March 2009

Widening Effects of the Corporation for Supportive Housing's System-Change Efforts in Los Angeles, 2005–2008

Hilton Foundation Project to End Homelessness for People with Mental Illness in Los Angeles

Prepared for the Corporation for Supportive Housing
by Martha R. Burt, Ph.D., Urban Institute

Acknowledgements from the Author

I would like to thank the more than 35 hardworking and responsive people I interviewed in Los Angeles city and county agencies and foundations, for their generosity in describing to me their activities, future plans, and views of developments within the county devoted toward ending homelessness or preventing renewed occurrences among people with major mental illnesses and other disabilities. Their feedback on earlier versions of the material in this report was also extremely helpful in assuring the accuracy and completeness of facts as well as the tone and "feeling" of the many important new developments documented here.

Staff members from the CSH-LA office were very helpful in guiding me to the right people to interview and in filling me in on details of developments in which they play significant roles. Thanks also to several people who were good enough to read and comment on the whole report from their perspective of long-time involvement with homeless-related activities in Los Angeles.

I would also like to thank Jacquelyn Anderson and Carol Wilkins from the Corporation for Supportive Housing for their support and guidance in producing this report.

About the Corporation for Supportive Housing

The Corporation for Supportive Housing (CSH) is a national non-profit organization and Community Development Financial Institution that helps communities create permanent housing with services to prevent and end homelessness. Founded in 1991, CSH advances its mission by providing advocacy, expertise, leadership, and financial resources to make it easier to create and operate supportive housing. CSH seeks to help create an expanded supply of supportive housing for people, including single adults, families with children, and young adults, who have extremely low-incomes, who have disabling conditions, and/or face other significant challenges that place them at on-going risk of homelessness. For information regarding CSH's current office locations, please see www.csh.org/contactus. For information regarding CSH's Consulting Group, please contact consulting@csh.org.

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WIDENING EFFECTS OF THE CORPORATION FOR SUPPORTIVE HOUSING'S SYSTEM-CHANGE EFFORTS IN LOS ANGELES, 2005–2008

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EXECUTIVE SUMMARY

In October 2004, the Corporation for Supportive Housing (CSH) received a five-year grant and a Program Related Investment from The Conrad N. Hilton Foundation to launch an initiative in Los Angeles County to reduce the number of long-term homeless people, with a special focus on ending homelessness among people with serious mental illness. To promote these outcomes, CSH is using grant and loan money to fund predevelopment work on various permanent supportive housing (PSH) projects, collaborating with public officials and other key stakeholders in the county and selected cities to stimulate increased commitment to PSH, supporting the Special Needs Housing Alliance, and interacting in other ways with City and County of Los Angeles officials and agencies. This work builds on an earlier CSH project, Taking Health Care Home (THCH), funded by the Robert Wood Johnson Foundation (Burt 2008b; Burt and Anderson 2006), through which CSH initiated many of the activities that are now expanding through Hilton Foundation support.

CSH contracted with the Urban Institute to help evaluate this initiative. This, the fourth evaluation report,[1] extends the focus on system change. It documents the quite impressive developments that have occurred since early 2007 and the groundwork CSH and its partners have laid for even more effective actions to end long-term homelessness. It also examines how far there is to go.

This report addresses the following evaluation questions:

- Are more, or different, public agencies and actors on board (e.g., mayors, agencies in specific cities, new county Board of Supervisors support)
- Are public agencies better coordinating their efforts to serve chronically/street homeless people?
- Are new and/or expanded sources of funding available, and/or is existing funding being used in more effective ways?

Finding: The pipeline for new permanent supportive housing is expanding, thanks to development of new capital and operating resources, a concerted effort to match occupants of new units with appropriate supportive services, and, most recently, new pre-development loan funds.

- **MHSA Housing Fund**—Through the combined work at the state level of many stakeholders including CSH, a MHSA Housing Fund has been established and the California Housing Finance Agency has been authorized to administer it through a new funding category—special needs housing. As of June 2008, the Los Angeles County Department of Mental Health (LAC-DMH) had received an allocation of $113 million out of the first commitment of these funds. If future years go as expected and annual statewide allocations are approximately $75 million for capital and $40 million for operations, the Los Angeles annual share would be about $32 million a year. LAC-DMH

[1] The first evaluation report, completed in October 2005 (unpublished), presented an evaluation plan to address the research questions posed by the Foundation, documented the number of long-term homeless individuals in Los Angeles County, and described activities focused on ending long-term homelessness. The second report (Burt 2007a) described system change efforts that CSH undertook with Foundation grant monies during the project's first two years, and the results they appeared to have stimulated by early 2007. The third report (Burt 2008b) examined changes since baseline (2004) in the size of the target population, growth in the number of permanent supportive housing units that are open and occupied and also in the pipeline, and any changes that may have occurred in the population occupying PSH units.

has developed a process to allocate these funds to appropriate projects and submitted 11 applications to CalHFA; three had been approved as of February 2009.

- **Proposition 1C—**In 2006, the voters in California approved Proposition 1C, providing $2.9 billion of new funding for a variety of housing needs. Priorities for supportive housing are included in the guidelines for funding issued by the State Department of Housing and Community Development.

- **Permanent Supportive Housing Program (PSHP)—**The City of Los Angeles has completed three rounds of the PSHP, a joint Request For Proposal (RFP) process for PSH that CSH helped develop. The PSHP combines the resources of four city departments to make capital and operating funds available through a single application. The expectation is that this process will continue in future years.

- **CDC Unified RFP—**The Los Angeles County Community Development Commission (CDC) used $32 million provided by the Homeless Prevention Initiative (HPI) to streamline the funding process for PSH by allowing applicants to apply for capital, operating, and services funding through a single RFP.

- **Ad Hoc Los Angeles Cities-County Joint NOFA Working Group--**In November 2008, staff of the county's Chief Executive Office (CEO), Homeless and Housing unit, the City of Los Angeles Mayor's Office, LAHSA, CSH, and representatives of other cities in the county began working together to identify options for issuing a joint RFP that combines housing resources from the cities and county with services funding from county departments that provide case management and supportive services through contractual arrangements with community providers.

- **Three New Revolving Loan Funds for Pre-Development Work—**The City and County of Los Angeles now have three new revolving loan funds for pre-development to stimulate housing development. One (Supportive Housing Loan Fund) is for PSH specifically for the City of Los Angeles, the second (Innovation Fund) is for PSH for the whole county, and the third (New Generations Loan Fund) is for affordable housing development in the City of Los Angeles.

- **CSH projections and technical assistance—**CSH has been working with the county's Chief Executive Office as well as two Councils of Government to create projections for potential future PSH development and help with planning and implementation to turn these projections for new PSH into reality.

Finding: Early developments in improving health care for homeless people have matured, those in their infancy two years ago have evolved into full-fledged programs, and new programs and policies have been developed.

- **The Leavey Center**—The Leavey Center will integrate primary health, mental health and substance abuse, dental, eye, pharmacy, and other aspects of health care for homeless people in downtown Los Angeles. The center evolved from earlier efforts through the Skid Row Homeless Healthcare Initiative (SRHHI) to overcome the extreme fragmentation of health care services for the high concentrations of homeless people in the area.

- **United Homeless Healthcare Partners (UHHP)**—The UHHP formed in late 2006 to address critical issues in providing health care to homeless people, and is working to create functioning

health care networks in each of the county's eight Service Planning Areas. The UHHP builds on earlier organizing work by the Department of Health Services (DHS) and benefits from the experiences of Skid Row providers through the SRHHI.

