensive risk-based approach. Additionally, contract monitoring activities were incomplete, inadequately documented, and did not sufficiently address service delivery concerns. Finally, service providers often began work prior to contracts being fully executed.

Section 6: The City needs to move homelessness services forward by adopting an actionable strategic plan and increasing oversight

The City lacks a strategic plan to provide an overall strategy, and inform spending decisions, organizational structure, and homelessness services. The City developed its initial Permanent Access to Housing framework (PATH) in 2006 and made significant updates in 2019, but it is not a strategic plan. Rather, it is a broad framework to align the City's efforts with national best practices. To achieve measurable, impactful, and lasting results, the City needs to formally adopt a strategic plan with goals and objectives, corresponding strategies, and annual workplans. The strategic plan needs to ensure meaningful program outcomes are defined for Oakland. To increase public accountability, periodic reporting on elements of this strategic plan should also include reporting on the funding of homelessness services, as well as general

Executive Summary

updates concerning the City's homelessness response, service delivery, work plans, and performance results. Reporting on the strategic plan should be directed to a public body in a public forum – perhaps the City's Commission on Homelessness. Furthermore, despite increases in dedicated resources for homelessness response, a significant number of vacancies within CHS endanger the successful delivery of homelessness services, as does the recent departures of key management and department leadership. The City needs to determine appropriate staffing levels, composition, and roles for its homelessness response. A staffing review will be key to the City's ability to achieve a vision, mission, goals, and objectives for its homelessness response.

RECOMMENDATIONS

The audit includes 30 recommendations, 27 recommendations are directed to the City Administration to address the issues raised in the report, and the City Administration has committed to implementing all 27 recommendations. Two recommendations are directed to the City Council and include designating the Commission on Homelessness as the entity to oversee the development of, and ongoing monitoring of City's Homelessness Services strategic plan, and for the City Council to formally adopt the strategic plan once it is finalized. One recommendation is directed to the Commission on Homelessness to ensure, if it is designated by the City Council, that it has the additional resources needed to fulfill its responsibilities.

Introduction and Background

Introduction

Homelessness, homeless encampments, and housing affordability are among the biggest issues facing the City of Oakland (City). Accordingly, the City Auditor and City Council placed a high priority on audits related to homelessness services and partnered together to outline a series of audit objectives addressing the City's management of homeless encampments and the City's performance in delivering crisis response, longer-term housing, and other supportive services.

In April 2021, the City Auditor's Office issued the first in a series of two audits focused on homelessness. The first audit evaluated the City's homeless encampment management interventions and activities and found that the City was not adequately prepared to shoulder such a massive project and the City's Encampment Management Team (EMT) was overwhelmed by the undertaking of closing and cleaning encampments throughout Oakland.

Specifically, the audit found the City lacked an effective strategy for dealing with the growth in encampments and did not provide adequate policy direction or funding at the onset of the homelessness crisis. Additionally, the EMT lacked sufficient resources, including a budget. The *April 2021 Performance Audit of the City of Oakland's Homeless Encampment Management and Interventions and Activities* can be found [here](#).

Audit Objectives and Scope

This second audit focuses on the City's performance in delivering crisis response, longer-term housing, and other supportive services. The audit objectives were to:

1. Quantify the number of people receiving short-term, long-term, and permanent housing and their lengths of stay.
2. Evaluate the performance of contracted service providers against intended program outcomes.
3. Identify disparities in how the City's short-term, long-term, and permanent housing are provided to various subpopulations
4. Assess the coordination and partnerships between City departments, other governmental agencies, and select service providers.

This audit was not intended to address all aspects of homelessness. For example, this audit did not assess the contract award process, administration of homelessness prevention programs, affordable housing production and operations, and the effectiveness of regional, County, and federal homelessness response strategies with which the City is involved.

The scope of the audit includes Oakland's homelessness services in fiscal years 2018-19, 2019-20, and 2020-21.

Introduction and Background

This report has six sections and outlines key audit results:

Section 1: The City’s Homelessness Services Housing Programs: Participants Served, Exit Destinations, and Lengths of Stay

This section quantifies the number of people served by the City’s various homelessness services housing programs and discusses the City’s performance against established performance metrics and targets including how successful the City was at exiting participants to permanent destinations versus back to homelessness. *The City had mixed results in helping program participants exit to permanent housing, many crisis response and longer-term housing participants’ long-term outcomes are unknown, and lengths of stay need more analysis.*

Section 2: Maintaining and Increasing Incomes and Enrolling Participants in Benefit Programs

This section addresses the City’s performance in maintaining or increasing participants’ incomes and enrolling participants in non-cash benefits and health insurance programs as a critical step to ending homelessness. *The City had mixed results in facilitating enrollments in benefit programs critical to improving homelessness services participants’ life circumstances and housing stability.*

Section 3: Data on Programs, Outcomes, Service Providers, and Participants

This section discusses data quality, timeliness, and usefulness. *The City lacked access to timely, accurate, and complete data to fully understand service provider performance, bed utilization, and participants’ returns to homelessness.*

Section 4: Proportionate Service Delivery and Racial Equity

This section evaluates the City’s efforts to eliminate racial disparities in homelessness services. *The City provided homelessness services to participants of different races roughly proportionately to their share of Oakland’s homeless population except for the RV Safe Parking program. More data is needed to ensure the City is meeting its racial equity goals and finding disparities that affect some communities.*

Section 5: Contracting with Service Providers

This section reviews the effectiveness of contract monitoring and oversight procedures. *Improvements are needed in the monitoring, oversight, and administration of the City’s homelessness services contracts.*

Introduction and Background

Section 6: Strategy, Public Reporting, and Oversight

This section provides guidance for the City Administration on how to more effectively manage homelessness services while optimizing the City's limited resources to ensure our most vulnerable residents are receiving timely services to improve their living situations and secure and maintain permanent housing. *The City needs to move homelessness services forward by adopting an actionable strategic plan and increasing oversight.*

Background

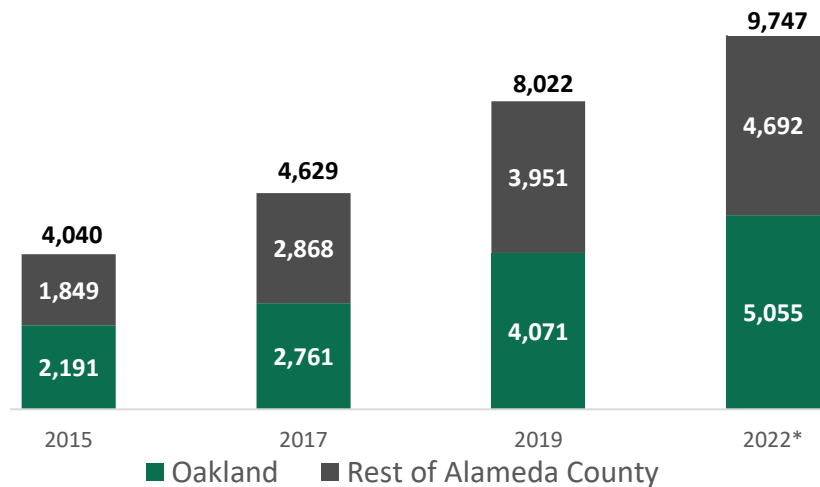
Homelessness increased in Oakland and Alameda County over the last seven years

Every two years, communities across the country conduct counts of the local homeless population, known as the Point-in-Time (PIT) Count. The results are used for local strategic planning, investment, capacity building, and advocacy campaigns to prevent and end homelessness. The PIT Count scheduled for January 2021 was postponed due to the COVID-19 Pandemic (COVID) and was rescheduled for February 2022. The preliminary results are shown below.

Homelessness in Alameda County and Oakland has grown over the years. Between 2015 and 2022, observed homelessness increased 131 percent and 141 percent in Oakland and Alameda County, respectively. In 2022, 5,055 people were identified as experiencing homelessness in Oakland and 9,747 in Alameda County.

Introduction and Background

Exhibit 1: The total number of individuals experiencing homelessness in Oakland and the rest of Alameda County in calendar years 2015, 2017, 2019, and 2022



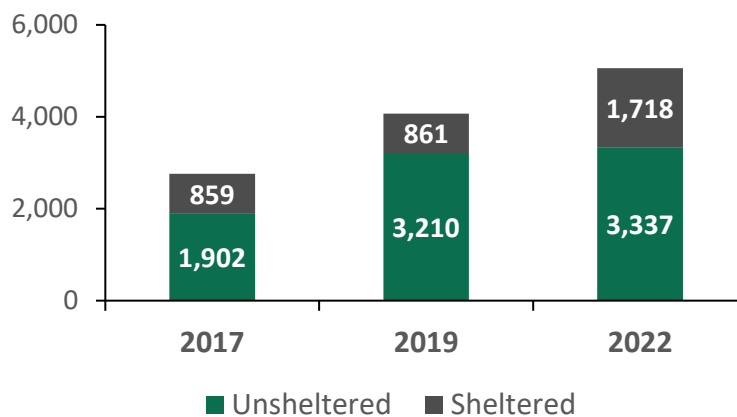
Source: Point-In-Time Count Survey for 2015, 2017, 2019, and 2022.

Note: the PIT Count scheduled for 2021 was rescheduled for 2022 due to the COVID-19 Pandemic.

While homelessness in Oakland continues to grow, it has slowed, growing only 24 percent between 2019 and 2022 compared to 47 percent between 2017 and 2019. The 2022 PIT Count estimated 1,718, or 34 percent, of people experiencing homelessness in Oakland were sheltered, meaning they resided in supervised shelters designed to provide temporary living arrangements and were receiving some services. Additionally, the number of sheltered individuals grew almost 100 percent since the 2019 PIT Count.

Since the time of the 2017 PIT Count, the City has made significant investments in new beds and RV spaces to provide Emergency Shelter to people experiencing homelessness.

Exhibit 2: Sheltered vs. unsheltered individuals in Oakland, 2017, 2019, and 2022








Source: 2017, 2019 and 2022 PIT Counts

Introduction and Background

The remaining 3,337, or 66 percent of people experiencing homelessness in Oakland, were unsheltered meaning they resided in places not meant for human habitation such as cars, parks, sidewalks, and abandoned buildings.

Exhibit 3: Living arrangements of unsheltered individuals in Oakland, 2019 and 2022

					
	Tent	Car/Van	RV	Street/ Outside	Abandoned Building
Oakland 2022	1,063 (32%)	1,031 (31%)	907 (27%)	308 (9%)	28 (1%)
Oakland 2019	1,320 (41%)	727 (23%)	703 (22%)	420 (13%)	40 (1%)
Alameda County 2022	2,216 (31%)	2,318 (32%)	1,600 (22%)	958 (13%)	43 (1%)
Alameda County 2019	2,172 (34%)	1,431 (23%)	1,386 (22%)	1,239 (20%)	84 (1%)

Source: 2019 and 2022 PIT Counts

Obtaining a precise count of people experiencing homelessness is extremely challenging. The National Alliance to End Homelessness (NAEH) states that the PIT Count has its limitations and flaws, and likely undercounts the population. For example, the following populations are likely undercounted in the PIT Count:

- **Women:** a leading cause for women experiencing homelessness is gender-based violence. Many women tend to remain hidden due to the high risk of violence and abuse while experiencing homelessness and will consequently be undercounted by PIT Counts. The 2022 PIT Count recorded only 36 percent of those experiencing homelessness in Oakland as female even though females account for roughly 50 percent of the overall population.
- **Children and transition-aged youth:** The Oakland Unified School District (OUSD) serves Oakland students and families who are unhoused, insecurely housed, or living in inadequate housing.¹ In the 2020-21 school year, OUSD served 1,056 students pursuant to the McKinney-Vento Act versus the 2022 PIT Count, which recorded 409 children experiencing homelessness at that time.

¹ The McKinney-Vento Act requires schools to enroll students experiencing homelessness immediately, even if the student is unable to provide documents that are typically required for enrollment. OUSD has a program to serve these students, which provides enrollment assistance, school supplies, tutoring, backpacks, advocacy, housing referrals, and assistance with transportation.

Introduction and Background

Despite the limitations in the PIT Counts, it is the most reliable estimate of people experiencing homelessness.

The demand for housing far exceeds supply

In April 2022, Alameda County released a draft of the Home Together 2026 Community Plan (Plan). The Plan outlines the goals, strategies, and investments needed to dramatically reduce homelessness in Alameda County by 2026 and combat racial disparities in homelessness by fully centering equity.

The Plan states:

Every year new people experience homelessness in Alameda County, but the homelessness response system does not currently have enough capacity to keep up with annual inflow. This means that the increasing homeless population includes newly homeless people along with many people who became homeless in a prior year but could not get the assistance they needed to end their homelessness. In 2020 to 2021, just 36% (4,358) of adult only households experiencing homelessness exited homeless services, and 64% (7,647) remained in the homelessness response system. For households with minor children, 33% (321) of households exited the system in 2020-2021, while 67% (664) households remained.

The Plan goes on to state that without significant changes in both approach and rate of investment, homelessness will likely grow dramatically.

The Plan predicts that by 2026, Alameda County will need an inventory of approximately 26,000 permanent housing units in addition to subsidies to serve all the current and projected needs of homeless households. As of 2021, there were 3,215 existing units, meaning the permanent housing inventory must increase eightfold by 2026.

Permanent supportive housing

Permanent supportive housing provides long-term, affordable housing and support services to people with disabilities or other special needs, who are homeless or at risk of becoming homeless. In 2021, Alameda County had an inventory of 3,215 permanent supportive housing units and projected a total need of 7,410 units by 2026 to meet the current and projected need, an increase of 130 percent.

The County operates the housing queue for permanent supportive housing placements. As of May 2022, there were 1,793 people waiting for permanent supportive housing placements countywide. Of those waiting for permanent supporting housing, 832 or 46 percent, were from Oakland.

Introduction and Background

While the region continues to struggle with the increasing demand for permanent supportive housing, new investments are being made. For example, in 2020 the State of California awarded the City \$37.5 million (includes one project that was eventually dropped) in Project Homekey funding, which allowed the City to turn existing buildings into permanent supportive housing. Additionally, as of May 2022, the City was awarded an additional \$25.9 million in Homekey funds. Since receiving this funding, the City has invested in the following 253 deeply affordable² housing units:

- 110 units across scattered sites
- 42 units at Clifton Hall
- 21 units at the Inn at Temescal
- 44 units at Piedmont Place hotel (Spring 2022 funding)
- 36 units at the Inn by the Coliseum (Spring 2022 funding)

Despite new funding, and as the County's plan projects, the region will continue to struggle to keep up with the increasing demand for permanent supportive housing, and homelessness services in general.

Multiple jurisdictions and stakeholders respond to homelessness

Agencies from all levels of government and within the private and nonprofit sectors are addressing homelessness through various programs and services. Effectively serving people experiencing homelessness requires significant coordination among these agencies and stakeholders. Each agency outlined below is responsible for a key component of the response system; the most critical responsibilities are described below.

Federal Department of Housing and Urban Development (HUD) - provides funding to states, local governments, Continuums of Care, and nonprofit service providers to serve individuals and families across the country who are affected by homelessness.

State of California - provides funding for homelessness services through multiple state programs and agencies, including the Homeless Emergency Aid Program (HEAP) and Homeless Housing, Assistance and Prevention (HHAP) grant program administered by the Business, Consumer Services, and Housing Agency. Other state departments administer a variety of service programs including, but not limited to the Department of Social Services and the Department of Housing and Community Development.

² Deeply Affordable Housing is affordable to extremely low-income (ELI) people who have incomes below 30 percent of Area Median Income (AMI).

Introduction and Background

Continuum of Care (CoC) - Spearheaded by HUD, a CoC is a group of organizations and individuals that plan and coordinate funding for services and housing. The CoC is made up of a leadership board and various committees. The City of Oakland is part of the Oakland/Berkeley/Alameda County CoC called EveryOne Home.

Alameda County - provides many of the services to address homelessness including health care, social services, and behavioral health care. These services are provided by the Department of Housing and Community Development (HCD), the Health Care Services Agency (HCSA), and the Social Services Agency (SSA) of Alameda County. The County is a member of the CoC and manages two critical components of the region's response to homelessness, the Coordinated Entry System and the Homeless Management Information System:

- ***Coordinated Entry System (CES)***: standard process used to assess, prioritize, and match persons experiencing homelessness to housing and other resources. Those in need of services can receive a Coordinated Entry assessment by calling 2-1-1, or through designated Housing Resource Centers and select outreach service providers. Beginning January 2021, the County launched and began operating Coordinated Entry 2.0. Prior to this, the City of Oakland administered this operation. Alameda County's Health Care Services Agency (HCSA) administers CES.
- ***Homeless Management Information System (HMIS)***: a database system used to collect required client-level data and data on service delivery for individuals and families experiencing, or at risk of experiencing homelessness. The CoC has designated the County as the HMIS Lead. Agencies that receive HUD and state funding for its programs are mandated to use HMIS and report data annually. Data collected are used for reporting, decision-making, performance evaluation, public policy, and advocacy related to the region's overall response to homelessness. Alameda County's HCD administers HMIS for the CoC, a committee through EveryOne Home provides oversight, and service providers enter client data into the system.

City of Oakland

- ***City Administrator's Office*** – the Homelessness Administrator serves as liaison to both internal City staff and external agencies, leads the City's Encampment Management Team, supports broad policy development, coordinates homelessness services across relevant City departments, and facilitates

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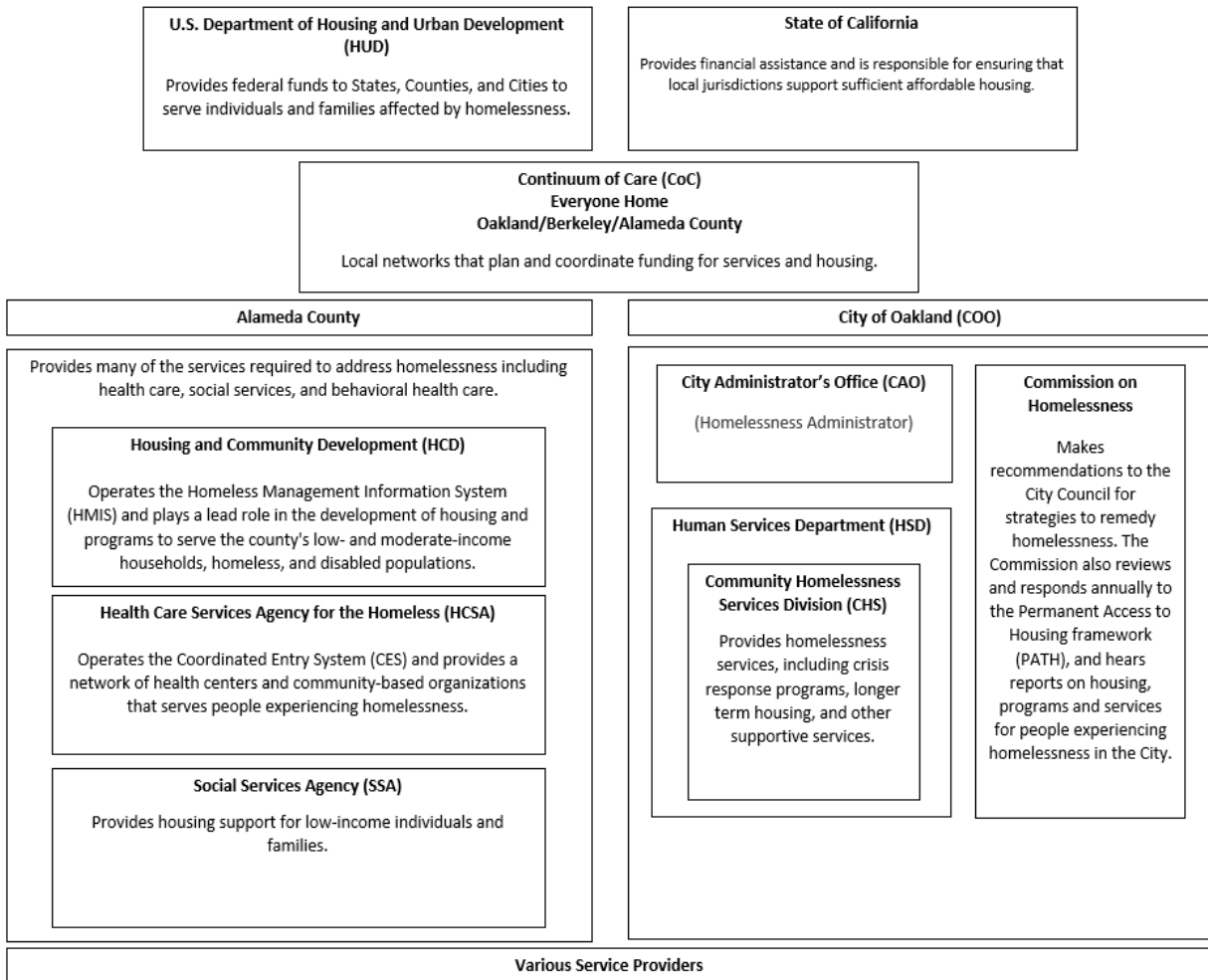
transition of the City's unsheltered population into shelter and housing programs.

- ***Department of Human Services*** - The Community Homelessness Services Division (CHS) of the City's Human Services Department (Human Services) is primarily responsible for implementing the City's homelessness services including crisis response programs, longer-term housing, and other supportive services. The Division has also led the City's efforts in identifying and securing funding. In addition, CHS represents the City in the regional homelessness response. CHS staff sit on EveryOne Home committees, and meet regularly with Alameda County, Oakland Housing Authority, and other agencies to coordinate the CoC's response to homelessness.
- ***Commission on Homelessness*** - makes recommends strategies to the City Council to remedy homelessness. The Commission also reviews and responds annually to the Permanent Access to Housing framework (PATH), and hears reports on housing, programs, and services for people experiencing homelessness in the City. This body also provides oversight of the Oakland vacant property tax funds and Measure Q homelessness funds received by the City for homelessness services and recommends strategies to remedy homelessness to the City Council.
- ***Service Providers*** – contracted nonprofit service providers carry out a range of services including, but not limited to, managing Emergency Shelters, Transitional Housing, Community Cabins, RV Safe Parking sites, Rapid Re-Housing, Street Outreach, and other supportive services.

Exhibit 4 below shows the key players in the region that respond to homelessness.

Introduction and Background

Exhibit 4: The regional homelessness response system has multiple entities



Source: Auditor exhibit based on the understanding of HUD's CoC program.

In addition to homelessness services, various entities are involved in preventing homelessness. For example, the City's Housing and Community Development Department engages in anti-displacement and resident stabilization. The inter-agency Keep Oakland Housed campaign is a coordinated strategy and partnership to help Oakland residents at risk of losing their homes by providing a three-prong emergency response including legal representation, financial assistance, and supportive services to help them remain in their homes. The scope of this audit did not include homelessness prevention.

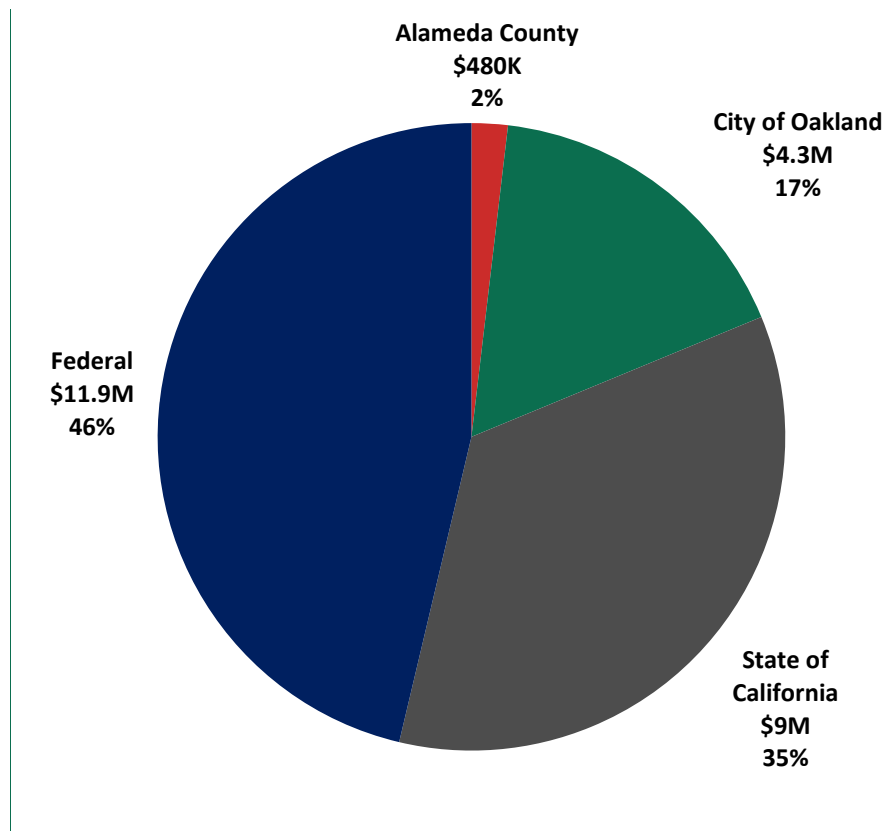
The City of Oakland is funded by federal, state, local, and private funds

The City's homelessness response depends upon federal, state, local, and private funding, and as Exhibit 5 below shows, a significant portion of the funds for fiscal year 2020-21 came from

Introduction and Background

federal and state grant funding. These governmental funding sources typically have prescriptive requirements defining the services that can be funded and the eligible populations that can be served. Thus, these funding sources can directly or indirectly prioritize the homelessness services a local jurisdiction provides.

Exhibit 5: Budgeted funds for homelessness for fiscal year 2020-21



Source: City of Oakland's financial reporting system

Navigating funding priorities can be challenging and COVID added another level of complexity. Federal and state funding levels increased to get individuals off the street and immediately into housing with appropriate, and in many cases, more expensive health, and safety protocols to guard against rapid COVID transmission. For example, congregate shelters had to reduce capacity immediately, and programs like the State's RoomKey were enacted, which leased hotels to serve as long-term COVID shelters for older people or those with medical vulnerabilities, or to quarantine people who tested positive for the virus.

Lastly, City staff was impacted as well by the added responsibility of managing more funds, on tighter timelines, with new requirements, while many learned to work remotely.

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Exhibit 6 below shows the Community Homelessness Services Division's expenditures in fiscal years 2018-19, 2019-20, and 2020-21.

Exhibit 6: Community Homelessness Services Division expenditures in fiscal years 2018-19, 2019-20, and 2020-21

Expenditure Category	FY 2018-19	FY 2019-20	FY 2020-21
Contract Service Expenditures	\$ 19,653,092	\$ 23,821,831	\$ 25,039,728
Employee Personnel Service	\$ 1,468,234	\$ 1,758,421	\$ 2,314,506
Service Expenditures	\$ 42,389	\$ 30,672	\$ 564,276
Other Expenditures	\$ 234,777	\$ 319,354	\$ 323,360
Capital Acquisitions	\$ 121,196	\$ 1,510,985	\$ 305,599
Supply and Material	\$ 74,868	\$ 71,742	\$ 201,534
Internal Service / Work Order	\$ 55,836	\$ 131,427	\$ 126,115
Travel and Education	\$ 61,643	\$ 74,777	\$ 35,415
Total	\$ 21,712,034	\$ 27,719,209	\$ 28,910,533

Source: City of Oakland's financial reporting system

Exhibit 6 above shows Human Services' Community Homelessness Services Division's expenditures grew significantly from \$21.7 million to \$28.9 million between fiscal years 2018-19 and 2020-21. The effects of increased funding related to COVID began in the last quarter of fiscal year 2019-20 and into fiscal year 2020-21 and beyond. Exhibit 6 above also shows the overwhelming majority of expenditures were linked to contract services.

Exhibit 7 below outlines CHS' contract services expenditures by funding source in fiscal years 2018-19, 2019-20, and 2020-21. The exhibit does not include spending on encampment-related activities. For spending on encampment-related activities, refer to the April 2021 *Performance Audit of the City of Oakland's Homeless Encampment Management and Interventions and Activities*.

Introduction and Background

Exhibit 7: Sources of funding for Human Services' Community Homelessness Services Division contract services expenditures in fiscal years 2018-19, 2019-20, and 2020-21

Funding Source	FY 2018-19	FY 2019-20	FY 2020-21
Federal Government	\$ 9,851,633	\$ 9,086,358	\$ 12,369,480
State of California	\$ 1,916,643	\$ 7,390,040	\$ 5,315,480
City of Oakland	\$ 1,931,129	\$ 1,851,336	\$ 4,003,935
Alameda County	\$ 4,399,448	\$ 4,169,602	\$ 2,189,781
Private Grants	\$ 723,604	\$ 851,397	\$ 1,075,110
Social Services Grants	\$ 434,309	\$ 225,597	\$ 57,724
Total	\$ 19,256,767	\$ 23,574,331	\$ 25,011,509

Source: City of Oakland's financial reporting system. Note: The amounts exclude encampment-related contract expenditures.

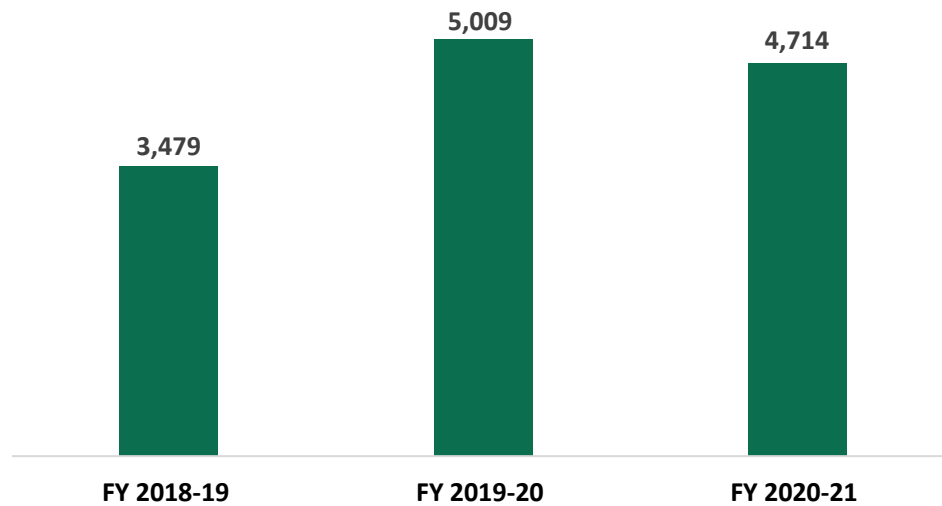
As shown in Exhibit 7 above, the City spent about \$19.3 million, \$23.6 million, and \$25 million respectively during fiscal years 2018-19, 2019-20, and 2020-21, totaling nearly \$68 million in contracted homelessness services for the three fiscal years audited. The contracts were funded by the federal government, the State of California, the City of Oakland, Alameda County, private grants, and social services grants.

Oakland served an average of 4,400 people experiencing homelessness each year

In fiscal years 2018-19, 2019-20, and 2020-21, City programs served roughly 3,500 to 5,000 unique participants each year. Exhibit 8 below shows the total number of persons served by fiscal year. This includes participation in the City's crisis response programs, longer-term housing, and supportive services, all of which are described below.

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Exhibit 8: Total number of persons served in fiscal years 2018-19, 2019-20, and 2020-21



Source: Homeless Management Information System

The City of Oakland offers a range of services to people experiencing homelessness

The City primarily contracts out its range of services offered to people experiencing homelessness. The homelessness services discussed in this report fall into three categories: 1) crisis response programs, 2) longer-term housing, and 3) supportive services.

Crisis response programs

Crisis response programs include Community Cabins, Emergency Shelters, Transitional Housing, and RV Safe Parking. In addition, during COVID, the City implemented shelters specifically for people vulnerable to the virus.

Introduction and Background

Exhibit 9: Descriptions of the City's crisis response programs

Program Type	Description
Community Cabins	Community Cabins are groupings of small shelters that house up to two people. The program has fewer restrictions than some other programs, as participants are allowed partners, pets, and possessions. Program participants generally get into the program through street outreach or by walk-ins. Program participants can also receive support services, including but not limited to housing navigation, hygiene services, and meals. The Community Cabin program is not intended to be a long-term housing solution; rather, it is a temporary program to support participants in securing permanent housing.
Emergency Shelters	<p>Emergency Shelters are facilities with the primary purpose of providing temporary shelter for people experiencing homelessness. Emergency Shelters for single adults are traditionally meant to serve people on a first come-first served basis. Once individuals are assigned a bed, they can have that bed as long as they want it. Participants do not need to sign an occupancy agreement or lease to stay. Spots are filled through referrals from the Coordinated Entry System, agencies, outreach providers, or from walk-ins.</p> <p>The City has two types of shelters. One is a shelter with limited storage for clients that provides a cot in a congregate room that is set up in the evening and taken down in the morning. The second type is a dormitory style format with storage next to each bed. The shelter provides meals, showers, and case management. Family shelters also provide shelter that is temporary in nature, but unlike single adult shelters, participants are required to sign a participant agreement. Family shelter spots are mostly filled through the family Coordinated Entry System (Family Front Door).</p>
RV Safe Parking	The RV Safe Parking program provides safe parking sites for participants to park RVs or other vehicles and includes drinking water, hygiene services, security, and low voltage electricity. The program has few participant restrictions with minimal rules designed to maintain a healthy and safe community.
Transitional Housing	Transitional Housing is a residential facility or scattered site units that are designed to provide time-limited housing and supportive services to individuals experiencing homelessness, with the goal of transitioning them to permanent housing.
COVID response programs	As a response to COVID, the City set up programs specifically targeted to those particularly vulnerable to the virus.

Introduction and Background

Longer-term housing programs

In addition to crisis response beds, the City also has longer-term housing programs which include Rapid Re-Housing, Oakland Path Rehousing Initiative (OPRI), and Permanent Housing Services.

Exhibit 10: Descriptions of the City's longer-term housing programs

Program type	Description
Rapid Re-Housing	Move-in assistance, short-term rental subsidies, and connections to support services to quickly transition homeless households to permanent housing solutions.
Oakland Path Rehousing Initiative (OPRI)	Multi-jurisdictional partnership with the Oakland Housing Authority (OHA). OHA provides funding for housing subsidies and the City provides funding for housing placement and ongoing supportive services. OPRI is sponsor-based rental assistance for target populations including people living in encampments, youth exiting the foster care system, young adults at risk of being perpetrators or victims of violence, families experiencing homelessness, and people exiting the Community Cabins with a workforce focus.
Permanent Housing Services	Permanent Housing Services are on-site supportive services that include assisting tenants in achieving and maintaining housing stability, improving their overall health and wellbeing, acquiring income and other public benefits, pursuing activities (educational, recreational, and vocational), and increasing opportunities for social connection.

Many of the crisis response and longer-term housing programs include housing navigation services. Housing navigation assists people experiencing homelessness develop a housing plan, address any barriers in achieving the plan, and complete documentation required for housing. It also involves searching and securing housing, completing inspections, utility startups, and moving into housing.

Supportive services

In addition to providing crisis response and longer-term housing, the City also provides supportive services for people experiencing homelessness, both sheltered and unsheltered.

Introduction and Background

Exhibit 11: Descriptions of supportive services the City provides

Program type	Description
Hygiene Services	Portable toilets, hand-washing stations, mobile showers, and garbage service to protect the health and safety of those experiencing homelessness.
Street Outreach	A process to seek out and offer basic services to people experiencing homelessness who might otherwise be overlooked or underserved. This includes recording assessments in HMIS, distributing harm reduction supplies such as food, hygiene kits, and rain ponchos, assisting in compiling documents needed to obtain housing, and more.
Workforce programs	Provides job training, including a work experience program, life skills classes, and referrals to other employment programs.

