



These five SRO hotels — The Jefferson, Vincent, Royan, Mission, and Hartland — are part of the DHS Master Lease Program, which is handled primarily by the Tenderloin Housing Clinic. The Royan is the most recent and most expensive addition to the group.

PHOTOS BY LENNY LIMJOCO

DHS still lining up hotels for Prop N housing

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maintenance program. "Not Cash" would be \$59 a month, as opposed to from \$320 to \$395, which previously was meant to cover food and housing.

Key among the DHS challenges was an expansion of housing through the master lease hotel program. DHS Executive Director Trent Rhorer calls it the "cornerstone to our implementation plan" in targeting housing for the homeless under Prop N.

"Based on our assumptions," Rhorer reported to the supervisors' budget analyst, Harvey Rose, on June 5, "our plan shows that by the spring of 2004 there will be sufficient services in place to meet the needs of San Francisco's homeless who are receiving assistance under the CAAP programs."

Although Rose found Rhorer's documentation wanting, the Human Services director says other July 1 deadlines were met. Admittedly, the master lease hotel expansion program was not completed. DHS had wanted to add 1,000 rooms in a six- to 12-month period, according to Rhorer.

"We do have a couple of new contracts," Rhorer says, "and we are continuing to negotiate with others."

Meeting the housing needs under Prop N would require a combination of shelter beds and hotel rooms.

According to Rhorer's written response to questions raised by the board in March, six men's shelters, ranging in capacity from 50 beds to 380 — for a total of 1,165 beds — were to be included under the requirements of Prop N. Added to this are the master lease hotel rooms.

"A shelter room is a short-term emergency level with services to provide for stability and for transition," Rhorer says. "But what has happened over time is a lack of exits. People are staying in shelters too long."

"In the Master Lease Program, the tenants have tenants rights. They sign a contract. It is more permanent. It can be a transition ultimately to self-sufficiency. A lot of our folks get jobs and leave public assistance. And they can stay there indefinitely, paying the \$463 a month. It's a good deal for them."

The nonprofit Tenderloin Housing Clinic has been DHS's prime lessor of hotels since the program began in 1999. THC finds a hotel that can qualify and presents it to DHS. The candidates have to be up to code and follow good property management standards. Accepted hotels are on a 20-year lease, which can be nullified at the end of any year, if the hotel falters in any way.

The tenants pay a fixed amount — \$463 a month — to the master lessee, for example, THC, but the amount paid to the hotel owner by THC is a matter of negotiation between those two parties, a DHS source said. THC is responsible for social and medical programs at the hotels. City Housing Inc., an independent hotel management outfit, takes care of nuts and bolts of daily operations. "They have experience managing this kind of population," says Sam Dodge of the SRO Collaborative, an activist arm of THC.

The average annual cost to the city for a master lease hotel room, including services, is \$6,250, according to information Rhorer sent to the supervisors' budget analyst. For a shelter bed, where homeless stay from one night to six months, depending on a variety of programs they are offered, it is \$5,100.

THC has leases with seven hotels with a total of 917 units through the DHS Master Lease Program: the Seneca

(204), Mission (248), Jefferson (111), Hartland (137), Vincent (103) and the Looper Residence (45). In the push to meet the July 1 deadline, the last hotel THC added was the Royan (69). The Arlington, run by St. Vincent de Paul, and atypical because it is not affiliated with THC, was added with 25 rooms. Other hotels such as the Mentone (70) and the California Drake (51), were expected to be added by July 1, but were not.

"But we have them in our back pocket, if we go forward with Prop N," said a DHS official. Other hotels on the timetable were the Raymond (96 units) in October, and McAllister (80) in January 2004.

Master leased hotels provide 24-hour desk clerking, janitorial and maintenance staffing, tenant support counselors and representatives, and monthly meetings and cultural activities, such as mural painting and domino tournaments, according to Dodge. Another activity, held at the Seneca Hotel, the only master lease hotel on Sixth Street, is "Performance Night" where residents perform in front of a group as part of "empowerment."

Other advances have been implemented to accommodate Prop N, or a facsimile. Coming up with the food appeared the easier of the chores. DHS, which has contracts with Glide to provide three meals a day to people in care shelters and alternate care shelters, arranged to contract with Glide for the Prop N requirements.

"It doubles our number of meals," says Joyce Crum, DHS deputy director of Homeless Emergency Services.

Crum added, too, that the Homeless Management Information System is almost fully implemented. "We have six single adult shelters on line and the other four will be on in two weeks." HMS supplants the shelter lottery system. It includes an automated shelter bed reservation system, demographic information on the homeless who receive services in San Francisco, and information to assist case managers in identifying appropriate services for clients.