- **The Role of Federally Qualified Health Centers (FQHCs)**—Obtaining the resources to provide adequate supportive services to PSH tenants has long been a challenge. One option being explored by CSH is to build supportive services around FQHCs, as is being done at the Leavey Center. FQHCs have some unique abilities to draw down federal funds, making them potentially very useful to agencies trying to assemble appropriate services for their PSH tenants. CSH is working with two other FQHCs to see whether this model can be replicated in two other communities within the county.

- **Department of Health Services Activities**—DHS manages a number of projects to improve the health of homeless people, some of which began through HPI and some of which evolved on their own.

    - **Access to Housing for Health (AHH)**—AHH provides housing and supportive services to highly vulnerable homeless people with multiple disabilities and illnesses who are identified by their persistent use of DHS inpatient or emergency department services.

    - **Recuperative Care**— Recuperative care provides housing and medical services to homeless people who no longer need a hospital level of care but are too sick to go back to a shelter or the streets. Although some capacity existed in 2004, expanding recuperative care capacity was a priority for the SRHHI. Local hospitals supported its expansion, and it received funding from the HPI and other sources to increase from 25 to 75 beds between 2004 and 2008. Tripling recuperative care capacity in less than five years is a considerable accomplishment representing extensive collaborative effort.

    - **Supplemental Security Income (SSI) Advocacy**—If chronically homeless people are able to qualify for SSI, they receive a monthly cash benefit (about $850 a month in California) and also qualify for Medi-Cal, thus giving them the capacity to contribute to housing costs and obtain a wide range of health and supportive services. DHS has pursued several approaches to increase the number of homeless people who apply for SSI and the proportion of applications that are approved, and reduce the time it takes to get an approval. Projects include (1) training case workers to complete applications correctly, (2) improving access to medical documentation through centralized retrieval of records of care received in county facilities run by DHS, and (3) improving the medical documentation itself by training health care professionals and providing staff to assist in getting needed information into the record.

Finding: Pilot projects are under way to address the housing and service needs of the population of people with serious disabilities leaving the County Jail and state prisons every year and returning to Los Angeles County.

- **Just In Reach**—The Los Angeles County Sheriff's Department (LASD) launched Just In Reach in summer 2008, focusing on inmates with addictions recovery issues. Supported by a $1.5 million contract from the Sheriff's Department, the project is a partnership among LASD, Goodwill Industries of Southern California's Workforce Development Program, Volunteers of America, the Union Rescue Mission, Tarzana Treatment Center, Amity, and CSH, among others. Referrals to

Just In Reach began in August 2008; about 160 people were referred to the project in its first two and a half months.

- **CSH Work with Housing Authorities**—CSH has supported advocacy by Shelter Partnership directed toward the Los Angeles City and County Housing Authorities (HACLA and HACoLA) to take a somewhat more flexible approach to their criteria for accepting people with criminal records as recipients of public housing or rental assistance. HACLA ultimately agreed to waive some of its criteria for time since incarceration for people convicted of substance abuse offenses if they can show proof that they have successfully completed a substance abuse treatment program.

- **New State Funding for Reentry**—The Reentry Employment Options Project is a state initiative to assist returning prisoners with employment. Twenty projects have been funded, including five in Los Angeles County. One of these, which began in October 2007, focuses on prisoners with addictions problems and either homeless histories or a high risk of homelessness upon release. It is being conducted by the City of Los Angeles' Community Development Department (CDD) and its partner, Social Services for Groups. There is also $10 million in new state funding for wrap-around services for parolees that owes much to the work of CSH, Housing California, and Senators Lowenthal, Steinberg, and Machado. Specific projects have not yet been selected.

- **Co-Occurring Disorders Joint Action Council—**The state's Co-Occurring Disorders Joint Action Council (COJAC) is a policy body appointed by the directors of the State Departments of Mental Health and Alcohol and Drug Programs. The Los Angeles County Mental Health Director co-chairs COJAC, which includes representatives from state agencies, county directors of mental health and alcohol and drug treatment, and the major statewide associations of nonprofit mental health and substance abuse treatment providers. CSH staff have participated in COJAC since it started three years ago and have been able to explain the relevance of supportive housing to leading stakeholders. COJAC members increasingly recognize homelessness (and the cycles of homelessness, health crises, and incarcerations) to be a consequence of systems fragmentation and untreated co-occurring disorders, and the need for supportive housing is increasingly a part of conversations about how to strengthen the systems of treatment and support for recovery.

- **National Advocacy**—A broad coalition worked for several years to achieve passage of federal legislation affecting ex-offenders known as the "Second Chance Act," which was finally signed into law in April 2008. CSH staff participated in this effort by helping to shape the supportive housing elements of the legislation. On the administrative level CSH has engaged with senior HUD officials to discuss options for refining the current definition of chronic homelessness to include people who meet the current definition based on the longevity or frequency of their homelessness, but who are excluded because they cycle between homelessness and incarceration.

Finding: New approaches are being piloted for helping especially vulnerable populations that require multi-system involvement, in recognition that the people they intend to serve have many issues that interact in complex ways and require the coordinated efforts of several systems acting simultaneously.

- **Project 50**—This demonstration project is committed to housing the "50 most vulnerable" homeless people in Skid Row. A brief conference on permanent supportive housing in October 2007 organized by County Board Supervisor Zev Yaroslavsky recommended that the county mount such a pilot project, and a Board of Supervisors motion passed shortly thereafter that provided

- **Jail Mental Health Services**—During a DMH reorganization in 2006, Jail Mental Health Services (JMHS) moved into the overall DMH programmatic focus of "Adult Systems of Care." This new organizational home connected JMHS to DMH's broader community-based services and housing programs as part of an overall goal to improve client linkages to information and services at both intake and release. JMHS has also developed a number of small community reintegration projects including (1) the Community Reintegration Demonstration Project that helps women with multiple arrests and incarcerations plus persistent co-occurring mental illness and substance abuse issues reintegrate into their south Los Angeles community as they leave the women's jail, (2) a project (Homeboys) for gang-involved youth leaving the jail, and (3) a Mentally Ill Offender Crime Reduction Project (Project DIRECT) that focuses on inmates with histories of violence.

Finding: The past two years have seen the development of numerous coordinating or collaborating structures to promote PSH and address the needs of long-term homeless people with disabilities.

In addition to the many instances of increased coordination and joint work just described, the past two years have seen the expanded use of information technology to facilitate access to housing (Los Angeles County Housing Resource Center) and employment (CDD's employment portals connecting homeless people to the workforce development system), track people's use of homeless services and programs (LAHSA's new homeless management information system), retrieve data to support SSI applications, and create a performance reporting system for projects funded under the HPI.

Conclusion: Cautious optimism is in order for the increasing ability of new collaborative structures to produce the permanent supportive housing that will end homelessness for thousands of people with mental illnesses and other disabilities. But there is still a long way to go.