The COVID Pandemic impacts homelessness services

The City issued a Proclamation of a Local Emergency in response to the growing threat of COVID in March 2020. Shortly thereafter, the City partnered with the County, the lead public health agency, to prevent the spread of COVID among unsheltered residents. These efforts included:

- Referrals to hotel rooms and trailers donated by the State,
- Increased direct outreach to distribute small hand sanitizers, hygiene packets, masks, and informational handouts from the Centers for Disease Control (CDC),
- Added hand sanitizers to encampments with hygiene services,
- Toilets, hand sanitizer, and wash stations to additional encampment sites,
- Increased hygiene services to Community Cabins and RV Safe Parking sites,
- Increased cleaning and supplies at indoor shelters, and
- Service to over 300 individuals in the emergency COVID housing programs, Operation HomeBase and Lake Merritt Lodge.

In addition, service providers decreased capacity to minimize the transmission of the virus, increased lengths of stay for some programs, faced impacts in the intake and exits due to outbreaks at congregate living sites, experienced clients losing employment, and struggled to connect clients with benefits due to office closures and limited hours of operation.

Section 1

The City's Homelessness Services Housing Programs: Participants Served, Exit Destinations, and Lengths of Stay

Finding: The City had mixed results in helping program participants exit to permanent housing, many crisis response and longer-term housing participants' long-term outcomes are unknown, and lengths of stay need more analysis.

Summary

The City provides various types of homelessness services housing programs. Crisis response programs include Community Cabins, Emergency Shelters, Transitional Housing, and RV Safe Parking. Longer-term programs include Rapid Re-Housing, the Oakland Path Rehousing Initiative (OPRI), and Permanent Housing Services.

Performance metrics establish what is important for a specific program to accomplish while performance targets are quantifiable goals that define successful performance. Examples of metrics include participants leaving the City's housing programs for permanent housing. Corresponding targets would be specific percentages of participants leaving the City's housing programs for permanent housing. In addition, for some programs, contracts and participant agreements specify other terms like the length of time that participants can stay in various programs.

This section includes information on the number of participants who were served by and left each of the various housing programs during our audit scope (fiscal years 2018-19, 2019-20, and 2020-21). In addition, this section includes analyses of the various programs' performance against performance metrics and targets defined and established by the Oakland/Berkeley/Alameda County Continuum of Care (CoC) and the Human Services Department's Community Homelessness Services Division (CHS). Finally, this section analyzes program participants' lengths of stay, and identifies whether they stayed longer than terms outlined in service provider contracts or participant agreements.

Audit Results

Summary of select results and the information detailed in this section:

- In fiscal years 2018-19, 2019-20, and 2020-21, the City's homelessness services housing programs served a total of 8,683 participants (6,697 in crisis response programs and 1,986 in longer-term housing programs).³
- In fiscal years 2018-19, 2019-20, and 2020-21, a total of 4,839 participants exited the City's homelessness services housing programs (4,110 in crisis response programs and 729 in longer-term housing programs).
- In fiscal years 2018-19, 2019-20, and 2020-21, the City's crisis response programs for single adults generally did not meet performance targets for exits to permanent housing or exits to homelessness, or the City's target for exits to positive destinations, except for single adult Transitional Housing, which met the target for exits to homelessness in one fiscal year. Family crisis response programs had better performance with family Emergency Shelter and Transitional Housing programs, meeting the targets for exits to permanent housing in all three fiscal years. Family Transitional Housing met the targets for exits to permanent housing and exits to homelessness in all three fiscal years. Transitional Housing for transition-aged youth did not meet the targets for exits to permanent housing or exits to homelessness in any of the three fiscal years. We found that the City had not adopted exits to homelessness, exits to positive destinations and exits to streets or unknown destinations metrics and corresponding targets for the Emergency Shelter program. The City has not established metrics or targets for the RV Safe Parking program.
- Longer-term housing programs, which serve far fewer people than crisis response programs and commit to providing more intensive services over longer periods of time, were more successful in meeting performance targets. For example, family Rapid Re-Housing programs met its exit to permanent housing targets and exits to homelessness target in all three fiscal years. We also noted steady improvement in Rapid Re-Housing exits to permanent housing among single adult and transition-aged youth Rapid Re-Housing participants. Similarly, OPRI and Permanent Housing Services met their target to have 95 percent of participants remain housed for one-year or longer in all three fiscal years. OPRI also met its target to have less than 5 percent of its participants exit to homelessness in two of the three fiscal years and Permanent Housing Services met this target in one of the three fiscal years.
- Provider contracts and participant agreements specify goals on the maximum number of days participants can initially stay in various housing programs. Some

³ These numbers are aggregated across program types, so they may include duplicate participants. For example, a Community Cabin participant could also have been a participant of an Emergency Shelter in a given fiscal year.

Audit Results

participants stayed longer than terms outlined in provider contracts and participant agreements. There are various reasons for this, and the City should collect data to analyze this more closely.

HMIS data facilitated an extensive analysis of the City's crisis response and longer-term housing programs

In keeping with the audit objectives of quantifying the number of people placed in housing and evaluating the delivery of homelessness services, this section provides information on the performance of crisis response and longer-term housing programs for fiscal years 2018-19, 2019-20, and 2020-21. For the various programs, this section provides the following information, auditor analysis, and key observations:

- The description of the programs, the service providers who deliver the programs, and the estimated fiscal year 2020-21 capacities of the different programs.
- The number of participants served during fiscal years 2018-19, 2019-20, and 2020-21. This information from HMIS identifies the scale of the various services to the community.
- The number of participants who exited in fiscal years 2018-19, 2019-20, and 2020-21. This information from HMIS indicates participant turnover and/or progression through the City's programs.
- The lengths of stay of program participants in programs before leaving during fiscal years 2018-19 through 2020-21. Several programs have specific goals for participants' lengths of stay.
- Data on the number of participants who exited the City's homelessness services programs. This section provides data on exits to homelessness and to permanent housing. In addition, crisis response programs include two additional City-developed metrics, participants who exited to the streets or unknown destinations and positive destinations. Exit destinations are listed and defined in Appendix C.
- Summaries of performance data within HMIS against defined metrics and targets. Performance metrics and targets are important to establish because metrics establish what is important for a specific program to accomplish while the targets are quantifiable goals that define successful performance based on performance metrics set by the CoC and/or the Community Homelessness Services Division (CHS).

Audit Results

- Observations that include noteworthy contract terms, data anomalies, and other implications for the City’s homelessness services.

This section’s data analysis was completed by the City Auditor’s Office and relies on data entered in HMIS directly from the service providers. Our conclusions and analyses rely on timely, accurate, and complete data entry and maintenance of HMIS. Section 3 of this report addresses HMIS data validity issues and the importance of reliable and relevant data to evaluate services.

Community Cabins

Community Cabins are groupings of small shelters that house up to two people. The program has fewer restrictions than some other programs, as participants are allowed partners, pets, and possessions. Program participants generally get into the program through street outreach or by walk-ins. Program participants can also receive support services, including but not limited to housing navigation, hygiene services, and meals. The Community Cabin program is not intended to be a long-term housing solution; rather, it is a temporary program to support participants in securing permanent housing.

The following service providers operated Community Cabins in fiscal year 2020-21: Family Bridges, Housing Consortium of the East Bay, Operation Dignity, and Roots Community Health Center. The maximum bed capacity for all four service providers operating Community Cabins, was 192.

Exhibit 12 below shows the number of participants the Community Cabins served, as well as the number of participants who exited the Community Cabins in fiscal years 2018-19, 2019-20, and 2020-21.

Exhibit 12: The number of participants served by and exited from Community Cabins during fiscal years 2018-19, 2019-20, and 2020-21

Program Type	Fiscal Year	Participants served	Participants who exited
Community Cabins	2018-19	164	80
	2019-20	505	321
	2020-21	441	298
	Total	1,110	699

Source: City Auditor summary based on HMIS data

Audit Results

Exhibit 12 above shows a total of 1,110 people were served by the Community Cabins during fiscal years 2018-19, 2019-20, and 2020-21. Participation increased from 164 participants in fiscal year 2018-19, to 441 in fiscal year 2020-21, a significant growth of 169 percent over the audit period, due largely to the opening of additional Community Cabin sites.

Exhibit 12 also shows 699 total participants exited the program in fiscal years 2018-19, 2019-20, and 2020-21. Exits increased from 80 in 2018-19 to 298 in 2020-21, a growth of approximately 273 percent over the same three-year period.

The numbers in Exhibit 12 above reflect unique participants specific to that fiscal year. That means a unique participant in one year could exit and then return and be included in another year's data. If this same participant remained in the program, they would appear as a participant served in the following year. This also applies to the remaining exhibits in the report.

Performance metrics and performance targets are important to establishing program expectations and evaluating performance

The CoC has defined metrics for measuring success in participants exiting programs. Those metrics are exits to permanent housing and exits to homelessness. Community Cabins is a program unique to Oakland and the CoC does not have targets specific to this program. However, CHS has outlined the following targets in the Community Cabin service provider contracts:

- at least 50 percent of participants who leave will leave for permanent housing.
- less than 10 percent of participants who leave will return to homelessness.

In addition to the two metrics and targets above, the City developed its own metrics and targets for Community Cabins. Specifically, the City established a performance target that 70 percent of the participants exiting the cabins will have a “positive exit,” which is an exit to:

- a permanent destination,
- most temporary destinations such as Emergency Shelters,
- institutional destinations such as a substance abuse treatment facility, or
- other destinations such as halfway houses.

The City developed this metric because HUD's definition of exits to homelessness included exits to Emergency Shelters and Transitional Housing. CHS considers these as positive exits from Community Cabins because they are considered temporary housing and are more preferred destinations than the streets. Appendix D lists all the exits that CHS considers positive.

Audit Results

The City also developed the metric of “exits to streets or unknown destinations,” but the City has not defined a target for this metric.

Exhibit 13 below shows the performance of the Community Cabins against performance targets.

For Exhibit 13 and others throughout this report, colors show how performance data compared against performance targets. **Green** shows performance that met or exceeded performance targets. **Yellow** shows performance that was within 10 percent of targets. **Red** shows performance that missed targets by more than 10 percent.

Exhibit 13: Analysis of the Community Cabins’ exits to permanent housing, homelessness, positive destinations, and streets or unknown destinations

Fiscal Year	CoC-Defined Metrics		City-Defined Metrics	
	Exits to Permanent Housing	Exits to Homelessness	Exits to Positive Destinations	Exits to Streets or Unknown Destinations
	TARGET: 50%	TARGET: <10%	TARGET: 70%	TARGET: N/A
2018-19	31%	58%	50%	44%
2019-20	29%	42%	51%	40%
2020-21	27%	44%	63%	22%

Source: City Auditor summary based on HMIS data and service contracts

Note: Percentages do not add up to 100 because there are other destinations not reflected in this exhibit. For example, the CoC does not include any institutional destinations or other destinations among exits to permanent housing or homelessness. For City-defined metrics, some institutional and other destinations are not included in exits to positive destinations, or in exits to streets or unknown destinations.

Community Cabins did not meet exits to permanent housing and exits to homelessness targets which come from CoC metrics

As Exhibit 13 above shows, the Community Cabins did not achieve its targets for exits to permanent housing and exits to homelessness. Exhibit 13 shows that in all three fiscal years, exits to permanent housing ranged from 27 to 31 percent, compared to the target of 50 percent. Exits to homelessness ranged from 42 to 58 percent, significantly more than the target of less than 10 percent.

Audit Results

Community Cabins did not achieve targets for exits to positive destinations and has not defined targets for exits to streets or unknown destinations, which are City-defined metrics

Additionally, Exhibit 13 shows that in all three fiscal years audited, exits to positive destinations ranged from 50 to 63 percent, compared to the target of 70 percent. Our analysis revealed a range of 22 to 44 percent of Community Cabin exits were to streets or unknown destinations in fiscal years 2018-19, 2019-20, and 2020-21. The City has not defined targets for this metric.

The numbers of participants served also needs to be considered

Performance targets are important, but it is also important to consider the raw numbers (primary data that has not been organized, cleaned, or analyzed). For example, a program that places five participants into permanent housing out of a total of 10 people who exited the program in that year, technically meets its 50 percent performance target, while another program places 499 participants in permanent housing out of a total of 1,000 people who exited the program (49 percent), did not. Performance targets notwithstanding, the latter scenario is better because more people were placed into permanent housing. Context matters and raw numbers provide context.

Exhibit 14 below shows the raw numbers of Community Cabin participants who exited the program across the three fiscal years audited, as well as their exits to positive destinations and exits to the streets or unknown destinations.

Exhibit 14: Numbers of participants who exited the Community Cabins and those who exited to positive destinations and to streets or unknown destinations

Fiscal Year	Participants who exited	Participants who exited to positive destinations	Participants who exited to the streets or unknown destinations
FY 2018-19	80	40	35
FY 2019-20	321	163	129
FY 2020-21	298	189	67
Total	699	392	231

Source: City Auditor summary based on HMIS data

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In fiscal years 2018-19, 2019-20, and 2020-21 more Community Cabin participants exited to positive destinations than exited to streets or unknown destinations

Exhibit 14 above shows the Community Cabins were successful at exiting more participants to positive destinations than they exited to the streets or unknown destinations. For all three fiscal years, a total of 699 participants exited, of which 392 exited to positive destinations. A total of 231 participants exited to streets or unknown destinations during the same time period. The numbers exiting to positive destinations compared to those exiting to the streets or unknown destinations improved during our review period. While the number of exits grew 273 percent from 80 to 298 from fiscal year 2018-19 to 2020-21, the number of exits to positive destinations grew 373 percent from 40 to 189, while the number of participants who exited to streets or unknown destinations grew only 92 percent from 35 to 67.

Longer-term participant outcomes and program effectiveness are unknown

HMIS data reports currently only allow “returns to homelessness” to be reviewed on a CoC level and not on the City level or an individual program level. In addition, there is no systemic way that individual participants of any homelessness services programs in Alameda County can be tracked in the HMIS system after they exit programs. Without the ability to easily see if program participants reappear in HMIS after exiting a program to permanent housing, the only way to track whether housing is maintained is by contacting participants directly. Due to those limitations, CHS is unable to effectively track participants after they secure some form of permanent housing.

In 2020, CHS added “housing sustainability” as a new area of its regular monitoring. That monitoring was supposed to evaluate the appropriateness and the sustainability of participants’ housing placements by reviewing client files and placing follow-up calls to exited clients. We sampled six monitoring files and although we saw evidence that CHS reviewed service providers’ client files, we did not see evidence that CHS contacted exited participants.

In February 2021, CHS completed a survey of one of its Transitional Housing program service providers’ permanent housing placements. The work included interviews of seven exited participants from a sample of 88 participants. Out of the seven interviewed, one had fallen back into homelessness, three were at some risk of returning to homelessness, and three were in stable housing situations. From this work, CHS identified key issues to review in future surveys, such as collecting information about levels of rent burden, housing quality, services used, and participants’ barriers to housing.

Although the February 2021 survey did not interview a large number of participants, it did glean some useful insights. By following through with this new area of monitoring for all its programs,

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CHS will have more complete information on the success of its programs, as well as information it needs to obtain in the future.

In addition, as we discuss above and further in Section 3 of this report, CHS is unable to identify how many of those participants in each of its programs who exit to permanent housing eventually return to homelessness 6, 12, or 24 months later due to limitations in HMIS.

In order to understand whether exits are truly positive or permanent, CHS needs to determine whether participants remain housed after they exit to permanent housing. Until the City can obtain this information, it cannot adequately assess the long-term effectiveness of its programs.

An increasing number of participants had extended stays

Upon entering the Community Cabins, participants sign agreements with the service providers operating the cabins, to stay up to 180 days (six months) with the possibility of extensions after that time.

We reviewed whether participants stayed longer than the six-month length of stay that the agreements specify. Exhibit 15 below shows the number of participants who exited, the initial maximum length of stay (without considering extensions), the percentage of participants who stayed longer than the maximum length of stay, and the average stay of those participants who exited the Community Cabins in fiscal years 2018-19, 2019-20, and 2020-21.

Exhibit 15: Number of participants who exited, maximum lengths of stay, percentage of participants who stayed longer than 180 days, and average lengths of stay for those participants who exited Community Cabins in fiscal years 2018-19, 2019-20, and 2020-21

Fiscal year	Participants who exited	Maximum stay	Exits with stays longer than 180 days	Average stay of those who exited (in days)
2018-19	80	180 days	8%	82
2019-20	321		28%	124
2020-21	298		44%	183
Total	699			

Source: City Auditor summary based on HMIS data and service contracts

As Exhibit 15 above shows, during fiscal years 2018-19, 2019-20, and 2020-21, a total of 699 individuals exited the Community Cabins. The average length of stay for those who exited was between 82 and 183 days – this is the average, so some participants stayed for shorter terms,

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while others stayed for longer. Moreover, the average length of stay is calculated only on those exited within the year; some participants who did not exit during the year may have also stayed longer than the 180 days.

The audit found participants stayed longer than 180 days in all three fiscal years. Of those participants who exited, 8 to 44 percent stayed longer than 180 days. The percentage of participants staying longer than 180 days increased over time.

The increase in the lengths of stay at Community Cabins may be attributed to various factors including COVID (in March 2020 the 6-month length of stay goal was paused), extensions granted to participants who were unable to exit to a stable destination, and challenges in exiting participants to more permanent programs.

Contract terms for Community Cabin providers should be strengthened

The contract language for providers should be strengthened to provide more consistency across the service providers' contracts. For example, CHS has not included a performance target for exits to streets or unknown destinations in the contracts with the Community Cabin providers. Additionally, as noted above, CHS has established a target of 70 percent exiting to positive destinations from the Community Cabins, but one service provider had a lower target of 50 percent exiting to positive destinations. Lastly, although the service providers require participants agree to an initial 180-day goal on their stays at the Community Cabins, the City has not included this provision in its contracts with Community Cabin providers.

Emergency Shelters (families and single adults)

Emergency Shelters are facilities with the primary purpose of providing a temporary shelter for individuals and families experiencing homelessness. Emergency Shelters for single adults are traditionally meant to serve individuals on a first come-first served basis. Once individuals are assigned a bed, they can have that bed as long as they want it. Participants do not need to sign an occupancy agreement or lease to stay. Spots are filled through referrals from the Coordinated Entry System, agencies, outreach providers, or from walk-ins. The City has two types of shelters. One is a shelter with limited storage for clients that provides a cot in a congregate room that is set up in the evening and taken down in the morning. The second type is a dormitory style format with storage next to each bed. The shelter provides meals, showers, and case management. Family shelters also provide shelter that is temporary in nature, but unlike single adult shelters, participants are required to sign a participant agreement. Family shelter spots are filled through the family Coordinated Entry System (Family Front Door).

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The following service providers operated Emergency Shelters for families and single adults in fiscal year 2020-21: Building Futures for Women and Children, East Oakland Community Project, St. Mary's Center, and St. Vincent de Paul. The total maximum daily bed capacity across the emergency shelters was 325.⁴

Exhibit 16 below shows the number of participants served in shelters serving families and single adults in fiscal years 2018-19, 2019-20, and 2020-21.

Exhibit 16: The number of participants served and exited from Emergency Shelters in fiscal years 2018-19, 2019-20, and 2020-21

Program Type	Fiscal Year	Participants served	Participants who exited
Family Emergency Shelters	2018-19	46	30
	2019-20	35	21
	2020-21	162	97
	Total	243	148
Single Adult Emergency Shelters	2018-19	1,092	380
	2019-20	1,583	1,430
	2020-21	626	481
	Total	3,301	2,291

Source: City Auditor summary based on HMIS data

As Exhibit 16 above shows, family and single adult Emergency Shelters collectively served 3,544 participants in fiscal years 2018-19, 2019-20, and 2020-21 (243 family participants and 3,301 single adult participants). During this time period, 2,439 participants exited (148 from family shelters and 2,291 from single adult shelters). The number of participants served by both types of shelters decreased from 1,138 participants in fiscal year 2018-19 to 788 in fiscal year 2020-21, a decrease of 31 percent over the three-year audit period.

Exhibit 16 also shows the number of participants who exited Emergency Shelters increased between fiscal years 2018-19 and 2020-21, from 410 to 578 participants, a growth of approximately 41 percent over the three-year audit period.

⁴ Daily capacity does not include seasonal shelter beds at the St. Mary's Center.

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Participation in family Emergency Shelters increased between fiscal years 2018-19 and 2020-21

Exhibit 16 above also shows the number of participants served in the family Emergency Shelters totaled 243 in fiscal years 2018-19, 2019-20, and 2020-21. Participation ranged from a low of 35 participants in fiscal year 2019-20, to a high of 162 participants in fiscal year 2020-21. Over the three-year audit period, participants served increased from 46 to 162, an increase of 252 percent.

Exhibit 16 above also shows the number of participants who exited family Emergency Shelters totaled 148 in fiscal years 2018-19, 2019-20, and 2020-21. These exiting participants increased from 30 to 97 participants between fiscal years 2018-19 and 2020-21, a 223 percent growth rate, almost proportionate to the rate of participation growth.

Participation in single adult Emergency Shelters

Finally, Exhibit 16 above shows the number of participants served in the single adult Emergency Shelters totaled 3,301 in fiscal years 2018-19, 2019-20, and 2020-21, ranging from 626 participants in fiscal year 2020-21 to 1,583 participants in fiscal year 2019-20. The numbers served decreased from 1,092 participants in fiscal year 2018-19, to 626 in fiscal year 2020-21, a decrease of 43 percent over the three-year audit period. The single adult Emergency Shelters significantly reduced the number of beds in fiscal years 2019-20 and 2020-21 in order to more safely serve participants during COVID.

Exhibit 16 above also shows 2,291 participants exited single adult Emergency Shelters in fiscal years 2018-19, 2019-20, and 2020-21. The number of participants who exited single adult Emergency Shelters increased from 380 participants in fiscal year 2018-19 to 481 in fiscal year 2020-21, a 27 percent increase.

Issues with the single adult Emergency Shelter data

The single adult Emergency Shelter exit data was likely inaccurate because of two significant data issues. In fiscal year 2018-19, one shelter provider did not accurately enter data into HMIS, affecting both that specific program's data, but also the systemwide data that quantifies performance across all of Oakland's programs. Specifically, the service provider indicated that it exited only 10 participants from its program throughout the year, when in fact it exited many more participants. Then in fiscal year 2019-20, the vast majority of exits were classified as exits to unknown destinations because the provider did not document the reasons participants left. As we progress through this section, it is important to keep in mind these large data issues that affected fiscal years 2018-19 and 2019-20.

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Performance metrics and targets for Emergency Shelters

We compiled HMIS data from the Emergency Shelters and compared them against CoC metrics and targets. The City's target for the CoC metric of exits to permanent housing was 30 percent. The CoC has a 15 percent target for exits to homelessness, but the City does not have a target for that metric in any of its Emergency Shelter contracts. We also used Emergency Shelter data to measure performance against the aforementioned City-defined metrics adopted for the Community Cabins (exits to positive destinations and exits to streets or unknown destinations) to provide greater insight into these programs' performance. However, the City is not currently using this metric, and we recommend the City consider using it since it provides more useful information than the CoC-defined metric. Exhibit 17 below shows the CoC and City-defined metrics, targets, and performance by shelter type and fiscal year.

Exhibit 17: Analysis of the Emergency Shelter exits to permanent housing, homelessness, positive destinations and streets or unknown destinations

Program Type	Fiscal Year	CoC-Defined Metrics		City-Defined Metrics	
		Exits to Permanent Housing	Exits to Homelessness	Exits to Positive Destinations	Exits to Streets or Unknown Destinations
		TARGET: 30%	TARGET: N/A	TARGET: N/A	TARGET: N/A
Family Emergency Shelters	2018-19	77%	20%	83%	17%
	2019-20	52%	33%	67%	33%
	2020-21	34%	42%	82%	11%
Single Adult Emergency Shelters	2018-19	24%	39%	62%	25%
	2019-20	7%	14%	22%	74%
	2020-21	15%	53%	47%	43%

Source: City Auditor summary based on HMIS data and service contracts

Family Emergency Shelter performance data on exits to permanent housing exceeded the performance target

As Exhibit 17 above illustrates, family Emergency Shelters met the target for exits to permanent housing in all three fiscal years. Among family Emergency Shelters, between 34 and 77 percent of participants who left, exited to permanent housing, meeting the target of 30 percent in all three fiscal years. On the other hand, single adult Emergency Shelters did not meet the targets in any of the three fiscal years. Among single adult Emergency Shelter participants who exited,

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according to the HMIS data, between 7 and 24 percent exited to permanent housing, missing the target of 30 percent in the same three fiscal years.

Exhibit 17 also shows that in fiscal years 2018-19, 2019-20, and 2020-21, between 20 and 42 percent of people who exited family Emergency Shelters, exited to homelessness. The data for single adult Emergency Shelters showed that between 14 and 53 percent of exits were to homelessness in the same fiscal years.

The data may suggest improvements are needed to ensure shelter participants avoid homelessness upon exiting. Alternatively, the data may reflect that exits to permanent housing and exits to homelessness performance targets are unrealistic for Emergency Shelters.

It is important to note the CoC-defined metrics count temporary shelter placements as exits to homelessness, which diminishes the usefulness of the exits to homelessness metric to evaluate Emergency Shelters.

Like in Community Cabins it would be useful to set targets for exits to positive destinations and exits to streets or unknown destinations for Emergency Shelters

As was the case with the Community Cabins, positive exits and exits to the streets or unknown destinations may provide a better measure of the effectiveness of the Emergency Shelter programs than the CoC metrics of exits to permanent housing and exits to homelessness.

Exhibit 17 above shows how family and single adult shelters performed using the City-defined metrics of positive exits and exits to streets or unknown destinations used for Community Cabins. As Exhibit 17 shows, 67 to 83 percent of family Emergency Shelter participants who left, exited to positive destinations in the three fiscal years audited, while 11 to 33 percent of participants who left, exited to streets or unknown destinations.

Among the participants who left single adult Emergency Shelters, between 22 and 62 percent exited to positive destinations. Between 25 and 74 percent exited to the streets or unknown destinations. This large variance is attributed to the data entry error discussed earlier. These City-defined metrics, which were used to evaluate the Community Cabins, have not been adopted for Emergency Shelters.

The City should adopt the City-defined metrics of positive exits and exits to street or unknown destinations and set realistic targets for its Emergency Shelter providers.

Numbers of participants who exited Emergency Shelters and their exit destinations

Exhibit 18 below shows the total participants who exited to positive destinations, and to streets or unknown destinations during fiscal years 2018-19, 2019-20, and 2020-21.

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Exhibit 18: Number of Emergency Shelter participants who exited, and those who exited to positive destinations and streets or unknown destinations in fiscal years 2018-19, 2019-20, and 2020-21

Program Type	Fiscal Year	Participants who exited	Participants who exited to positive destinations	Participants who exited to the streets or unknown destinations
Family Emergency Shelters	2018-19	30	25	5
	2019-20	21	14	7
	2020-21	97	80	11
	Total	148	119	23
Single Adult Emergency Shelters	2018-19	380	236	96
	2019-20	1,430	312	1,059
	2020-21	481	228	207
	Total	2,291	776	1,362

Source: City Auditor summary based on HMIS data

Family Emergency Shelters' exits to positive destinations far exceeded exits to streets or unknown destinations

Exhibit 18 above shows that in fiscal years 2018-19, 2019-20, and 2020-21, a total of 148 participants left family Emergency Shelters. For the three-year audit period, a total of 119 of these participants exited to positive destinations while 23 participants exited to streets or unknown destinations. Exits to positive destinations increased between fiscal year 2018-19 and 2020-21 from 25 to 80, an increase of 220 percent. Exits to streets or unknown destinations in family shelters also increased during the same time period, from 5 to 11, but at a lower rate of 120 percent. Exits to positive destinations grew almost twice the rate of exits to streets or unknown destinations.

Available data for the single adult Emergency Shelters show stagnant growth in exits to positive destinations

Exhibit 18 above shows that in fiscal years 2018-19, 2019-20, and 2020-21, a total of 2,291 participants left single adult Emergency Shelters. For the three-year audit period, a total of 776 of these participants exited to positive destinations while 1,362 participants were recorded as exiting to streets or unknown destinations. Excluding the fiscal year 2019-20 when single adult

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shelters had a huge increase in exits, single adult shelters had an increase in the number of exits to streets or unknown destinations - 96 to 207, or a 116 percent increase - and a decrease in the exits to positive destinations - 236 to 228, a 3 percent decrease - between fiscal years 2018-19 and 2020-21. As we noted earlier, there were two data errors that affected fiscal years 2018-19 and 2019-20.

The available data suggest overall exits to positive destinations slightly decreased between fiscal years 2018-19 and 2020-21, when the rate of exits to streets or unknown destinations increased. However, as stated earlier, single adult Emergency Shelter data were affected by two data input issues in 2018-19 and 2019-20, which undermines the ability to precisely identify exit trends.

Emergency Shelter lengths of stay

Another important metric for the City to track is length of stay. Family Emergency Shelters require participants to sign program agreements and have a goal of having families stay between 6 and 9 months. Providers also have a contractual goal of limiting 80 percent of their participants to a length of stay of 9 months or less. On the other hand, single adult Emergency Shelters do not have any length of stay goals.

Exhibit 19 below shows the number of participants who exited and the average length of stay for those participants who exited family and single adult Emergency Shelters in fiscal years 2018-19, 2019-20, and 2020-21.

Exhibit 19: Number of Emergency Shelter participants who exited and average lengths of stay for those participants who exited in fiscal years 2018-19, 2019-20, and 2020-21

Program Type	Fiscal Year	Exits	Average Stay of those exiting
Family Shelters	FY 2018-19	30	174 days
	FY 2019-20	21	151 days
	FY 2020-21	97	143 days
	Total	148	
Single Adult Shelters	FY 2018-19	380	74 days
	FY 2019-20	1,430	190 days
	FY 2020-21	481	79 days
	Total	2,291	

Source: City Auditor summary based on HMIS data and service contracts

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In fiscal years 2018-19, 2019-20, and 2020-21, a total of 148 participants exited the family Emergency Shelters. The range of average lengths of stay among these participants was between 143 days (fiscal year 2020-21) and 174 days (fiscal year 2018-19), which was within the maximum stay of 270 days.

In fiscal years 2018-19, 2019-20, and 2020-21, a total of 2,291 participants exited the single adult Emergency Shelters. The range of average lengths of stay was between 74 days (fiscal year 2018-19) and 190 days (fiscal year 2019-20). Again, these are average lengths of stay which means some participants had shorter stays, while others stayed longer. As discussed earlier, length of stay data were affected by the data errors in fiscal years 2018-19 and 2019-20.

Contract terms for Emergency Shelter providers should be strengthened

The contract terms for Emergency Shelter providers should be strengthened to provide more consistency in the service providers' contracts. First, CHS should develop performance targets for positive exits and exits to streets or unknown destinations, as those metrics may be more meaningful than the exits to permanent housing and exits to homelessness metrics. Second, the City has a standard that its housing programs maintain at least a 90 percent occupancy rate. The City should require all service providers to maintain at least a 90 percent daily occupancy rate. The audit found that CHS did not include this requirement in one of its contracts with a single adult Emergency Shelter service provider.

RV Safe Parking

The RV Safe Parking program provides parking sites for participants to park their RV or vehicle and includes drinking water, hygiene services, security, and low voltage electricity. The program has few participant restrictions with minimal rules designed to maintain a healthy and safe community.

The following service providers operated RV Safe Parking sites in fiscal year 2020-21: Building Opportunities for Self Sufficiency, Housing Consortium of the East Bay, and Operation Dignity. In fiscal year 2020-21 the City had capacity for 147 RV Safe Parking vehicles, or 294 beds (2 estimated per vehicle).

RV Safe Parking lacks metrics, targets, and housing navigation resources

Unlike the other programs previously described, the City has not established targets for exits to permanent housing, exits to homelessness, exits to positive destinations, or exits to streets or unknown destinations for the RV Safe Parking program. Without establishing program goals, it

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is unclear how program participation is intended to lead to permanent housing and other positive outcomes.

If it is to establish targets for exits, the RV Safe Parking program would need to reconsider its service delivery model. The RV Safe Parking service providers within our audit scope had limited dedicated resources specifically for housing navigation and other supportive services. In particular, housing navigation can help match participants with more permanent housing options.

The City cannot expect participants to improve their living situations without offering housing navigation and other services.

Exhibit 20 below shows the number of participants served by and exited from the RV Safe Parking program in fiscal years 2018-19, 2019-20, and 2020-21.

Exhibit 20: The number of RV Safe Parking participants served by and exited from Emergency Shelters in fiscal years 2018-19, 2019-20, and 2020-21

Program Type	Fiscal Year	Participants served	Participants who exited
RV Safe Parking	2018-19	11	0
	2019-20	162	21
	2020-21	173	40
	Total	346	61

Source: HMIS data

Exhibit 20 above shows 346 participants were served in fiscal years 2018-19, 2019-20, and 2020-21. Participants served in the RV Safe Parking program increased from 11 to 173 participants between fiscal year 2018-19 (the year the program was initiated) and fiscal year 2020-21. Across all three audited years, 61 participants exited, with exits increasing from 0 participants in fiscal year 2018-19 to 40 participants in fiscal year 2020-21.

RV Safe Parking Lengths of Stay

The RV Safe Parking program had a goal for length of stay. That goal, like the Community Cabins, is in the form of a program agreement with its participants. The maximum length of stay for the program is 180 days, or 6 months, with the possibility of extensions following that initial length of stay.

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Exhibit 21 below shows the number of participants who exited each year, the maximum initial length of stay, the percentage of participants who stayed longer than 180 days, and the average stay of those who exited each year for fiscal years 2018-19, 2019-20, and 2020-21.

Exhibit 21: Number of RV Safe Parking participants who exited, maximum lengths of stay, percentage of participants who stayed longer than 180 days, and average lengths of stay for those participants who exited in fiscal years 2018-19, 2019-20, and 2020-21

Fiscal year	Participants who exited	Maximum stay	Exits with stays longer than 180 days	Average stay of those who exited (in days)
2018-19	0	180 days	N/A	N/A
2019-20	21		38%	132
2020-21	40		85%	308
Total	61			

Source: City Auditor summary based on HMIS data and service contracts

The length of stay data shown in Exhibit 21 above show that lengths of stay have increased between fiscal year 2019-20 and 2020-21. In fiscal year 2020-21, 85 percent of participants who exited stayed longer than the maximum of 180 days.

Transitional Housing (families, single adults, transition-aged youth)

Transitional Housing is a residential facility or scattered site units that are designed to provide time-limited housing and supportive services to individuals experiencing homelessness, with the goal of transitioning them to permanent housing.

The following service providers operated transitional housing facilities for families, single adults, and transition-aged youth (people 18 to 24 years of age) in fiscal year 2020-21: Bay Area Community Services, Covenant House, East Oakland Community Project, First Place for Youth, and Youth Spirit Artworks. The maximum bed capacity for the service providers operating transitional housing was 353.

Exhibit 22 below shows the number of participants served by and exited from family, single adult, and transition-aged youth Transitional Housing in fiscal years 2018-19, 2019-20, and 2020-21.