Prop N was not to spend more than was already being spent. It established an annual baseline budget of \$13.9 million, the amount appropriated for homeless CAAP client-cash assistance in fiscal 2002-03. Now DHS, as well as the entire city, waits for a resolution that will improve, or not, the plight of the homeless with less, or more, money. ■

Karen Oberdorfer contributed to this report.

Latest count of SRO hotels

RESIDENTIAL hotels are the central city's primary housing resource, home to many thousands of fixed-income seniors, disabled and poverty-stricken singles and a few families. The homeless live in them when they can.

A few SROs are in good shape, many are not, having code violations galore, though even the decrepit hotels beat living on the street.

Throughout the city, there are 520 hotels that have residential units, according to the Department of Building Inspection's annual Hotel Usage Report released May 30. Of these, 333 are residential only; most of the remainder also cater to tourists. These 520 hotels contain a total of 19,955 residential units.

These numbers have not changed much recently with only a few hotels and a handful of units differing over the last three years.

Just over a third of the hotels with residential units — 189 — are in the Tenderloin and on or near Sixth Street. Residential units in these hotels total 8672, of which about 1,400 units are in Sixth Street SROs.

Of the hundreds of SROs and thousands of residential units, only a handful are part of the city's master lease programs. ■

— Geoff Link

Health Department runs its own master-lease program of 6 hotels

Prop N passage would allow expansion of services

BY MEG DIXIT

"IF Prop N passes, we would get more funds from the Department of Human Services to initiate even more programs such as a mobile health team that could visit our six different locations as needed," says Margot Antonetty, program director, Housing and Urban Health, a division of the Department of Public Health.

The locations she is referring to are the hotels that are part of the DPH Master Lease Program, and include the Pacific Bay Inn, Le Nain, Camelot, Star and Windsor in the Tenderloin. The sixth location is Broderick Street Adult Residential Care Facility, a state-licensed service center. Currently, 393 units are in operation.

The DPH Master Lease Program is independent of the DHS program with the same name, and evolved from the need to address the unrelenting homeless problem in San Francisco.

"Various community groups and government agencies wanted to address the homeless problem. We had waiting lists that were backed up two years and needed to do something. That's how the MLP evolved," recalls Antonetty. "We began preparing the sites in 1998, and the first one was operational in January 1999."

DPH's program is anticipating a multimillion-dollar grant from an unnamed source. If that grant is awarded, an additional building will become operative this year.

The population served by the

DPH Master Lease Program includes people with physical and mental health problems and substance abusers, while those served by the DHS are people receiving General Assistance, SSI or other form of welfare. The two agencies do not compete for hotels or funding because of the different types of clients they serve.

Master-leased hotels offer services run by various agencies, contracted on a yearly basis, to support the residents.

"We have services ranging from dealing with independent living assistance to case management. Our services are voluntary," says Antonetty.

Episcopal Community Services manages the services in the Pacific Bay Inn and the Le Nain, while Baker Places runs the those at the Camelot and the Star. This is in addition to the several off-site services provided by other agencies that are available to the residents.

Annual facility management contracts have been awarded to San Francisco property management companies John Stewart and Co. and Mercy Housing System, a subsidiary of Mercy Services Corp. The contracts are usually extended if no problems occur within the year. The DPH is required to put out a public bid for the services after 10 years.

While both companies operate with rather large contracts, the amount awarded to John Stewart and Co. is extra large — \$1,669,620 — because the four buildings managed by the company (Windsor, Star, Camelot and Le Nain) fall under one

contract. Property management services offered by the two companies include daily maintenance, move ins and outs, 24-hour desk assistance, plumbing and establishing a resident community in the hotels.

Eligibility to get into the facilities depends on the agency criteria and funding available in a particular location. Basic eligibility requirements include that the occupant must be a San Francisco resident; earn no more than 30% of the median income; be homeless; and be willing to participate in third-party rent payment, which means that the DPH will receive the resident's paycheck or government check and take out rent before forwarding the remainder back to the resident.

When a unit becomes available, the managing agency will solicit applications based on its own criteria. The applications are then forwarded to the DPH, which checks the applications, then submits qualified candidates back to the property's governing agency. Interviews are then scheduled on-site before a final decision is made.

"Our MLP is a success. We have only had one case of ineligibility and no cases of denial," says Antonetty, adding that because there is no waiting list, the program has addressed one of the main concerns that catapulted the program into action in the first place.

"I hope to see our program expand to certain segments of the population that need more attention, such as seniors," says Antonetty. ■