With respect to the research questions posed about system change in response to the Initiative, we can say some things pretty clearly after four years of CSH's work with its many partners to promote system change toward the goal of ending homelessness for people with disabilities who have been homeless a long time:

Question	Answer
How have state and/or local public agencies made changes to better accommodate the development and operation of permanent supportive housing units and the services that tenants need to achieve stability?	Even more money and far more coordination, planning, and joint activities than two years ago.
Are more, or different, public agencies and actors on board (e.g., mayors, agencies in specific cities, new county Board of Supervisors support, etc.)?	Yes, even more clearly than was true two years ago. Elected officials from Los Angeles County and various cities with each other, county agencies with each other, City of Los Angeles agencies with each other, and city and county agencies working together, as well as initial involvement of city managers and officials in other cities throughout the county, and two Councils of Government.
Are public agencies better coordinating their efforts to serve chronically/street homeless people?	Yes, more than was true two years ago, through Project 50, AHH, Leavey Center, UHHP, revolving loan funds, joint county-city PSH work group, Just In Reach, and other projects and organizing structures. Some of these coordinating activities appear likely to be permanent changes, but it is still too soon to say whether some others will continue and result in lasting change.
Are new and/or expanded sources of funding available, and/or is existing funding being used in more effective ways? Has any additional funding been committed at the local or state level to **develop and operate** supportive housing and **provide supportive services** to its tenants (e.g., more funding in the same streams, new streams)?	Yes, even more clearly than was true two years ago. New housing resources through Mental Health Services Act, Proposition IC, and revolving loan funds; prospects for redirected services funding from county agencies to cover PSH supportive services; joint RFPs; more funding for LAHSA; commitments for PSH for the most vulnerable street homeless in Skid Row, Santa Monica, and elsewhere.
Have local agencies and providers been able to leverage these additional state and federal resources for PSH tenants?	Yes, through revolving loan funds, joint RFPs, and training opportunities. But even the best projections do not come close to meeting the identified need.

COLLABORATIVE ACTIVITIES HAVE INCREASED DRAMATICALLY

As noted throughout this report, many developments are occurring that involve participants from public agencies, nonprofits, and in some instances the for-profit sector. Most involve city and county government agencies and independent authorities such as the Housing Authority of the City of Los Angeles and the Housing Authority of the County of Los Angeles working together in ways that are unique in the history of the county.

Some of the new cooperative efforts, especially those supported at least in part through the Homeless Prevention Initiative (HPI), are special projects, pilots, and demonstrations. The Chief Executive Office's Services Integration Branch (CEO/SIB) is working on a strategic plan that is expected to request continued funding for HPI projects that have shown evidence of success.

REGIONAL COLLABORATIONS AND WORK TO DEVELOP REGIONAL PLANS HAVE BEGUN

Many of the new collaborative efforts focus on regional organizing, in which CSH is very much involved. Substantive concerns vary and include health and mental health (the United Homeless Healthcare Partners—UHHP), PSH development (work with Councils of Government—COGs), and improved planning and implementation of homelessness reduction and alleviation strategies (LAHSA's work with regional coalitions of homeless assistance providers). Geographical coverage also varies and overlaps—UHHP is organizing around Service Planning Areas (SPAs); LAHSA is working with homeless coalitions that cross SPA, COG, and civil jurisdiction boundaries; and CSH is working with COGs, which have geographical definitions of their own that correspond closely but not exactly to SPA boundaries.

CSH's Hilton Foundation project started in 2003, in the middle of the process that resulted in the *Bring LA Home!* report in 2004. This report was supposed to lay out a 10-year plan for addressing homelessness throughout the county, but its recommendations were never adopted and it lacked any implementation component or resource commitments from public officials or agencies, and thus had little effect. The few cities that had some commitment to addressing homelessness within their own borders (Glendale, Long Beach, Pasadena, and Santa Monica) were limited in their effectiveness because they could not count on county agencies to provide needed services funding to match their own housing resources.

Two years ago, Burt (2007a) concluded that for major progress to be made, the county needed a comprehensive countywide plan with strong resource commitments and a strong hand to guide mobilization and community organizing. By late 2008, however, after noting the effects of two more years of organizing work, it seems to this evaluator that things have come a long way and in a good direction, although there is still a long way to go. There is still no countywide plan but there is much better communication and many more collaborative activities, and regional coalitions of various types are receiving technical assistance and increasing their organizational skills. The evaluator's current perception is that the approach of developing strong regional coalitions of governments, housing developers, and service providers is the most promising route to the ultimate goal of a fully mobilized county. These regional coalitions might be thought of as the legs upon which a countywide mobilization will be able to stand. It is not reasonable to expect that each part of the county will be able to play its part in ending homelessness without understanding local issues, having the local capacity to create appropriate programs, generating the commitment of local governments, coordinating efforts, and tracking local progress. As larger-picture entities such as CSH, Shelter Partnership, LAHSA, UHHP, and the county CEO's office support the development of strong and effective regional coalitions, they are working toward the long-range goal of convergence into a structure that has a countywide reach.

A REALISTIC VIEW OF WHAT IT WILL TAKE TO END CHRONIC HOMELESSNESS IN LOS ANGELES

There can be no question that many remarkable new things have happened in Los Angeles during the last four years. New networks have formed, new stakeholders have joined together to try new approaches, and some new resources have been placed on the table. But it may be useful at this point to put this progress in the context of the size of the problem. At last count there were 22,000 chronically homeless people in Los Angeles—meaning they had been homeless a long time *and* they have at least one major disability. The City of Los Angeles is committed to creating about 2,200 new units of PSH (10 percent of what is needed for the entire county) and work is beginning to gain commitments from the county and other municipalities outside the City of Los Angeles to create an additional 800 units. To produce the remaining 19,000 units, additional local resources will have to be committed to leverage state and federal resources, and work may also be needed to pressure the state and federal governments to generate new resources for this purpose.

The communities making the most progress toward reducing chronic as well as all homelessness have committed substantial local public and private resources to the work (e.g., Denver, Minnesota, Washington, DC, and Miami/Dade County, Florida). All of the communities just described are spending their own general fund resources and raising private dollars to fulfill their plans, as well as orchestrating the use of federal resources as is being done in Los Angeles. This would be the direction that Los Angeles should be expected to take as regional efforts come together to form a coherent approach to ending long-term homelessness throughout the county.

Chapter 1:
Introduction and Overview

In October 2004 CSH received a five-year grant and a Program Related Investment from The Conrad N. Hilton Foundation to launch an initiative in Los Angeles County to reduce the number of long-term homeless people, with a special focus on ending homelessness among people with serious mental illness. To promote these outcomes, CSH uses grant and loan money to fund pre-development work on various permanent supportive housing (PSH) projects, works with public officials and other key stakeholders in the county and selected cities to stimulate increased commitment to PSH, supports the Special Needs Housing Alliance, and interacts in other ways with City and County of Los Angeles officials and agencies. This work builds on an earlier CSH project, Taking Health Care Home (THCH), funded by the Robert Wood Johnson Foundation (Burt 2008b; Burt and Anderson 2006), through which CSH initiated many of the activities that are now expanding with Hilton Foundation support.

CSH has contracted with the Urban Institute to help evaluate this initiative. The first evaluation report, completed in October 2005 (unpublished), presented an evaluation plan to address the research questions posed by the Foundation, documented the number of long-term homeless individuals in Los Angeles County, and described activities focused on ending long-term homelessness. The second report (Burt 2007a) described system change efforts that CSH undertook with Foundation grant monies during the project's first two years, and the results they appeared to have stimulated by early 2007. A third report (Burt 2008b) examined changes since baseline in the size of the target population, growth in the number of permanent supportive housing units that are open and occupied and also in the pipeline, and any changes that may have occurred in the population occupying PSH units. This fourth report extends the focus on system change, looking at the quite impressive developments that have occurred since early 2007 and the groundwork they have laid for even more effective actions to end long-term homelessness.