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Exhibit 22: The number of participants served by and exiting Transitional Housing in fiscal years 2018-19 through 2020-21

Program Type	Fiscal Year	Participants served	Participants who exited
Family Transitional Housing	2018-19	121	41
	2019-20	149	89
	2020-21	115	59
	Total	385	189
Single Adult Transitional Housing	2018-19	309	163
	2019-20	350	204
	2020-21	349	197
	Total	1,008	564
Transition-Aged Youth Transitional Housing (Ages 18-24)	2018-19	116	64
	2019-20	92	60
	2020-21	96	34
	Total	304	158

Source: City Auditor summary based on HMIS data

Participation in Transitional Housing programs for families, single adults, and transition-aged youth remained relatively flat between fiscal years 2018-19 and 2020-21

Exhibit 22 above shows family, single adult, and transition-aged youth Transitional Housing collectively served 1,697 participants in fiscal years 2018-19, 2019-20, and 2020-21. During this time, 911 participants exited the Transitional Housing programs. Across the three program types, the number of participants served increased from 546 participants in fiscal year 2018-19 to 560 in fiscal year 2020-21, an increase of 3 percent. The number of participants who exited increased from 268 in fiscal year 2018-19 to 290 in fiscal year 2020-21, or 8 percent during the same three-year period.

Family Transitional Housing

Exhibit 22 above shows 385 participants were served by Family Transitional Housing providers for the three-year audit period. The number of participants served in family Transitional Housing ranged from 115 in fiscal year 2020-21 to 149 participants in fiscal year 2019-20. The numbers served decreased from 121 participants in fiscal year 2018-19 to 115 in fiscal year 2020-21, a decrease of five percent over the three-year period.

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Exhibit 22 above also shows a total of 189 participants exited family Transitional Housing in fiscal years 2018-19, 2019-20, and 2020-21, and the number of participants who exited family Transitional Housing increased from 41 to 59 participants between fiscal years 2018-19 and 2020-21, or an increase of 44 percent.

Single adult Transitional Housing

Exhibit 22 above shows 1,008 total participants were served in single adult Transitional Housing in fiscal years 2018-19, 2019-20, and 2020-21, and participation ranged from 309 to 350 per fiscal year. The numbers served increased from 309 participants in fiscal year 2018-19 to 349 in fiscal year 2020-21, an increase of 13 percent over the three-year period.

Exhibit 22 above also shows a total of 564 participants exited single adult Transitional Housing in fiscal years 2018-19, 2019-20, and 2020-21, and the number of participants who exited single adult Transitional Housing increased from 163 to 197 participants between fiscal years 2018-19 and 2020-21, a 21 percent increase.

Transition-aged youth Transitional Housing

Exhibit 22 above shows 304 participants were served by transition-aged youth Transitional Housing for the three-year audit period, and the number of participants served in transition-aged youth Transitional Housing ranged from 92 to 116 participants in fiscal years 2018-19, 2019-20, and 2020-21. The numbers served decreased from 116 participants in fiscal year 2018-19 to 96 in fiscal year 2020-21, a decrease of 17 percent over the three fiscal years audited.

Exhibit 22 above also shows a total of 158 participants exited transition-aged youth Transitional Housing, and the number of exits decreased from 64 to 34 participants between fiscal years 2018-19 and 2020-21, a decrease of 47 percent. CHS attributed the decrease in the number of participants to COVID.

Performance metrics and targets for Transitional Housing

All the Transition Housing programs have a target that 80 percent of participants who exit should exit to permanent housing, and a target that no more than 10 percent of those exiting should exit to homelessness. Exhibit 23 below shows whether the Transitional Housing programs achieved the CoC-defined performance targets.

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Exhibit 23: Transitional Housing programs performance against targets for exits to permanent housing and exits to homelessness

Program Type	Fiscal Year	Exits to Permanent Housing	Exits to Homelessness
		TARGET: 80%	TARGET: <10%
Family Transitional Housing	2018-19	100%	0%
	2019-20	97%	3%
	2020-21	83%	5%
Single Adult Transitional Housing	2018-19	76%	6%
	2019-20	61%	17%
	2020-21	57%	22%
Transition-Aged Youth Transitional Housing	2018-19	72%	13%
	2019-20	62%	17%
	2020-21	71%	24%

Source: City Auditor summary based on HMIS data and service contracts

As Exhibit 23 shows, family Transitional Housing programs achieved both performance targets during all three fiscal years. On the other hand, single adult and transition-aged youth Transitional Housing programs frequently did not achieve defined targets.

Exhibit 23 shows that in all three fiscal years, single adult and transition-aged youth Transitional Housing programs placed no more than 76 percent of those exiting into permanent housing, compared to the target of 80 percent. Moreover, in the same three fiscal years, between 6 and 22 percent of single adult and transition-aged youth Transitional Housing participants exited to homelessness, compared to the target of less than ten percent. The exception was single adult Transitional Housing in fiscal year 2018-19, when 6 percent of exiting participants exited to homelessness.

COVID had a significant effect on the exits to permanent housing and homelessness in Transitional Housing (especially for single adults). For example, some individuals stayed longer as a result of COVID, and some program's capacity was restricted due to unforeseen outbreaks, quarantines, and the necessity to reduce capacity to safeguard against transmission. Additionally, Transitional Housing participants considered to be at high risk of developing complications from COVID, were exited to a County-operated non-congregate emergency shelter hotel program. Due to the CoC definition of "homelessness," these exits counted as

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exits to homelessness. One provider referred about 40 residents to the County-run hotel shelter during the 2020-21 contract year (slightly different than the City's fiscal year).

Transitional Housing lengths of stay vary between family, single adults, and transition-aged youth

Transitional Housing programs have varied maximum lengths of stay written into their contracts. Family Transitional Housing has a maximum length of stay of six months with options to extend that stay in one-month intervals. Single adult Transitional Housing has a length of stay goal of four to six months for program participants but has a maximum length of stay of 24 months. Transition-aged youth Transitional Housing programs have a maximum length of stay of 24 months.

CHS explained that it is the program's goal to keep transition-aged youth in the program as close to the 24-month maximum as possible. The City's Transitional Housing programs are primarily funded by the U.S Department of Housing and Urban Development (HUD), which requires a maximum length of stay of 24 months for Transitional Housing program participants.⁵

Exhibit 24 below shows the number of participants who exited by program type, maximum stay, the average stay of those participants who exited, and the percentage of those exited who stayed longer than the maximum length of stay in fiscal years 2018-19 through 2020-21.

⁵ A homeless individual or family may remain in transitional housing for a period longer than 24 months, if permanent housing for the individual or family has not been located or if the individual or family requires additional time to prepare for independent living.

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Exhibit 24: Length of stay for Transitional Housing participants exiting in fiscal years 2018-19, 2019-20, and 2020-21, compared to maximum lengths of stay

Program Type	Fiscal Year	Exits	Maximum stay	Exits with stays longer than max	Average stay of those who exited (in days)
Family Transitional Housing	2018-19	41	180 days (6 months)	100%	527 days
	2019-20	89		85%	432 days
	2020-21	59		76%	274 days
	Total	189			
Single Adult Transitional Housing	2018-19	163	730 days (24 months)	12%	290 days
	2019-20	204		4%	249 days
	2020-21	197		7%	282 days
	Total	564			
Transition-Aged Youth Transitional Housing	2018-19	64	730 days (24 months)	2%	298 days
	2019-20	60		5%	298 days
	2020-21	34		12%	306 days
	Total	158			

Source: City Auditor summary based on HMIS data and service contracts

As Exhibit 24 above shows, from fiscal year 2018-19 through 2020-21, a total of 911 individuals exited the family (189), single adult (564), and transition-aged youth (158) Transitional Housing programs.

Lengths of stay among family Transitional Housing participants declined over time but continued to exceed the standard six-month term

As shown on Exhibit 24 above, the average length of stay for participants exiting family Transitional Housing programs exceeded the maximum length of stay of six months in all three fiscal years and was over a year in fiscal years 2018-19 and 2019-20. Furthermore, in fiscal year 2018-19, 100 percent of those who exited were in the program for longer than six months. By fiscal year 2020-21, 76 percent of those who exited were in the program for longer than six months. It is important to keep in mind that while the program defines a six-month maximum, but extensions are granted, and ultimately, per HUD guidelines, participants can stay 24 months or longer under certain circumstances.

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Average length of stay among single adult and transition-aged youth Transitional Housing were consistently shorter than the standard 24-month terms

For single adult and transition-aged youth Transitional Housing programs, the average length of stay for those exiting the program was significantly lower than the maximum length of stay of 24 months. In fiscal years 2018-19, 2019-20, and 2020-21, between 2 and 12 percent of those who left those programs, stayed longer than 24 months.

Additional analysis of lengths of stay would be beneficial

Additional analysis of the reasons why crisis response participants exit programs when they do, could inform programmatic decisions that may improve participants' outcomes.

Shorter lengths of stay could indicate that participants do not feel comfortable in the crisis response programs, or that participants are ready to move on relatively soon. Longer lengths of stay could indicate participants' stagnant progress, the City's inability to quickly prepare participants to exit to permanent housing or other positive destinations, a shortage in available permanent housing, or some other factors.

It is important to analyze lengths of stay because ultimately, the more that beds turn over, the more people the City can serve.

The extended stays among crisis response participants we identified and discussed above may suggest that existing maximum length of stay targets are not practical and realistic. Additional analysis could identify practical and realistic lengths of stay targets, which should be clearly reflected in service provider contracts.

Rapid Re-Housing (families, single adults, transition-aged youth)

Rapid Re-Housing is move-in assistance, short-term rental subsidies, and connections to support services to quickly transition homeless households to permanent housing solutions.

The following service providers operated Rapid Re-Housing programs for families, single adults, and transition-aged youth in fiscal year 2020-21: Abode Services, Bay Area Community Services, Building Futures with Women and Children, Covenant House, East Oakland Community Project, and St. Mary's Center.

Exhibit 25 below shows the number of participants served in Rapid Re-Housing programs, and the number of participants who left the programs in fiscal years 2018-19, 2019-20, and 2020-21.

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Exhibit 25: The number of participants served in and exited from Rapid Re-Housing programs in fiscal years 2018-19 through 2020-21

Program Type	Fiscal Year	Participants served	Participants who exited
Family Rapid Re-Housing	2018-19	135	94
	2019-20	253	137
	2020-21	210	141
	Total	598	372
Single Adult Rapid Re-Housing	2018-19	36	17
	2019-20	84	49
	2020-21	119	69
	Total	239	135
Transition-Aged Youth Rapid Re-Housing	2018-19	69	16
	2019-20	100	41
	2020-21	72	35
	Total	241	92

Source: City Auditor summary based on HMIS data

Rapid Re-Housing participation trends varied across family, single adult, and transition-aged youth programs in fiscal years 2018-19, 2019-20, and 2020-21

Exhibit 25 above shows family, single adult, and transition-aged youth Rapid Re-Housing collectively served 1,078 participants in fiscal years 2018-19, 2019-20, and 2020-21 (598 family, 239 single adults, and 241 transition-aged youth). Additionally, during this three-year audit period, 599 participants exited the Rapid Re-Housing programs (372 family, 135 single adults, and 92 transition-aged youth). Across the three program types, the number of participants served increased from 240 participants in fiscal year 2018-19, to 401 in fiscal year 2020-21, an increase of 67 percent. The number of participants who exited increased from 127 in fiscal year 2018-19, to 245 in fiscal year 2020-21, or 93 percent during the same three-year period.

Family Rapid Re-Housing

As shown on Exhibit 25 above, 598 participants were served by family Rapid Re-Housing in fiscal years 2018-19 and 2020-21. The number of participants served Re-Housing ranged from 135 to

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253 participants. The numbers served increased from 135 participants in fiscal year 2018-19 to 210 in fiscal year 2020-21, an increase of 56 percent over the three-year period.

Exhibit 25 above also shows a total of 372 participants exited family Rapid Re-Housing in fiscal years 2018-19, 2019-20, and 2020-21, and the number of participants who exited family Rapid Re-Housing increased from 94 to 141 participants between fiscal years 2018-19 and 2020-21, or an increase of 50 percent.

Single Adult Rapid Re-Housing

Exhibit 25 above shows 239 participants were served by single adult Rapid Re-Housing in fiscal years 2018-19, 2019-20, and 2020-21. The number of participants served in single adult Rapid Re-Housing ranged from 36 to 119 participants in fiscal years 2018-19 through 2020-21, an increase of 231 percent over the three-year period.

Exhibit 25 above also shows a total of 135 participants exited single adult Rapid Re-Housing in fiscal years 2018-19, 2019-20, and 2020-21, and the number of participants who exited single adult Rapid Re-Housing increased from 17 to 69 participants during the three-year period, or an increase of 306 percent.

Transition-Aged Youth Rapid Re-Housing

Exhibit 25 above shows 241 participants were served by transition-aged youth Rapid Re-Housing in fiscal years 2018-19, 2019-20, and 2020-21. The number of participants served in transition-aged youth Rapid Re-Housing ranged from 69 to 100 participants during the three-year audit period, a difference of 45 percent.

Exhibit 25 above also shows a total of 92 participants exited transition-aged youth Rapid Re-Housing in fiscal years 2018-19, 2019-20, and 2020-21, and the number of participants who exited single adult Rapid Re-Housing ranged from 16 participants in fiscal year 2018-19 to 35 participants in 2020-21, or an increase of 119 percent.

Performance metrics and targets for Rapid Re-Housing

Rapid Re-Housing is subject to the CoC-defined performance metrics of exits to permanent housing and exits to homelessness. The target for exits to permanent housing was 80 percent and the target for exits to homelessness was less than 5 percent for family, single adult, and transitional-aged youth programs.

Exhibit 26 below shows the Rapid Re-Housing programs by type, the percentage of exits to permanent housing compared to target, and the percentage of exits to homelessness compared to the target.

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Exhibit 26: Rapid Re-Housing programs performance against targets

Program Type	Fiscal Year	Exits to Permanent Housing	Exits to Homelessness
		TARGET: 80%	TARGET: <5%
Family Rapid Re-Housing	2018-19	98%	0%
	2019-20	95%	4%
	2020-21	99%	0%
Single Adult Rapid Re-Housing	2018-19	69%	19%
	2019-20	86%	10%
	2020-21	98%	0%
Transition Aged Youth Rapid Re-Housing	2018-19	63%	6%
	2019-20	76%	20%
	2020-21	89%	11%

Source: City Auditor summary based on HMIS data and service contracts

Family Rapid Re-Housing consistently achieved performance targets while single adult and transition-aged youth Rapid Re-Housing improved over time

As Exhibit 26 above shows, family Rapid Re-Housing exiting participants who exited to permanent housing ranged from 95 percent to 99 percent, achieving their targets for exits to permanent housing in all three fiscal years. Moreover, family Rapid Re-Housing participants exiting to homelessness ranged from 0 to 4 percent, meeting the target for exits to homelessness in all three fiscal years.

Exhibit 26 also shows single adult Rapid Re-Housing programs steadily improved performance over the three fiscal years as the exiting participants who exited to permanent housing ranged from 69 percent in fiscal year 2018-19 to 86 percent in 2019-20, to 98 percent in fiscal year 2020-21, thus meeting their target for exits to permanent housing in fiscal years 2019-20 and 2020-21. Moreover, the single adult Rapid Re-Housing participants who left and exited to homelessness dropped from 19 percent in fiscal year 2018-19, to 10 percent in fiscal year 2019-20, to 0 percent in fiscal year 2020-21, meeting the exits to homelessness target in fiscal year 2020-21.

Exit data for transition-aged youth Rapid Re-Housing programs also improved with respect to exits to permanent housing. The transition-aged Youth Rapid Re-Housing exiting participants who exited to permanent housing ranged from 63 percent to 89 percent, thus meeting the

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target in fiscal year 2020-21. On the other hand, transition-aged youth Rapid Re-Housing participants who left and exited to homelessness ranged from 6 percent to 20 percent, thus not meeting the target of less than 5 percent or less for any of the fiscal years in our audit scope.

Length of stay terms are different for Rapid Re-Housing programs

Because Rapid Re-Housing is not providing a unit of housing like the previous housing programs, length of stay is a bit different. Only Rapid Re-Housing for transition-aged youth provides a contractual end of rental assistance benefits. Transition-aged youth Rapid Re-Housing programs provide a maximum 24 months of rental assistance benefits, plus 6 months of supportive services after a housing placement. Both family and single adult Rapid Re-Housing service providers do not terminate benefits in their contracts but have clauses that commit to supportive services being provided for 6 months after the housing placement. Because they do not have contractual or program goals for length of participation, we did not analyze the length of stay for these programs.

Oakland Path Re-Housing Initiative (OPRI) for single adults

OPRI is a multi-jurisdictional partnership with the Oakland Housing Authority (OHA). OHA provides funding for housing subsidies and the City provides funding for housing placement and ongoing supportive services. OPRI is sponsor-based rental assistance for target populations including people living in encampments, youth exiting the foster care system, young adults at risk of being perpetrators or victims of violence, families experiencing homelessness, and people exiting the community cabins with a workforce focus.

In fiscal year 2020-21, Abode Services operated the OPRI program for adults.

Exhibit 27 below shows the number of participants served by and exited from OPRI in fiscal years 2018-19, 2019-20, and 2020-21.

Exhibit 27: The number of participants served by and exited from OPRI in fiscal years 2018-19, 2019-20, and 2020-21

Program Type	Fiscal Year	Participants served	Participants who exited
Single Adult OPRI	2018-19	146	42
	2019-20	120	21
	2020-21	102	19
	Total	368	82

Source: City Auditor summary based on HMIS data

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Exhibit 27 above shows participation in the OPRI program decreased from 146 participants in fiscal year 2018-19 to 102 in fiscal year 2020-21, a decrease of 30 percent over the three-year period.

Exhibit 27 above also shows the number of participants who exited from the OPRI program decreased from 42 to 19 participants in the three fiscal years audited. The program's goal is to assist people in maintaining their housing, so a decrease in exits could be positive.

OPRI for single adults' performance metrics and targets

A key performance metric for OPRI is remaining housed, and the program's target is that 95 percent of participants will remain housed for longer than one year. Another metric for OPRI is exits to homelessness. The program's target is that less than 5 percent of participants will exit to homelessness. Exhibit 28 below shows OPRI's performance against the targets for fiscal years 2018-19, 2019-20, and 2020-21.

Exhibit 28: OPRI program performance against targets for fiscal years 2018-19, 2019-20, and 2020-21

Program Type	Fiscal Year	Remain Housed for One Year or Longer	Exits to Homelessness
		TARGET: 95%	TARGET: <5%
Single Adult OPRI	2018-19	99%	3%
	2019-20	97%	15%
	2020-21	99%	0%

Source: City Auditor summary based on HMIS data and service contracts

Most OPRI single adult participants remained housed for years

As Exhibit 28 shows, nearly all OPRI program single adult participants remained housed for one year or longer in all three fiscal years, meeting the performance target of 95 percent.

In fiscal years 2018-19, 2019-20, and 2020-21, between 3 percent and 0 percent of participants exited to homelessness, which met the exits to homelessness target. However, in fiscal year 2019-20, OPRI did not meet the target as 15 percent of those who exited, exited to homelessness. Even though the OPRI programs did not meet its target in fiscal year 2019-20, the raw number of participants exiting to homelessness is low because the number of

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participants exiting the program was low, ranging from 19 to 42 participants, as shown in Exhibit 27 above.

According to CHS, the combination of time unlimited housing subsidies (from the Oakland Housing Authority) and supportive services provided by the OPRI program is an effective way of keeping people housed. Additionally, it is a program that leverages funding across jurisdictions with ambitions of doing more. As a result, according to CHS, this program was able to expand after fiscal year 2020-21.

Exhibit 29 below shows the percentage of OPRI single adult participants who remained in permanent housing for over one year to over five years after finding permanent housing.

Exhibit 29: Percentages of OPRI single adult participants who remained housed for 1+, 2+, 3+, 4+, and 5+ years after permanent housing placement

Number of years remaining housed	FY 2018-19	FY 2019-20	FY 2020-21
1+	99%	97%	99%
2+	96%	92%	95%
3+	81%	76%	83%
4+	80%	60%	71%
5+	65%	57%	59%

Source: City Auditor summary based on HMIS data

As Exhibit 29 above shows, OPRI was able to keep participants housed for longer periods of time. Specifically, as Exhibit 29 shows, for all three fiscal years in our audit period, nearly all participants remained housed for a year, more than 90 percent of participants remained housed for at least two years, and between 57 percent to 65 percent of participants stayed for five years or more.

The two contracts for OPRI programs for single adults had different outcome targets in each contract. For example, one contract had a target that less than 10 percent of those leaving the program would exit to homelessness, while the other had a five percent target. One contract only had targets for keeping participants housed for one year or longer, while the other contract had a target for keeping participants housed for three years (65 percent).

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Permanent Housing Services

Permanent Housing Services are on-site supportive services that include assisting tenants in achieving and maintaining housing stability, improving their overall health and well-being, acquiring income and other public benefits, pursuing activities (education, recreational, and vocational), and increasing opportunities for social connection.

In fiscal year 2020-21, Abode Services and Lifelong Medical Care operated permanent housing services.

Exhibit 30 below shows the number of participants served and exited in Permanent Housing Services in fiscal years 2018-19, 2019-20, and 2020-21.

Exhibit 30: The number of participants served in Permanent Housing Services in fiscal years 2018-19, 2019-20, and 2020-21

Program Type	Fiscal Year	Participants served	Participants who exited
Permanent Housing Services	2018-19	173	19
	2019-20	176	18
	2020-21	191	11
	Total	540	48

Source: City Auditor summary based on HMIS data

Exhibit 30 above shows the number of participants served in the Permanent Housing Services program increased from 173 participants in fiscal year 2018-19, to 191 in fiscal year 2020-21 – an increase of ten percent over the three fiscal years audited.

Exhibit 30 above also shows the number of participants who exited within the year from attaining Permanent Housing Services, decreased from 19 to 11 participants between fiscal years 2018-19 and 2020-21. Since the program’s goal is to assist people in maintaining their housing, this decrease in exits could be positive.

Performance metrics and targets for Permanent Housing Services

The performance target for Permanent Housing Services is that 95 percent of all participants will remain housed for one year or longer. Another target is that less than 5 percent of Permanent Housing Services participants who exit will exit to homelessness.

Exhibit 31 below shows Permanent Housing Services’ targets and the performance against the targets for fiscal years 2018-19, 2019-20, and 2020-21.

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Exhibit 31: Permanent Housing Services performance against targets

Program Type	Fiscal Year	Remain Housed for One Year or Longer	Exits to Homelessness
		TARGET: 95%	TARGET: <5%
Permanent Housing Services	2018-19	98%	25%
	2019-20	98%	0%
	2020-21	99%	10%

Source: City Auditor summary based on HMIS data and service contracts

Once placed, most Permanent Housing Services program participants remained housed for years

As Exhibit 31 above shows, more than 95 percent of Permanent Housing Services program participants remained housed for one year or longer in all three fiscal years, thereby meeting the performance target.

Exhibit 31 also shows that in fiscal year 2019-20, Permanent Housing Services exited 0 percent to homelessness, meeting the target of less than 5 percent. However, in fiscal years 2018-19 and 2020-21, 25 and 10 percent, respectively, exited to homelessness and did not meet the target.

Exhibit 32 below shows the percentage of Permanent Housing Services participants who remained housed for over one year to over five years after finding permanent housing.

Exhibit 32: Percentages of Permanent Housing Services participants who remained housed for 1+, 2+, 3+, 4+, and 5+ years after permanent housing placement

Number of years remaining housed	FY 2018-19	FY 2019-20	FY 2020-21
1+	98%	98%	99%
2+	97%	95%	97%
3+	94%	90%	95%
4+	93%	87%	92%
5+	84%	85%	88%

Source: City Auditor summary based on HMIS data

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As Exhibit 32 above shows, like the OPRI program discussed earlier, the overwhelming majority of Permanent Housing Services participants remained housed for longer than one year. In fact, more than 84 percent of the participants remained housed for at least five years after securing permanent housing.

Conclusion

Strong performance management rests on the principle that “what gets measured gets done.” Accordingly, the City should continue measuring different exit destinations for people leaving the City’s homelessness services programs and pursuing improved performance on these metrics because exit destinations are the most important metrics for a homelessness response strategy. In addition to evaluating exit data by program type, the City should evaluate them by service provider to identify effective and ineffective programs and service providers.

Furthermore, the City should continue to consider adopting new performance metrics and targets to align with the intent of its various homelessness services programs, as it did with the Community Cabins program. To ensure ongoing commitment to key performance metrics, the City should outline these metrics in service provider contracts along with related performance targets. These may be related to exit destinations or other service delivery elements such as lengths of stay. A focus on performance measurement with metrics and targets, will be essential for the City’s efforts to identifying and improving outcomes among the people served in various homelessness services programs.

Recommendations

To increase the likelihood that clients secure permanent housing and other key outcomes from the City’s homelessness services, we recommend the City:

1. Work with the County HMIS Lead or otherwise identify a way to access data on “returns to homelessness,” by program type and service provider in order to identify how many participants who exited to permanent housing, return to homelessness 6, 12, or 24 months later.
2. Adopt exits to positive destinations and exits to streets or unknown destinations as metrics for Emergency Shelters and set performance targets.
3. Continuously review existing performance metrics and corresponding performance targets across all program types and consider adjusting and developing new ones as needed.

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4. Ensure that requirements within service provider contracts reflect adopted performance metrics and targets and ensure such requirements are consistent across different service provider contracts within the same program type.
5. Collect and analyze HMIS data on lengths of stay at crisis response and longer-term housing programs to identify why and when participants exit and identify trends across different program types and service providers and use this information to inform programmatic decisions that may help the City promote better program performance and improve participants' outcomes.

Section 2

Maintaining and Increasing Incomes and Enrolling Participants in Benefit Programs

Finding: The City had mixed results in facilitating enrollments in benefit programs critical to improving homelessness services participants' life circumstances and housing stability.

Summary

The preceding section discussed exit destinations, which may be the most important metrics for ending homelessness. This section focuses on metrics for enrolling participants in financial and mainstream public benefits because such benefits have proven to be the first step in increasing a participant's ability to improve life circumstances and maintain permanent housing.

Based on our analysis of HMIS data, in fiscal years 2018-19, 2019-20, and 2020-21, participants' success in maintaining or increasing incomes varied across the crisis response and longer-term housing programs. This metric is limited in its usefulness because many participants do not have incomes. Furthermore, it is important to recognize the limited value of "maintaining" incomes for people whose incomes are too low to afford housing.

Enrollment in non-cash mainstream benefits like state and federal financial resources, disability benefits, food assistance, and other assistance is an important metric for gauging the prospects of program participants' ability to achieve permanent housing. In fiscal years 2018-19, 2019-20, and 2020-21, the City's homelessness services programs missed targets for enrollments in mainstream benefits.

On the other hand, the majority of homelessness programs achieved targets for enrolling participants in health insurance benefits, though results varied by program category and by fiscal year. The City should continuously review performance data to identify effective and ineffective programs and service providers. In addition, the City should continuously review the viability of the performance metrics and related performance targets and consider revising them and adopting new ones as needed, such as CHS did with some of the exit metrics discussed in section 1. This is especially needed in the RV Safe Parking program, for which the City had not implemented any performance metrics or targets related to participant incomes and enrollment in mainstream benefits.

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Maintaining and increasing incomes and enrolling in benefits is critical for people experiencing homelessness

For those who are eligible, public assistance programs like federal Supplemental Security Income (SSI), federal Social Security Disability Insurance (SSDI), and state CalWORKs benefits (Temporary Assistance for Needy Families) provide cash, financial resources for housing, access to employment assistance programs, and facilitates Medicare eligibility.

A 2017 study sponsored by the U.S. Department of Housing and Urban Development (HUD) included 2,282 families with children who entered shelters between September 2010 and January 2012. The study included twelve communities across the country and found participation in publicly funded health insurance and the federal Supplemental Nutrition Assistance Program or (SNAP) improved housing stability. Alameda County was one of the communities included in the study.

The study suggested that agencies at all levels of government responsible for benefit programs should consider ways to assist families with unstable housing to maintain their benefits and to target families with repeat episodes of homelessness for special assistance in obtaining or maintaining benefits for which they are eligible.

The pervasiveness of disabilities and tenuous living situations among those experiencing homelessness, however, are barriers to applying to public aid and services. Homelessness services help people secure earned income, as well as public aid and services that are essential to finding permanent housing.

The Community Homelessness Services Division promotes income maintenance and enrollment in essential benefits

The Community Homelessness Services Division (CHS) has adopted the following CoC performance metrics and incorporated them into its service provider contracts:

- Maintaining or increasing incomes
- Enrolling in mainstream benefits
- Enrolling in health insurance benefits

This section describes these three metrics, the associated performance targets, and whether the various crisis response and longer-term housing programs were successful in meeting the targets.

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Maintaining or increasing incomes

The CoC performance metric of maintaining or increasing incomes entails counting participants who maintained or increased their incomes at the time of their exits from programs, or during annual assessments. Notably, the metric excludes participants under 18 years old.

Varying levels of success in maintaining or increasing incomes

The City set targets for maintaining or increasing incomes between 75 and 80 percent depending on the program type.

Exhibit 33 below shows the number and percentage of participants that maintained or increased incomes compared to their targets for each of the program types for 2018-19 through 2020-21.

Exhibit 33: Performance data and targets for maintaining or increasing income by program type and fiscal year

Program Type	FY 2018-19		FY 2019-20		FY 2020-21		Target
	#	%	#	%	#	%	
Crisis Response Programs							
Community Cabins	49	61%	218	66%	214	66%	80%
Emergency Shelter - Family	11	79%	9	82%	38	81%	75%
Emergency Shelter - Single Adult	298	78%	911	63%	304	61%	75%
Transitional Housing - Family	12	39%	27	77%	27	79%	80%
Transitional Housing - Single Adult	165	83%	201	87%	207	90%	80%
Transitional Housing - Transition Aged Youth	51	73%	40	61%	28	68%	80%
Longer-Term Housing Programs							
Permanent Housing Services	94	80%	112	82%	116	82%	75%
OPRI	49	52%	58	66%	59	69%	75%

Source: HMIS

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As Exhibit 33 above shows, Community Cabins and Transitional Housing for transition-aged youth fell short of targets for all three fiscal years audited. Transitional Housing for families also fell short for all fiscal years but showed dramatic improvement in fiscal years 2019-20 and 2020-21, when that program type nearly met the target.

Single adult Emergency Shelters showed the opposite trend, with declining performance over the three fiscal years. OPRI programs also fell short of targets in all three fiscal years audited.

On the other hand, performance data from the family Emergency Shelters, Transitional Housing for single adults, and Permanent Housing Services, show participants' rates of maintaining or increasing incomes met or exceeded targets for all fiscal years audited.

Rapid Re-Housing programs focus on increasing incomes which few participants achieved

Rapid Re-Housing programs focus on eliminating barriers to moving families quickly into permanent housing by providing housing location services and financial assistance for housing-related expenses (e.g., rent arrears, ongoing rent assistance, moving costs). Participants' ability to increase their incomes is integral to success. Accordingly, the Rapid Re-Housing programs for single adults, families, and transition-aged youth, which serve participants more likely to have higher incomes, are held to a modified metric, which is increasing incomes. This metric measures improvement – not just stability – among program participants.

The performance target for increasing income was 50 percent for Rapid Re-Housing programs for single adults, families, and transition-aged youth.

Exhibit 34 below shows the various Rapid Re-Housing programs' performance in increasing participants' incomes against the target for fiscal years 2018-19 through 2020-21.

Exhibit 34: Performance data and targets for increasing income among Rapid Re-Housing program participants by fiscal year

Program Type	FY 2018-19		FY 2019-20		FY 2020-21		Target
	#	%	#	%	#	%	
Family	9	23%	7	12%	13	22%	50%
Single Adult	3	13%	5	9%	2	3%	50%
Transition Aged Youth	8	25%	18	31%	20	33%	50%

Source: HMIS

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As Exhibit 34 shows, all of the Rapid Re-Housing programs fell far short of their 50 percent targets and did not record more than 20 adult participants who increased incomes in any of the three fiscal years audited.

Further review could determine contributing factors to under-performance

The data on participants' incomes suggest improvements are needed to help participants maintain and increase their incomes. Some of the more successful crisis response service providers are within the family Emergency Shelter and single adult Transitional Housing programs. Alternatively, the data could reflect the performance targets for some of the program types, such as the Community Cabins, may be unrealistic or that different approaches are needed to maintain and increase incomes for these participants. While the data are presented by program type, the City would benefit from reviewing these data on the service provider-level which could reveal the effectiveness of each of the providers.

Existing income-related performance metrics are limited

Lastly, and more substantively, the City should be cautious about relying on the maintaining and/or increasing income metrics. Maintaining and/or increasing incomes is not entirely useful if participants' incomes are not high enough to afford permanent housing, which is the case for the overwhelming majority of participants in the City's homelessness service providers. Based on HUD affordability standards, an affordable rent for people making \$2,000 per month is \$600. Majorities of participants in the City's homelessness response programs have incomes lower than \$2,000 per month, and local rents far exceed \$600 per month. Furthermore, 26 percent of all the participants in City homelessness services programs in fiscal year 2020-21, did not have any sources of income.

A deeper review of participants' income data can reveal the range of incomes, and whether incomes are high enough to sustain a reasonable quality of life. According to the Massachusetts Institute of Technology's Living Wage Calculator, the living wage for Alameda County is \$24.26 per hour. Working full-time, this would equal roughly \$4,000 per month in wages. Many of the participants in the City's programs make considerably less than this.

The City's strategic planning process discussed in Section 6 of this report needs to take housing affordability into account. If a majority of participants have little to no income, then the City must determine strategically how to provide enough deeply affordable housing to move these individuals successfully into permanent housing. Until this occurs, the City will continue to face a growing crisis.

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Enrollment in mainstream benefits

Enrolling and keeping participants in mainstream non-cash benefits, such as Supplemental Nutrition Assistance Programs (SNAP or formerly Food Stamps) and California CalWORKS (TANF), is a measure of how successful a service provider is in removing non-income barriers to achieving permanent housing.

The performance metric of enrollment in mainstream non-cash benefits counts adult participants who were enrolled in non-cash benefits either upon exiting programs or during their end-of-year-assessments.⁶ Notably, the metric excludes participants under 18 years old. Nonetheless, using the metric could provide insight on programs' effectiveness in delivering mainstream benefits to adult program participants and heads-of-household.

Performance data show the City consistently fell short on targets for enrollment in mainstream benefits

The crisis response programs' targets are between 80 and 83 percent and the targets for longer-term housing programs are between 78 and 85 percent.

Exhibit 35 below shows the number of and percentage of participants that enrolled in mainstream benefits for the different program types compared to their targets for fiscal years 2018-19 through 2020-21.

⁶ HUD requires annual assessments within 30 days after participants' one-year anniversaries. Incomes and enrollments in benefits are only a few of the many informational elements collected during annual assessments.

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Exhibit 35: Performance data and targets for enrollment in mainstream benefits by program type and fiscal year

Program Type	FY 2018-19		FY 2019-20		FY 2020-21		Target
	#	%	#	%	#	%	
Crisis Response Programs							
Community Cabins	33	41%	162	49%	172	53%	83%
Emergency Shelter - Family	8	57%	8	73%	27	57%	80%
Emergency Shelter - Single Adult	120	31%	450	31%	202	41%	80%
Transitional Housing - Family	17	55%	18	51%	18	53%	83%
Transitional Housing - Single Adult	80	40%	96	42%	89	39%	83%
Transitional Housing - Transition Aged Youth	26	37%	24	36%	15	37%	83%
Longer-Term Housing Programs							
Rapid Re-Housing - Family	20	51%	35	61%	33	57%	85%
Rapid Re-Housing - Single Adult	4	17%	17	32%	33	47%	85%
Rapid Re-Housing - Transition Aged Youth	10	31%	23	40%	16	26%	85%
Permanent Housing Services	51	44%	66	49%	96	68%	78%
OPRI	41	44%	31	35%	26	30%	78%

Source: HMIS

As Exhibit 35 above shows, none of the housing programs met the target for enrolling participants in mainstream benefits for any of the three years of the audit. The data suggest that enrolling clients in mainstream benefits may be challenging and may warrant problem-solving to increase such enrollments. The City should work with its service providers to identify barriers to enrolling clients into mainstream benefits.

