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# MEMORANDUM

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Date: April 16, 2019

To: The Honorable Ally Miller, Member  
Pima County Board of Supervisors

From: C.H. Huckelberry,  
County Administrator

A handwritten signature in black ink, appearing to be "CHH", is written over the printed name "C.H. Huckelberry".

Re: **Your Questions Raised During the April 2, 2019 Board of Supervisors Meeting Regarding the Housing First Project/Permanent Supportive Housing Pilot Project**

Attached is an April 16, 2019 memorandum from Assistant County Administrator Wendy Petersen answering your questions regarding the Housing First Project/Permanent Supportive Housing Pilot Project.

The project arises from our effort in criminal justice reform and was the result of extensive data analyses indicating that there were at least 560 homeless individuals arrested and placed in the Pima County Adult Detention Complex (PCADC) more than two times in any given year.

The primary purpose of the project is to reduce recidivism of homeless individuals to the PCADC. This population incurs significant unreimbursed costs in a number of areas, including prosecution, detention/jail housing, emergency room and inpatient hospital visits, behavioral health encounters and shelter. Because of our involvement in the criminal justice system, legal costs, jail bed days and behavioral health costs are almost exclusively paid for by the County. Community providers and community hospitals pay for emergency room and hospital visits.

An effective strategy to reduce these costs has been to provide temporary housing and supportive services – this is the primary goal of the Housing First Pilot Project. The program will be closely monitored during the first year of implementation to demonstrate economic benefits and to evaluate savings to the State indigent healthcare system. This should justify fiscal policy modification where the Arizona Health Care Cost Containment System (AHCCCS) program provides at least half the funding for a supportive housing program, if the program proves effective in significantly reducing costs that are borne by local governments or community hospitals.

CHH/anc

Attachment

c: The Honorable Chairman and Members, Pima County Board of Supervisors  
Jan Leshner, Chief Deputy County Administrator  
Wendy Petersen, Assistant County Administrator for Justice and Law Enforcement



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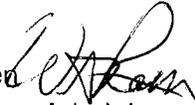
# MEMORANDUM

County Administration  
Justice and Law

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Date: April 16, 2019

To: C. H. Huckelberry  
County Administrator

From: Wendy Petersen   
Assistant County Administrator  
for Justice & Law Enforcement

Via: Jan Lesher   
Chief Deputy County Administrator

Re: **Questions Raised by District 1 Supervisor Ally Miller during the April 2, 2019 Board of Supervisors Meeting**

This memorandum responds to clarifying questions raised by Supervisor Ally Miller during the April 2, 2019 Board of Supervisors meeting about the recently approved Housing First/Permanent Supportive Housing Pilot Project.

## **Housing First Budget**

The Housing First/Permanent Supportive Pilot Project has a budget authority of \$1.5 million over two-years starting FY 2018/2019. The total budgeted amount over the two-year period is \$3 million.

An annual budget breakdown follows:

1 FTE Program Manager (including benefits)	\$99,713
.5 FTE Administrative Assistant (including benefits)	\$30,000
Program Operations, e.g., cell phones, computers and training (approximately)	\$190,200
Corporation for Supportive Housing (Housing First Technical Advisor)	\$30,000
RAND Corporation (Independent Program Evaluator)	\$150,000
Funds to client services	\$1 million

Mr. C.H. Huckelberry, County Administrator

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Matt Pate is the Program Manager and his annual base salary is \$70,013, which reflects the high level of experience, expertise, and level of responsibility required to support the successful implementation of the project. Benefits for this position are estimated at \$28,700 a year.

Additionally, a staff assistant is also assigned to this project. The annual base salary is \$50,482 with benefits at approximately \$8,200. Funding to support this position is equally shared between the Housing First Project and the Criminal Justice Reform Unit.

**Potential Cost Savings**

For homeless incarcerated individuals in Pima County, it costs an average of \$32,538.61 per person to house, jail, and provide medical resources every year, according to a 2017 Feasibility Report ("Feasibility Report") conducted by the University of Utah's Sorenson Impact Center. The Feasibility Report examined costs associated for 560 homeless individuals in Pima County. The below graph is a breakdown of these cost categories.

Usage	Average annual encounters	Estimated Cost Per Unit	Total Average Annual Cost
Legal Cost	3.42	\$561	\$1,918.620
Jail Bed Days	48.5	\$105	\$5,092.50
Emergency Room	3.65	\$2,164	\$7,898.60
Hospital Inpatient	5.05	\$2,485	\$12,549.25
Behavioral Health Inpatient	4.82	\$950	\$4,579.00
Emergency Shelter	23.34	\$21.45	\$500.64
<b>Total</b>			<b>\$32,538.61</b>

*Note: Excludes EMS data, which was not available for this population*

The Feasibility Report projected that if Pima County were to invest about \$2.4 million annually into a five-year Housing First Program, the cumulative cost savings would be more than \$18.5 million total over that same time period.

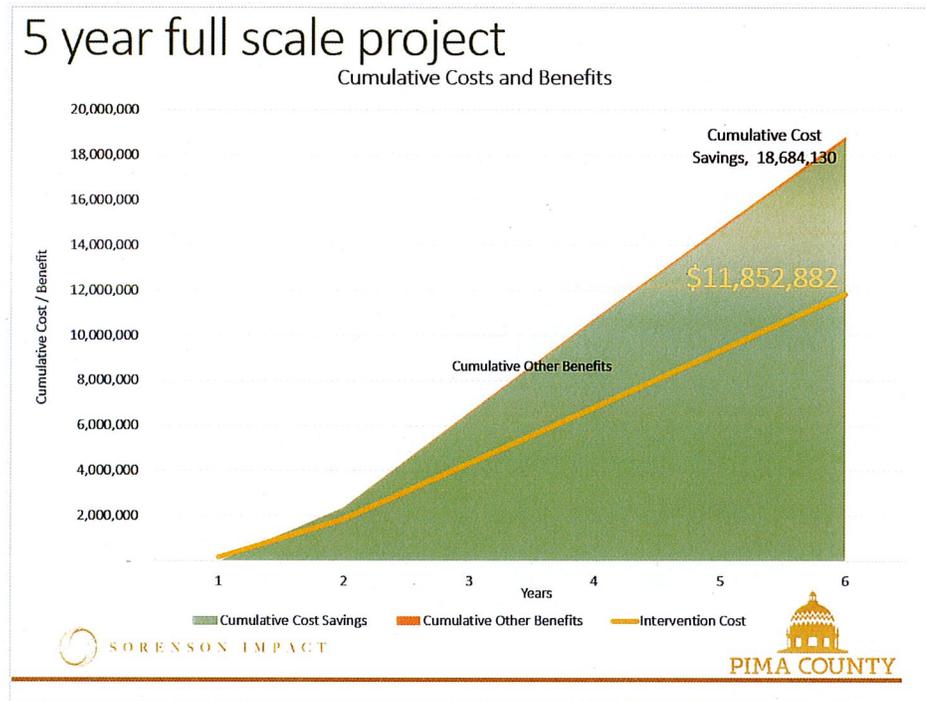
Mr. C.H. Huckelberry, County Administrator

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The below graph shows the intervention costs and cumulative cost savings if Pima County was to invest in a long term housing strategy as an alternative to the Pima County Adult Detention Complex to support justice involved homeless individuals.



I hope this clarification has proven useful to you.

If I can be of assistance, please do not hesitate to contact me at 724-8849.

cc: Jan Leshar, Chief Deputy County Administrator  
Terrance Cheung, Director of Justice Reform Initiatives  
Matt Pate, Housing First Program Manager