APPROACH

CSH and the Hilton Foundation identified a number of research questions for the evaluation to answer. This report addresses one series of related questions:

- How have state and/or local public agencies made changes to better accommodate the development and operation of permanent supportive housing units and the services that tenants need to achieve stability?
    - Are more, or different, public agencies and actors on board (e.g., mayors, agencies in specific cities, new county Board of Supervisors support, etc.)
    - Are public agencies better coordinating their efforts to serve chronically/street homeless people?
    - Are new and/or expanded sources of funding available, and/or is existing funding being used in more effective ways?
        - Has any additional funding been committed at the local or state level to **develop and operate** supportive housing and **provide supportive services** to its tenants (e.g., more funding in the same streams, new streams)?

- How have local agencies and providers been able to leverage these additional state and federal resources for PSH tenants?

To answer these questions, we looked for evidence that new stakeholders had become committed to participating in one or more aspects of PSH development or that existing stakeholders had expanded or changed their commitment in positive ways. We also focused on ways that coordination changed at every level of the system among funding agencies and funding mechanisms, providers, referral sources and pathways to PSH and other services, and policy makers. Finally, we have tried to identify investment of additional federal dollars, more/new state and local dollars, greater leveraging of existing state and local dollars, availability of private resources, and more efficient and effective uses for existing resources.

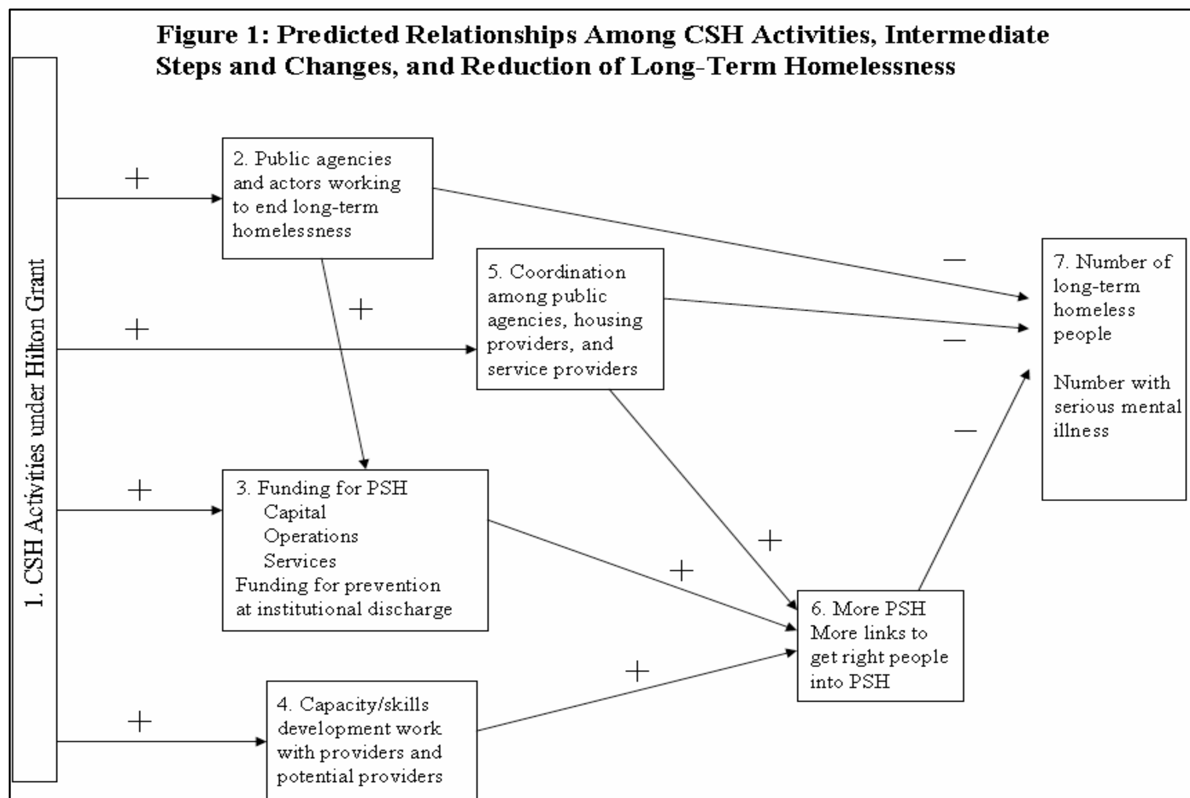

Figure 1 shows in graphic form the expectations we have for how CSH's efforts are targeted and how they may affect (1) the way public agencies, private developers, homeless assistance agencies, advocates, and other stakeholders work together, and (2) the results that are achievable through such collaboration. The arrows in figure 1 show the relationships we expect to see as CSH proceeds with its work under its Hilton grant, and for which we have been looking as we conduct interviews and examine documents as part of this evaluation. We have been looking for the ways in which CSH activities stimulated public agencies and PSH providers to change in ways that are expected to contribute to reduced levels of homelessness. We look at changes in boxes 2, 3, 4, and 5 and the ways that CSH activities (box 1) have influenced those changes. Increases in these areas should lead to more PSH (box 6), and also to better linkages among those with housing to offer and those in contact with the neediest potential tenants. Changes in all the factors just described should result in less long-term homelessness, including fewer people with serious

mental illness who become and remain homeless. The third report for this project (Burt 2008b) detailed the growth in PSH units and reduced homelessness, noting that over 6,000 units of PSH are currently open and operating throughout the county, of which 600 were added in the most recent year.

The present report builds on the information first presented in the evaluation's second report, "System Change Efforts and Their Results, Los Angeles, 2005–2006" (Burt 2007a). When the historical context is important for understanding developments in 2007 and 2008, we provide summaries of material from the earlier report before describing recent activities and accomplishments. The first chapters of the present report are organized around substantive areas, while the last chapters summarize increases in collaboration at various government levels and provide a summary of accomplishments to date and prospects for the future.

Substantively, we devote separate chapters to analysis of changes, developments, and new and expanding approaches for:

- Creating and sustaining new permanent supportive housing, including identifying adequate capital and also sufficient operational resources for new units and projects for the future (chapter 2),
- Improving health care delivery and insurance coverage for formerly homeless people (chapter 3),
- Reducing or preventing homelessness among people re-entering the Los Angeles community after being released from the Los Angeles County Jail or state prisons (chapter 4), and
- Helping the most vulnerable homeless people leave homelessness for good through integrated systems of care and support (chapter 5).

The four chapters contain many examples of developing collaborative arrangements among public agencies and local elected officials and their staffs. In chapter 6 we focus on the collaborations themselves and how they have come about, because some pretty remarkable changes have been happening in the ways that Los Angeles public agencies have started to work together to make more, and more appropriate, resources available for ending homelessness. Such collaborations, requiring systems to change their ways of operating, have been a major goal of the Hilton Foundation Project to End Homelessness among People with Serious Mental Illness.

The work of many stakeholders, including CSH, has come together in the four years since this project began to stimulate and shape the movement toward developing solutions to homelessness that we report below. These stakeholders include direct CSH partners such as Shelter Partnership; all the county agencies participating in the Special Needs Housing Alliance and the Homeless Prevention Initiative (HPI); Los Angeles city agencies and stakeholders in other cities throughout Los Angeles County; local elected officials on the County Board of Supervisors, Los Angeles City Council, and the Los Angeles mayor's office; foundations, including the Weingart Foundation, Conrad N. Hilton Foundation, and The California Endowment; and the many housing and service providers participating in one or more aspects of planning for and actually making changes. In the course of preparing this report, more than 35 people representing these stakeholders kindly consented to share their experiences and their perceptions of what is changing and what still needs to happen. This report focuses more on the role of CSH because the project being evaluated is a CSH project, but in no way do we mean to downplay the crucial contributions made by the many interacting stakeholders who are helping to move the county forward. Chapter 7 summarizes accomplishments to date and looks to likely developments in the future.