Beginning in fiscal year 2022-23, CHS stopped requiring service providers to report on enrollments in mainstream benefits because most mainstream benefits are for families, making the metric irrelevant for single adults, who comprise the majority of homelessness services program participants. That said, in fiscal years 2018-19, 2019-20, and 2020-21, enrollment in mainstream benefits was an established metric, and for this reason, we included the performance data in Exhibit 35 above.

Audit Results

Enrollments in health insurance benefits

According to the National Alliance to End Homelessness (NAEH), “An acute physical or behavioral health crisis or any long-term disabling condition may lead to homelessness; homelessness itself can exacerbate chronic medical conditions.” Helping participants enroll and maintain enrollment in health insurance is important in improving health and financial outcomes and stabilizing clients. Health insurance benefits are available through Medicaid, Medicare, State Children's Health Insurance Program, the Veterans Administration (VA), Employer-provided insurance, and other sources.

The performance metric of enrollments in mainstream health insurance benefits includes participants who were enrolled in health insurance benefits either upon exiting programs or during their end-of-year assessments. The target for this metric varies between 80 percent to 90 percent depending on the program type.

The majority of participants across all program types enrolled in health insurance benefits

Exhibit 36 also shows the number and percentage of participants who were enrolled in health insurance benefits compared to the targets for all program types for fiscal years 2018-19 through 2020-21.

Audit Results

Exhibit 36: Performance data and targets for enrollment in health insurance benefits by program type and fiscal year

Program Type	FY 2018-19		FY 2019-20		FY 2020-21		Target
	#	%	#	%	#	%	
Crisis Response Programs							
Community Cabins	64	80%	257	78%	268	82%	80%
Emergency Shelter - Family	25	69%	22	85%	89	92%	90%
Emergency Shelter - Single Adult	356	92%	1,172	81%	414	81%	90%
Transitional Housing - Family	47	55%	93	98%	73	91%	80%
Transitional Housing - Single Adult	174	87%	207	90%	205	89%	80%
Transitional Housing - Transition Aged Youth	69	87%	65	93%	42	98%	80%
Longer-term housing Programs							
Rapid Re-Housing - Family	90	96%	136	89%	141	99%	85%
Rapid Re-Housing - Single Adult	18	75%	47	89%	64	91%	85%
Rapid Re-Housing - Transition Aged Youth	24	67%	54	89%	57	92%	85%
Permanent Housing Services	112	90%	148	96%	157	99%	90%
OPRI	80	68%	82	80%	81	83%	90%

Source: HMIS.

As Exhibit 36 above shows, programs generally met or exceeded the target for enrolling participants in health insurance benefits. Transitional Housing, Rapid Re-Housing, and Permanent Housing Services consistently exceeded the target in the three fiscal years audited. Providers did not meet the targets for Transitional Housing for families, Rapid Re-Housing for single adults and transition-aged youth in fiscal year 2018-19.

OPRI did not meet the target in all three fiscal years, but enrollments improved each year.

The performance data suggest service providers are more successful in enrolling participants in health insurance benefits than they were in enrolling participants in income assistance and mainstream benefits.

Audit Results

The RV Safe Parking program did not establish performance targets consistent with other programs

The RV Safe Parking program started as a pilot program and unlike the other programs described in this section, the City did not establish targets for maintaining or increasing incomes, or enrollments in mainstream or health insurance benefits for three fiscal years audited. Without establishing program goals, it is unclear how program participation is intended to lead to permanent housing and other positive outcomes.

Even though the City did not establish targets for the RV Safe Parking program, we analyzed HMIS performance data on RV Safe Parking participants maintaining or increasing income, enrollment in mainstream benefits, and enrollment in health insurance.

The performance data are summarized below in Exhibit 37.

Exhibit 37: Performance data for maintaining or increasing income, enrollment in mainstream benefits, and enrollment in health insurance benefits among RV Safe Parking program participants by fiscal year

Metric	FY 2018-19		FY 2019-20		FY 2020-21	
	#	%	#	%	#	%
Maintaining or Increasing Income	N/A	N/A	17	61%	76	54%
Enrollment in Mainstream Benefits	N/A	N/A	8	29%	45	32%
Enrollment in Health Insurance Benefits	N/A	N/A	19	68%	91	64%

Source: HMIS

As shown in Exhibit 37 above, RV Safe Parking participants' percentages of maintaining or increasing income, enrollments in mainstream benefits and enrollments in health insurance benefits, were generally lower in fiscal years 2019-20 and 2020-21 than those of the other crisis response programs discussed above and summarized in Exhibits 33, 35, and 36. This program is the only crisis response program without established targets for income and benefits metrics and had among the worst results in these areas.

Moreover, if it is to establish targets, the RV Safe Parking needs to re-consider its service delivery model. Every RV Safe Parking program site within our audit scope had limited resources specifically for housing navigation and other supportive services that include assisting participants to secure income, mainstream benefits, and health insurance.

The City cannot expect participants to improve their living situations without offering housing navigation and other services.

Audit Results

Conclusion

Maintaining and increasing incomes and enrolling participants in mainstream and health insurance benefits are critical to ending homelessness and securing permanent housing. As such, every effort should be made to preserve and/or improve these metrics and related outcomes. In addition to evaluating outcomes by program type as we did in this section, the City should evaluate outcomes by service provider to identify effective and ineffective programs and service providers. Furthermore, the City should continue adjusting and implementing new performance metrics and targets to align with the intent of the various homelessness services programs. In the case of the RV Safe Parking program, the City should clarify what the program is intended to accomplish in terms of outcomes for its participants and accordingly include services in the program.

Recommendations

To promote maintaining and increasing incomes, enrollments in benefits, and other desired outcomes for participants in the City's homelessness services programs, we recommend the City:

6. Evaluate the maintaining/increasing income metric and enrollments in mainstream and health insurance benefits metrics by program type and service provider to identify successes and failures related to participant enrollment. This information should then be used to implement improvements in enrolling participants in benefits programs and to hold service providers accountable.
7. Review participants' income data across programs to reveal the range of incomes and use this information to inform the development and adaptation of City programs to provide deeply affordable housing.
8. Clarify what the RV Safe Parking program is intended to accomplish in terms of outcomes for its participants. Once these outcomes are determined, decide what metrics are important and set realistic targets for those metrics.

Section 3

Data on Programs, Outcomes, Service Providers, and Participants

Finding: The City lacked access to timely, accurate, and complete data to fully understand service provider performance, bed utilization, and participants' returns to homelessness.

Summary

The earlier sections about program outcomes draw heavily on performance data the service providers enter into HMIS. The data need to be timely, accurate, and complete for the City to effectively monitor, manage, and evaluate homelessness services programs. As described in this section, however, the City's service providers have not been timely in entering participant data into HMIS and have also had challenges in entering accurate and complete data. The City should hold service providers accountable to data quality standards and provide training on HMIS. Timely, accurate, and complete data would enable the City to identify at any time, the use and capacity of its different programs which informs management of available resources and helps with planning for the future.

Additionally, for years, the Community Homelessness Services Division has been challenged by a lack of responsiveness from the County HMIS Lead and the system's inability to provide critical data reports and tools. The City should continue to work with the County HMIS Lead to access HMIS reports and tools. If necessary, the City should consider obtaining an outside contractor on how to use these reports and tools which are necessary to determine whether program participants return to homelessness. A dedicated City staff member with analytical and technical skills can run these reports to consistently track, monitor, analyze, and present HMIS data for management. Once the City has access to the necessary data and tools to determine the success of its program performance, the City needs to have the ability to report on its programs publicly, thus fulfilling the need for transparency and public accountability.

Audit Results

The CoC has a target of getting data into HMIS within three days

According to an April 2017 HUD briefing, “entering data in a timely manner can reduce human error when too much time has elapsed between data collection and entry.” Accordingly, the CoC has a target of getting 100 percent of data into HMIS within three days. The City on the other hand, has not formalized a target for timely input of client data into HMIS for many of its contracts.

Our audit sampled 10 service providers to determine whether the contracts had targets to enter data within three days, as well as whether providers actually entered the data within three days as the CoC requires. Only one of the ten service provider contracts had a target for entering data within three days. Street Outreach was the only program type that had outcome targets for timely data input. In fact, its target was more ambitious than the CoC target, requiring data be entered within two days.

Exhibit 38 below shows the percentage of data entered within three days, as the CoC requires, for all program types for fiscal year 2018-19 through 2020-21.

Audit Results

Exhibit 38: Percentage of data entered within three days by program type and fiscal year

Program Type	FY2018-19	FY2019-20	FY2020-21	Target
Crisis Response Programs				
Community Cabins	13%	54%	63%	
Emergency Shelter – Family	24%	60%	38%	
Emergency Shelter - Single Adult	39%	46%	63%	
Transitional Housing - Family	8%	2%	9%	
Transitional Housing - Single Adult	46%	57%	64%	
Transitional Housing - Transition Aged Youth	21%	21%	23%	
COVID Response	N/A	50%	45%	
RV Safe Parking	N/A	42%	57%	
Longer-term Housing Programs				
Rapid Re-Housing – Family	12%	12%	21%	
Rapid Re-Housing - Single Adult	31%	9%	7%	
Rapid Re-Housing - Transition Aged Youth	14%	18%	23%	
Permanent Housing Services	10%	15%	7%	
OPRI	29%	18%	41%	
Supportive Services				
Street Outreach	83%	91%	90%	100%
Workforce programs	N/A	N/A	38%	

Source: City Auditor summary based on HMIS data

As Exhibit 38 above shows, if 100 percent was the target for all City program types to enter data within three days, most of the City’s programs would have fallen well short. The performance data suggests entering data into HMIS within three days of program participants entering or exiting, may be a challenge, especially without an established outcome target.

Regardless, the City should incorporate this 3-day requirement into all its service provider contracts. The sooner the data is entered, the higher the likelihood the data will benefit participants more immediately. Additionally, entering data in a timely manner improves the reliability of reports and data visualizations and the ability for the City to effectively manage its programs for results.

Audit Results

The need for more accurate data within the County's HMIS has long been established

The CoC and County are tasked with maintaining current, quality data in HMIS. The audit, however, found the City has had problems with inaccurate data during the three fiscal years audited.

For example, as discussed in Section 1 of this report, a shelter provider exited only 10 program participants in fiscal year 2018-19, when it actually exited far more. Additionally, the majority of the exits recorded by this provider in fiscal year 2019-20 were classified as “unknown.”

Another example occurred in fiscal year 2020-21 when none of the COVID Response programs entered any data related to benefits, making it appear as though program participants had no income data and were not enrolled in mainstream or health insurance benefits for that fiscal year. The result is that CHS did not have benefit enrollment information for COVID Response program participants.

Additionally, a 2019 review of the CoC noted the lack of a monitoring process and a data quality plan, highlighting the risk of bad data. This review, along with the other data errors in the City's programs, suggest the need for more frequent data reviews, as well as staff and service provider HMIS trainings. Service providers told us they want more training on HMIS, but such training has not been available. According to the County HMIS Lead, the agency does not have sufficient capacity to provide substantive training to all users working for the various CoC agencies and service providers.

In January 2020, the CoC approved and implemented a data quality plan. The Alameda County Data Quality Plan states, “The goal of our community members should be to regularly review data quality and consistently make improvements in their data quality measures.” In addition, the 2017 HUD briefing mentioned above states that participating agencies, such as the City, are responsible for setting the tone of the commitment to data quality, monitoring a project's data quality, and resolving any data quality findings as quickly as possible.

Alameda County's data quality plan and the HUD briefing identify indicators (such as the above timeliness of data input), for when there may be problems with the timeliness, accuracy, completeness, consistency, and coverage of data.

The City should use these indicators to analyze data quality and assist service providers in remediating any data concerns if needed. The City should also develop procedures to regularly monitor data quality and work with the County to ensure that service providers are adequately trained on how to use HMIS. If necessary, an outside contractor should be considered if the County HMIS Lead cannot provide adequate or timely training.

Audit Results

The City lacks quality bed utilization data, a key performance metric for efficiently placing participants with available services

The bed utilization rate is the percentage of total beds in use. It is calculated by dividing the number of beds used by the number of beds available at a given time.

Accurately tracking bed utilization would allow the City to:

1. Identify current occupancy and turnover rates.
2. Assess data quality – the aforementioned HUD briefing on data quality states tracking utilization rates are an excellent barometer for data quality. A low utilization rate in HMIS could reflect low occupancy, but it could also indicate that data are not being entered timely, or at all. On the other hand, high utilization rate could suggest that a project is over capacity or filled up, or it could also indicate that clients have not been properly discharged from a project.
3. Determine whether certain programs are maintaining 90 percent occupancy, as required by some contracts.
4. Develop and inform long-term strategies by analyzing trends in bed utilization rates.
5. Access real-time data, which provides the opportunity to “check-in” on operations at any given time, or to continuously monitor service delivery and make changes if necessary.

Community Homelessness Services uses two deficient methods to calculate bed utilization

Currently, the Community Homelessness Services Division (CHS) relies on two methods to calculate utilization rates across the different programs, however both methods have deficiencies.

- The first method relies on service providers updating online spreadsheets on a daily basis. According to CHS, ensuring these spreadsheets are timely, complete, and accurate requires staff to regularly follow up with service providers to ensure data is logged. Despite these efforts, however, CHS is challenged to ensure all service providers enter this data, thus this method does not provide the City with timely and accurate bed utilization information. Furthermore, because information in the spreadsheets is not entered into HMIS, they are not tied directly to individual clients and rely on the word of the City’s service providers. While both methods require service providers to enter the data, doing so in HMIS outweighs the benefits of using the online spreadsheets because all other data is housed in HMIS and the system links participants to the occupancy data recorded.

Audit Results

- The second method uses the HMIS Annual Performance Report (APR) to determine the number of participants at program sites on the last Wednesday of January, April, July, and October. The City uses this report and compares it against the known capacity on the same days to determine the utilization rate. However, this method calculates prior utilization on a quarterly basis and is not useful for determining the number of beds available on a daily basis.

We calculated utilization rates for one program type using both methods. The results were vastly different. For example, using the online spreadsheet, the Community Cabins showed a bed utilization rate of 97 percent for the second quarter of fiscal year 2020-21. On the other hand, the second method (HMIS quarterly) yielded a 75-percent utilization rate during the same period. The difference could be due to erroneous, late, or incomplete data entry for either or both methods.

As noted above, both methods used for identifying daily bed utilizations have deficiencies which makes it harder for the City to effectively manage the day-to-day operations of the various programs or inform their long-term strategies with its current methods of determining bed utilization.

Improving access to bed utilization data

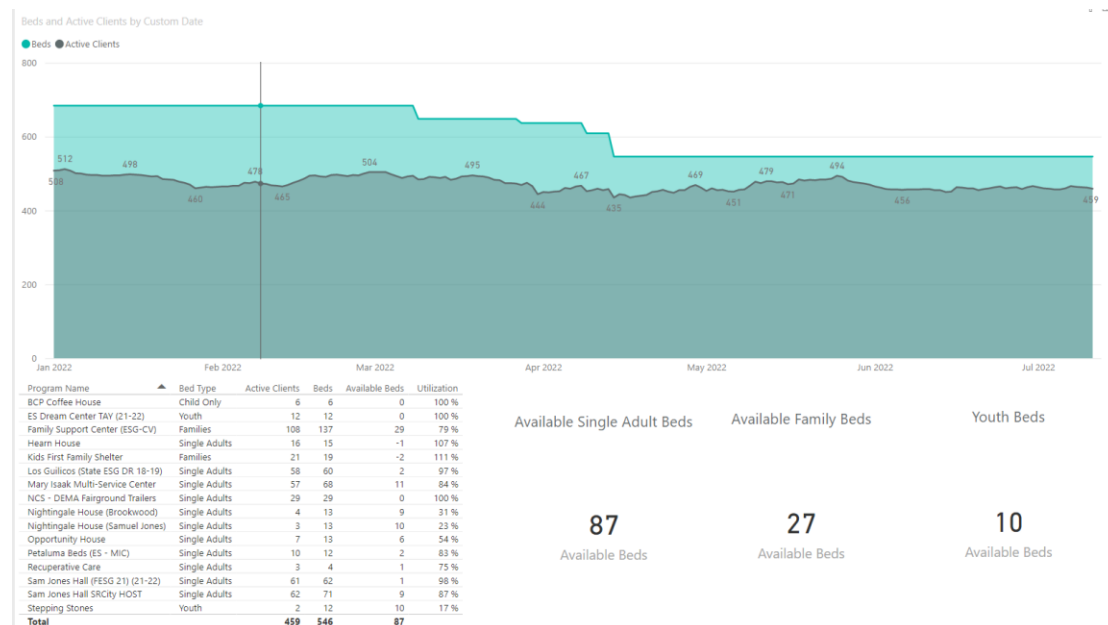
HMIS can produce a report showing daily bed utilization rates, however this function is not currently being used by the County HMIS Lead. The City should work with the County HMIS Lead to develop an easily accessible report showing daily bed utilization rates in HMIS. This would allow the City to more regularly monitor this metric and evaluate whether desired utilization rates are being met.

Once it has access to a tool like this, the City could turn to a model in use in Sonoma County, which displays its shelter utilization on an online dashboard, as the below exhibit shows.

Exhibit 39 below shows that the daily bed utilization rate is also available by individual program and service provider.

Audit Results

Exhibit 39: Sonoma County CoC shelter utilization dashboard



Source: Auditor snapshot from Sonoma County Continuum of Care System Performance Dashboard

Source Link: <https://sonomacounty.ca.gov/development-services/community-development-commission/divisions/homeless-services/continuum-of-care/what-we-know-about-homelessness/homeless-data#esDashboard>.

The City needs data on returns to homelessness

Returns to homelessness is a metric indicating how many people return to homelessness at intervals of 6 months, 12 months, or 24 months after exiting to permanent housing. Although issues with the data exist – such as, a person re-entering services under a different name or returning to homelessness outside of the local jurisdiction – this information is still important for determining whether housing options are working, and whether people are returning to homelessness.

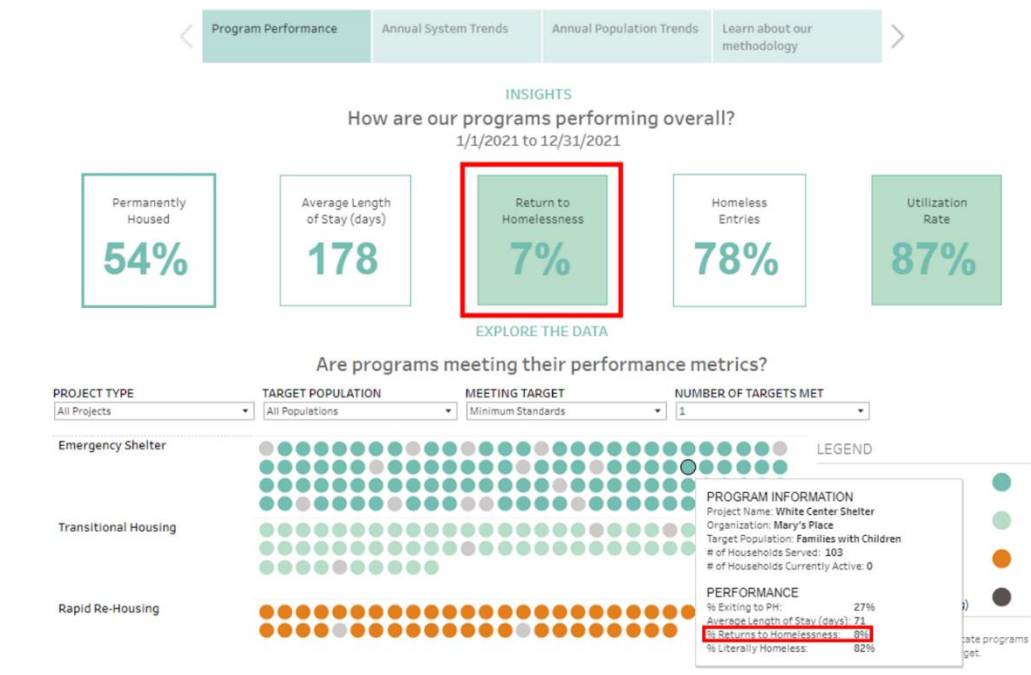
During our audit, CHS explained the County was not able to provide a return to homelessness report on a citywide or program level. Pursuant to the terms of the CoC, the City relies on the County HMIS Lead for the data, but the HMIS lead is not able to provide it.

The City should continue to work with the County to make sure that it has access to the data, so it can truly determine whether its programs are effective in reducing returns to homelessness. Once it has the data to use the metric, the City could turn to King County, Washington’s Regional Homelessness Authority as a model to give more visibility to the data. That agency reports on several key metrics in a public dashboard including the returns to homelessness metric (on both a systemwide and program level).

Audit Results

Exhibit 40 below is a snapshot of the public dashboard by King County, Washington's Regional Homelessness Authority. The dashboard below shows that King County reports on their returns to homelessness by program type and provider.

Exhibit 40: King County, Washington regional homelessness authority system performance dashboard



Source: Snapshot of [King County Regional Homelessness Authority dashboard](#)

Robust analysis of collected HMIS data can provide valuable insights into program and service provider performance

Service providers collect an array of data from program participants which are then entered into HMIS, however, the information collected is not always fully utilized by the City. Collecting timely, accurate, and complete data alone is not sufficient in managing and overseeing homelessness services.

Once the data are collected, the City needs to analyze, continuously monitor, and report on the performance data. While CHS has analyzed select performance data, it has not analyzed available information as in depth as previously presented in this report. The City benefits from analyzing data by program type and service provider.

Audit Results

Without robust analysis of program data, the City cannot adequately analyze how programs are performing, participants' needs and history, and progress towards meeting the City's overall homelessness goals. To ultimately get people into permanent housing and achieve other positive outcomes, the City must fully analyze its available data.

Intermittently, through the date of this report CHS contracted with a data analytics consultant, but this position is contract-based and not a full-time permanent position.

Because of the ongoing demand for information about the City's homelessness services programs, the City needs a dedicated analytical staff member who can establish the infrastructure and process for collecting, monitoring, analyzing, and reporting on performance data.

Dashboards can improve transparency and accountability

Public dashboards are data visualization and analysis tools that display key program data. Many of the exhibits used throughout this report highlight the kind of data that would be displayed in dashboards.

The City has attempted to use a public dashboard as a way of publicly reporting data and performance. However, that dashboard was limited in the data presented and has not been updated since June 2021. When we inquired about the dashboard, CHS told us there were data reliability concerns that have not yet been worked out with the County HMIS team and, for this reason, CHS discontinued the dashboard.

As presented earlier, numerous cities and CoCs have deployed dashboards to publicly present client and performance data specifically focused on homelessness response. Such dashboards publicly provide the type of sought-after performance data outlined throughout this audit report.

We recommend that the City continue to advocate for the County to improve its HMIS data and reporting capabilities, including disaggregating program outcomes by race (as discussed in Section 4). Additionally, the City should implement the use of the dashboards to promote access, transparency, and public accountability. The dashboard, at a minimum, should include bed utilization and returns to homelessness data, as well as the metrics listed in sections 1 and 2, such as exits to permanent housing, homelessness, positive destinations, streets or unknown destinations, maintaining or increasing incomes, and enrollments in mainstream benefits and health insurance.

Audit Results

Conclusion

Timely, accurate, and complete data are essential to successful homelessness services. Not only does good data shed light on how effective or ineffective the City is in serving program participants, but it also enables the City to efficiently place participants with available services, and plan for the future delivery of those services. The City needs to take appropriate steps to ensure that its HMIS data are timely, accurate, and complete. Many needed data reports are currently unavailable to the City due to the configuration of the County's HMIS system. Continuing to urge the County HMIS Lead to overcome technical challenges and provide training to the City and service providers who are HMIS users would be key. In addition, the City should secure the technical skill sets to standardize valuable reports, analyze them and HMIS data as a whole, and provide accessible dashboards for reference by employees, policymakers, and the general public.

Recommendations

To provide the City with access to timely, accurate, and complete data for fully understanding its programs and managing homelessness services, we recommend the City:

9. Add a dedicated staff member with requisite analytical and technical skills to consistently track and monitor HMIS data, analyze data, and present results for management to review and adjust operations and strategies, as needed. Such a staff member could facilitate better use of and training on HMIS.
10. Work with the County HMIS Lead to identify and develop standard and custom reports within HMIS, including reports for real-time bed utilization and returns to homelessness at 6 months, 12 months, or 24 months after exiting to permanent housing.
11. Secure training on HMIS data entry and how to produce various reports, including customized reports. If necessary, an outside contractor should be considered if the County HMIS Lead cannot provide adequate or timely training.
12. Adopt and negotiate with service providers, a performance metric and benchmark for timely input of client data into HMIS, preferably in alignment with the CoC's three-day target. Once implemented and negotiated into contracts, the City should continuously track and monitor performance. Additionally, the City should assist service providers in remediating any data concerns quickly.
13. Advocate for the County to improve its HMIS data and reporting capabilities, including disaggregating program outcomes by race.

Audit Results

14. Implement the use of the dashboards to promote access, transparency, and public accountability. The dashboard at a minimum should include bed utilization and returns to homelessness data, as well as the metrics listed in sections 1 and 2 (i.e., exits to permanent housing, homelessness, positive destinations, streets or unknown destinations, maintaining or increasing incomes, and enrollments in mainstream benefits and health insurance).

Section 4

Proportionate Service Delivery and Racial Equity

Finding: The City provided homelessness services to participants of different races roughly proportionately to their share of Oakland’s homeless population, except for the RV Safe Parking program. More data is needed to ensure the City is meeting racial equity goals and finding disparities that affect some communities.

Summary

The City has established a goal to reach, serve, and improve outcomes for African Americans who are severely over-represented in the homeless population.

African American participants are proportionately represented in all but one of the City-funded homelessness services programs, the RV Safe Parking program. In addition, we found no major disparities across the races of program participants and their share of Oakland’s homeless population. We also found no racial disparities among people exiting from homelessness services programs to permanent housing in fiscal years 2018-19, 2019-20, and 2020-21. It appears this desired outcome was achieved roughly proportionately among participants of different races.

To identify racial disparities and assess the City’s homelessness services programs’ progress toward the City’s racial equity goals, the City has committed to breaking out program outcomes by race. The County HMIS Lead, however, is unable to break out these data by race. The City must continue working with the County HMIS Lead to overcome technical challenges so it can analyze all outcomes by race including exits to positive destinations, exits to streets or unknown destinations, maintaining or increasing incomes, and enrollments in mainstream benefits and health insurance.

Lastly, demographic data from PIT Counts, HMIS, and the U.S. Census can identify groups underserved or underrepresented by the City’s homelessness services, compared to their estimated share of the overall population of Oaklanders experiencing homelessness. The City should review data to identify and quantify communities particularly vulnerable to or impacted by homelessness to inform the City’s homelessness services.

Audit Results

Homelessness in Oakland has disproportionately affected African Americans

Exhibit 41 below compares the racial breakdown of Oakland's homeless population against the citywide population. The 2019 and 2022 PIT Counts detail the estimated racial breakdown of Oakland's homeless population in those respective years, and the U.S. Census details the racial breakdown of Oakland as a whole.

Exhibit 41: The racial composition of Oakland's homeless population in the 2019 and 2022 PIT Counts compared to the racial composition of the City in the 2020 US Census.

Racial Demographic	2019 PIT Count	2022 PIT Count	2020 Census
Black, African American, or African	70%	59%	21%
White	11%	20%	30%
Asian or Asian American	1%	5%	16%
Multiple Races	13%	11%	12%
Native Hawaiian or Pacific Islander	1%	2%	1%
American Indian, Alaska Native, or Indigenous	4%	4%	2%
Other and Unknown			18%

Source: Program APRs, 2019 and 2022 PIT Counts and 2020 Oakland Census numbers

As Exhibit 41 highlights, African Americans experienced homelessness at disproportionately high rates. Specifically, even though African Americans accounted for 21 percent of Oakland's population in the 2020 Census, they accounted for 70 to 59 percent of the homeless population based on the 2019 and 2022 PIT Counts.

On the other hand, Whites accounted for 30 percent of Oakland's population based on the 2020 Census but accounted for 11 to 20 percent of the homeless population based on the 2019 and 2022 PIT Counts. Similarly, Asian or Asian Americans accounted for 16 percent of Oakland's population based on the 2020 Census, but only accounted for 1 to 5 percent of the homeless population based on the 2019 and 2022 PIT Counts.

Native Hawaiian or Pacific Islanders accounted for 1 percent of Oakland's population based on the 2020 Census and accounted for 1 to 2 percent of the homeless population based on the 2019 and 2022 PIT Counts. American Indian, Alaska Native, and Indigenous accounted for 2

Audit Results

percent of Oakland's population based on the 2020 Census and accounted for 4 percent of the homeless population based on the 2019 and 2022 PIT Counts.

The City declared a priority to reach, serve, and improve outcomes for African Americans experiencing homelessness

In December 2019, Oakland updated its PATH Framework to address the racial disparities in the homeless population. The Introduction to Oakland's updated PATH Framework stated:

In Oakland, the drivers of homelessness fall most squarely on the backs of the African American community who, due to long standing structurally racist practices such as red lining and employment discrimination, are most vulnerable to losing their homes. Over 70 percent of individuals who are homeless in Oakland are African American, while they only represent 24 percent of the City's population. The work must be defined by what works for African Americans first and foremost in order to reduce the racial disparities in homelessness in Oakland. -The framework commits to using data in a transparent and public way to evaluate outcomes such that racial disparities in homelessness are eliminated.

Participation in City homelessness services programs by various racial groups appeared generally in line with racial groups' share of the population experiencing homelessness

We analyzed HMIS data to identify the racial makeup of the participants of all the City's homelessness services programs to determine whether the City served participants of different races proportionately to Oakland's homeless population.

Exhibit 42 below shows the breakdown of program participants by race for fiscal years 2018-19, 2019-20, and 2020-21, compared to the percentages reported in the 2019 and 2022 PIT Counts.

Audit Results

Exhibit 42: The racial make-up of homelessness services program participants vs. the racial make-up of the overall homeless population

Racial Demographic	Homelessness Services Program Participants			PIT Counts	
	2018-19	2019-20	2020-21	2019	2022
Black, African American, or African	71%	68%	69%	70%	59%
White	16%	19%	18%	11%	20%
Asian or Asian American	2%	2%	2%	1%	5%
Multiple Races	6%	5%	5%	4%	11%
Native Hawaiian or Pacific Islander	1%	1%	1%	1%	2%
American Indian, Alaska Native, or Indigenous	3%	2%	3%	13%	4%
Other/Unknown	2%	2%	2%		

Source: Program APRs and 2019 and 2022 PIT Count

As shown in the above exhibit, the racial demographics in the City's homelessness services programs in fiscal years 2018-19, 2019-20, and 2020-21 appears roughly representative of the overall population experiencing homelessness in Oakland. About 70 percent of the City's homelessness services participants were African American across all three fiscal years, which aligns with the fact that African Americans were the majority of people experiencing homelessness in Oakland according to the 2019 and 2022 PIT Counts (70 and 59 percent respectively).

The percentage of the homeless population that was White, Asian, or Multi-racial notably increased between the 2019 and 2022 PIT Counts. However, considering the varying methodologies and error rates, it is unclear if any of these populations are over- or under-represented in the City's homelessness services programs.

To ensure it is proportionately and equitably serving people experiencing homelessness of all races, the City needs to periodically monitor the racial make-up of its homelessness services participants against PIT Count data and citywide population data.

Audit Results

The RV Safe Parking program does not reflect the overall racial make-up of Oaklanders experiencing homelessness

In contrast to the above results, the RV Safe Parking program did not serve participants of all races proportionately to their share of the population experiencing homelessness.

Exhibit 43 below shows the RV Safe Parking program participation by race for fiscal years 2018-19, 2019-20, and 2020-21.

Exhibit 43: RV Safe Parking program participation by race by fiscal year

Racial Demographic	FY 2018-19		FY 2019-20		FY 2020-21	
	#	%	#	%	#	%
Black, African American, or African	6	55%	46	28%	50	29%
White	4	36%	96	59%	99	57%
Other	1	9%	20	12%	25	14%

Source: City Auditor summary based on HMIS data

As Exhibit 43 above shows, the RV Safe Parking program disproportionately served White participants in fiscal years 2019-20 and 2020-21. As stated above, the most recent PIT Count revealed African Americans were the majority of Oakland's homeless population. However, as Exhibit 43 above shows, only 28 and 29 percent of RV Safe Parking's participants were African American in fiscal years 2019-20 and 2020-21. On the other hand, in fiscal years 2019-20 and 2020-21, respectively 59 and 57 percent of the RV Safe Parking program's participants were White, even though they account for approximately 20 percent of Oakland's homeless population according to the 2022 PIT Count.

The RV Safe Parking program serves residents who reside in RVs or other vehicles. There are inherent racial inequities for qualifying for this program because it is the only crisis response program for which participants are required to have such assets.

If a specific program is found to be under-serving a priority population, modifications should be considered. Every program requires scarce City resources. As such, resources need to be allocated in accordance with City priorities and established commitments, which will be addressed in the last section of the audit.

Audit Results

The City needs the ability to break down program outcomes by race

To identify racial disparities, service provider contracts in fiscal year 2020-21 required service providers to break down program outcomes by race when that functionality became available in HMIS. Program outcomes refer to the metrics described in sections 1 and 2 of the report, and include exits to permanent housing, exits to homelessness, exits to positive destinations, exits to streets or unknown destinations, maintaining or increasing incomes, and enrollments in mainstream benefits and health insurance. Breaking out these outcomes by race will assist in determining whether all the City's homeless services are being provided proportionately and equitably.

CHS can currently analyze exits to permanent housing by race. When we reviewed these exit data, we confirmed that exits to permanent housing across all programs by race in fiscal years 2018-19, 2019-20, and 2020-21, appeared generally proportionate to the populations served by the City's homelessness services programs.

Due to the limitations of the County-run HMIS, CHS cannot access other outcome data by race, including exits to positive destinations, exits to streets or unknown destinations, maintaining or increasing incomes, and enrollments in mainstream benefits and health insurance. CHS relied on the County HMIS Lead to develop reports using HMIS data. In 2020, upon the urging of CHS, the County developed reports that presumably could be used to analyze outcomes by race. In 2022, however, the County informed CHS that the reports were not working correctly, and the data were unreliable.

The City cannot evaluate its progress towards meeting the goal of eliminating racial disparities in service delivery until all outcomes can be reliably analyzed by race. The City must continue working with the County HMIS Lead to address technical difficulties, obtain the needed reports, and train staff how to use these reports to evaluate program outcomes by race.

The City should identify other communities' representation within Oakland's homelessness services

In addition to race, there may be other communities warranting analysis. According to the National Alliance to End Homelessness, *"collecting, analyzing and using data to examine disparities and consider whether a proper level of assistance is being provided to over-represented and/or under-served groups may result in a better balance and a more equitable community system."* Consistent with this, the City should use data to identify other groups warranting focused attention and consider specific strategies on how to best serve these groups.

Audit Results

For example, domestic violence survivors are one group that warrants targeted services. The audit compared program participant demographic data against PIT Count demographic data. We found that individuals who identified as domestic violence survivors were served by the City at potentially lower rates than they were observed in the 2019 PIT Count.

