

A NEW PHILANTHROPY PARADIGM:

Joining Forces to Solve Homelessness in the Bay Area

STORY BY M. REILLY DOWD



An exhibit from *Coming Clean: SF*, a multimedia showcase aimed at shining a light on the full spectrum of homeless people.

“This is what we call sweater weather,” observes a clean-shaven, smiling Luis Miranda. It was a crisp January morning in San Francisco’s Mission District, and Miranda was stepping out of a bright blue mobile unit bearing the name of a nonprofit called Lava Mae. His 15 minutes of a free shower were up, and he was on his way to a shelter for a few hours of sure-to-be-interrupted sleep. Just a block and a half away, a three-bedroom rental home has hit the market for \$16,000 per month. Welcome to San Francisco.

Miranda is one of an estimated 7,500 people who currently call the San Francisco streets their home. That’s five homeless souls for every thousand with a roof over their head—the highest proportion of unsheltered individuals in any major American city. But even as the tech-driven real estate boom has exacerbated San Francisco’s homelessness, technological innovation is laying the foundation for solutions with heart.

Guests, as the Lava Mae team refers to their homeless patrons, are given a hygiene kit and access to a clean, private bathroom with a shower. But for Lava Mae’s founder, Doniece Sandoval, it’s more about dignity than shampoo.

As she sees it, the community should be thinking about solving homelessness from a human perspective, not just a financial one. “People have to have a sense of their own self-worth in order to be able to level themselves out in the circumstances they are in,” she says. “What are those services that can give them the necessary springboard to keep moving forward?”

It’s a question that Bay Area leaders—from philanthropists to tech titans to grassroots organizers to government officials—are beginning to tackle in ways that have never been done before. The



Lava Mae founder Doniece Sandoval

solution to homelessness requires a concoction that hasn't been fully baked. But the ingredients are becoming increasingly clear—consistent funding, compassion, collaboration, and perhaps a pinch more political will.

The City's Steepest Hill: Chronically Homeless

Now 45 years old, Miranda has spent most of his life—and all of the last four years—living on the streets. He falls under the category of “chronically homeless”—of which there are an estimated 1,800 people citywide. “During the night, I’m on Golden Gate Avenue sleeping somewhere,” he says. “I’ve got a sleeping bag. I just pick up a piece of cardboard to insulate the cold. That’s about it. Once I am in that sleeping bag, it’s all over. I’m pretty warm in there. Lights out. I can sleep anywhere.”

Most people who share the sidewalk with him, however, would disagree. “Many of them really don’t want to be homeless,” says Sandoval. “They want to be housed.”

A New Approach: “Step Ladder”

In terms of the chronically homeless, most experts agree that it’s not just a matter of housing. “It’s looking at multi-year support systems to help people not yoyo, but see it through,” explains Sandoval.

“Some people think, ‘Oh my God! How much money are we going to throw at this?’” she adds. In short: more, a lot more.

For the 2015 – 2016 fiscal year, the city allocated a record \$241 million for homeless services, an \$84 million increase from when Mayor Ed Lee took office in January 2011. And as of March 2017, Jeff Kositsky, director of San Francisco’s new Department of Homelessness and Supportive Housing, had requested a budget increase of \$16.5 million for this year and \$21.6 million for next year.

Mayor Lee, who has pledged to get 8,000 homeless people off city streets, has set his sights on initiatives that go beyond offering a hot meal, a shower, and a few hours of sleep. His hope is that the city can facilitate somewhat of a “step ladder,” so that people don’t get stuck for the long term in whatever housing situation they find themselves at the moment.

And as Lee told *The San Francisco Chronicle*, self-sufficiency is one of the biggest challenges. Meeting that challenge means helping people to take steps forward at each stage:

- Step 1: Encampments/Temporary Shelters
- Step 2: Supportive Housing
- Step 3: Public Housing
- Step 4: Affordable Housing

Lee has made a concerted effort to partner with both the tech sector and local nonprofits. The “Heading Home Campaign,” for example, is a partnership between the mayor’s office and Hamilton Families, an NGO with a mission to end family homelessness. Heading Home aims to help 800 families find permanent housing by 2020. Marc Benioff, CEO of Salesforce, has vowed to match up to \$10 million in donations for the \$30 million campaign. Beyond immediate shelter,

Hamilton Families focuses on providing families with services that they need to find permanent housing—and their model seems to be making an impact. In the 2015 – 2016 fiscal year, they helped 237 families move into permanent housing.

In large part, Hamilton’s success is owed to collaboration with the tech sector. The NGO partnered with Salesforce’s Community Cloud to create a searchable database of available housing units and get more families off the city streets in a timely manner.