Chapter 2:
Housing-Related Developments

One responsibility of CSH staff working on the Hilton project in the Los Angeles office has been to work on statewide initiatives to increase funding for all aspects of PSH—capital, operations, and services. Staff are intensively involved in helping to shape new initiatives and guide implementation of existing ones. They have similar responsibilities with respect to their "home turf" of Los Angeles city and county. Major successes in this work are described below.[2]

State Level—The Housing Initiative within MHSA

In November 2004, California voters approved a ballot initiative —Proposition 63—that created a special tax on income exceeding $1 million to provide the resources for significantly more extensive mental health services throughout the state. A very broad coalition of stakeholders worked to assure passage of this Initiative, whose provisions were subsequently formalized into law in 2005 as the Mental Health Services Act (MHSA). Depending on economic conditions, the Act will create from $600 million to $1.5 billion of dedicated mental health funding to the state's community mental health system each year. Funding is targeted to vulnerable groups that existing systems have not served adequately or at all—including people with serious mental illness who are homeless, insufficiently housed, or released into homelessness from the jail system.

Because housing is such a fundamental aspect of supports for people with serious mental illness, stakeholders sought a way to assure that MHSA could be used to develop housing dedicated to preventing or ending their homelessness. The result was the Governor's Executive Order of May 2006, which became known as the MHSA Housing Program. This Program initially designated up to $75 million of MHSA funds per year for capital costs for housing. The Governor's goal was to set aside this funding for the next 20 years. The stated goal of the Program is to produce 10,000 new units of PSH for people receiving MHSA services. During discussions on implementation, the counties identified the need for operating subsidies as well as capital for development, so the counties have added $40 million for subsidies that should cover about half of the new units being created.

History of the MHSA Housing Initiative

In spring 2005, shortly after the legislature enacted the MHSA as the first step in implementing Proposition 63, Daryl Steinberg (the "father" of Proposition 63) began talking with people in Sacramento about the increasing displacement of SRO accommodations in downtown Sacramento as a consequence of downtown redevelopment. Half of the tenants in these SROs are mental health consumers, so the potential disruption of their housing was an issue for the county mental health agency and the providers that help tenants sustain housing. The discussion focused on how to help tenants preserve their housing and their link to services, and especially how to use MHSA resources for this purpose.

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[2] The CSH-LA office had similar responsibilities under an earlier project, Taking Health Care Home (THCH), beginning in 2003 with the opening of the office.

The first idea that developed was to have county mental health agencies, which would receive the MHSA funding from the state, take part of their MHSA allocation and transfer it to their Redevelopment Authorities. These funds would serve as leverage for Redevelopment Authority bond issues and the money raised would be earmarked to provide capital for developing permanent supportive housing. As this idea developed, it became clear that it would be more efficient to do this at the state level, which would also have the advantage of assuring that every county got some capital resources.

At this point Steinberg began talking to CSH about the details of the plan, looking for an assessment of how much money it would take and how the overall program should be shaped. CSH arranged with Fannie Mae to hold a meeting in Sacramento in summer 2005 to begin the process of thinking through appropriate financial models. Many stakeholders were invited to a series of ad hoc meetings, including Lehman Brothers, which had experience doing similar financial modeling.

Discussion of options continued at the October 2005 meeting of the MHSA Oversight and Accountability Committee, which took place in Los Angeles. CSH accompanied committee members on a tour of some PSH projects in Skid Row, and Jonathan Hunter of CSH and Lehman Brothers staff did presentations on housing options. The basic plan presented would use MHSA monies to leverage $2 billion in bond financing over 20 years, and produce thousands of new units of PSH.

The idea caught people's interest. Theresa Parker of the California Housing Finance Agency (CalHFA—which would have responsibility for issuing the bonds and running the program) got very involved, becoming committed to turning this idea into reality. Housing California, the state's largest affordable housing advocacy organization, was also committed to the idea. In December 2005, Housing California held the first statewide mental health housing conference to introduce the idea, strongly urging advocates all over the state to get involved.

A setback occurred in February 2006, when the state Attorney General's office wrote a letter saying that authority to commit MHSA funds for housing bonds was not clear, and that it might have to go back to the voters before it could become policy. Alternatives were sought, at which point the CalFHA director began working with the governor's office to promote a statewide Chronic Homelessness Initiative and to be sure that it incorporated a commitment to capital financing for PSH. Her involvement and support raised the issue of capital financing to the right level of attention, offering the financial instruments and capacity of CalHFA as the agency that had the interest and capacity to make the plan work. After considerable effort to articulate how the plan would be implemented, it was incorporated into the Governor's Executive Order of May 2006 as the MHSA Housing Initiative, which designated up to $75 million of MHSA funds per year for housing, for the next 20 years.

Announcement of the Housing Initiative produced initial resistance from county mental health directors, whose agencies would otherwise be receiving the funds proposed to be set aside for housing. But very quickly these same directors realized that homelessness and housing were very important components of their own MHSA plans, and opposition dwindled. During summer 2006, CSH staff and others worked with CalHFA and relevant legislators to develop a new lending category—special needs housing—within CalHFA's authorizing legislation. The legislation passed and was signed in August 2006.

With enabling legislation in hand, the CalHFA director assembled a technical work group to determine the details of implementation, as many issues had to be worked out before a viable program could be mounted. bThis state-level work group included CalHFA, Housing and Community Development, California

Department of Mental Health (C-DMH), the Tax Credit Allocation Committee, the California Mental Health Directors Association, Housing California, several PSH developers, representatives of three county mental health departments, and CSH.

Among other issues, an important one was how putting money into the state-level MHSA Housing Initiative would affect county mental health departments' ability to spend resources on capital facilities, which (along with technology infrastructure and workforce development) is limited to 20 percent of a county department's annual MHSA allocation. County mental health department representatives ultimately agreed to support the plan if the state-level resources did not count against their 20 percent limit. Referring back to the MHSA legislation, it was noted that the list of "services" that should be provided as needed to recipients of MHSA "Community Services and Supports" includes housing. Taking the cue from the legislation, housing is now included as a service rather than a capital facility expenditure. Thus, all housing expenditures fall within the basic allocation of funds to county mental health departments and are not subject to the 20 percent limitation.

During this planning phase, county mental health directors identified the need to set aside some MHSA housing resources for ongoing operating subsidies, as noted above. A minimum allocation of $150,000 per county mental health department was set, assuring small counties (population 200,000 or less) that they would get some resources. Departments in the very smallest counties could also opt out of using these funds for PSH and use the money in other ways if they could show less need for housing and more for other services to mentally ill clients.

Two final barriers emerged in 2007. First, all stakeholders began to realize just how volatile the funding stream for MHSA could be. Counties were reluctant to commit to an annual set aside of $115 million dollars that might tie their hands when responding to economic downturns in future years. The key stakeholders agreed that there would be an initial investment of $400 million into the MHSA Housing Program. These funds would be divided approximately two-thirds for capital investments and one-third for capitalized operating subsidies. All parties agreed to closely monitor how the counties used this initial allocation as well as the ongoing revenue committed to MHSA, and then make future decisions on additional allocations. Second, it became clear that counties were the only entities that could spend Community Services and Support dollars. There is no provision in the MHSA legislation to carve out funding for "statewide" programs. Consequently, the state had to send each county its share of the $400 million and, in turn, each county had to enter into an agreement to transfer the money back to the state for administration by CalHFA.