According to the averages of fiscal years 2018-19, 2019-20, and 2020-21 HMIS Annual Performance Reports, 3 percent of Oakland clients were actively fleeing domestic violence, and 13 percent had a history of domestic violence. The 2019 PIT Count, however, observed 7 percent of people experiencing homelessness at that time were actively fleeing domestic violence, and 22 percent had histories of domestic violence. This is just one example of a group that may be potentially underrepresented in Oakland's homelessness services.

According to CHS, the County offers specific services to domestic violence survivors. Further, when people first access the coordinated entry system and identify as a domestic violence survivor, they are usually referred to that specific system of care. For safety reasons, those providers do not enter data in HMIS.

Given the challenges specific to identifying domestic violence survivors, and other communities that are particularly vulnerable to and affected by homelessness, the City should develop strategies to identify and quantify these communities within the City's homelessness services programs and to assess whether the City is reaching and serving these communities proportionately and equitably.

Conclusion

Participation in City homelessness services programs by various racial groups appeared generally in line with racial groups' share of population experiencing homelessness in 2018-19, 2019-20, and 2020-21. The exception was the RV Safe Parking program which disproportionately served White participants. To ensure it is proportionately and equitably serving the Oaklanders experiencing homelessness of all races, the City needs to periodically monitor the racial make-up of its homelessness services participants against PIT Count data, HMIS data, and citywide population data. Furthermore, to ensure that successful outcomes are achieved by participants of all races, the City and County must find a way to breakdown HMIS data by race for key program outcomes. This may require the County HMIS Lead to develop reports within HMIS. Lastly, the City needs to use available data to ensure it is adequately serving communities particularly vulnerable to and affected by homelessness.

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Recommendations

To ensure homelessness services achieve established equity goals and reach subpopulations of concern, we recommend the City:

15. Work with the County HMIS Lead to identify and develop standard and custom reports within HMIS that break down data by race. Reports should be reviewed on a regular basis to track progress. This information should be incorporated in regular progress reports to the City Council and the Commission on Homelessness. (The establishment of regular progress reports is included in the last section of the report).
16. Continuously review racial and other demographic data from HMIS, PIT Counts, and the U.S. Census to ensure the City is identifying and serving communities particularly vulnerable to, or impacted by, homelessness.

Section 5

Contracting with Service Providers

Finding: Improvements are needed in the monitoring, oversight, and administration of the City's homelessness services contracts.

Summary

The City primarily contracts out its homelessness services to third-party service providers. Between fiscal years 2018-19 and 2020-21, expenditures for homelessness services contracts increased from \$19.7 million to \$25 million, or 27 percent.

CHS' current approach to contract monitoring is impractical to apply appropriate coverage and address increased risks. Instead, the City should adopt a comprehensive risk-based approach. Additionally, contract monitoring activities were incomplete, inadequately documented, and did not sufficiently address service delivery concerns. Finally, service providers often began work prior to contracts being fully executed.

CHS is responsible for monitoring homelessness services contracts

The City primarily contracts out its homelessness services to third-party service providers. As shown in Section 1, these services include managing crisis response, longer-term housing programs, and various supportive services. Between fiscal years 2018-19 and 2020-21, expenditures for these homelessness services contracts increased from \$19.7 million to \$25 million, or 27 percent.

Given the importance of these services, the increase in spending, and limited staffing and resources, the City must design and implement a strong and effective contract monitoring system to ensure services are delivered as intended. Doing so informs the City on how service providers are delivering services, identifies concerns that need to be addressed, and leads to improvements in service delivery.

To monitor service providers, CHS uses its own staff and a consultant. CHS' monitoring activities include reviewing organizational charts, conflicts of interest, and policies and procedures. CHS also reviews grievance handling procedures, compliance with HMIS requirements, caseload

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management, and file documentation. In some instances, CHS' provides recommendations and corrective action plans, based on the results of its monitoring. These elements are summarized in monitoring files.

Contract monitoring activities were incomplete, inadequately documented, and did not sufficiently address service delivery concerns

Although the primary focus of monitoring includes the items listed above, CHS' monitoring activities also include assessing whether service providers met their contracted performance targets. To determine whether CHS' monitoring activities are addressing performance targets, we sampled six service providers' monitoring files. All six of the files reviewed were incomplete. Five of the files were incomplete because they did not indicate whether the providers met their targets. The remaining file stated that the targets were met but the file did not include evidence to support this conclusion. Despite the incomplete files, the monitoring results sent to providers concluded that all six service providers met performance targets, even without evidence for this assertion.

Additionally, as discussed in the first section of the report, CHS added a new monitoring activity in 2020 to evaluate the effectiveness of permanent housing placements. In our review of six monitoring files, the files did not include any evidence that CHS assessed the effectiveness of housing placements.

In another example, the audit identified inadequate monitoring on an outreach contract. Specifically, an outreach contract required the service provider to distribute at least 1,200 units of supplies, such as rain ponchos and hygiene kits, per month and submit spreadsheets to CHS on a quarterly basis to show it met this output target. Our review of the monitoring files for this contract revealed that the service provider did not meet the target in 5 out of the 12 months and did not provide data for 3 out of the 12 months in fiscal year 2020-21.

CHS could not provide an explanation for why the service provider distributed fewer than the minimum number of supplies for multiple months. Moreover, CHS could not provide us with any actions taken to explain the three months of missing spreadsheets.

These findings, combined with the performance data presented in the first two sections of this report, which showed that contracted performance targets are frequently not met, suggest that CHS needs to improve its monitoring activities. Furthermore, it is unclear how CHS identifies program and service provider deficiencies, and whether a corrective action process exists for potentially under-performing service providers. We recommend CHS improve its identification and documentation of deficiencies and develop corrective action plans.

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Contract monitoring procedures do not effectively identify and consider risks

CHS is not following its own policy that requires a risk-based approach to contract monitoring. A risk-based approach prioritizes service providers to monitor. Instead, CHS reviews every contract using a limited risk assessment tool, however it does not incorporate all relevant risks as described below.

For example, a larger value contract of \$2 million should require more in-depth oversight compared to a smaller contract of \$50,000. Based on our reviews of monitoring documents, we found no indication that CHS considers the value of contracts to inform them on which service providers to monitor. By not taking a thorough risk-based approach to contract monitoring, CHS cannot provide adequate assurance that it is spending its limited monitoring resources on the highest risk providers.

Additionally, CHS needs to consider operational risks. For example, fires and other incidents have been reported at program locations. CHS needs to consider these life-threatening and recurring situations in prioritizing its monitoring efforts. Other factors to consider in a risk-based approach to contract monitoring include, but are not limited to, whether service providers are first-time providers, performance against contracted targets, the quality and timeliness of data entry, changes to processes, and the nature of complaints and grievances filed.

Comprehensive risks assessments should be documented, and appropriate steps should be taken to manage identified risks. If not, services may not be delivered as the City intended.

Contract terms can promote more accountable service delivery

In addition to the need for more improved monitoring procedures, the City has opportunities to promote more accountable service delivery by negotiating the following provisions in its contracts with homelessness services providers:

- Revised and additional performance targets based on the City's determination of which ones are appropriate (as discussed in the first two sections of the report).
- Contract clauses addressing noncompliance including contract termination if performance targets are not met within certain time periods.
- Contract clauses to provide bonuses for exceeding key performance targets.

Such provisions are just a few leading contracting practices that the City has not yet adopted for its homelessness services contracts. As the City engages more in goal-setting and strategic

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planning, as recommended later in Section 6 of this report, it should consider additional contract terms.

Providers started work before contracts were fully approved

Once service providers are selected, contract approval requires extensive coordination among various City departments including Risk Management, Contracts and Compliance, and the City Attorney's Office. This process includes confirming living wage, benefits, insurance coverage, and other City requirements.

Several factors can contribute to the delays in approving contracts including a cumbersome citywide contracting process that involves several parties and many documents, as well as unclear expectations around key issues such as changing insurance requirements that are not proactively communicated. Additionally, because many of the City contracts are funded by HUD, the timeliness of contract approval depends heavily on when the City receives funding from HUD and other funders. If delays occur when the City receives the grant award, the contract approval between City and service providers will be delayed.

To determine whether the contracts were fully approved before the contract start date, we analyzed 18 contracts valued at \$14.5 million. For all 18 contracts, the providers started work before the contract was fully approved by the City. Contracts were delayed due to the factors stated above. On average, these contracts were approved 121 days after the contract start date. In one instance, a contract was approved nearly one year after the service provider began services.

Contracts should be approved before the service provider begins providing services because the contract formalizes and outlines each party's obligations to one another. For example, service providers are not legally required to provide services the City and clients rely upon, prior to contract approval. Additionally, when services are provided prior to contract approval, both the City and its service providers could be subject to increased liability. And because providers cannot be paid until after contracts are approved, providers may face financial hardship for "fronting" services to the City in advance. This is especially the case for smaller service providers.

While acknowledging the activity is inherently burdensome, City staff and service providers both expressed frustration about the City's ever-expanding and increasingly complicated and time-consuming contracting process. These concerns are not limited to homelessness services providers and are reflected by staff and grantees in other departments as well.

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It is also noteworthy that many of the homelessness services contracts have a one-year term. Executing contracts with two-year terms or longer would immediately decrease administrative burdens for service providers and the City.

Conclusion

Contract monitoring is an essential component of managing homelessness services because it informs the City how service providers are delivering services, identifies concerns that need to be addressed, and leads to improvements in service delivery. We recommend the City design and implement improved contract monitoring. The City must ensure service providers are held accountable to meeting or exceeding contract requirements.

Recommendations

To improve monitoring, oversight, and administration of homelessness services contracts, we recommend the City:

17. Design, document, and implement improved monitoring procedures that comprehensively incorporate risks, ensure enforcement of contract deliverables, and ensure corrective action plans are implemented.
18. Consider the advantages and disadvantages of implementing multi-year contracts to minimize the administrative burdens presented by annual contract renewals.
19. Consider how to design contracts to promote accountability for reaching performance targets, including both incentives and consequences based on level of performance.

Section 6

Strategy, Public Reporting, and Oversight

Finding: The City needs to move homelessness services forward by adopting an actionable strategic plan and increasing oversight.

Summary

The City lacks a strategic plan to provide an overall strategy, and inform spending decisions, organizational structure, and homelessness services. The City developed its initial Permanent Access to Housing framework (PATH) in 2006 and made significant updates in 2019, but it is not a strategic plan. Rather, it is a broad framework to align the City's efforts with national best practices. In order to achieve measurable, impactful, and lasting results, the City needs to formally adopt a strategic plan with goals and objectives, corresponding strategies, and annual workplans. The strategic plan needs to ensure meaningful program outcomes are defined for Oakland. To increase public accountability, periodic reporting on elements of this strategic plan should also include reporting on the funding of homelessness services, as well as general updates concerning the City's homelessness response, service delivery, work plans, and performance results. Reporting on the strategic plan should be directed to a public body in a public forum – perhaps the City's Commission on Homelessness. Furthermore, despite increases in dedicated resources for homelessness response, a significant number of vacancies within the CHS endanger the successful delivery of homelessness services, as does the recent departures of key management and department leadership. The City needs to determine appropriate staffing levels, composition, and roles for its homelessness response. A staffing review will be key to the City's ability to achieve a vision, mission, goals, and objectives for its homelessness response.

The City Council has not adopted a homelessness response strategy

In 2006, the City developed the Permanent Access to Housing (PATH) plan as a roadmap for ending homelessness. In 2019, the City updated the PATH to align the City's efforts with best practices and to focus on homelessness within the City. CHS presented a five-year (fiscal years

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2019-20 through 2023-24) update to PATH to City Council, which outlined a vision to make homelessness in Oakland “rare, brief, and one-time.”

The framework identifies specific strategies goals to reduce homelessness in Oakland:

- Fewer people become homeless each year
- More people return to housing as quickly as possible
- Expand, improve, and maintain crisis response beds
- People who have been homeless have the incomes and supports they need to avoid returning to homelessness
- Expand the supply of deeply affordable and supportive housing for Oakland’s most vulnerable residents
- Address impacts of unsheltered homelessness on sheltered and unsheltered neighbors

Notably, the updated PATH Framework is broad, not significantly funded, and not adopted by the City Council. Furthermore, while the PATH identifies goals, strategies, and investments needed to reduce homelessness in Oakland, it does not provide an authoritative or executable plan to effectively implement Oakland’s response to homelessness.

The City needs to develop formal goals, objectives, strategies, and annual workplans to effectively manage Oakland’s homelessness response

The City lacks a formal policy or document binding the City Administration to a specific plan for the City’s short- and long-term responses to homelessness. The scope and scale of the City’s homelessness services depends on funding by HUD and other federal and state agencies as well as funding from the County and City. Without a strategic plan, federal and state funding is defining Oakland’s homelessness response strategy without significant strategic direction by the City. The City’s response is not adequately defined, tracked, or effective as discussed in the earlier sections of this report addressing performance metrics, targets, and data.

The City needs to establish measurable and achievable goals and objectives for its homelessness services. These goals and measurable objectives should formally communicate what the City hopes to achieve with its services. Measurable goals and objectives would also assist the City in determining whether its efforts are succeeding in achieving intended results and whether its activities are having a positive effect on people experiencing homelessness.

The City also needs to establish a strategic plan for achieving its goals and objectives, specifically related to homelessness services. A strategic plan assists a formal program in providing a sense of direction and defining the activities to achieve stated goals and objectives.

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Additionally, the City needs to establish annual workplans. These workplans should identify annual goals and deadlines for the next year to accomplish the overall goals and objectives of the strategic plan. These workplans should include strategies for achieving annual goals and provide transparency around the work to be accomplished. To ensure its efforts are achieving the desired outcomes, the City should also establish formal systems for tracking progress in implementing strategies and annually report out on progress publicly.

The City should present comprehensive financial reports on funding

It is important for the public and policy makers to be able to follow the money. The Government Finance Officer Association (GFOA) is a professional organization representing public finance officials throughout the United States and Canada. According to GFOA, *“Elected officials and others charged with the management of public funds are responsible for ensuring and demonstrating that those funds are managed efficiently and effectively in the public interest.”*

To help Oakland leaders fulfill this duty, the City should report publicly at least annually on its homelessness services funding by funder, program type, and service provider. These financial reports should be both retrospective and prospective. Additional report information and the time periods to be included, such as 3 years or 5 years, should be determined in consultation with the City Council and the City Commission on Homelessness. This transparency will increase the level of public accountability and help identify funding gaps and financial trends. Such financial reporting, as recommended here, would provide the City leadership and the public with additional insight into the City’s homelessness response.

The City should produce a comprehensive report on its homelessness response activities

CHS reports frequently on their activities to the City Council, the City Council’s Life Enrichment Committee, and the Commission on Homelessness upon request. However, it would be more useful to compile, at least annually, a comprehensive account of all the homelessness services it provides including detailed information on the service providers. Such a report, including the funding report mentioned above, would be useful in clearly answering questions such as:

- What homelessness services does the City of Oakland provide to address homelessness?
- How much money is the City of Oakland spending on homelessness services?
- How much money remains for additional homelessness services?
- What has been accomplished from these investments?

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The City Council has publicly shared numerous concerns about homelessness services and has identified areas of concern regarding homelessness in Oakland. There is also significant demand among members of the public to receive updates. A periodic reporting process would provide a dedicated forum for City staff to provide the City Council, the public, and other stakeholders much-needed status updates on the City's homelessness response and allow for timely public and City Council input on a regular basis.

The Commission on Homelessness may be an ideal body to oversee the development of the City's homelessness response strategic plan and on-going monitoring

The nine-member Commission on Homelessness makes recommendations to the City Council for strategies to remedy homelessness. The Commission also reviews and responds annually to the PATH plan, and hears reports on housing, programs, and services for persons experiencing homelessness in the City. The Commission may be an ideal body to oversee the development of the City's homelessness response strategic plan and ongoing monitoring. The City Council should consider expanding the scope and responsibilities of the Commission to include overseeing the development and ongoing monitoring of the strategic plan for the City's homelessness services. To expand the scope of its responsibilities, the Commission will need adequate staff support to facilitate the creation of the City's initial strategic plan. While the initial strategic plan will be time-consuming and require an investment of staff and resources, this process is critical to shaping Oakland's homelessness response and driving quantifiable results for the City's homeless population, the public, and City leadership.

The Community Homelessness Services Division is impacted by vacancies and turnover in key positions and may not be able to sustain the necessary level of homelessness services

Since fiscal year 2018-19, vacancy rates within CHS have been significant, reaching as high as 36 percent in August 2020. Vacancies can indicate that a greater amount of work is being shouldered by fewer employees, and as a result, some important work may not be performed, or employee burnout may be prompting turnover. As of June 2022, CHS was budgeted for 17 full-time equivalent (FTE) positions of which 4 are currently vacant. See Appendix E to view CHS' organizational chart.

The significant number of vacancies within CHS endanger the successful delivery of homelessness services. Additionally, several key CHS management staff and Human Services

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Department leadership have either retired or left to join other organizations, impacting the institutional knowledge of the department.

These staffing challenges and increased workload may have contributed to performance management issues outlined in this audit. This raises concerns whether the department will be able to successfully provide the necessary level of homelessness services and address this audit's findings. Therefore, we recommend the City conduct a staffing analysis to determine appropriate roles and responsibilities to effectively manage homelessness services. The next paragraph of the report addresses the staffing analysis.

The City needs to determine appropriate staffing levels, roles, and the composition of staff for future activities

The City should identify its staffing needs and the right mix of staffing necessary to effectively manage homelessness services. CHS, as previously stated, has experienced significant staffing changes, increased workload due to increased funding, reduced staffing capacity due to vacancies, increased scrutiny from dissatisfied public officials and the public, and a lack of technical staff to extract and analyze critical program data. These issues have various operational and organizational impacts that must be successfully mitigated.

As part of the staffing analysis, the City should inventory CHS' numerous responsibilities, and clearly define and document the various roles, responsibilities, and authority of current staff. In the past, the role and authority of the Homelessness Administrator has been unclear, both publicly and organizationally. As a new Homelessness Administrator begins his tenure, and with the changes in management at CHS and the Human Services Department in general, now is an opportune time to analyze the staffing structure and how to capitalize on both the Homelessness Administrator's staff and CHS' staff. Teams function more effectively and efficiently when members share a common understanding of their respective roles, responsibilities, authority, and the expectations they hold for one another when working together to accomplish their vision, mission, goals, and objectives.

Conclusion

Establishing and adopting better strategy, management, and staffing will be essential to sustaining a successful homelessness response which entails making the necessary strides outlined throughout this report, including:

- identifying, achieving, and tracking participant, service provider, and program outcomes against meaningful performance metrics and targets,

Audit Results

- ensuring timely, accurate, and complete data for homelessness services programs and participants,
- continuing to identify, and act on possible racial disparities in homelessness response and identifying subpopulations requiring focused attention, and
- monitoring and overseeing contracts and the delivery of homelessness services.

The process of making these strides will require an actionable strategic plan, increased oversight, and input from the City Administration, City leadership, the Commission on Homelessness, and the public.

Recommendations

To establish and adopt better strategy, management, and reporting, we recommend the City:

20. Develop written goals and objectives for the City's homelessness services. These goals and objectives should formally communicate what the City aspires to achieve with its homelessness services. Audit findings and recommendations should be considered in the development of these goals and objectives.
21. In coordination with the Commission on Homelessness, develop a strategic plan that includes written strategies for achieving the City's homelessness services goals and objectives, and establish formal systems for assessing the City's progress in implementing these strategies.
22. Develop annual workplans to accomplish the strategic plan by identifying goals and deadlines for the next year and the strategies for achieving them.
23. Report annually on activities, progress, and results of the strategic plan.
24. Consult with the City Council and the Commission on Homelessness to develop comprehensive financial reports on homelessness services funding that include funder, program type, and service provider. We recommend these financial reports be both retrospective and prospective and cover multiple years.
25. Periodically, at least annually, compile and present a comprehensive report on homelessness services including detailed information on the service providers, such as performance metrics and targets. Staff should consult with the City Council and the Commission on Homelessness about the information needed to provide adequate oversight and use their input to develop a standard report format that can be updated annually and modified as needed.

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26. Perform a staffing analysis to assess the City's staffing requirements for homelessness services. The staffing analysis should not only address the number of staff needed to carry out homelessness service activities, but it should also address the appropriate mix and composition of staff needed to effectively manage homelessness services and address the audit findings.
27. Clearly define and document roles, responsibilities, and authority of all staff working on homelessness services, including the Homelessness Administrator's staff.

We recommend the City Council:

28. Designate the Commission on Homelessness as the entity to oversee the development of the initial strategic plan for the City's homelessness services, and its ongoing monitoring.
29. Adopt the Oakland homelessness response strategic plan once completed.

We recommend the Commission on Homelessness:

30. Determine and request the additional resources needed to develop and monitor the strategic plan for homelessness services

Objectives, Scope, and Methodology

Audit Objectives

The audit had the following objectives:

- Quantify the number of people receiving short-term, long-term, and permanent housing and their lengths of stay.
- Evaluate the performance of contracted service providers against intended program outcomes.
- Identify disparities in how the City's short-term, long-term, and permanent housing are provided to various subpopulations.
- Assess the coordination and partnerships between City departments, other governmental agencies, and select service providers.

This report does not address:

- Homelessness prevention efforts
- Contract award process
- Affordable housing development and operations
- Retention rates for permanent housing
- Alameda County programs

Audit Scope

The scope of the audit includes Oakland's homelessness services in fiscal years 2018-19, 2019-20, and 2020-21.

Audit Methodology

We conducted the following steps to support our audit conclusions:

- Interviewed City staff and management from the Departments of Human Services, Race and Equity, and Human Resources, and the Offices of the City Administrator and City Attorney.
- Interviewed staff and management from Alameda County, EveryOne Home, various service providers, advocacy groups, Oakland Unified School District, and other municipalities performing homelessness services.
- Performed walkthroughs and observations of selected programs.

Objectives, Scope, and Methodology

- Reviewed the City’s PATH plan and Local Action Plan to address homelessness, relevant policies and procedures, and Human Services’ organizational chart.
- Reviewed EveryOne Home’s strategic plan, report on Centering Racial Equity, and Point-In-Time Counts for 2019 and 2022.
- Reviewed homelessness services contracts for fiscal year 2021.
- Obtained and analyzed HMIS’ Annual Performance Reports by program type for fiscal years 2018-19 through 2020-21, aggregated data, and calculated program outcomes. See Appendix D for details about the calculation of program outcomes.
- Tested 18 contracts to determine whether contracts were executed timely.
- Obtained and analyzed Human Services’ expenditure reports for homelessness services for fiscal years 2018-19 through 2020-21.
- Reviewed one year of outreach data to determine if targets for delivery of harm reduction kits were met.
- Performed a racial equity analysis to determine whether homelessness services were provided equitably.
- Reviewed results of the Community Services Division’s monitoring of service providers.

Statement of Compliance

Statement of Compliance with Government Auditing Standards

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix A

Appendix A: Types of funding that the City of Oakland receives to support its programs

Type of Funding	Funding Source	Description
City of Oakland Funding	General Purpose Fund	The General Purpose Fund monies can be spent at the discretion of the City Council. Most City departments receive General Purpose Fund support
	Sugar Sweetened Beverage Tax	This tax funds programs that prevent or reduce the health consequences of consuming sugar-sweetened beverages at the discretion of City Council
	Measure Q	This measure, approved by the voters in 2020, provides funding parks and recreation, litter reduction, and homeless services
Alameda County	Alameda County Social Services Agency (SSA)	The County of Alameda Social Services Agency (SSA) provides basic safety net services to at risk children, families, and adults.
	Other	The City has also received funding from Alameda County to support programs like the winter shelter, and CORE housing resource centers (for the coordinated entry system).
State of California	Homeless Emergency Aid Program (HEAP)	HEAP was established to provide direct assistance to California's homeless Continuums of Care (CoCs) and large cities to address the homelessness crisis throughout the state. The City of Oakland received \$8.6 million directly from the state in HEAP money, and \$3.1 million from Alameda County in State HEAP money.
	Homeless Housing, Assistance and Prevention (HHAP) Grant Program	HHAP Round 1 was a \$650 million grant from the State of California that provides local jurisdictions with funds to support regional

Appendix A

Type of Funding	Funding Source	Description
		coordination and expand or develop local capacity to address their immediate homelessness challenges. The City of Oakland was granted \$19.7 million from HHAP round 1.
Federal Government	Community Development Block Grant (CDBG)	The City receives CDBG funding, which is distributed to non-profit organizations for housing and community development in low- and moderate-income areas.
	Emergency Solutions Grant (ESG)	Emergency Solutions Grants assist people to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness.
	Housing Opportunities for People with AIDS (HOPWA)	Under the HOPWA Program, HUD makes grants to local communities, States, and nonprofit organizations for projects that benefit low-income persons living with HIV/AIDS and their families.
	COVID funds	<p>The CARES Act appropriated \$4 billion through the Emergency Solutions Grants (ESG) Program “to prevent, prepare for, and respond to coronavirus, among individuals and families who are homeless or receiving homeless assistance and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts created by coronavirus under the Emergency Solutions Grants program (42 U.S.C. 11371).”</p> <p>The City has received FEMA reimbursement for operating the Lake Merritt Lodge, a non-congregate shelter for people</p>

Appendix A

Type of Funding	Funding Source	Description
		experiencing homelessness who are at a high risk of complications from COVID-19.
	Oakland Housing Authority (OHA)	OHA administers the Department of Housing and Urban Development's Section 8 program in Oakland. They also own and oversee the management of hundreds of units of legacy public housing and continue to develop new affordable housing. The City of Oakland partners with the OHA for its Oakland Path Re-Housing Initiative (OPRI) and Local Housing Assistance Program (LHAP).
Private Grants	Kaiser Foundation	In 2019 Kaiser Permanente contributed \$3 million to the City of Oakland to help fund operations at a single adult Transitional Housing center.
Social Services Grants	Bay Area Rapid Transit (BART), City of Emeryville, City of Berkeley, Employee Donations for Hunger Program	Other local jurisdictions contribute to some programs that are administered by the City of Oakland. For example, the City of Berkeley and the City of Emeryville contribute to the operation of Family Front Door (a family shelter provider).

Appendix B

Appendix B: Contracted Service Providers and Services Offered in fiscal years 2018-19, 2019-20, and 2020-21

Service Provider	Services Offered
Abode Services	Family Rapid Re-Housing Permanent Housing Services Single Adult OPRI
Bay Area Community Services	Coordinated Entry and Housing Navigation for Singles (FY 19 and FY 20) Single Adult Rapid Re-Housing Single Adult Transitional Housing
Building Futures with Women and Children	Coordinated Entry and Housing Navigation for Families (FY 19 and FY 20) Family Rapid Re-Housing
Building Opportunities for Self Sufficiency	Workforce programs
Covenant House	Transitional Aged Youth Transitional Housing
Downtown Streets Team	Workforce programs
East Oakland Community Project	Coordinated Entry and Housing Navigation for Singles (FY 19 and FY 20) Family Rapid Re-Housing Family Shelter Family Transitional Housing Single Adult Emergency Shelter Transitional Aged Youth Rapid Re-Housing Transitional Aged Youth Transitional Housing
Family Bridges	Community Cabin
First Place for Youth	Transitional Aged Youth Transitional Housing
Homeless Action Center	Legal services for Crossroads Emergency Shelter
Housing Consortium of the East Bay	Community Cabin COVID Response RV Safe Parking
Lifelong Medical Care	Coordinated Entry and Housing Navigation for Singles (FY 19 and FY 20) Permanent Housing Services

Appendix B

Service Provider	Services Offered
Operation Dignity	Community Cabin RV Safe Parking Street Outreach
Roots Community Health Center	Community Cabin Street Outreach
St. Mary's Center	Single Adult Emergency Shelter Single Adult Rapid Re-Housing
St. Vincent de Paul	Single Adult Emergency Shelter
Youth Spirit Artworks	Transition Aged Youth Transitional Housing (FY 21 only)

Appendix C: Descriptions of exit destinations

Exit Destination	Description
Permanent Destination	<ul style="list-style-type: none"> Moved from one HOPWA funded project to HOPWA PH Owned by client, no ongoing housing subsidy Owned by client, with ongoing housing subsidy Rental by client, no ongoing housing subsidy Rental by client, with VASH housing subsidy Rental by client, with GPD TIP housing subsidy Rental by client, with other ongoing housing subsidy Permanent housing (other than RRH) for formerly homeless persons Staying or living with family, permanent tenure Staying or living with friends, permanent tenure Rental by client, with RRH or equivalent subsidy Rental by client, with HCV voucher (tenant or project based) Rental by client in a public housing unit
Temporary Destination	<ul style="list-style-type: none"> Emergency shelter, including hotel or motel paid for with emergency shelter voucher, or RHY-funded Host Home shelter Moved from one HOPWA funded project to HOPWA TH Transitional housing for homeless persons (including homeless youth) Staying or living with family, temporary tenure (e.g., room, apartment, or house) Staying or living with friends, temporary tenure (e.g., room, apartment, or house) Place not meant for habitation (e.g., a vehicle, an abandoned building, bus/train/subway station/airport or anywhere outside) Safe Haven Hotel or motel paid for without emergency shelter voucher Host Home (non-crisis)

Appendix C

Exit Destination	Description
Institutional Destination	<ul style="list-style-type: none">• Foster care home or group foster care home• Psychiatric hospital or other psychiatric facility• Substance abuse treatment facility or detox center• Hospital or other residential non-psychiatric medical facility• Jail, prison, or juvenile detention facility• Long-term care facility or nursing home
Other Destination	<ul style="list-style-type: none">• Residential project or halfway house with no homeless criteria• Deceased• Other• Client Doesn't Know/Client Refused• Data Not Collected (no exit interview completed)

Source: HUD and Program APRs

Appendix D

Appendix D: Performance Metric Components and Calculations

PERCENTAGE PERMANENTLY HOUSED			
Field #	Question in APR	Field in APR	Calculation
Field 1	Q23c	Percentage - Permanent Destinations	All Permanent Exits ÷ (Total Exits - Total persons whose destinations excluded them from the calculation)
PERCENTAGE EXITED TO HOMELESSNESS			
Field #	Question in APR	Field in APR	Calculation
Field 1	Q23c	Temporary - Emergency shelter, including hotel or motel paid for with emergency shelter voucher, or RHY-funded Host Home shelter	Sum (Field 1: Field 3) ÷ (Field 4 – Field 5)
Field 2	Q23c	Temporary - Transitional housing for homeless persons (including homeless youth)	
Field 3	Q23c	Temporary - Place not meant for habitation (e.g., a vehicle, an abandoned building, bus/train/subway station/airport or anywhere outside)	
Field 4	Q5a	Number of leavers	
Field 5	Q23c	Total persons whose destinations excluded them from the calculation	
PERCENTAGE POSITIVE EXITS			
Field #	Question in APR	Field in APR	Calculation
Field 1	Q23c	All Permanent destinations	Sum (Field 1: Field 12) ÷ Field 13
Field 2	Q23c	Emergency shelter, including hotel or motel paid for with emergency shelter voucher, or RHY-funded Host Home shelter	
Field 3	Q23c	Moved from one HOPWA funded project to HOPWA TH	
Field 4	Q23c	Transitional housing for homeless persons (including homeless youth)	

Appendix D

Field 5	Q23c	Staying or living with family, temporary tenure (e.g., room, apartment, or house)	
Field 6	Q23c	Staying or living with friends, temporary tenure (e.g., room, apartment, or house)	
Field 7	Q23c	Hotel or motel paid for without emergency shelter voucher	
Field 8	Q23c	Host Home (non-crisis)	
Field 9	Q23c	Foster care home or group foster care home	
Field 10	Q23c	Substance abuse treatment facility or detox center	
Field 11	Q23c	Long-term care facility or nursing home	
Field 12	Q23c	Residential project or halfway house with no homeless criteria	
Field 13	Q23c	Total Exits	
PERCENTAGE EXITS TO STREETS OR UNKNOWN DESTINATION			
Field #	Question in APR	Field in APR	Calculation
Field 1	Q23c	Temporary - Place not meant for habitation (e.g., a vehicle, an abandoned building, bus/train/subway station/airport or anywhere outside)	Sum (Field 1: Field 3) ÷ Field 4
Field 2	Q23c	Other - Client Doesn't Know/Client Refused	
Field 3	Q23c	Other - Data Not Collected (no exit interview completed)	
Field 4	Q5a	Number of leavers	
PERCENTAGE PROGRAM PARTICIPANTS INCREASING OR MAINTAINING INCOME			
Field #	Question in APR	Field in APR	Calculation
Field 1	Q19a1	Number of Adults with Any Income (i.e., Total Income) - Retained Income Category and Same \$ at Annual Assessment as at Start	Sum (Field 1: Field 6) ÷ (Field 7 - Field 8)

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Field 2	Q19a1	Number of Adults with Any Income (i.e., Total Income) - Retained Income Category and Increased \$ at Annual Assessment	
Field 3	Q19a1	Number of Adults with Any Income (i.e., Total Income) - Did Not Have the Income Category at Start and Gained the Income Category at Annual Assessment	
Field 4	Q19a2	Number of Adults with Any Income (i.e., Total Income) - Retained Income Category and Same \$ at Exit as at Start	
Field 5	Q19a2	Number of Adults with Any Income (i.e., Total Income) - Retained Income Category and Increased \$ at Exit	
Field 6	Q19a2	Number of Adults with Any Income (i.e., Total Income) - Did Not Have the Income Category at Start and Gained the Income Category at Exit	
Field 7	Q5a	Number of adults (age 18 or over)	
Field 8	Q16	Number of adult stayers not yet required to have an annual assessment	
PERCENTAGE PROGRAM PARTICIPANTS INCREASING INCOME			
Field #	Question in APR	Field in APR	Calculation
Field 1	Q19a1	Number of Adults with Any Income (i.e., Total Income) - Retained Income Category and Increased \$ at Annual Assessment	Sum (Field 1: Field 4) ÷ (Field 5 - Field 6)
Field 2	Q19a1	Number of Adults with Any Income (i.e., Total Income) - Did Not Have the Income Category at Start and Gained the Income Category at Annual Assessment	
Field 3	Q19a2	Number of Adults with Any Income (i.e., Total Income) - Retained Income Category and Increased \$ at Exit	
Field 4	Q19a2	Number of Adults with Any Income (i.e., Total Income) - Did Not Have the	

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		Income Category at Start and Gained the Income Category at Exit	
Field 5	Q5a	Number of adults (age 18 or over)	
Field 6	Q16	Number of adult stayers not yet required to have an annual assessment	
PERCENTAGE PROGRAM PARTICIPANTS ENROLLED IN MAINSTREAM BENEFITS			
Field #	Question in APR	Field in APR	Calculation
Field 1	Q20b	1 + Source(s) - Benefit at Latest Annual Assessment for Stayers	(Field 1 + Field 2) ÷ (Field 3 - Field 4)
Field 2	Q20b	1 + Source(s) - Benefit at Exit for Leavers	
Field 3	Q5a	Number of adults (age 18 or over)	
Field 4	Q16	Number of adult stayers not yet required to have an annual assessment	
PERCENTAGE PROGRAM PARTICIPANTS ENROLLED IN HEALTH INSURANCE BENEFITS			
Field #	Question in APR	Field in APR	Calculation
Field 1	Q21	1 Source of Health Insurance - At Annual Assessment for Stayers	Sum (Field 1: Field 4) ÷ (Field 5 - Field 6)
Field 2	Q21	More than 1 Source of Health Insurance - At Annual Assessment for Stayers	
Field 3	Q21	1 Source of Health Insurance - At Exit for Leavers	
Field 4	Q21	More than 1 Source of Health Insurance - At Exit for Leavers	
Field 5	Q5a	Number of adults (age 18 or over)	
Field 6	Q21	Number of Stayers not yet Required To Have an Annual Assessment	