While the vast majority of homeless people—an estimated 80%—are only homeless temporarily, San Francisco’s chronically homeless population poses the city’s most contentious and intractable challenge. “This is a visible problem that no one seems to have solutions for,” says Daniel Lurie, founder of Tipping Point, one of the Bay Area’s leading poverty-fighting organizations.



Daniel Lurie, founder of Tipping Point

Under Lurie's leadership, Tipping Point recently launched SF Gives, a \$10 million initiative focused on conquering the city's challenge of chronic homelessness and mental illness. Their call to action specifically targets Bay Area companies, most of which focus their giving on impoverished communities around the world rather than in their own back yard. As a snapshot, the tech sector gave 75% internationally and 25% here in the Bay Area in 2012. "We're trying to go to Mars," says Lurie, "but we can't build housing for the 1,800 [chronically homeless] people living on the streets?"

According to Tipping Point's 2016 Annual Report, some of the Bay Area's biggest companies are on board with Lurie's mission: GoPro, Apple, LinkedIn, Dropbox, Adobe—to name a few.

The Tech Boom and Its Ripple Effect

For many, the tech boom has been good—even great. "Cities have to grow and thrive," Sandoval says, "or else, they become Detroit." But with Facebook and Google now in town and thousands of highly paid employees paying top dollar for homes, the ripple effects—at virtually all income levels—are impossible to ignore.

In Palo Alto where the tech boom began, the city council was considering a rental subsidy for families that made less than \$250,000 a year. "This is crazy," admits Sandoval, "but this is needed."

At the bottom of the economic totem pole, evictions are the name of the game. According to San Francisco's homeless survey, over 70% of the city's homeless population were living in the city when they lost their homes.

"For some people, it's the cards they've been dealt; other people choose it," says a confident Miranda. "If I look for help, I will find it." Miranda frequents St. Boniface Church where, as part of the Gubbio Project, he can sleep on the pews for a few hours during the day. Although Miranda benefits from the city's short-term resources, he's not unaware of the darker

side of homelessness. Miranda says he often sees elderly people waiting in line in the cold. "That bothers me as a person," he says.

San Francisco's Greatest Fault Line: The Visibility Factor

Despite popular opinion, San Francisco's homeless population has gone up less than 7% in the last decade. What has changed, however, is the visibility of this popula-

and sponsored by San Francisco Supervisor Mark Farrell, quickly gained support of some of the Bay Area's most generous philanthropists. Bill Oberndorf, Ron Conway, and Michael Moritz have all donated the maximum \$50,000 as proponents of the bill.

Some see the measure as a step backward, arguing that such a crackdown runs counter to San Francisco's tradition-



tion. The Bay Area's tech boom has led to massive construction in places where tents were once pitched—and stayed pitched—with little notice or interruption.

In essence, it's the visibility factor that has caused the greatest fault line in the debate over homelessness. When the tents came down, the extent of the problem was there for all to see—entrepreneurs, tourists, parents, and politicians, too. That in-your-face reality is, in large part, what led to the passing of Proposition Q, which bans homeless tents on public sidewalks.

The bill, which was initially authored

ally liberal attitude toward homelessness. More importantly, and in defense of those who backed the measure, Proposition Q doesn't just force those living in encampments to move, but comes with a 24-hour notice and a promise of one night in a shelter. The tent ban was designed only to be enforced when alternative shelter is available.

The problem is, there is only about one shelter bed for every six homeless people. As a result, many of those living in tents simply end up in the same situation, just on a different block.



PHOTO: ERICA MCLAIN



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Michael and Corey (left) call the barriers on Utah Street “AND STAY OUT” barriers. Proposition Q has forced them to relocate on several occasions. They have been on their new block for the last two weeks, with plans to stay until asked to move again. Their message to others whose instinct is to turn away is simple: Paychecks disappear and a little sensitivity can go a long way to helping them get back on their feet. Ryan (right), who has lived on the streets on San Francisco for five years, says that the recent passing of Prop Q has indeed made his situation worse. But it was also the beginning of something beautiful. He says people living in the Bay Area have become more generous and supportive of the homeless than ever before.

The Missing Link: Alternative, Supportive Housing

What is needed is alternative housing—and quickly. “At the root of this problem is a very simple calculation,” says San Francisco developer Patrick Kennedy. “What we need is supportive housing for the homeless. Full stop.”

He believes he has the answer. Or at least, the beginning of one.

Kennedy and his team at Panoramic Interests want to bring in thousands of furnished micro-pad units (prefabricated

in China and Poland) to be stacked like Legos on vacant parking lots and industrial areas. With a portion of this housing designated for the homeless, he’s proposing to offer the city a master lease for \$1,000 per unit per month.