As of June 2008, over $300 million of the initial $400 million investment had been formally committed by counties to the MHSA Housing Program to be managed by CalHFA. The Los Angeles County Department of Mental Health received an allocation of $113 million out of this first $400 million investment. These funds are now available for development of new PSH units in the county. In future years, should the key stakeholders agree to another statewide allocation of funds to the MHSA Housing Program, Los Angeles County can expect to receive approximately 28 percent of such an allocation. Alternatively, the mechanism is also now set up for each county in the state to make its own decision to allocate a portion of its Community Services and Support dollars to CalHFA to administer on its behalf for the development of new PSH units.

As to future years, uptake of the initial $400 million has been good, leading key stakeholders to feel pretty confident that there will be future allocations. If the amount can be held to the level of $75 million for capital and $40 million for operations, the Los Angeles annual share would be about $32 million a year.

Latest Developments

Once the basic approach to MHSA housing was accepted by all parties, a formal Memorandum of Understanding had to be developed between the California Department of Mental Health (C-DMH) and CalHFA. This took a year and a half but is now signed. One result of the negotiations is that the high-level focus group of CalHFA, C-DMH, the California Mental Health Directors Association, and the California Institute of Mental Health, which met frequently while details were being worked out to keep the funding focused on supportive housing and finalize the MOU, continues to meet monthly. County mental health departments are beginning to receive proposals. Once a county mental health department deems a proposal to be concrete, detailed, and specific enough to be funded, including how the department itself and other agencies expect to provide tenants with appropriate supportive services, it sends the proposal to Sacramento. In Sacramento C-DMH reviews the proposal for the adequacy of its service plan while CalHFA reviews it for the viability of its capital investment and operating subsidy commitments. If both state agencies approve, CalHFA enters into loan negotiations with the actual sponsor of the proposed development. As of November 2008, CalHFA had committed loans to 6 projects, was actively reviewing an additional 13 projects, and was providing pre-application technical assistance to 31 more projects. This represents a statewide pipeline of 742 new PSH units in developments with a total of 2,580 units of new affordable housing. Developments in Los Angeles County are described below.

State Level—Proposition 1C Affordable Housing Bonds

In 2006 it became apparent that the $2.1 billion in funds from Proposition 46, the landmark housing bond that California voters passed in November 2002, were rapidly being expended. At the same time, housing advocates foresaw little likelihood of creating a permanent funding source for affordable housing development, given the political climate of the state. However, the governor and the legislature had embarked on a bipartisan effort to place a series of major infrastructure bond measures on the November 2006 ballot. Housing advocates worked closely with Senate President Pro Tem Don Perata to include a new housing bond in the package. One of the governor's five bond measures—Proposition 1C—called for $2.9 billion of new funding for a variety of housing needs. The legislation was shepherded through the California legislature by Assembly Speaker Fabian Nuñez and Senate President Pro Tem Don Perata. Many partners supported the overall Proposition. CSH and Shelter Partnership were instrumental in helping to shape the aspects of Proposition 1C pertaining to PSH. Proposition 1C's official title is the Housing and Emergency Shelter Trust Fund Act of 2006.

History of Proposition 1C

When housing advocates originally introduced Proposition 1C, it called for a two to three year extension of Proposition 46 funding. Proposition 46 had included just under $1 billion of funding for new rental housing construction and just under $200 million for construction of PSH. Supporters had expected the Proposition 46 funding to last for five years, but after four years it was virtually all committed. Proposition 1C originally called for $1 billion of new rental housing construction and $200 million of new PSH, to cover two to three years of development activity. During last-minute negotiations between the governor and the legislature, the rental housing funds were reduced to $400 million (the balance was shifted to first time home buyer

assistance). In spite of this major reduction in rental housing funds, the amount designated for PSH actually increased with the last minute addition of $50 million to develop housing for Transition Age Youth. The notable aspect of this decision is its reflection of the degree to which PSH is now seen by leadership throughout the state as an essential public investment for addressing the most difficult problems of homelessness.

Latest Developments

Implementation of both Proposition 46 and Proposition 1C has posed some difficulties with respect to keeping the focus on permanent supportive housing for formerly homeless people. In the first year of funding under the original Proposition 46 Housing Bond, very few applications were received for supportive housing. In response, the State Department of Housing and Community Development made three critical changes in the guidelines for supportive housing funding. First, instead of having a submission deadline, applications that included at least 35 percent of the units as supportive housing were eligible to submit proposals "over the counter" as soon as they were complete (i.e., there was no need to wait for an RFP). Second, a project that met a minimum threshold score for the supportive housing funds was given priority access to the general rental housing development funds and did not have to participate in the highly competitive process for these funds. Since the competition was very intense for the general rental housing funds, many developers, including those with no experience in developing or operating supportive housing, started prioritizing projects that included supportive housing. The third change related to criteria for tenant eligibility. To qualify as a tenant for the supportive housing units an individual had to have a disability and be homeless or at risk of homelessness. The key change is that the definition of "at risk" included anyone with an income less than 30 percent of area median income. In effect, this meant that anyone living on disability income qualified for this housing whether or not they were actually homeless or had ever been homeless. In addition to these changes in the guidelines, the scoring criteria for supportive housing funds required the developer to show evidence of service funding commitments for the project.

One potential consequence of the funding requirements and allocation structure was that in most communities few of the "supportive housing" units being proposed were designated for people who were actually homeless, and a larger percentage of the units were designated for people with mental retardation or developmental disabilities who were leaving institutions, since this was the only population for which there was a clear source of funding for services once people were in housing. This has not and will not happen in the City of Los Angeles because the Los Angeles Housing Department, which supplies the local funds to match the Proposition 1C and Proposition 46 resources for projects within the city, requires that the units be targeted to disabled homeless people. If other California jurisdictions are equally vigilant about the use of their matching funds, then the supportive housing units funded with these monies will be used to create PSH that addresses the problem of long-term homelessness, but so far that appears to be relatively uncommon.

Los Angeles County Developments

CDC's Single Funding Package for Capital, Operations, and Services

An overarching goal of CSH's work on its Hilton project has been to simplify the process of producing PSH. The need to assemble resources for highly diverse activities, which in turn virtually always means dealing with three or more funding sources, has long complicated the lives of providers interested in offering PSH. Through its systems change work, CSH-LA staff have sought to organize and streamline the ways that

public funders make their resources available for PSH, including the one-time resources needed for development and the ongoing resources needed for operations and supportive services.

One approach to streamlining is to provide all three types of resources in one funding package or through one RFP. This is what the Los Angeles County Community Development Commission (CDC) did for the $32 million for supportive housing provided by the County Board of Supervisors as part of the Homeless Prevention Initiative (HPI). In July 2007, CDC issued an RFP for two types of application—one for "capital" and one for "services only." The latter was indeed for services only, although it went in large part to provide supportive services for PSH that was already open and occupied but where services were not as intensive as would be most appropriate given the seriousness of tenant issues. The "capital" portion required that applicants propose development, either through new construction or by rehabilitating existing structures. Along with their request for development financing, applicants could also apply for ongoing operational subsidies (i.e., to subsidize tenant housing costs) and ongoing supportive services, all out of the "capital" funding component.[3] These rules governing this one-time RFP thus represent the first fully integrated PSH funding opportunity offered by a Los Angeles County agency.