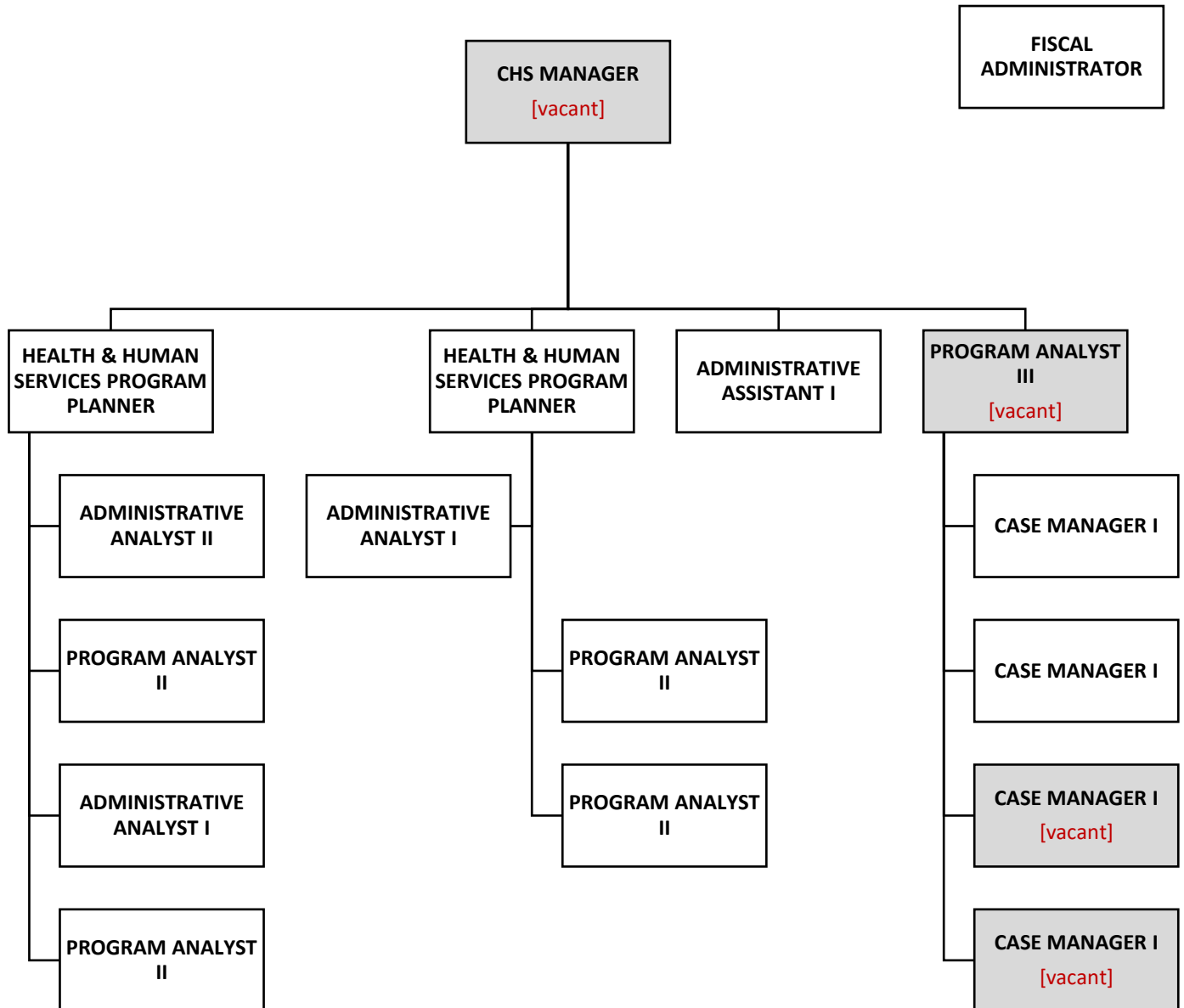
Appendix D

PERCENTAGE PROGRAM PARTICIPANTS REMAINING HOUSED ONE YEAR OR LONGER			
Field #	Question in APR	Field in APR	Calculation
Field 1	Q22a1	366 to 730 days (1-2 Yrs) - Leavers	$\frac{\text{Sum (Field 1: Field 10)}}{[\text{Field 11} - \text{Sum (Field 12: Field 16)}]}$
Field 2	Q22a1	731 to 1,095 days (2-3 Yrs) - Leavers	
Field 3	Q22a1	1,096 to 1,460 days (3-4 Yrs) - Leavers	
Field 4	Q22a1	1,461 to 1,825 days (4-5 Yrs) - Leavers	
Field 5	Q22a1	More than 1,825 days (> 5 Yrs) - Leavers	
Field 6	Q22a1	366 to 730 days (1-2 Yrs) - Stayers	
Field 7	Q22a1	731 to 1,095 days (2-3 Yrs) - Stayers	
Field 8	Q22a1	1,096 to 1,460 days (3-4 Yrs) - Stayers	
Field 9	Q22a1	1,461 to 1,825 days (4-5 Yrs) - Stayers	
Field 10	Q22a1	More than 1,825 days (> 5 Yrs) - Stayers	
Field 11	Q5a	Total number of persons served	
Field 12	Q22a1	30 days or less - Stayers	
Field 13	Q22a1	31 to 60 days - Stayers	
Field 14	Q22a1	61 to 90 days - Stayers	
Field 15	Q22a1	91 to 180 days - Stayers	
Field 16	Q22a1	181 to 365 days - Stayers	

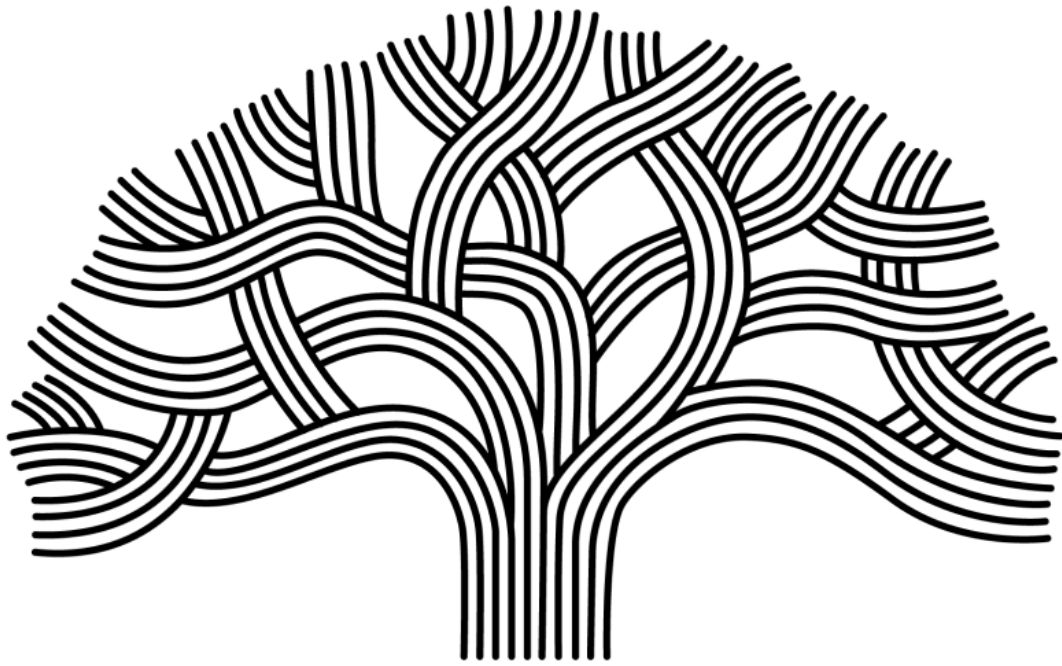
Source: CHS' Outcome Methodology and EveryOne Home Scorecard methodology

Appendix E

Appendix E: Organization Chart for Community Homeless Services Division as of June 2022



Source: CHS (adapted by the Auditor).



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CITY OF OAKLAND



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September 9, 2022

**Courtney Ruby
City Auditor
City of Oakland
1 Frank H. Ogawa Pl, Floor 4
Oakland CA 94612**

Re: Homelessness Services Performance Audit

Dear Auditor Ruby:

The City Administrator's Office appreciates the performance audit of the City of Oakland's homeless services as it relates to delivering crisis response, longer-term housing, and other supportive services, which since March 2020 has been greatly impacted by the COVID-19 pandemic as documented in the report.

The information provided in the audit will be used to inform the department's continuous improvement process as it relates to strategic planning, delivery of services (including addressing disparities by race), program management, and data collection/reporting on Oakland's unhoused population.

Attached, please find the Administration's audit recommendation responses.

I want to thank you and your staff for the open communication and continuous dialogue throughout the audit process.

Sincerely,

A handwritten signature in black ink, appearing to read 'E. Reiskin', written over a light blue horizontal line.

**Edward D. Reiskin
City Administrator**

cc: Mayor Libby Schaaf

Finding	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
1	Work with the County HMIS Lead or otherwise identify a way to access data on "returns to homelessness," by program type and service provider, in order to identify how many participants who exited to permanent housing, return to homelessness 6, 12, or 24 months later.	<ul style="list-style-type: none"> Continue to engage with Alameda County (AC) HMIS Manager and team through regularly scheduled meetings. The Human Services Department (HSD) data team consist of the Community Homelessness Services (CHS) Manager, HSD Planner, a data intern (temp) and a data consultant. Currently, HSD staff are actively working with the AC HMIS team and a HUD technical assistance appointed contractor, APT Associates to help develop Oakland specific data reports. Staff is also working with ICF (@icf.com) and Bitfocus to assess the inclusion/exclusion parameters in producing System Performance Measure (SPM) reports by program type and service provider. 	HSD	FY 22/23

Finding	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
2	Adopt adopting exits to positive destinations and exits to streets or unknown destinations as metrics for Emergency Shelters, and set performance targets.	<ul style="list-style-type: none"> Staff instituted these performance outcomes and targets in its FY 22/23 grant agreements/contracts. 	HSD	FY 22/23
3	Continuously review existing performance metrics and corresponding performance targets across all program types, and consider adjusting and developing new ones as needed.	<ul style="list-style-type: none"> Staff (CHS Management, program staff, and the data team) have increased the frequency of reviewing all program data to quarterly. Staff will review performance targets and make adjustments where needed, keeping in alignment with larger mandated Continuum of Care (CoC) and HUD targets and with the City of Oakland strategies to address homelessness. 	HSD/CAO	FY 22/23
4	Ensure that requirements within service provider contracts reflect adopted performance metrics and targets and ensure such requirements are consistent across different service provider contracts within the same program type.	<ul style="list-style-type: none"> Staff instituted consistent performance metrics and targets across all program types in its current executed contracts, and per the directive of City Council. 	HSD/CAO	FY 22/23

Finding	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
5	Collect and analyze HMIS data on lengths of stay at crisis response and longer-term housing programs to identify why and when participants exit, and identify trends across different program types and service providers, and use this information to inform programmatic decisions that may help the City promote better program performance and improve participants' outcomes.	<ul style="list-style-type: none"> Staff will hire a full-time data consultant to perform detail HMIS and data analysis to help enhance program performance and improve overall outcomes and success for participants. This data analysis will also be included in the strategic planning process. 	HSD/CAO	FY 23/24
6	Evaluate the maintaining/increasing income metric and enrollments in mainstream and health insurance benefits metrics by program type and service provider to identify successes and failures related to participant enrollment. This information should then be used to implement improvements in enrolling participants in benefits programs and to hold service providers accountable.	<ul style="list-style-type: none"> Staff, Alameda County, and the City of Berkeley, as part of the CoC have evaluated this outcome and has concluded it is not useful. As a result, the mainstream benefit outcome has been removed from the City of Oakland contracts. However, a cross-jurisdictional collaboration is currently evaluating the income outcome. This group continues to explore the best ways to review and utilize income data as a measure of improving housing outcomes for participants. 	HSD	FY 23/24

Finding	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
7	Review participants' income data across programs to reveal the range of incomes and use this information to inform the development and adaptation of City programs to provide deeply affordable housing.	<ul style="list-style-type: none"> • See number 6 	HSD	FY 23/24

Finding	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
8	Clarify what the RV Safe Parking program is intended to accomplish in terms of outcomes for its participants. Once these outcomes are determined, decide what metrics are important and set realistic targets for those metrics.	<ul style="list-style-type: none"> • Staff began updating the outcomes for the RV program at the conclusion of FY 21/22. The development, analysis, and review of the metrics for the RVSP sites are ongoing. • Currently, RVSP sites are meant to be temporary, however, participants often view their RV as their permanent resident. As a result, the launch of the 66th Avenue project will expand the program model to address the need for a short-term and long-term housing solution. The Wood Street RVSP has added a pilot work component to evaluate how this support can help transition participants into permanent long-term housing faster. 	HSD	FY 23/24

Finding	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
9	Add a dedicated staff member with requisite analytical and technical skills to consistently track and monitor HMIS data, analyze data, and present results for management to review and adjust operations and strategies, as needed. Such a staff member could facilitate better use of and training on HMIS.	<ul style="list-style-type: none"> Funding for this position (or consultant) was included in the for FY 22-23 budget Staff will draft job description for this position – looking to hire two positions. Potentially one on HSD and one in CAO with cross-training HR to recruit 	HSD/CAO/HR	FY 23/24
10	Work with the County HMIS Lead to identify and develop standard and custom reports within HMIS, including reports for real-time bed utilization and returns to homelessness at 6 months, 12 months, or 24 months after exiting to permanent housing.	<ul style="list-style-type: none"> See number 1 and 6 	HSD	FY 23/24

Finding	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
11	Secure training on HMIS data entry and how to produce various reports, including customized reports. If necessary, an outside contractor should be considered if the County HMIS Lead cannot provide adequate or timely training.	<ul style="list-style-type: none"> • Staff (CHS Interim Manager and HSD Planner) who are allotted a Looker license have been trained on how to produce and run reports. All CHS staff have access and are currently trained to run the APR and Demographic reports. • HSD will provide for regular refresher HMIS training to all staff and grantees as part of its ongoing professional development. • It is worth noting that the County is working to improve its data validation issue. The HSD data team continues to work with APT Associates and is scheduled to meet with the newly hired AC HMIS Manager to address the issue. 	HSD	FY 22/23

Finding	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
12	Adopt and negotiate with service providers, a performance metric and benchmark for timely input of client data into HMIS, preferably in alignment with the CoC's three-day target. Once implemented and negotiated into contracts, the City should continuously track and monitor performance. Additionally, the City should assist service providers in remediating any data concerns quickly.	<ul style="list-style-type: none"> Staff are planning to add timely data entry (72 hours within receipt of information) to contracted scopes of work for FY 23-24 in support of efforts to improve the quality of client data entered. 	HSD	FY 23/24
13	Advocate for the County to improve its HMIS data and reporting capabilities, including disaggregating program outcomes by race.	<ul style="list-style-type: none"> See number 1 The addition of an HSD data staff person/consultant will be the primary liaison with the County HMIS team to obtain needed data. HSD and the CAO office continues to advocate on the behalf of the City of Oakland through the EveryOne Home Leadership Board and Continuum of Care oversight committee. 	HSD/CAO	FY 22/23

Finding	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
14	Implement the use of the dashboards to promote access, transparency, and public accountability. The dashboard at a minimum should include bed utilization and returns to homelessness data, as well as the metrics listed in sections 1 and 2 (i.e., exits to permanent housing, homelessness, positive destinations, streets or unknown destinations, maintaining or increasing incomes, and enrollments in mainstream benefits and health insurance).	<ul style="list-style-type: none"> • See number 1 • Staff, in partnership with the data consultant, are working on reimplementing the public facing dashboard. • Staff will hire a HMIS data position who will be responsible for maintaining the dashboard. The staff person will be primary liaison to interface with the County HMIS system and team to obtain and validate data. 	HSD	Summer 2023 (Implementation dependent on data validation)
15	Work with the County HMIS Lead to identify and develop standard and custom reports within HMIS that break down data by race. Reports should be reviewed on a regular basis to track progress. This information should be incorporated in regular progress reports to the City Council and the Commission on Homelessness. (The establishment of regular progress reports is included in the last section of the report).	<ul style="list-style-type: none"> • See number 1 and 13 • Staff is working to ensure quarterly SPM and progress reports include a breakdown of race by service type to ensure that racial disparities in homelessness are addressed and included in reports to council and the Commission on Homelessness. 	HSD/CAO	FY 22/23

Finding	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
16	Continuously review racial and other demographic data from HMIS, PIT Counts, and the U.S. Census to ensure the City is identifying and serving communities particularly vulnerable to, or impacted by homelessness.	<ul style="list-style-type: none"> Staff will continue to review demographic reports on the programmatic level as well as PIT count data which includes a comparison to Census data. Staff also looks at Oakland data in comparison to County-wide data. The original public facing dashboard on the city of Oakland's website, that was removed due to data validation errors reported by the county HMIS team, included a comparison between these three data sources. 	HSD	FY 22/23
17	Design, document, and implement improved monitoring procedures that comprehensively incorporate risks, ensure enforcement of contract deliverables, and ensure corrective action plans are implemented.	<ul style="list-style-type: none"> Staff will review and update its current contract monitoring processes and bring on a consultant to evaluate the current system to make recommendations for continuous improvements and to minimize risk. 	HSD/CAO	FY 22/23 -FY 23/24

Finding	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
18	Consider the advantages and disadvantages of implementing multi-year contracts to minimize the administrative burdens presented by annual contract renewals.	<ul style="list-style-type: none"> Staff has previously recommended utilizing multi-year contracts. Staff is optimistic that this audit recommendation will lead to a re-evaluation of HSD's ability to enter multi-year contracts to increase the capacity of City staff and minimize the administrative burden on providers. 	HSD/CAO/OCA/City Council	FY 23/24
19	Consider how to design contracts to promote accountability for reaching performance targets, including both incentives and consequences based on level of performance.	<ul style="list-style-type: none"> Staff will work with the Department of Workplace and Employment Services, Finance, and the City Attorney's Office to evaluate the feasibility of this recommendation. Staff will research other jurisdictions that use incentives/consequences in homeless services contracting 	HSD/CAOOCA/DWES/Finance Dept	FY 23/24

Finding	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
20	Develop written goals and objectives for the City's homelessness services. These goals and objectives should formally communicate what the City aspires to achieve with its homelessness services. Audit findings and recommendations should be considered in the development of these goals and objectives.	<ul style="list-style-type: none"> The CAO, in conjunction with HSD staff, is planning to begin an assessment of the City's Homeless services and department as authorized in the city's FY 22/23 budget. HSD is currently recruiting for a new CHS Manager who will be charged with working to develop a strategic plan, with consideration given to the existing PATH framework and the cross-jurisdictional city council endorsed Home Together 2026 plan. 	HSD/CAO	FY 23/24
21	In coordination with the Commission on Homelessness, develop a strategic plan that includes written strategies for achieving the City's homelessness services goals and objectives, and establish formal systems for assessing the City's progress in implementing these strategies.	<ul style="list-style-type: none"> Staff is open to partnering with the Commission on Homelessness to develop a comprehensive homeless focused strategic plan, informed by the existing PATH framework, that includes addressing the availability of affordable housing for Oakland's very low-income populations. 	HSD/CAO/HCD	FY 23/24

Finding	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
22	Develop annual workplans to accomplish the strategic plan by identifying goals and deadlines for the next year and the strategies for achieving them.	<ul style="list-style-type: none"> Currently, FY 22-23 workplan is included in the FY 22-23 grant based Local Action Plan approved by council (6/30/22). Upon completion of a comprehensive PATH-informed strategic plan, staff will update the annual plan each spring for the following fiscal year. 	HSD/CAO	FY 23/24
23	Report annually on activities, progress, and results of the strategic plan.	<ul style="list-style-type: none"> Staff will continue to report annually on activities, progress, and results of funded programs and services and upon completion of the strategic plan, incorporate revised goals, strategies, and program outcomes/metrics. 	HSD/CAO	Annually

Finding	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
24	Consult with the City Council and the Commission on Homelessness to develop comprehensive financial reports on homelessness services funding that include funder, program type, and service provider. We recommend these financial reports be both retrospective and prospective, and cover multiple years.	<ul style="list-style-type: none"> There is a process implemented this FY 22/23 to clearly identify all funds spent toward homeless efforts. Staff will work with the Finance Department to create semi-annual comprehensive reports that capture the department's spending on homeless services. 	HSD/CAO/Finance Dept	FY 22/23
25	Periodically, at least annually, compile and present a comprehensive report on homelessness services including detailed information on the service providers, such as performance metrics and targets. Staff should consult with the City Council and the Commission on Homelessness about the information needed to provide adequate oversight and use their input to develop a standard report format that can be updated annually and modified as needed.	<ul style="list-style-type: none"> See questions 21 – 23 	HSD/CAO	Annually

Finding	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
26	Perform a staffing analysis to assess the City's staffing requirements for homelessness services. The staffing analysis should not only address the number of staff needed to carry out homelessness service activities, but it should also address the appropriate mix and composition of staff needed to effectively manage homelessness services and address the audit findings.	<ul style="list-style-type: none"> Staff will include a staffing analysis as part of the schedule City Council approved assessment. 	CAO/HSD	FY 22/23
27	Clearly define and document roles, responsibilities, and authority of all staff working on homelessness services, including the Homelessness Administrator's staff.	<ul style="list-style-type: none"> See above. 	CAO/HSD	FY 22/23
28	<p>We recommend the City Council:</p> <p>Designate the Commission on Homelessness as the entity to oversee the development of the initial strategic plan for the City's homelessness services, and its ongoing monitoring.</p>	<ul style="list-style-type: none"> Staff recommends the Commission on Homelessness <i>collaborates</i> with HSD, HCD and the CAO on the development of a comprehensive strategic planning process to address Oakland's unhoused population, informed by the PATH framework and other existing planning work. 	City Council/CAO/HSD/HCD	FY 22/23

Finding	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date to Complete
29	<p>We recommend the City Council:</p> <p>Adopt the Oakland homelessness response strategic plan once completed.</p>	<ul style="list-style-type: none"> Staff concurs with the recommendation once the comprehensive strategic plan is completed. 	City Council/HSD/CAO	FY 23/24
30	<p>We recommend the Commission on Homelessness:</p> <p>Determine and request the additional resources needed to develop and monitor the strategic plan for homelessness services.</p>	<ul style="list-style-type: none"> Staff recommends the Commission on Homelessness <i>collaborates</i> with HSD, HCD and the CAO on the development of a comprehensive strategic planning process, informed by existing work, to address Oakland's unhoused population. Planning efforts are led by city staff and staff concurs with the recommendation for the plan to be approved by the commission and City Council. 	CAO/HSD/HCD	FY 23/24



Photo: Greg Linhares, City of Oakland

BUDGET TRANSPARENCY, PERFORMANCE MANAGEMENT, AND STRONGER OVERSIGHT NEEDED TO ENSURE OAKLANDERS BENEFIT FROM THE 2020 PARKS AND RECREATION PRESERVATION, LITTER REDUCTION, AND HOMELESSNESS SUPPORT ACT

Acting City Auditor

Michael C. Houston, MPP, CIA

Audit Team

Senior Performance Auditor, Daniel Williams, CIA

Performance Audit Manager, Stephanie Noble

December 21, 2023

Oakland's City Auditor is an elected official that works for, and reports to, the residents of Oakland. The Auditor's job is to provide oversight to the City's activities. The Auditor has the authority to access and audit City financial and administrative records, plus the policies and procedures of all City agencies and departments.

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December 21, 2023

RESIDENTS OF OAKLAND
HONORABLE MAYOR
HONORABLE CITY COUNCIL
HONORABLE CITY ATTORNEY
THE COMMISSION ON HOMELESSNESS
THE PARKS AND RECREATION ADVISORY COMMISSION
CITY ADMINISTRATOR

RE: Performance Audit Of Measure Q: Budget Transparency, Performance Management, and Stronger Oversight Needed To Ensure Oaklanders Benefit From The 2020 Parks and Recreation Preservation, Litter Reduction, and Homelessness Support Act

Dear Residents of Oakland, Mayor Thao, Council President Bas, Honorable Councilmembers, City Attorney Parker, Commissioners, and City Administrator Johnson,

Our Office completed a performance audit of the 2020 Oakland Parks and Recreation Preservation, Litter Reduction, & Homelessness Support Act, which Oakland voters passed as Measure Q (the Act) in March 2020. We conducted the audit in accordance with the Act, which mandates an audit by the City Auditor every two years.

The audit's objectives were to:

- determine whether the City spent Measure Q revenue in accordance with the Act,
- determine whether the City appropriated Measure Q revenue in accordance with the Act,
- determine whether Measure Q has improved park conditions, and
- assess the oversight of Measure Q activities and expenditures.

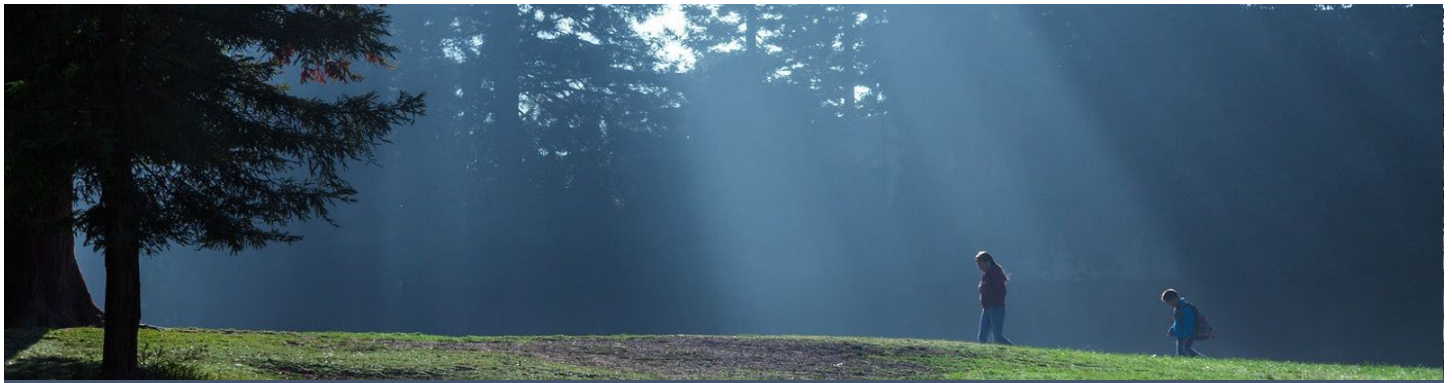
The audit report outlines 16 recommendations to improve budgeting for Measure Q funds, create outcomes-based performance measures for park conditions and homelessness services around parks, and strengthen oversight of Measure Q-funded programs. We presented the audit's findings, conclusions, and recommendations to the City Administration, including staff from the Finance Department, the Department of Human Services, and the Department of Public Works on November 21 and November 28, issued a final draft on December 4, and requested a written response by December 18. They indicated they agreed with all recommendations in the report and their written response is forthcoming.

We appreciate the City Administrator's Office, and the Finance, Public Works, and Human Services departments for their cooperation during this audit, and their commitment to address the audit's recommendations.

Sincerely,

A handwritten signature in black ink, appearing to read "MCHouston", with a stylized, cursive script.

Michael C. Houston, MPP, CIA
Acting City Auditor



REPORT HIGHLIGHTS

Budget Transparency, Performance Management, and Stronger Oversight Needed to Ensure Oaklanders Benefit from the 2020 Parks and Recreation Preservation, Litter Reduction, and Homelessness Support Act

Background

Since March 2020, the City of Oakland has collected \$82.5 million in taxes to fund park maintenance, litter reduction, and homelessness intervention in and around City parks. Oakland voters approved the tax, via Measure Q, by a vote of 68 percent. The Measure requires the City Auditor to review the tax's revenues and uses every two years.

What We Found

We found the City underspent collected taxes, accruing a fund balance of nearly \$22 million as of June 30, 2023. Otherwise, the City has spent funds in accordance with the Measure's spending restrictions. While the Measure authorizing the tax outlined objectives to support equitable park maintenance services to decrease disparities in life outcomes of marginalized communities, address homelessness in and around City parks, and improve water quality by reducing litter, we found that the City did not have a baseline to assess the effectiveness of Measure Q funds in reaching its parks or homelessness goals, and park visits show ongoing maintenance issues and encampments at parks. Additional performance measures would enable assessment of park conditions against a baseline and outcome goals and allow managers to identify substandard park facilities in the City's equity priority areas to prioritize maintenance. Additionally, the City has not fully implemented oversight measures outlined within the measure.

What We Recommend

We made 16 recommendations to improve budgeting for the funds, create outcomes-based performance measures for park conditions and homelessness in and around parks to measure progress against a baseline, and implement oversight measures for Measure Q funded programs.

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INTRODUCTION & BACKGROUND

Introduction

In March 2020, the Oakland Parks and Recreation Preservation, Litter Reduction, and Homelessness Support Act (“Measure Q” or “the Act”) passed by a vote of 68 percent. In passing Measure Q, voters authorized an annual special tax for 20 years to support parks, water quality, and homelessness reduction.¹ The special tax is an annually-adjusted parcel tax on property owners, with exemptions for low-income households, senior households, certain religious organizations, schools, and distressed homeowners.² The Act requires the City Auditor to review the tax’s revenues and uses every two years.

Measure Q outlines objectives for the taxes collected:

-  1. Support the equitable distribution of maintenance services to parks and recreational facilities throughout Oakland in order to decrease disparities in life outcomes of marginalized communities and to facilitate equity of opportunity throughout Oakland;
-  2. Provide ongoing maintenance and facilitate the use and operation of parks and recreational facilities for Oakland residents and visitors;
-  3. Improve and increase maintenance, tree, and landscape services for parks and recreational facilities throughout Oakland;
-  4. Maintain fixed assets within parks and recreational facilities to avoid more costly repairs;
5. Increase services to unhoused and unsheltered persons within Oakland, with an emphasis on those living in or adjacent to City of Oakland parks, to reduce homelessness and its impacts to public health;
6. Improve water quality through actions that include the maintenance and cleaning of stormwater trash collection systems and reducing trash and litter in our parks, creeks, and waterways; and
7. Cover the direct and indirect administrative expenses associated with the special tax.

The Measure limits the uses of the tax revenues to:

- Parks, landscape maintenance, and recreational services;
- Services to address homelessness, including access for unsheltered and unhoused residents to temporary shelters, transitional and supportive housing, and permanent housing; and
- Projects to address water quality and litter reduction, including maintenance and cleaning of stormwater trash collection systems.

¹ A special tax is a tax imposed for a specific purpose. California law allows the legislative body of any city to propose, by ordinance or resolution, the adoption of a special tax (California Government Code Section 50075). The proposal must include the type and rate of the tax, how it will be collected, and an election date for a vote by residents of the city. Voters must approve the tax by a two-thirds vote to adopt, increase, or extend a special tax.

² The tax rates for Fiscal Year (FY) 2020-21 through FY 2023-24 and the number of exemptions the City granted in FY 2020-21 and FY 2021-22 are in Appendix A and B, respectively.

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Background

The City first passed a budget for Measure Q funds in June 2020, and first spent funds around the same time. Property owners first received tax bills including the Measure Q line item in November 2020.

Prior to Measure Q, the City Primarily Funded Parks with Funds for Street Lighting and Landscaping, and a Trash Surcharge

According to staff reports, the City proposed Measure Q to create a new, ongoing funding source for parks maintenance due to reductions in property tax revenues, the lack of a dedicated funding stream, and inflation. Prior to Fiscal Year (FY) 2020-21, the City primarily funded parks, trees, and ballfields with two different funds: the Lighting and Landscaping Assessment District Fund (LLAD) and the Comprehensive Clean-up Fund.³ Neither of these funds primarily serve parks. LLAD funds are generally used for street lighting and landscaping. The Comprehensive Clean-up Fund is funded by a special surcharge on refuse collection bills. It is intended for illegal dumping enforcement, street sweeping, custodial services, and other clean-up related activities.

Park Advocates Expressed Concern About the Lack of Ongoing Park Maintenance Funding

The Oakland Parks and Recreation Foundation (OPRF), a nonprofit organization that supports the expansion and improvement of parks and recreation resources across Oakland, issues parks maintenance reports. It has attributed poor parks maintenance to the lack of ongoing funds, noting in its most recent 2018 parks maintenance report:

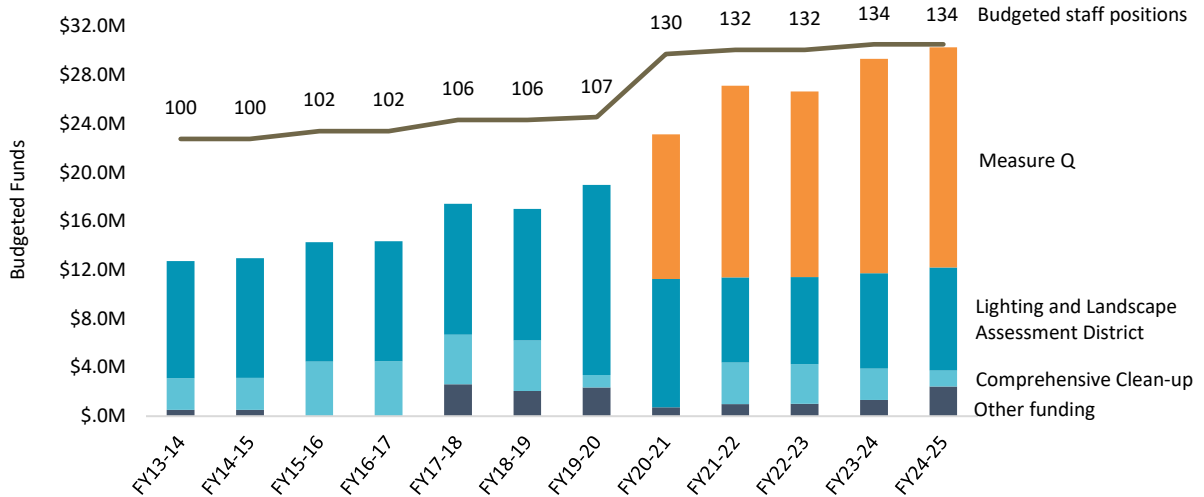
Funding levels are adequate to provide 'C-plus' maintenance service in most categories, but sustained investment and new funding sources will be necessary to deliver 'A' maintenance grades for all parks.

Following the issuance of the 2018 OPRF report, City staff proposed a ballot measure, Measure Q, to increase ongoing parks maintenance funding. These efforts led to increased parks maintenance funding (see Exhibit 1).

³ These two funds made up between 85 and 100 percent of funding for parks, trees, and ballfields before Measure Q. The LLAD was established in 1989 as an assessment on Oakland properties and is not indexed for inflation. Revenues have been unchanged since 1993 when an increase was last authorized.

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Exhibit 1: With the Introduction of Measure Q, Budgeted Funding for Parks, Trees & Ballfields Increased by 22 Percent and Staffing Increased to 134 Positions



Source: Auditor analysis of the City’s Adopted Budgets, filtered to program code for Parks, Trees & Ballfields. Other funding includes: 1010 – General Purpose Fund, 1820 – OPRCA Self Sustaining Revolving Fund, 2216 – Measure BB – Alameda County Transportation Commission Sales Tax, 2218- Measure BB Local Streets and Roads, 2270 – Vacant Property Tax Act Fund, and 4400 – City Facilities Fund.

Measure Q Specifies Funding Allocations for Parks Maintenance, Homelessness Services, and Stormwater Quality as a Percentage of Overall Revenue

The Act prescribes allocation percentages to four different service categories, as shown in Exhibit 2.⁴ The Act reserves a majority of the revenues, 64 percent, for parks maintenance, 30 percent for homelessness services, 5 percent for stormwater quality, and 1 percent for audit and evaluation.