Kennedy says the city needs 5,000 units of housing. “We can build it for 40% less than conventional construction,” he says, “and we can do it quicker.”

Kennedy believes his micro-units present an opportunity for philanthropists, especially those who want to know pre-

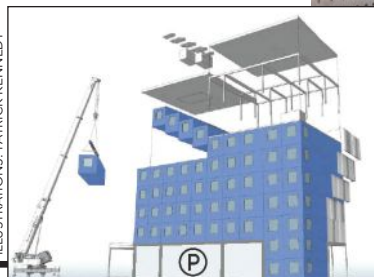
cisely where their money is going—and whether it’s having a measurable impact. In the future, he envisions a path for philanthropists to donate to an organization such as Mercy Housing or the Tenderloin Housing Clinic that could operate in a micro-pad building.

Kennedy also foresees a scenario in which people could donate directly to an individual to help them get back on their feet. “If a philanthropist wants to buy a micro-pad unit and make it available for a homeless individual, they could,” he says,



MicroPADs can be stacked over existing parking lots, preserving the spaces below.

ILLUSTRATIONS: PATRICK KENNEDY



MicroPAD interior

PHOTO: PATRICIA CHANG



adding we should make use of the technology we already have that would allow a donor to know the specific individual who is benefiting. “It’s like adopting a kid in Africa or Latin America,” says Kennedy.

Lurie, too, sees the potential in micro-units. “It’s a matter of political will,” he says, “and using the vast resources we have in this region.” Lurie argues for a local solution to a local problem and makes the case that Bay Area families who’ve built wealth have an obligation and responsibility to give back. He admits that giving to the poor isn’t new. “If put in the right hands,” he says, “it can be revolutionary.”

Pioneering New Housing Models: Navigation Centers

Under Mayor Lee’s leadership, San Francisco has blazed a trail for a new model of homeless shelters, referred to as Navigation Centers. Designed as a one-stop facility, homeless people can stay for weeks, even months, along with their pets, loved ones, and personal belongings, while they

addiction, is planned for the San Francisco General Hospital campus.

“The navigation center [concept] really turned the whole shelter idea on its head,” says Sandoval. But options for what is essentially one-stop shopping are few and far between. “In a city like San Francisco, people are running to four or five different locations for critical services, getting in line in every single one and probably filling out very similar paperwork,” explains Sandoval. “It’s like a full-time job just to get out of homelessness.”

A Navigation Center is the kind of

The Role of Philanthropy: Changing Perceptions of the Homeless

In large part, this challenge is one of perception. Sandoval doesn’t want to just transform the way communities serve the homeless; she wants to fundamentally shift how we see them. That goes beyond a clean shave and a hot shower. Sandoval recently launched *Coming Clean: SF*, a multimedia showcase aimed at shining a light on the full spectrum of homeless people, not just the most visible ones. The exhibition features Bay Area artists working in a range of mediums, including photography, drawing, collage, fibre art, film, sculpture, and sound experience.

Others are looking towards the general public to shift the tides. One such pathway is San Francisco-based *HandUp*, an app for direct giving to the homeless. Google’s philanthropic wing has pledged \$500,000. Other backers include Salesforce’s Benioff and “Lean Startup” founder Eric Ries.

Indeed, a permanent solution to homelessness in the Bay Area remains a very long and uncertain road. But the path forward has already been set in motion. Bay Area philanthropists have the unique power to make a measurable—and lasting—impact.

“We all long for the silver bullet, the quick fix,” says Sandoval. “Unfortunately, there isn’t one because people fall into homelessness for all sorts of reasons.”

The key, once they do fall in, is to ensure they keep moving up and out. That requires more than housing or technology or even money—it requires heart. ♦

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are directed into housing, rehabilitation, and ultimately, employment.

In March 2015, San Francisco opened the first Navigation Center in the Mission District. And it has been a welcomed addition. According to Dignity Health’s 2017 *CityBeat* Poll, 90% of San Francisco residents support Navigation Centers.

Building on this initial success, Mayor Lee has already called for the city to open six new centers over the course of the next two years. A second one is up and running in the Civic Center neighborhood, with two more set to open in the Dogpatch and South of Market neighborhoods in the coming months. A fifth, which will focus on treating those with mental illness and

facility that might make a former homeless individual the perfect candidate for one of Kennedy’s City Spaces Micro Pads.

Kennedy says the units are well suited for individuals who are drug-free and proven ready to move on with their lives. As they climb the housing ladder, it frees up beds in existing SROs (single room occupancy), where there is a severe shortage. “There are no places left to send people who are coming off the streets,” he says. “Even if they are willing to go to a Navigation Center, there is no place for them to go after that to live permanently.” That’s where his micro-units come in—and potentially, could play a role in reversing a now decades-old cycle of the city.