Innovation Fund (Revolving Loan Fund)

An important new development since the last system change report is the creation of two revolving loan funds—one for the county and one for the City of Los Angeles—to facilitate pre-development work for PSH projects (a third fund focuses on affordable housing for the City of Los Angeles). These funds make resources available to potential providers to cover the up-front costs of site selection and acquisition. Developers are expected to pay back their pre-development loans once the project begins construction, thus replenishing the resources in the loan fund for others to use.

Pre-development activities entail some risk that the developer will not be able to secure all permanent financing even after expending substantial resources on site acquisition, architecture, engineering, and environmental and financial feasibility studies. Pre-development loan funds fill an important gap in development financing, and have already stimulated growth in the PSH development pipeline in the City of Los Angeles.

The county's revolving loan fund, known as the Innovation Fund, began with $20 million in one-time funds that CDC received as part of the Homeless Prevention Initiative. CDC issued an RFP for an agency to administer these funds and CSH responded. Together with two partners, Century Housing and the Low Income Investment Fund, the group won the competition and became the fund's joint administrators. The three lending partners used CDC's $20 million as leverage to generate an additional $40 million in private investment, creating a $60 million fund that can support loans of up to $5 million per project.

This loan fund is intended to stimulate PSH development in the county beyond the City of Los Angeles—the 87 independent cities and unincorporated areas that are home to three-fifths of the county's population. Housing must be targeted to households at 35 to 60 percent of area median income and 35 percent of units must be set aside for extremely low income households. The expectation is that many if not all of these extremely-low-income units will be PSH serving homeless individuals and families. Projects are thus likely

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[3] An applicant that already had funding through HPI for capital, operating subsidies, or services could not apply for similar funding from CDC, but could apply for funding in the areas it was not already receiving, to complement what it already had.

to be mixed-use, a characteristic that is likely to make them more acceptable to communities throughout the county and reduce the NIMBY response. No ownership housing may be funded under this program, although that was a possibility for some time as the terms of the fund were debated.

Fund guidelines were approved by the County Board of Supervisors in mid-June 2008. Several project sponsors have already "queued up" with PSH site acquisition opportunities in anticipation of fund approval. Criteria for loan approval are similar to those being used for determining which applications will receive loans under the City of Los Angeles Supportive Housing Loan Fund (described below).

CSH Projections for Los Angeles County

One of CSH's most valuable contributions to planning for PSH development in many communities is its ability to translate its knowledge of funding streams and development processes into concrete projections of how much PSH a community could create if it maximized its use of available resources. Under its Hilton grant CSH has created two projections of this type. The first one, for the City of Los Angeles, projected the number of units that could be created (about 2,200) using City of Los Angeles Permanent Supportive Housing Program funds for capital and operating subsidies. These 2,200 units have now become the goal for the city's Permanent Supportive Housing Program (see below).

CSH developed the county projection as part of its work as a member of the Ad Hoc Los Angeles City-County Joint NOFA Working Group. It estimates the number of new PSH units (about 800) that could be created if the remaining cities, public housing authorities, and development agencies in the county contributed their housing resources for capital and operating expenses, and county agencies redirected some of their service resources to provide supportive services. Details of this projection and of the Working Group's activities are described below (p. 20).

CSH Work with the Gateway Cities and San Gabriel Valley COGs

Three cities in Los Angeles County—Long Beach, Pasadena, and Glendale—run their own Continuums of Care (CoCs) to plan homeless assistance services and apply for and manage homeless-related resources from the U.S. Department of Housing and Urban Development (HUD). Their activities fall outside the auspices of LAHSA, which organizes CoC applications to HUD for the City of Los Angeles and the rest of the county. These three cities with their own CoCs have long histories of developing their own PSH as well as addressing homelessness in other ways, but the remaining 80+ cities throughout the county, with the obvious exception of Santa Monica, mostly have not involved themselves or their resources in PSH development. To change this picture and bring more cities and their resources into the PSH development process, CSH has been working with the San Gabriel Valley and Gateway Cities Councils of Government (COG) that, between them, include 58 cities and four of Los Angeles County's supervisorial districts as members.

A COG, of which there are five in Los Angeles County,[4] is a membership organization operating under a multipurpose joint powers agreement among local jurisdictions, which are the members. In some COGs,

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[4] San Gabriel Valley COG (31 cities), Gateway Cities COG (27 cities), South Bay Cities COG (15 cities), Westside Cities COG (5 cities), and Las Virgenes-Malibu COG (5 cities). Contiguous parts of the City of Los Angeles and relevant county supervisory districts are also members of most of these COGs.

city council members are joined by county supervisors and members representing state and other local and regional agencies. COGs are primarily policy making rather than service delivery organizations, focusing on issues that affect a whole region and cannot be resolved by single jurisdictions acting alone. The exact combination of duties varies from COG to COG, but two common duties are 1) to serve as the regional transportation planning agency (preparing long range transportation plans and allocating state and federal funds for highway, transit and other surface transportation projects) and 2) to allocate resources to meet regional housing needs to all cities and counties within its boundaries. It is the latter COG duty that makes a COG such an appropriate vehicle for furthering the development of PSH throughout Los Angeles County.

The San Gabriel Valley COG extends from Pasadena east to the San Bernardino County line. Incorporated in 1995 as the first of the county's COGs, its membership includes 31 cities, representation from three county supervisorial districts (1, 4, and 5) that include many unincorporated areas of the county, and the relevant water districts. The Gateway Cities COG membership includes 27 cities in southeastern Los Angeles County, from Long Beach in the south to Montebello in the north and from La Habra Heights in the east to Compton and Huntington Park in the west. Three county supervisorial districts (1, 2, and 4) are also represented and the Port of Long Beach is an ex officio member.

Both COGs have recently adopted agendas to address homelessness and assigned committees to the task, and both were interested in working with CSH and other partners to help them advance these agendas. After many preliminary discussions, both COGs signed contracts through which they have been receiving help from CSH and several other organizations to move them from their present circumstances toward a full-fledged plan and an implementation strategy. The first task in each region is to get local stakeholders to take ownership of the problem of homelessness in their community as identified in the homeless counts.

For the San Gabriel Valley COG, the contracted organizations, which include CSH, Shelter Partnership, Urban Initiatives, and public relations and mapping firms have completed a local scan to identify who is homeless, what they need, what services are available, and what the gaps in services and structures are. The COG wants municipalities and local stakeholders to drive the process, perhaps pooling resources to do something more organized than any single city could do alone. There has been some receptivity among city managers to this approach. Based on the information developed in the scan and discussions with interested cities to build consensus, CSH and its partners will present their final recommendations to the COG and then work with it to develop a reasonable production goal for PSH in the area. For the Gateway Cities COG, PATH is the prime contractor, with CSH and other partners as subcontractors. The structure and goals of the contract are much the same. CSH work with the COGs has reached a level that warrants a staff person for whom this work is a primary responsibility; CSH filled such a position in April 2008.