Exhibit 2: Measure Q Allocates 64 Percent of Revenues to Parks Maintenance



Source: Auditor analysis of the Oakland Parks and Recreation Preservation, Litter Reduction, and Homelessness Support Act

⁴ The allocations are net of the costs of having Measure Q on the ballot or costs to levy and collect the tax each year.

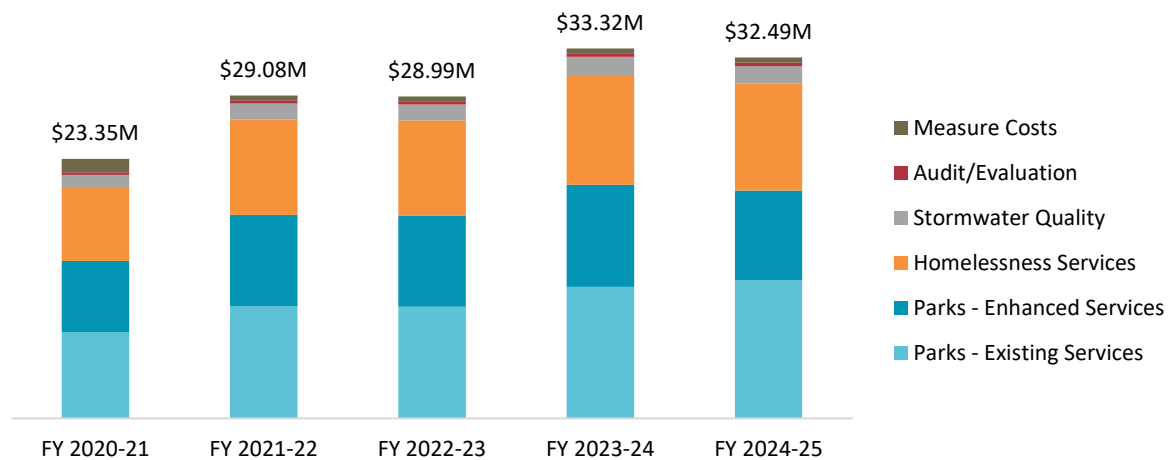
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For the current budget year, FY 2023-24, these percentages translated to:

- \$21,039,239 for parks maintenance,
- \$9,862,143 for homeless services,
- \$1,643,690 for stormwater quality, and
- \$328,738 for audit and evaluation.⁵

The Act further specifies that a portion of the funding for parks go toward enhanced services, that is, service levels above and beyond existing services.⁶ This minimum level of investment, or threshold, is known as the parks “maintenance of effort.”⁷ Exhibit 3 shows the budgeted amounts for each category between FY 2020-21 and FY 2024-25, with the existing and enhanced park services broken out.

Exhibit 3: Budget for Measure Q Increased by Over \$9 Million Between FY 2020-21 and FY 2024-25



Source: Auditor analysis of Adopted Budgets for FY 2020-21 through FY 2024-25

Measure Q Spending Is Administered Across Multiple City Departments

Multiple City departments and divisions receive Measure Q funding. The budget allocates the Oakland Public Works Department funds for parks maintenance and stormwater quality, as well as part of the audit and evaluation funding. The Department of Human Services is allocated most

⁵ Prior to FY 2023-24, the audit and evaluation budget went to Finance for contract services and Oakland Public Works for personnel and overhead costs. The FY 2023-25 Adopted Budget uses Measure Q revenue to fund 20 percent of a Performance Auditor position in the City Auditor’s Office. This marks the first time the City Auditor’s Office received Measure Q funds.

⁶ Not more than 55 percent of the parks allocation is meant to be budgeted for services existing in the FY 2019-20 budget.

⁷ The parks maintenance of effort was suspended in the FY 2023-25 budget cycle due to the City Council’s declaration of extreme fiscal necessity by Council Resolution 89803 C.M.S.

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of the homelessness services funding; the Homelessness Administrator and Public Works receive some as well. The Finance Department receives the non-personnel audit and evaluation funding. The City Clerk's Office was allocated funding for the costs associated with the election. The funding for levying and collecting the tax is not allocated to a specific department. Measure Q also funds multiple positions, which are broken down by department and division/organization in Appendix C.

FINDING 1: The City Underspent the Measure Q Budget by \$14 Million in FY 2020-21 and FY 2021-22 But Otherwise Spent Funds in Accordance with Measure Requirements

Summary

Since Measure Q passed in March 2020, the City has collected significantly more in special tax revenues than it has spent. This underspending, attributed to vacancies and ramp-up time, has led to large year-end fund balances. The City should develop stronger procedures for moving unspent Measure Q revenue to future years' budgets (carryforwards) because errors with carryforwards can skew future allocations and increase the possibility of negative fund balances. Furthermore, the City did not document methodologies for interpreting Measure Q's specific spending thresholds, or "maintenance of effort" terms, which was necessary due to the complex nature of the threshold for parks maintenance. To ensure consistency in the interpretation of the Act, the Budget Bureau should document methodologies for calculating spending thresholds. Last, the maintenance of effort terms for parks allowed for funding of existing park maintenance to decrease from previous years' levels. We recommend future maintenance of efforts represent a minimum service level based on a baseline amount. In terms of the actual expenditures, we found the City generally spent the funds in accordance with Measure Q's requirements in its first two years (FY 2020-21 and FY 2021-22).

Consistent Underspending Led to a Large Measure Q Fund Balance

Right after the election in 2020, and prior to collecting any revenue, the City spent roughly \$327,000 in Measure Q funds on election-related costs.⁸ The City's Measure Q revenues and expenditures increased in each subsequent fiscal year, with revenues outpacing expenditures (see Exhibit 4).

Exhibit 4: The City Collected More Measure Q Revenue Than it Spent.

Category	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Revenues	\$ -	\$ 25,814,627	\$ 27,059,349	\$ 29,617,066
Expenditures	\$ 326,915	\$ 13,500,144	\$ 22,638,101	\$ 24,249,867
Difference	\$ (326,915)	\$ 12,314,483	\$ 4,421,248	\$ 5,367,199

Source: Auditor analysis of Oracle, the City of Oakland's Financial System; **Note:** We tested expenditures in FY 2020-21 and FY 2021-22; FY 2019-20 and FY 2022-23 actuals are included for informational purposes. See the Objectives, Scope, and Methodology section at the end of this report for information on sampling and the scope of testing.

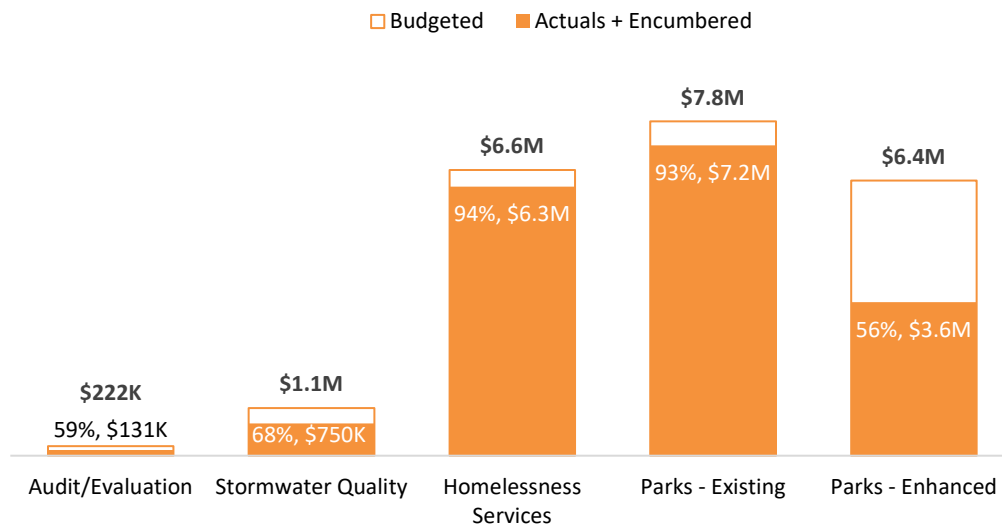
⁸ Costs included printing election materials for the March 2020 election.

AUDIT RESULTS

The City Spent Less Than Budgeted for All Spending Categories in its First Year (FY 2020-21)

Exhibit 5 shows budgeted versus actual and encumbered Measure Q expenditures for FY 2020-21.⁹

Exhibit 5: The City Budgeted \$23.3 Million But Spent or Encumbered Only \$19.6 Million in FY 2020-21



Source: Auditor analysis of Oracle, the City of Oakland Financial System

Note: The chart does not include budget and costs associated with ballot measure administration or collection, which, respectively, totaled \$1.2 million and \$1.65 million.

In 2020-21, the City spent or encumbered just 56 percent of its budget for enhanced park services. Staff attribute hiring challenges to the underspending on enhanced park services in FY 2020-21. Measure Q created 36 new parks maintenance positions for the FY 2020-21 budget. However, because of restrictions related to the pandemic,¹⁰ Public Works reported they were unable to conduct some of the necessary hiring steps and had a hard time filling new staff positions. By the end of the fiscal year, the City hired just two of the 36 new positions.

By contrast, the City spent 93 percent of its budget for existing parks services. Most of these expenses were personnel and overhead for positions that existed prior to Measure Q.

The City similarly spent (or encumbered for the following year) 94 percent of budgeted funds for homelessness services. This money mostly went towards contracts with service providers, for services such as interim shelter, homeless outreach, permanent housing, and rapid rehousing.

⁹ An encumbrance is a commitment to pay for goods or services ahead of the actual purchase. Encumbrances are also known as pre-expenditures since they act as budgeted reserve funds before the actual expenditure.

¹⁰ COVID-19 restrictions did not allow for some in-person performance testing, which were required for hiring at the time.

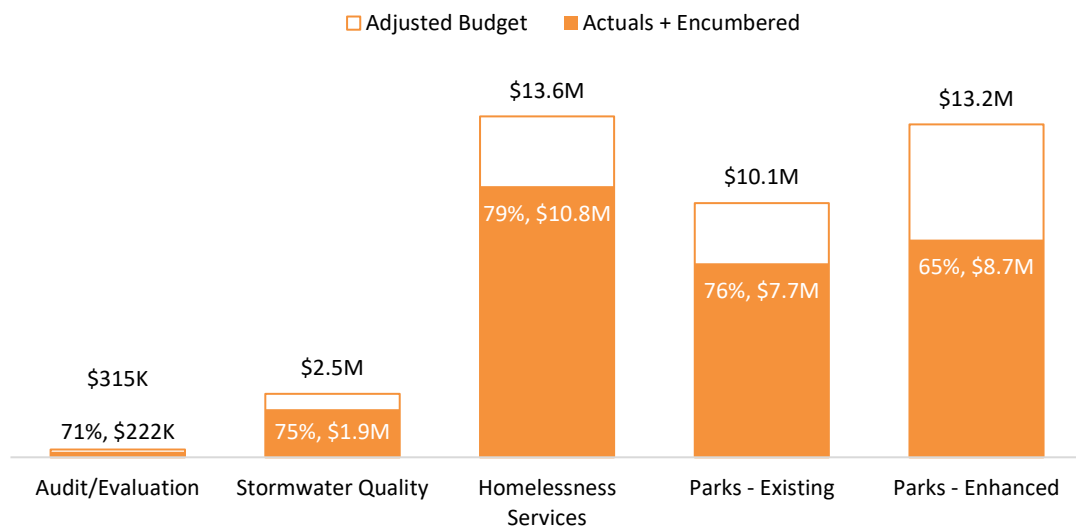
For stormwater quality, the City spent only \$11,921 in FY 2020-21 but encumbered \$738,079. Both the money spent and encumbered were for the Storm Drainage Master Plan. Unspent money was both for personnel and overhead and operations and maintenance.

Aside from enhanced parks services, audit and evaluation had the lowest percentage of spent or encumbered funds of any of the Measure Q spending categories in FY 2020-21, with only 59 percent spent or encumbered. All the money spent in audit and evaluation went towards staffing management and information systems in Public Works (see Appendix C).

The City Continued to Underspend Measure Q Funds in its Second Year (FY 2021-22)

Exhibit 6 shows the actual and encumbered expenditures, and the adjusted budget, for FY 2021-22.¹¹ As the exhibit shows, the City underspent its Measure Q budget, spending between 65 to 79 percent of the adjusted budget for each spending category.

Exhibit 6: The City Budgeted \$40.2 Million (Including Carryforwards) But Spent or Encumbered Only \$29.8 Million in FY 2021-22



Source: Auditor analysis of Oracle, the City of Oakland Financial System

Note: Adjusted budget = Adopted Budget + Budget Carryforwards (unspent budget moved into the next fiscal year); The chart title includes budget and costs associated with ballot measure administration or collection, but the chart does not.

The City was able to hire additional personnel in FY 2021-22 for enhanced parks services but was not fully staffed by the end of the year (27 out of 39 positions were filled). Also, the City spent only 68 percent of its non-personnel budget for enhanced services due to supply chain issues. As a result of these issues, the City only spent or encumbered 65 percent of its enhanced parks

¹¹ The adjusted budget represents the total adopted budget plus any unspent money carried forward from the previous fiscal year. Because it was the second year of funding, FY 2021-22 was the first year funds were carried forward to a budget.

AUDIT RESULTS

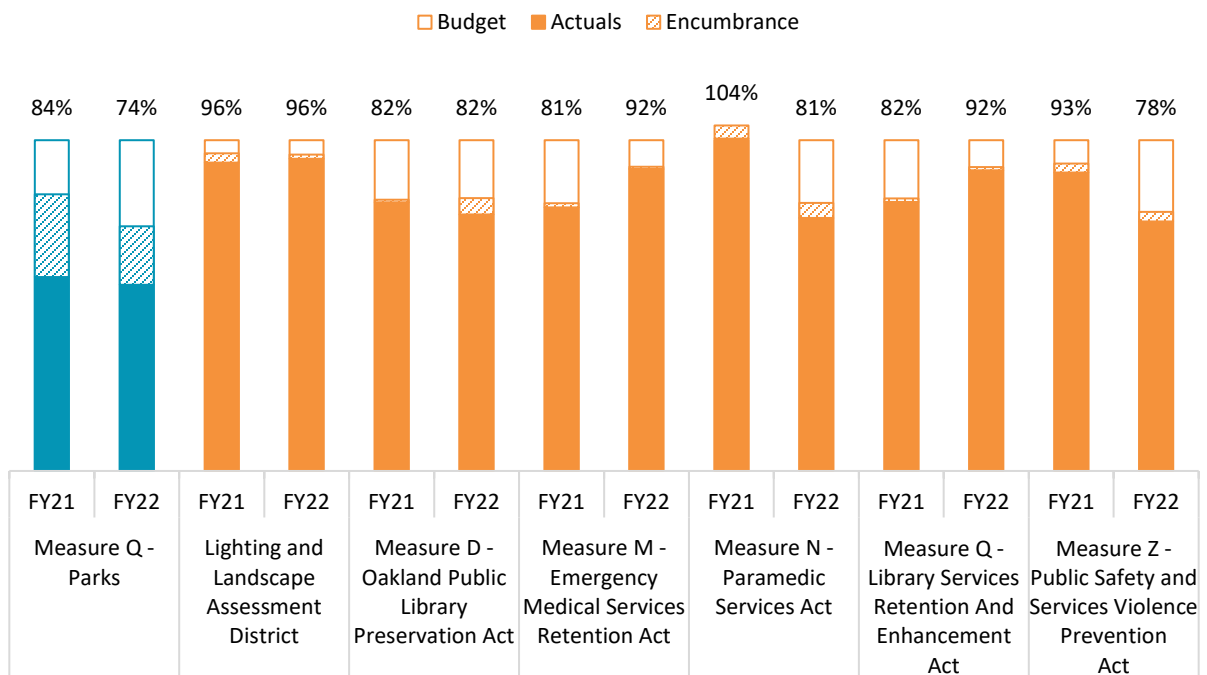
services budget. The City spent 76 percent of its allotted budget for existing parks services in FY 2021-22.

FY 2021-22 spending for homelessness services, stormwater quality, and audit and evaluation, largely mirrored FY 2020-21 spending. While the City spent more money on homelessness services in 2021-22 than the previous year, it carried forward a significant amount of funds from the previous year's budget, which contributed to the lower proportion of budgeted funds used in 2021-22. As in 2020-21, homelessness services funds mostly went to contract services for service providers. The City spent or encumbered a similar percentage of the budget for both audit and evaluation and stormwater quality as compared to the previous fiscal year, and used the funds for similar purposes.

Relative to Other Special Taxes, the City's Expenditure of Budgeted Measure Q Funds Was Lower in FY 2020-21 and FY 2021-22

Taking both actual expenditures and encumbrances into consideration, the City used 84 and 74 percent, respectively, of the Measure Q budget in fiscal years 2020-21 and 2021-22. This rate is lower than other special taxes. In addition, encumbrances made up more of the money used compared to the other special taxes (see Exhibit 7). Encumbrances made up 25 and 18 percent of budgeted amounts in fiscal years 2020-21 and 2021-22, respectively.

Exhibit 7: Compared to Other Special Taxes, the City Encumbered Relatively More Measure Q Funds, Effectively Rolling Over Funds Year Over Year



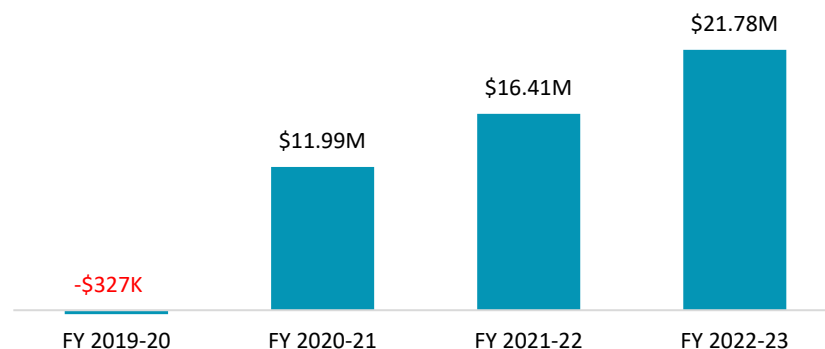
Source: Auditor analysis of Oracle, the City of Oakland Financial System; **Note:** Percentages represent actuals plus encumbrances as a percent of the budget; Measure N expenditures went 4 percent over-budget in FY 2020-21 due to personnel and overhead costs being higher than expected.

Staff attribute the lower levels of actual spending and higher levels of encumbrances for Measure Q funds to its relatively recent establishment compared to the other special taxes, COVID-related hiring issues, as well as the ramp up time required for enhanced services.

As a Result of Underspensing, Fund Balance Has Grown to Nearly \$22 Million

Fund balance represents the total accumulation of operating surpluses and deficits since the establishment of the fund. As a result of underspending, the fund balance for Measure Q has grown. By the end of FY 2022-23, Measure Q's fund balance was nearly \$22 million (see Exhibit 8).

Exhibit 8: Measure Q Fund Balance Increased to Nearly \$22 Million



Source: Auditor analysis of Oracle, the City of Oakland Financial System

The Measure Q fund balance represents taxpayers' investment in park maintenance, homelessness services, and stormwater quality services that the City has not yet provided.

The City Spent Funds in Accordance with Measure Q Requirements with a Few Small Exceptions

Despite underspending each year, the City misspent relatively little. We tested all personnel and overhead expenditures, and a portion of operations and maintenance expenditures.¹² Of the total \$18.6 million spent on personnel and overhead expenditures in FY 2020-21 and FY 2021-22, \$1,500 went toward Central Service Overhead costs, which falls outside the Act's allowable expenditures. Of \$7.2 million in expenditures tested in operations and maintenance costs in FY 2020-21 and FY 2021-22, we found about \$10,000 in expenditures (or about 0.13 percent) misspent on Library, IT, and non-Measure Q projects.

The low rate of misspending we found suggests the City has been effective in ensuring appropriate spending of Measure Q revenue.

¹² For more information on sampling, see the Objectives, Scope, and Methodology section at the end of the report.

AUDIT RESULTS

The City Carried Forward \$1.75 Million of Funds in Excess of the FY 2020-21 Budget and \$3.8 Million More Than the FY 2021-22 Budget

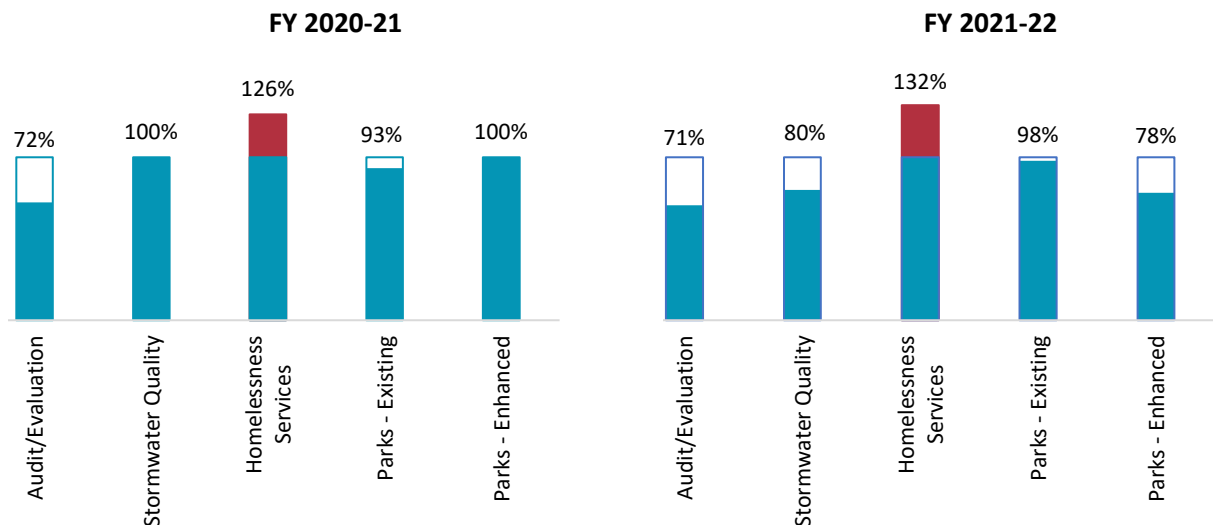
The City of Oakland enables multi-year budgeting for projects where activities span multiple fiscal years. The City's Consolidated Fiscal Policy grants authority to process budget "carryforwards," which move unspent budget into a new fiscal year.

There are two types of carryforwards:

1. **Encumbrance carryforwards:** the amounts for current purchases or contracts that will be paid in the following year.
2. **Project carryforwards:** previously unspent project appropriations moved for use in the following year.

In both FY 2020-21 and FY 2021-22, the City carried forward more money for homelessness services than was available based on the previous year's budget and expenditures. In the first year, the City carried forward \$1.75 million more than the adopted budget. In FY 2021-22, the City carried forward \$3.8 million more than the adjusted budget.¹³ Exhibit 9 below shows the percent carryforward compared to the allowable budgets in each fiscal year.

Exhibit 9: The City's Carryforwards for Homelessness Services Went 26 Percent (Or \$1.75 Million) and 32 Percent (Or \$3.8 Million) Over Budget in FY 2020-21 and FY 2021-22



Source: Auditor analysis of Oracle, the City of Oakland Financial System

For funds with lower fund balances, carryforwards could lead to negative fund balances since they authorize spending for money the City has not budgeted. Negative fund balances require backfilling (usually by the General Purpose Fund). Additionally, for a fund with categorical spending limits like Measure Q, carryforwards that go over budget can skew the percentages at

¹³ The adjusted budget (adopted budget plus carryforward) for FY 2021-22 was \$13.57 million. However, since the FY 2020-21 carryforward was \$1.75 million more than the FY 2020-21 budget, the adjusted budget should be \$1.75 million less. We calculated the adjusted budget as \$11.82 million (\$13.57 million minus \$1.75 million).

which staff spend money, reducing the proportion of funding going to another use. In this instance, 64 percent (or \$3.55 million of the \$5.55 million) of the excess funds carried forward between FY 2020-21 and FY 2021-22 to support homelessness services, should have been classified as unallocated fund balance and re-distributed towards parks.¹⁴

Recommendation 1

To prevent misallocated carryforwards, we recommend the Budget Bureau create a procedure to reconcile the appropriations with encumbrances and actuals once the fiscal year is closed. The procedure should check that the carryforwards are not greater than the balance of appropriations and encumbrances plus actuals, so that the carryforwards do not skew categorical spending allocations. The Budget Bureau should cross reference this procedure with the appropriate budget policies.

The Budget Bureau Sets the Thresholds for “Maintenance of Effort” Based on the Authorizing Legislation

Measure Q’s “maintenance of effort” provision requires the City to maintain a minimum level of funding for each service category:

1. **Parks Maintenance:** The City’s operating budget may not appropriate more than 55 percent of revenue allocated to parks, landscape maintenance operational services to preserve parks maintenance operational services at the level provided for in the FY 2019-20 budget.
2. **Homelessness Services:** Must appropriate not less in ongoing, unrestricted revenue (not including Measure Q funds) to homelessness services from the City’s operating fiscal year budget than is appropriated to direct homeless services from unrestricted, ongoing revenue (not including revenue from the Affordable Housing Trust) in the FY 2019-20 budget.
3. **Stormwater quality:** Must appropriate not less in ongoing revenue for ongoing operations and maintenance costs than is appropriated for the same uses in the FY 2019-20 budget.

According to Measure Q, if the City is not compliant with a maintenance of effort provision, then the revenue allocated to that service category in the operating budget cannot be spent.

The Complicated Maintenance of Effort Provision for Parks Contributed to Changing Budgets and Reduced Spending

The Budget Bureau sets the maintenance of effort dollar thresholds based on the text of the Measure Q legislation. The Budget Bureau set the maintenance of effort thresholds for

¹⁴ We made the Budget Bureau aware of this during the audit and they indicated that they could correct the allocation percentages before the extra funds carried forward are spent.

AUDIT RESULTS

homelessness services and the stormwater quality at \$880,818¹⁵ and \$8,309,436,¹⁶ respectively. The City met or exceeded these minimums in each year (see Exhibit 10).

Exhibit 10: The City Met or Exceeded the Maintenance of Effort Thresholds for Homelessness Services and Stormwater Quality in FY 2020-21 and FY 2021-22

Program Category	Maintenance of Effort Amount	FY 2020-21 Budget	FY 2021-22 Budget
Homelessness Services	\$880,818	\$880,818	\$880,818
Stormwater Quality	\$8,309,436	\$9,634,330	\$15,191,860

Source: Auditor analysis of Adopted Budgets

Unlike the maintenance of effort thresholds for homelessness services and stormwater quality, which are the same each year, the Budget Bureau has interpreted the maintenance of effort threshold for parks maintenance as a number that changes year to year. Budget attributes this in part to the complicated language within the Act. Budget originally set the maintenance of effort threshold for parks maintenance at \$14,717,133, which represents the service level that parks, and landscape services were at the year prior to Measure Q's passage (FY 2019-20).¹⁷ However, the Budget Bureau later revised the threshold. The threshold in FY 2020-21 and FY 2021-22 was \$7,775,759 and \$10,076,921, respectively (see Exhibit 11). The Budget Bureau also published an incorrect amount on its "Compliance with the Consolidated Fiscal Policy and Other Legislation" webpage due to the complexity of the calculation.¹⁸

¹⁵ Based on the FY 2019-20 budgeted amount for Fund 1010 - General Purpose Fund, Organization Code: 78411 – Community Housing Services, and Account code: 54912 Third Party: Grants Contract Earned. The Budget Bureau originally communicated that the maintenance of effort amount for Homelessness Services was \$1,576,701 but amended that to \$880,818 because the lower amount represents how much was budgeted for "direct" homeless services in FY 2019-20.

¹⁶ Based on the FY 2019-20 budgeted amount for organization codes 30245 – Watershed and Stormwater Program, 30532- Infrastructure Maint: Storm Drain, and 92245 - Engineer Design: Watershed and Stormwater Program.

¹⁷ Based on the FY 2019-20 budgeted amount for organization codes 30651-Park Building Maintenance and 30652-Landscape Maintenance

¹⁸ The calculation reads "Exceeds the Maintenance of Effort By" when it should read "Exceeds the FY 2019-20 Service Level By."

Exhibit 11: The Threshold for the Parks Maintenance of Effort Changes Year to Year

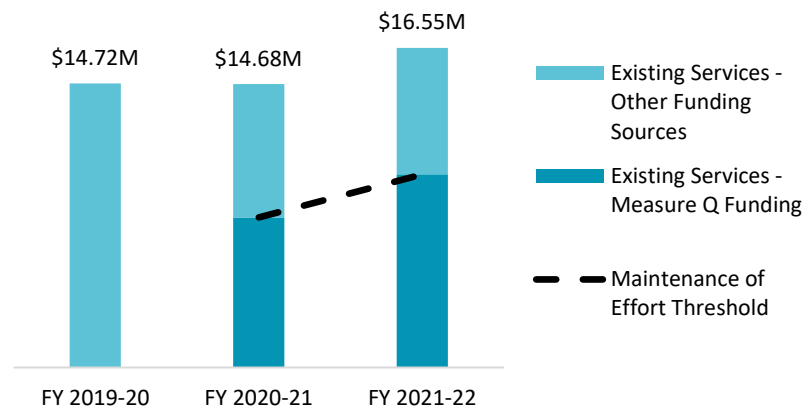
Program Category	Maintenance of Effort, per Act	FY 2020-21 Threshold	FY 2021-22 Threshold
Existing Parks Services	55%	\$7,775,759 (55%)	\$10,076,921 (55%)
Enhanced Parks Services ¹⁹	45%	\$6,403,206 (45%)	\$8,244,753 (45%)
Total Measure Q Parks Maintenance Budget	100%	\$14,178,965	\$18,321,674

Source: Auditor analysis of Adopted Budgets

The Budget for Existing Park Services Decreased After Measure Q

The maintenance of effort threshold for parks, we should note, does not guarantee a minimum standard relative to FY 2019-20 parks maintenance service levels. This is a result of the Measure language which sets the budget threshold for existing parks maintenance at “no more than 55 percent” for services that existed in FY 2019-20. As Exhibit 12 shows, funding for existing services for parks maintenance for FY 2020-21 was lower than the previous fiscal year, while still in full compliance with the maintenance of effort provision. This contrasts with other maintenance of effort thresholds, which generally act as a minimum, rather than a cap.

Exhibit 12: The Service Levels for Existing Parks Maintenance Services in FY 2020-21 Were \$40,000 Lower Than FY 2019-20



Source: Auditor analysis of Adopted Budgets

The Act requires only partial maintenance of effort – which does not ensure that the City maintain a minimum maintenance. The term “maintenance of effort” implies a minimum level of funding based on a baseline amount.

¹⁹ We tested the positions and operations and maintenance (O&M) budget to make sure these were new, or “enhanced” services budgeted. We confirmed that all 36 and 39 positions for enhanced services in FY 2020-21 and FY 2021-22, respectively, were not in the FY 2019-20 budget. O&M mostly went towards new equipment and improvements at parks.

AUDIT RESULTS

Recommendation 2

We recommend the City Administrator develop and propose to the City Council for its consideration, a policy for establishing future maintenance of effort thresholds that are simple, easy to interpret, and represent minimum service levels from base levels.

Given the Confusing Ballot Measure Language, the Budget Bureau Needs to Clarify the Threshold for Maintenance of Effort for Consistency

The Budget Bureau has not documented a methodology for calculating the maintenance of effort thresholds and revised the threshold for both parks maintenance and homelessness services during the audit. Without a documented methodology, the threshold for maintenance effort may not be interpreted consistently. The resulting changing budgets can undermine the intent of the Measure's maintenance of effort provisions.

Recommendation 3

To ensure consistency in interpretation and application, we recommend the Budget Bureau document its methodology for calculating the maintenance of efforts for Measure Q.

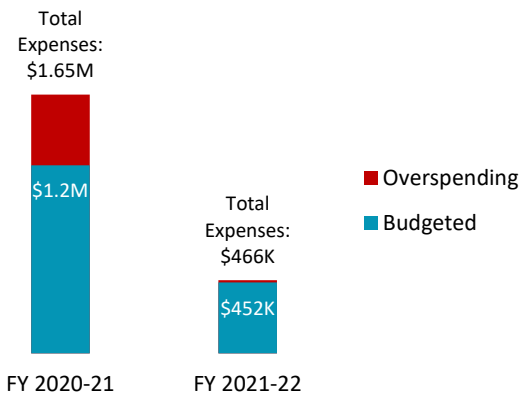
Recommendation 4

For future special tax programs, we recommend the Budget Bureau create a maintenance of effort methodology and guidelines prior to developing the measures' first budgets.

The City Consistently Underbudgeted for Ballot Measure-Related Costs

In FY 2020-21 and FY 2021-22, the City overspent its budgeted amount for costs associated with administering the ballot measure and associated special tax by a total of \$465,000 (see Exhibit 13).

Exhibit 13: The City Overspent its Budget for Ballot Measure-Related Costs in Both FY 2020-21 and FY 2021-22



Source: Auditor analysis of Oracle, the City of Oakland Financial System

In FY 2020-21, the City budgeted \$1,200,000 for Measure Q election costs. The City spent that money, but also spent \$443,448 for the fee that the County collects for levying and collecting the tax, an expenditure that was not budgeted by the City.²⁰ The City again underbudgeted for the County's collection fee the following year, though for less (about \$14,000). The County's collection fee is 1.7 percent of taxes collected, so the City can estimate the budget based on the amount of revenue the City anticipates receiving.

Recommendation 5

We recommend the Budget Bureau adjust its budgeting for costs associated with administering the ballot measure to reflect the County's collection fee amount of 1.7 percent of revenue.

²⁰ Alameda County charges a 1.7 percent commission to levy and collect the special tax on behalf of the City.

AUDIT RESULTS

FINDING 2: The City Needs More Performance Data to Evaluate the Effectiveness of Measure Q Funds Towards Improving Park Conditions, Stormwater Quality, and Homelessness Services

Summary

Oakland voters passed Measure Q to support the equitable distribution of maintenance services to parks to decrease disparities in life outcomes of marginalized communities; improve and increase maintenance, tree, and landscape services throughout Oakland parks; increase services to people experiencing homelessness, with an emphasis on those living in or adjacent to City parks; and improve water quality by reducing litter. Measure Q funding for these purposes – nearly \$53 million between FY 2020-21 and FY 2021-22 – should be accompanied by clear performance measures and goals to ensure the City makes the best use of the revenue. To date, the City has not fully operationalized Measure Q's goals with a data-driven strategy to inform performance management. Rather, Public Works reports out on the regularity of bathroom cleaning, field mowing, and litter pick up. Additional performance measures would enable assessment of park conditions against a baseline and outcome goals, and allow managers to identify substandard park facilities in the City's equity priority areas to prioritize maintenance.

The City does not have a baseline for parks conditions. Prior to Measure Q's implementation, in 2018, the Oakland Parks and Recreation Foundation (OPRF) graded the City's maintenance levels at "C-plus." Without consistent performance measures or a baseline, it is difficult to assess the level to which park conditions have improved since the implementation of Measure Q, or whether other goals, such as the reduction of homelessness adjacent to parks, have been met.

Voters Approved Funding with Goals to Improve Park Conditions, and Stormwater Quality, and Increase Homelessness Services

As described in the background, Measure Q outlines objectives for the taxes collected, specifically to:

1. Support the equitable distribution of maintenance services to parks and recreational facilities throughout Oakland in order to decrease disparities in life outcomes of marginalized communities and to facilitate equity of opportunity throughout Oakland;
2. Provide ongoing maintenance and facilitate the use and operation of parks and recreational facilities for Oakland residents and visitors;
3. Improve and increase maintenance, tree, and landscape services for parks and recreational facilities throughout Oakland;
4. Maintain fixed assets within parks and recreational facilities to avoid more costly repairs;
5. Increase services to unhoused and unsheltered persons within Oakland, with an emphasis on those living in or adjacent to City of Oakland parks, to reduce homelessness and its impacts to public health; and

6. Improve water quality through actions that include the maintenance and cleaning of stormwater trash collection systems and reducing trash and litter in our parks, creeks, and waterways.

These objectives provide goals for how the tax revenues should be spent, and by which the City should assess its performance in improving services as approved by the voters.

Performance Measures Focus Program Management and Support Public Accountability

The public deserves to know how it benefits from tax-funded services. The City should communicate to the public its progress in meeting service goals. In addition, managers should know if, and to what extent, their programs are meeting service goals, and how effectively and efficiently they are providing services. Performance measurement is the ongoing monitoring and reporting of program accomplishments, particularly progress toward pre-established goals. The use of performance information for management and policy decisions that improve service quality, efficiency, and program results is referred to as performance management. Performance measurement and performance management provide a way to meet the goals outlined in Measure Q.

The City Has Reported Out on Limited Outputs Relating to Bathroom Cleanings, Staffing, Field Mowing, and Litter Pick-Up

Staff has not developed performance measures that speak to the breadth of the funding objectives listed in Measure Q. From the objectives related to parks maintenance listed in Measure Q, City staff have identified, tracked, and reported four deliverables (see Exhibit 14).

Exhibit 14: System Tracking and Reporting Method for the Four Measure Q Deliverables

Deliverable	How Deliverable is Reported
1. Cleaning bathrooms in major parks twice per day	Reported as a monthly count of days that a restroom has been cleaned.
2. Having dedicated staff at each park	Reported as a sum of labor hours entered from workorders for parks that the department has classified as “major parks”.
3. Increasing the frequency of mowing fields	Reported as a count of work orders related to mowing ballfields.
4. Increased litter pick up	Reported as a sum of minutes picking up litter and volume of litter (estimated amount), which are reported on work orders.

Source: Auditor analysis of City staff reports

According to Public Works, the goal of these deliverables was “to create a routine report that is clear, simple, and accessible to the community to provide transparent and accessible reporting on service delivery.” Staff should develop performance measures to further track impacts of Measure Q tax dollars against a baseline and service goals and objectives promised by Measure Q – namely, park conditions and life outcomes by geography and other equity considerations, but

AUDIT RESULTS

also reductions in homelessness in or around parks, and infrastructure deferred maintenance or other cost avoidance measures.

For Parks, The City Should Develop Outcome Measures to Show Impact

Outcome measures reflect the broader changes that result from policy outputs, which speak to a program's effectiveness. For Measure Q, the City should measure the impact related to the goals specified by Measure Q: maintaining and improving parks, maintaining fixed assets, and supporting the equitable distribution of maintenance services to decrease life disparities.

The best way to evaluate the effectiveness and equity of Measure Q for parks maintenance is to evaluate the condition of City parks on a regular basis. The Parks & Trees division of Public Works has conducted a condition assessment of miniparks. Similarly assessing all parks' conditions in conjunction with the Facilities division, which maintains many of the amenities in parks (such as play structures), would inform maintenance decisions and the public on the use of Measure Q funds.

Other Cities Have Implemented Holistic and Objective Park Maintenance Standards to Measure Progress and Dedicate Resources

The City of San Jose and the City and County of San Francisco have developed comprehensive and detailed park facility condition standards by which they assess overall park conditions.²¹ Staff regularly assess parks against standards that include the number of pieces of litter on an athletic court or athletic field and the level of weeds on hardscapes. The clearly defined standards that San Jose and San Francisco use can be graded on a pass/fail scale.

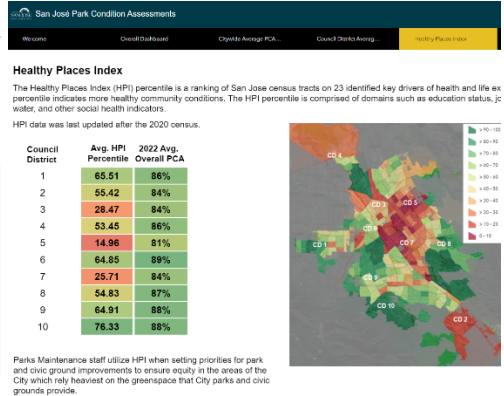
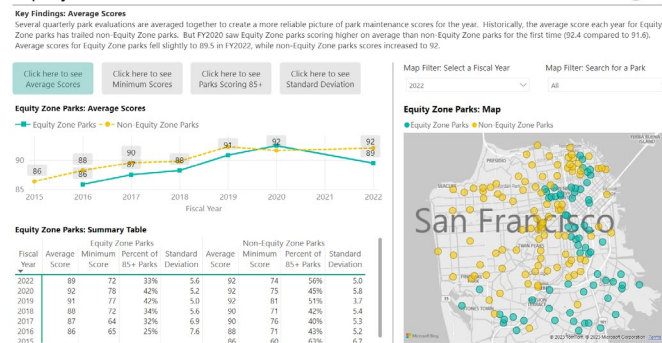
Both San Jose and San Francisco use these standards as the basis for comprehensive parks evaluation processes and annual reports, which also drives equity decision making.²² Additionally, both San Jose and San Francisco make their park evaluations publicly accessible online (see Exhibit 15).

²¹ Example standards include whether a building is free of graffiti, or a drinking fountain works. A park's maintenance score is the percent of these standards that are met.

²² The City of San Jose calls its report the Parks Condition Assessment (PCA). The report is completed and published annually by staff in their Parks, Recreation and Neighborhood Services Department. San Francisco plans quarterly park assessments completed by Recreation and Parks Department (RPD) employees, and one assessment completed by employees in the City Performance Unit within the Controller's Office. The Controller's Office then averages the scores of the five assessments publishes the results in an annual report. San Jose's parks maintenance staff utilizes the Healthy Places Index when setting priorities for park and civic ground improvements to ensure equity. San Francisco closely monitors park maintenance scores for parks in Equity Zones.

Exhibit 15: San Francisco (Left) and San Jose (Right) Make Park Condition Equity Scores Publicly Accessible Online

Equity Zones: Annual Park Scores



Source: [San Francisco Park Maintenance Scores](#), [San Jose Park Condition Assessments](#)

We estimated the cost of evaluating the City's parks conditions in a similar manner to San Jose and San Francisco using current City staff. We estimate the first year would cost roughly \$450,000, with an ongoing cost of roughly \$210,000 annually (going up as staff costs go up).

One of the allowable uses outlined in Measure Q is paying for "costs to implement a performance tracking system, or to conduct an evaluation of the effectiveness of services or programs." Between FY 2020-21 and FY 2021-22, \$508,000 was budgeted for audit and evaluation.²³

The City Needs to Set a Baseline for Performance to Evaluate the Effectiveness of the City in Reaching its Goals to Improve Park Conditions, Stormwater Quality, and Increase Homelessness Services

The City did not establish a baseline for performance to understand the effectiveness of Measure Q dollars in achieving the goals outlined within the Act. To account for variations in policy outputs, outcomes, and impacts, it is necessary to trace them back to prior policy inputs and activities. Without consistent measurement against a baseline, the City will not be able to measure the effect of Measure Q funds.

Recommendation 6

To track the effectiveness of Measure Q funds in reaching voter-approved objectives, we recommend the City Administrator's Office, in conjunction with the Public Works and Human Services departments, at a minimum, set a baseline for parks maintenance conditions and the number of people experiencing homelessness in or adjacent to City parks for measurement going forward.

²³ Of that \$508,000, 21.5 percent was budgeted for audits (discussed in Section 3).

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Recommendation 7

We recommend the City Administrator's Office identify baseline performance related to objectives of City special tax programs and establish outcome measures to periodically report to the City Council.

Service Levels Are Assigned to Parks, But the City Does Not Report On Whether Those Service Levels Are Met

Public Works established service levels for parks maintenance that it assigns to each of the roughly 160 parks in Oakland. The City assigns 'high,' 'medium,' and 'low' service levels to City parks. Public Works, however, does not track or publicly report on whether it meets those levels of service. Additionally, these service levels, while establishing routine maintenance schedules, are not impact or outcome oriented. For example, a high service level park may not necessarily mean the park is in great condition. Exhibit 16 (below and on the next page) shows some of the conditions at a high service level park.

Exhibit 16: Maintenance Concerns at a High Service Level Park



Nonfunctioning and clogged water fountain



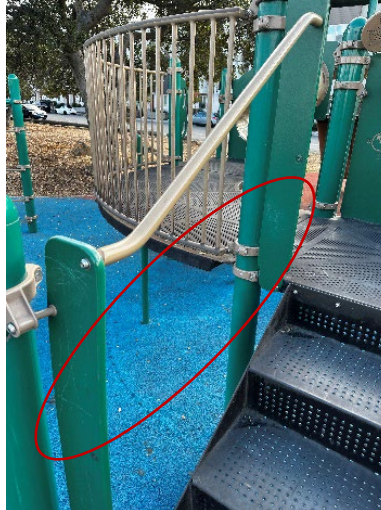
Crater in the synthetic turf on a ballfield



Crater in the natural turf on a ballfield



Cones bolted over playground equipment presumably to cover hazardous edges



Left side of staircase is missing a railing which presents a hazard



Graffiti renders the public sign illegible

Source: Auditor photos at Raimondi Park (November 2023)

Recommendation 8

We recommend the Public Works Department develop outcomes-based park condition standards for all City parks and use those standards to inform its routine maintenance schedule based on the condition standards and what condition levels it can achieve.

Recommendation 9

We recommend the Public Works Department implement an annual parks condition assessment informed by park condition standards, and report on that annually to the Parks and Recreation Advisory Commission.

One of the Objectives of Measure Q is to Reduce Homelessness in or Around Parks

In our April 2021 [Audit of the City of Oakland's Homeless Encampment Management Interventions & Activities](#), we noted that encampments throughout Oakland have “destroyed or compromised City parks.” Today, encampments continue to diminish the availability and quality of parks and recreational facilities for their intended public uses. Raimondi Park in West Oakland and Holly Park in East Oakland are examples of City parks where illegal dumping, litter, hazardous waste, and the use of park equipment for unintended purposes appears tied to the presence of encampments (See Exhibit 17 on the next page).

AUDIT RESULTS

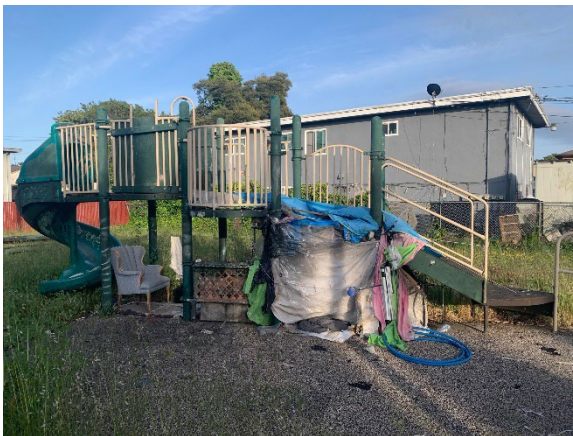
Exhibit 17: Encampments and Homelessness in and Around City Parks



Encampment dwellings along the sidewalk at Raimondi Park



Tents and personal possessions under the oak trees at Raimondi Park



Playground equipment at Holly Park repurposed for shelter



Tents and personal possessions under the oak trees at Raimondi Park

Source: Auditor photos at Raimondi Park (November 2023) and Holly Park (June 2023)

Additionally, the people living in these parks are still in need. One of the main objectives of the Act is reducing homelessness in or around City parks. Maintaining and enhancing parks and recreational facilities as Measure Q aims to accomplish, requires eliminating or significantly reducing homelessness and encampments at or around City parks.

The City Has Reported on Performance Related to Homelessness Services Broadly, but Should Report on Homelessness in and by Parks

The City has multiple reports and data sources²⁴ to update the public on the performance of Measure Q funding for homelessness services, however, does not report regularly on the number

²⁴For homelessness services, the City has a vast amount of data to draw on from the Homelessness Management Information System (HMIS) that it uses to track service provider performance. HMIS is a local information technology system used to collect client-level data and data on the provision of housing and services to individuals and families at risk of and experiencing homelessness. Our office reported on potential improvements to reporting

of homeless people in or adjacent to City parks, part of the main objective related to homelessness in the Act.

The City should come up with metrics that consider and track the number of homeless people in or adjacent to City parks, to determine the effectiveness of Measure Q funding in reducing homelessness in and near City parks.

Recommendation 10

We recommend the Human Services Department, in conjunction with the City Administrator's Homelessness Division, develop performance measures, with an emphasis on reducing the number of people experiencing homelessness in or adjacent to City parks, and report on those measures to the Commission on Homelessness.

The Public Works Committee Receives Reports on Stormwater Quality Metrics, but Public Works Should Report on Measure Q Performance

For stormwater quality, Public Works already reports to the Public Works Committee and the City Council on the compliance for trash load reduction with the City's Municipal Regional Stormwater Discharge Permit. In addition, staff report on the Measure Q deliverable related to litter reduction in parks to the Parks and Recreation Advisory Commission (PRAC).

However, another performance metric staff could report on, since the majority of Measure Q stormwater quality funds (\$2.3 million out of \$2.7 million) have been spent or encumbered on the Stormwater Drainage Master Plan, is whether that plan is going to be completed on time. The firm completing the plan was hired in March 2021, and the plan was supposed to be completed by 2024. As of end of July 2023, the firm had billed the City for 46 percent of the expected services.

Recommendation 11

We recommend the Public Works Department assign staff to report on the progress of stormwater quality projects funded by Measure Q to the Parks and Recreation Advisory Commission.

Annual Evaluations of Outcomes Improve Transparency and Public Accountability

The City Council passed a resolution directing the City Administrator to apply best practices for performance measurement, management, and reporting to increase public confidence through greater transparency.²⁵ Measure Q did not have a requirement for the evaluation of the programs

on provider performance in the September 2022 [Performance Audit of the City's Homelessness Services: Better Strategy and Data are Needed for More Effective and Accountable Service Delivery and Positive Outcomes for Oakland's Homeless Residents](#).

²⁵ 87688 C.M.S.

AUDIT RESULTS

or services provided, which is inconsistent with the City's performance measurement and management goal.

Measure Z (The 2014 Oakland Public Safety and Services Violence Prevention Act), another special parcel tax, has a requirement for the annual evaluation of the programs that they provide. Measure Z requires reporting on whether strategies yield desired outcomes in the short- and long-term, stating:

"Annual Program Evaluation: Annual independent program evaluations pursuant to Section 3(C) shall include performance analysis and evidence that policing, and violence prevention/intervention programs and strategies are progressing toward the desired outcomes. Evaluations will consider whether programs and strategies are achieving reductions in community violence and serving those at the highest risk. Short-term successes achieved by these strategies and long-term desired outcomes will be considered in the program evaluations."

An annual evaluation of programs that have been funded by the ballot measure would align with Council direction and improve transparency in the effectiveness of Measure Q funding in reaching the goals approved by the voters.

Recommendation 12

We recommend the City Administrator's Office periodically evaluate and report on special tax programs' ongoing performance and outcome measures against baseline performance.

FINDING 3: The City Needs to Strengthen its Oversight and Reporting of Measure Q Funds

Summary

Measure Q included a section on planning and accountability, requiring the City Council to assign “one or more existing boards or commissions” to “review reports related to the expenditure of revenue collected,” as well as the biennial City Auditor report. The City Council assigned the Commission on Homelessness and the Parks and Recreation Advisory Commission as the civilian oversight bodies. We found that the Commission on Homelessness could strengthen its oversight through regular consideration of Measure Q funded efforts, like the Parks and Recreation Advisory Commission’s, and through the issuance of its statutorily required annual report.

Additionally, Measure Q makes an annual financial audit optional, stating it “may be performed annually to ensure accountability and proper disbursement of the proceeds of this tax in accordance with” state law. California law requires accountability measures to limit proceeds from special taxes to stated uses and annual reports from the chief fiscal officer to the governing body with the amounts collected and spent (California Government Code sections 50075.1 and 50075.3). We found that despite having budgeted an annual financial audit, the City has not contracted a financial audit for Measure Q. We recommend spending the annual audit allocation to ensure the City complies with California state law.

The City Council Assigned Citizen Oversight of Measure Q Funds to the Commission on Homelessness and the Parks and Recreation Advisory Commission

The City Council assigned the responsibility of citizen oversight to the Commission on Homelessness and the PRAC:

The Commission on Homelessness (COH) is the nine-member commission responsible for civilian oversight relating to Measure Q-funded homelessness services and illegal dumping, which receives 30 percent of tax revenues generated. The intent of the COH, according to the letter from Councilmember Kaplan proposing its creation, is to “assist the City of Oakland in reviewing the efficiency of homelessness programs which will result in potential improvements in effectiveness, and can strengthen our ability to attract additional funds.”²⁶ Under the Municipal Code,²⁷ the Commission publishes “information, if available, concerning the impacts of programs funded by... 2020 Measure Q homelessness funds subject to Commission oversight on the occurrence of homelessness and illegal dumping in the City.”

²⁶ See the main staff report on the [agenda item from the February 18, 2020 City Council meeting](#) where the establishment of the Commission on Homelessness was considered.

²⁷ Oakland Municipal Code Section 4.56.060

AUDIT RESULTS

The Parks and Recreation Advisory Commission (PRAC) is an eleven-member commission responsible for citizen oversight over Measure Q funds dedicated to parks, landscape maintenance, recreational services, and services to improve water quality and related litter reduction, which receives 69 percent of the tax revenues generated. The Measure Q oversight duties assigned to the PRAC by the City Council include:

1. Reviewing relevant financial and operational reports related to the expenditure of Measure Q funds;
2. Make recommendations to the Mayor and City Council on the allocation of Measure Q proceeds as part of the Biennial Fiscal Year Budget, Mid-Cycle Budget, and other formal budget processes.

The Commission on Homelessness (COH) Should Receive Regular Measure Q Performance Reports, Similar to the Parks and Recreation Advisory Commission (PRAC)

In contrast to the PRAC, the COH does not have a regular agenda item to consider Measure Q funded efforts. Seven months after the passage of Measure Q and one month after being assigned oversight duties, the PRAC set up a regular agenda item to consider Measure Q oversight, discussing financials (budget or actuals), hiring and vacancies, and Public Works' performance. In February 2021, the PRAC also created an ad hoc committee, composed of three commissioners, to meet regularly with City staff on Measure Q implementation. As a result, the PRAC discussed Measure Q expenditures or performance at 18 meetings between October 2020 and June 2022. In contrast, between its first meeting as a commission in December 2020 and June 2022 the COH discussed Measure Q in three total meetings (see Exhibit 18).

Exhibit 18 shows a timeline that shows the types and frequency of deliberation from the COH and PRAC from just before Measure Q passed through the end of FY 2021-22.

Exhibit 18: The Parks and Recreation Advisory Commission (PRAC) Has Received Many More Reports on Measure Q from City Staff than the Commission on Homelessness (COH)

February 2020	The City Council creates the Commission on Homelessness (COH) and assigns it Measure Q homelessness services oversight pending its passage (13584 C.M.S.)
March 2020	Voters approve Measure Q
October 2020	The City Council assigns Measure Q parks and water quality oversight to the PRAC (13622 C.M.S.)
November 2020	The PRAC initiates consideration of Measure Q oversight as a regular agenda item (listed as "MEASURE Q: OVERSIGHT/UPDATES/REPORTS")
December 2020	The COH holds its first meeting
January 2021	The PRAC receives its first operational report, a report on hiring and vacancies from Public Works staff (the PRAC had hiring updates as an agenda item on 16 out of the next 17 months through June 2022)
February 2021	The PRAC establishes an ad hoc committee on Measure Q
April 2021	City staff present to the COH on Measure Q as part of the FY 2021-23 budget cycle discussion
May 2021	The PRAC discusses the ad hoc committee sending a letter to the City Council on recommendations for the FY 2021-23 budget cycle
February 2022	City staff first reports on deliverables to the PRAC (mowing sports fields and dedicated staffing)
April 2022	City staff presents a new deliverable to the PRAC (restroom cleanings) The PRAC discusses the letter sent to the City Council on the midcycle budget The COH discusses Measure Q as a part of homelessness services budget discussion
May 2022	The COH receives its first presentation from City staff on Measure Q expenditures The PRAC presents its annual status report to the City Council
June 2022	City staff presents a new deliverable to the PRAC (litter reduction)

Source: Auditor observations of commission meetings and meeting minutes; **Note:** PRAC updates in blue, COH updates in orange, and March election in gray

AUDIT RESULTS

The PRAC's involvement has helped with public oversight. For example, the PRAC ad hoc committee worked with Public Works to develop the Measure Q website, which provides information on hiring, performance, and budget.²⁸

Recommendation 13

To facilitate citizen oversight of homelessness efforts, we recommend the City Administrator's Office bring regular operational and expenditure reports to the Commission on Homelessness, and that the Commission establish a regular agenda item for this purpose.

The Municipal Code Requires the Commission on Homelessness (COH) to Publish an Annual Report

The municipal code requires the COH to publish an annual report regarding how and to what extent the Commission has implemented its civilian oversight of homelessness funds.²⁹ To date, the COH has not published an annual report. Staff attributes the inability to publish an annual report to time constraints and quorum issues with the COH. In contrast, the PRAC published an annual status report and presented it to the City Council in May 2022 outlining its accomplishments (including a section on Measure Q). Periodic reporting of boards and commissions to the City Council provide a tool for oversight and policy evaluation. The COH should publish a report on its activities and can use the PRAC's as a guide.

Recommendation 14

We recommend the Commission on Homelessness fulfill its statutory obligation by publishing an annual report, pursuant to Oakland Municipal Code Section 4.56.060, including a section on Measure Q.

An Annual Audit Could Be an Oversight and Monitoring Tool for the Parks and Recreation Advisory Commission (PRAC) and the Commission on Homelessness (COH)

Unlike other special tax measures implemented by the City, Measure Q did not require an annual financial audit. Rather, the Measure makes the annual financial audit optional. It reads:

*"Annual Financial Audit. An independent audit **may** be performed annually to ensure accountability and proper disbursement of the proceeds of this tax in accordance with the objectives stated herein as provided by Government Code sections 50075.1 and 50075.3."*

In contrast, Measure Z, which annually has an audit completed of its financials and budgetary schedules, reads as follows:

²⁸ <https://www.oaklandca.gov/topics/measure-q>

²⁹ Oakland Municipal Code Section 4.56.060

*“Annual Audit Review: An independent audit **shall** be performed annually to ensure accountability and proper disbursement of the proceeds of this tax in accordance with the objectives stated herein as provided by Government Code sections 50075.1 and 50075.3.”*

Notably, both reference the same sections of state law.

An Annual Audit Could Satisfy State Requirements for Reporting

California Government Code sections 50075.1 and 50075.3 require an annual report on the amount of funds collected and expended and the status of any project required or authorized to be funded. An annual audit could provide assurance that budgeting and spending is in alignment with the legislation as well as inform budget recommendations made by the PRAC.

The City budgeted \$36,000 in FY 2020-21 and \$73,000 in FY 2021-22 to complete a financial audit, though to date, that money has not been spent and a financial audit has not been completed. The City should spend its budget allocation and implement an independent annual financial audit similar to Measure Z that checks the compliance with budgetary allocation, expenditures, and fulfils the requirements of state law.

Recommendation 15

We recommend the City spend its budget allocation for an annual audit of Measure Q funds collected and expended, as required by California Government Code sections 50071.1 and 50075.3.

Recommendation 16

We recommend that for future special tax programs, the City Administrator’s Office initiate a best practice policy requiring an annual report on revenues, expenditures, and the status of open projects, to make sure that the City satisfies California Government Code sections 50075.1 and 50075.3.

OBJECTIVES, SCOPE, AND METHODOLOGY

Objectives

1. Determine whether the City is spending Measure Q monies in accordance with the Act.
2. Determine whether the City is appropriating Measure Q monies in accordance with the Act.
3. Determine whether Measure Q has improved park conditions.
4. Assess the oversight of Measure Q activities and expenditures.

Scope

The scope of the audit includes Fiscal Years 2020-21 and 2021-22. We included revenues and expenditures from Fiscal Years 2019-20 and 2022-23 for informational purposes. Additionally, we included budget information from Fiscal Years 2022-23, 2023-24, and 2024-25 for informational purposes.

Methodology

Toward achieving the above objectives, we reviewed relevant management controls and:

- Reviewed the 2020 Parks and Recreation Preservation, Litter Reduction, and Homelessness Support Act (Measure Q) and its requirements.
- Reviewed similar audits in other jurisdictions.
- Reviewed Measure Q budgets, revenues, and expenditures.
- Reviewed City policies and procedures for budget and expenditures.
- Interviewed staff from the Human Services Department, Oakland Public Works, and Department of Finance.
- Reviewed operational and financial reports presented to citizen commissions and the City Council related to Measure Q.
- Tested Measure Q budgets and expenditures for compliance with legislative requirements by sampling 100 percent of personnel expenditures, verifying that personnel costs were associated with valid organization codes and job descriptions and reviewing a risk-based judgmental sample of invoices and other miscellaneous expenditures. This sample covered 39 percent of non-personnel transactions, totaling \$7.2 million in expenditures. Because the non-personnel sample was judgmentally selected, it cannot be projected out to full population.
- Reviewed meeting minutes from the Parks and Recreation Advisory Commission (PRAC) and the Commission on Homelessness (COH).
- Interviewed staff from the City of San Jose and the City and County of San Francisco.
- Reviewed best practices for performance measurement and management.
- Reviewed other special tax measures' text and financial records for comparison.

STATEMENT OF COMPLIANCE

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

APPENDICES

Appendix A

Parcel Tax Rates for Measure Q Between FY 2020-21 and FY 2023-24

Type	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Single Family Residential Parcels	\$148.00	\$153.52	\$162.32	\$174.58
Multiple Residential (per unit)	\$101.08	\$104.85	\$110.86	\$119.23
Non-Residential Parcels ³⁰	Various Rates	Various Rates	Various Rates	Various Rates

Source: Auditor analysis of 13746 C.M.S., 13701 C.M.S., 13652 C.M.S., and 13595 C.M.S.

³⁰ Rates for non-residential parcels varies depending on parcel frontage and square footage.

Appendix B

Property Tax Exemptions for Measure Q By Category in FY 2020-21 and FY 2021-22

Types of Property Tax Exemptions	Number of Exemptions Issued	
	FY 2020-21	FY 2021-22
(50%) Very-Low Income Household	939	889
(60%) Low Income Non-Senior Household	5	5
(80%) Senior Household	74	74
Non-Profit Housing	71	79
School	14	16
Religious	101	104
Rebate to tenants in foreclosed single-family homes	0	0
Distressed Homeowners³¹	0	0
TOTAL	1,204	1,167

Source: City of Oakland Finance Department

³¹ Owner of a residential unit who occupies that unit (or calls the unit their principal place of residence), and is subject to a current notice of default, current notice of trustee's sale, or a pending tax assessor's lien sale.

APPENDICES

Appendix C

Number Of City Staff Budgeted Under Measure Q By Department and Fiscal Year

Service Area	Department	Division/Org	Number of Full-Time Equivalent (FTE) Staff by Fiscal Year				
			2020-21	2021-22	2022-23	2023-24	2024-25
Audit and evaluation	Oakland Public Works	Management Information Systems	1	1	0.92	0.83	0.83
	Office of the City Auditor	Office of the City Auditor	0	0	0	0.2	0.2
Homelessness services	City Administrator's Office	Homelessness Administrator	0	1	1	3	4
	Human Services Department	Fiscal Operations	1	1	1	1	1
	Human Services Department	Community Housing Services	2	1.5	2	9.07	9.07
	Economic and Workforce Development	Real Estate	0	0	0	0.5	0.5
Parks Maintenance	Oakland Public Works	Facilities	6	9	11	11	11
	Oakland Public Works	Parks & Trees	91.4	101.6	99.73	101.73	101.73
Stormwater Quality	Oakland Public Works	Watershed and Stormwater Program	1	1	1	1	1
TOTAL			102.4	116.1	116.65	128.33	129.33

Source: Auditor analysis of City of Oakland Adopted Budgets



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CITY ADMINISTRATION'S RESPONSE

We presented the audit's findings, conclusions, and recommendations to the City Administration, including staff from the Finance Department, the Department of Human Services, and the Department of Public Works. They indicated they agreed with all recommendations in the report and their written response is forthcoming.

UPDATE 3/11/24: The Administration completed a response. It is presented on the following pages.



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Recreation Preservation, Litter Reduction, and
Homelessness Support Act**

City Administration's Recommendation Implementation Plan

Recommendation	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date for Completion
1	To prevent misallocated carryforwards, we recommend the Budget Bureau create a procedure to reconcile the appropriations with encumbrances and actuals once the fiscal year is closed. The procedure should check that the carryforwards are not greater than the balance of appropriations and encumbrances plus actuals, so that the carryforwards do not skew categorical spending allocations. The Budget Bureau should cross reference this procedure with the appropriate budget policies.	Management agrees with recommendation and has modified its procedures to ensure accuracy in the carryforward appropriations.	Finance Department	Completed
2	We recommend the City Administrator develop and propose to the City Council for its consideration, a policy for establishing future maintenance of effort thresholds that are simple, easy to interpret, and represent minimum service levels from base levels.	Management partially agrees. The Finance Department will develop a policy for City Administrator signature that provides guidance to Council on maintenance of effort (MOE) thresholds, guidelines on the calculation of MOE, outlines requirements for City special tax programs, including baseline, measurement assessment and annual reporting to Council.	City Administrator's Office /Finance Department	By March 2025, prior to next election cycle
3	To ensure consistency in interpretation and application, we recommend the Budget Bureau document its methodology for calculating the maintenance of efforts for Measure Q.	Management partially agrees; the maintenance of effort (MOE) language is codified in the Measure. Legal interpretation is exercised by the Office of City Attorney, and the Finance Department, Budget Bureau publishes the	Finance Department	Completed



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City Administration's Recommendation Implementation Plan

Recommendation	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date for Completion
		methodology used to calculate the MOE in the Adopted Budget Book.		
4	For future special tax programs, we recommend the Budget Bureau create a maintenance of effort methodology and guidelines prior to developing the measures' first budgets.	See response to Item 2 above.	Finance Department	See response to Item 2 above.
5	We recommend the Budget Bureau adjust its budgeting for costs associated with administering the Measure Q ballot measure to reflect the County's collection fee amount of 1.7 percent of revenue.	Management agrees; the Finance Department, Budget Bureau will update the County collection fee to reflect its accurate cost in the budget exercise.	Finance Department	Completed, Budget adjustment/ transfer added to administrative project.
6	To track the effectiveness of Measure Q funds in reaching voter-approved objectives, we recommend the City Administrator's Office, in conjunction with the Public Works and Human Services departments, at a minimum, set a baseline for parks maintenance conditions and the number of people experiencing homelessness in or adjacent to City parks for measurement going forward.	Management agrees. To support tracking effectiveness of Measure Q funds in meeting voter-approved objectives, subject to budget availability, Oakland Public Works will issue a Request for Proposals (RFP) for a consultant to complete a comprehensive assessment of City parks and parks maintenance. As part of this assessment, the consultant will be tasked with recommending an established baseline for parks maintenance conditions, including the number of people experiencing homelessness in or adjacent to City parks.	Oakland Public Works and Human Services Department	Staff anticipate the selected consultant's work will commence by Summer of 2024



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City Administration's Recommendation Implementation Plan

Recommendation	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date for Completion
7	We recommend the City Administrator's Office identify baseline performance related to objectives of City special tax programs and establish outcome measures to periodically report to the City Council.	See response to Item 2 above.	Finance Department	See response to Item 2 above.
8	We recommend the Public Works Department develop outcomes-based park condition standards for all City parks and use those standards to inform its routine maintenance schedule based on the condition standards and what condition levels it can achieve.	Management agrees. As part of the assessment described in item 5, The assessment will also include an analysis of the current achievability of baseline standard conditions, (i.e., can those conditions be met, not met, or improved upon with existing resources), and identify additional needs, as applicable.	Oakland Public Works	This effort is a key component of the Park Assessment commencing Summer of 2024.
9	We recommend the Public Works Department implement an annual parks condition assessment informed by park condition standards, and report on that annually to the Parks and Recreation Advisory Commission.	Management agrees. As part of the assessment described in item 5, OPW will also develop an implementation and monitoring program with achievable milestones. This will include an annual assessment that will be reported to the Parks and Recreation Advisory Commission (PRAC).	Oakland Public Works	This effort is a key component of the Park Assessment commencing Summer of 2024.
10	We recommend the Human Services Department, in conjunction with the City Administrator's Homelessness Division, develop performance measures, with an emphasis on reducing the number of people experiencing homelessness in	Management partially agrees. The City Administrator's Office will work with Oakland Public Works, Human Services Department and Oakland Police Department to implement and enforce a	City Administrator's Office, Human Services Department with	June 2024. The CAO in collaboration with OPW, will include a budget



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City Administration's Recommendation Implementation Plan

Recommendation	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date for Completion
	or adjacent to City parks, and report on those measures to the Commission on Homelessness.	"no re-encampment policy" in City parks. To support this policy, the City Administrator and the other Departments will expand the Encampment Management Team to create another team that includes public outreach staff, a small illegal dumping removal team, and Police resources, to ensure compliance with the Encampment Management Policy if a park closed within the last 6 months is re-encamped so that people are removed within 72 hours, subject to availability of funding, shelter beds and in compliance with the law.	Oakland Public Works support.	request in the proposed fiscal year 2024-25 Midcycle budget.
11	We recommend the Public Works Department assign staff to report on the progress of stormwater quality projects funded by Measure Q to the Parks and Recreation Advisory Commission.	Management agrees. The Assistant Director of OPW's Bureau of Design and Construction, or their designee, will provide regular progress reports on stormwater quality projects funded by Measure Q to the Parks and Recreation Advisory Commission (PRAC).	Oakland Public Works	Progress reports on the stormwater quality projects to PRAC will commence March 2024.
12	We recommend the City Administrator's Office periodically evaluate and report on special tax programs' ongoing performance and outcome measures against baseline performance.	See response to Item 2 above.	City Administrator's Office	See response to Item 2 above.



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Recommendation	City Auditor's Recommendations	Management Action Plan	Responsible Party	Target Date for Completion
13	To facilitate citizen oversight of homelessness efforts, we recommend the City Administrator's Office bring regular operational and expenditure reports to the Commission on Homelessness, and that the Commission establish a regular agenda item for this purpose.	Management agrees. CAO staff will work with the Commission on Homelessness to agendize these reports as a recurring item, and to affirm the specific data sets and information to be included in each report.	City Administrator's Office	Summer 2024.
14	We recommend the Commission on Homelessness fulfill its statutory obligation by publishing an annual report, pursuant to Oakland Municipal Code Section 4.56.060, including a section on Measure Q.	This recommendation is directed to a commission rather than an Administrative body, the City Administrator will coordinate with the Chair and recommend agendizing at a future Commission meeting.	City Administrator's Office	December 2024
15	We recommend the City spend its budget allocation for an annual audit of Measure Q funds collected and expended, as required by California Government Code sections 50071.1 and 50075.3.	Management agrees. The Finance Department, Controllers Bureau will add Measure Q to the scope of the independent auditor's contract to include Measure Q in the annual audit, beginning in 2025.	Finance Department	January 2025
16	We recommend that for future special tax programs, the City Administrator's Office initiate a best practice policy requiring an annual report on revenues, expenditures, and the status of open projects, to make sure that the City satisfies California Government Code sections 50075.1 and 50075.3.	See response to Item 2 above.	Finance Department	See response to Item 2 above.