DMH Activities Regarding MHSA Housing Resources

As described above, it took a year and a half at the state level for DMH and CalHFA to work out their approach to using MHSA funds to support capital and operating outlays for PSH. Once the necessary Memoranda of Understanding were signed by state agencies, the responsibility for generating PSH projects to be funded under the new arrangements fell to county departments of mental health. Many county mental health departments had no procedures in place to authorize expenditures for housing, and also had quite cumbersome and time-consuming approaches to issuing any contract. Further, the stakeholder process to help determine how MHSA funds would be spent in each county, involving more than 150,000 people statewide, was completed before the negotiations leading to setting aside MHSA resources for housing

Los Angeles County DMH found itself in just these circumstances regarding use of the housing resources that came to it through the MHSA. It could not spend money for housing,[5] its contracting procedures were glacial and resistant to change, it had no procedures or plan in place for developing mental health housing. Further, its MHSA stakeholder process included very few people who spoke for the needs of homeless people with mental illness or housing needs, and these concerns were not present in all Service Planning Areas (SPAs). Having given little consideration to housing as an issue, stakeholders, and hence the final MHSA plan for Los Angeles County, prioritized many other activities, including many that did not affect the homeless condition of people with serious mental illness.

Some felt that because of the departmental circumstances just described, the MHSA housing resources should be handled by agencies such as the Community Development Commission that had lots of experience working with housing developers. Others felt that development of this specialized housing for a particularly vulnerable population should be pursued by the same agency that was responsible for providing the supportive services that would help homeless mentally ill people accept housing and retain it once they have left the streets, despite DMH's lack of experience with housing development and developers. A process under DMH aegis would be able to offer support for all the PSH components—capital, operating resources, and supportive services.

The beauty of the MHSA Housing Program is that it totally avoids the issue of DMH's experience with housing development. By assigning its housing program dollars to the state, DMH has to enter into only one agreement, with CalHFA. CalHFA then does the direct lending to project sponsors for both the capital and operating subsidies, as well as the asset management oversight for the length of the loan. What Los Angeles County DMH does is certify that the proposed project fits its MHSA plan, that the county has reviewed and approved the services plan, and that the county commits to providing services for the life of the loan.

CSH has been working closely with Los Angeles County DMH to help it develop a system to 1) identify potential projects that fit MHSA criteria, 2) work with the providers suggesting a project to bring it to the stage of a complete concept and subsequently a complete proposal, and 3) shepherd the proposal through the various stages to approval. DMH has established a 15-member MHSA Housing Trust Fund Advisory Board for its MHSA housing component. Members include representatives of CDC, LAHD, City Councilmember Jan Perry's office, County Supervisor Zev Yaroslavsky's office, Mental Health Advocacy Services, Enterprise Community Partners, DMH, SPAs 2, 6, and 8, CSH, and a professional housing consultant. DMH asked for letters of interest for MHSA housing in December 2007 for the first $11 million of MHSA housing funds available to the county, capable of supporting about 115 housing units. Most letters came from mental health service providers with little housing development experience rather than from housing developers, and were mostly at the idea stage rather than being full proposals for thoroughly thought out ideas. The MHSA Housing Trust Fund Advisory Board reviewed these, eliminated the ones that did not meet threshold requirements, and began to work with the rest to help turn them into full proposals ready to be sent to CalHFA and C-DMH. Ground rules established by DMH helped to narrow the focus of proposals and move them toward practicality, including:

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[5] Even under programs whose funding was clearly available to pay for housing, such as the state's Integrated Services for Homeless Adults with Serious Mental Illness program, known colloquially as AB 2034 after the legislation that authorized it as a statewide program, individual nonprofit agencies with funding under the program were the ones that spent those dollars for housing, not DMH.

- Expressions of interest in MHSA housing must have site control—that is, the proposer already has to own a specific building or piece of land or have legal control of it at the time of its proposal to DMH.
- Tenants for the proposed housing must be literally homeless (some other counties in California chose to include people leaving institutions as well as those who are literally homeless).
- Proposed tenants must have a level of disability that would make them eligible for services in a Full Service Partnership (a very high level of disability), although the proposer does not have to be a FSP provider).[6]
- Proposed tenants must come through a mental health provider with an existing DMH service contract or a DMH clinic, because that is how DMH expects to cover the availability and cost of supportive services.
- Any provider with the resources to cover the services may refer someone they presume is eligible to DMH, which will certify that the person is eligible and that the service plan is adequate, and thereafter transfer the resources to the provider.

As noted earlier in this chapter, CalHFA has approved loans for six projects statewide as of November 2008, was reviewing another 13, and was working with 31 projects at the pre-application stage. Of the latter 31 projects, 11 are in Los Angeles County. The Los Angeles projects will create over 500 units of affordable housing that will include approximately 200 new PSH units. As of February 2009, three Los Angeles projects had been approved (WORKS, Clifford Beers, and LA Family Housing) and the other eight were still being processed.

The response to the MHSA Housing Program has been strong enough for stakeholders to feel quite confident that the program will receive future funding allocations. The goal is to keep the amounts to at least $75 million for capital and $40 million for operating subsidies. If this happens, the Los Angeles County share will be about $32 million a year (28 percent of statewide allocations), which should translate into 300 to 335 units per year of new PSH.

To reach this scale of production, mental health providers are going to need the help of organizations that produce housing efficiently and quickly—namely, big nonprofit and for-profit developers of both affordable and market rate housing. Some of these developers have expressed a willingness to be involved, but so far have not participated in concrete projects. CSH is working to link mental health and other service providers up with the big housing developers through the technical assistance and capacity building offered in a new program designed to precede its Opening New Doors Institute.[7] The "Pre-Opening New Doors Institute," which occurred in Fall 2008, was designed to help service providers at very early stages of thinking about potential projects to prepare visions for projects and to develop a "Request for Qualifications" to invite housing developers to consider becoming partners in new PSH development. MHSA providers were included in this new training opportunity.

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[6] A Full Service Partnership (FSP) is a type of program under MHSA that provides intensive wrap-around services to people with serious and persistent mental illness who would not otherwise be able to maintain a home in the community.

[7] Opening New Doors, now entering its fifth season, is CSH's training institute for teams of service providers and housing developers intent on creating new PSH projects. It lasts most of a year and takes the teams through every stage of project development, ultimately having teams present their project plan to a group of potential funders to get feedback on their project concept and proposed execution.

City of Los Angeles Developments

Joint RFP for PSH Capital and Operating Resources

Los Angeles has developed a PSH funding process involving five City of Los Angeles agencies with one or another type of responsibility for housing that generates joint RFPs covering two of the three components of PSH financing—capital and operations. In a related process, city agencies have been working to develop a housing plan for the whole city to provide a blueprint for affordable housing development, including PSH.

Shortly after he took office in July 2005, Los Angeles Mayor Antonio Villaraigosa pledged $50 million in city-controlled funding for the capital and operating expenses of new PSH. He has done the same thing twice more, and the expectation is that he will continue the annual commitment for two more years. Along with the Department of Planning, the four different city departments that controlled these funds—Los Angeles Housing Department (LAHD), the Housing Authority of the City of Los Angeles (HACLA), the Community Redevelopment Authority (CRA), and the Department of Water and Power (DWP)—signed a Memorandum of Understanding in 2006 and issued their first joint RFP for the Permanent Supportive Housing Program shortly thereafter. The third round of the joint RFP closed in June 2008.

History of the Joint RFP

City of Los Angeles housing agencies, along with their county counterparts, have long contributed resources to develop and operate housing for homeless people, much of it in Skid Row. After the Low Income Housing Tax Credit, agencies running permanent supportive housing projects in Los Angeles list CDBG dollars and funding from redevelopment authorities as their biggest sources of capital for developing housing; redevelopment authorities also contribute significantly to capital costs, and housing authorities subsidize PSH operating expenses through their Shelter Plus Care and other housing subsidy programs. Until recently, however, the City of Los Angeles had not developed any type of plan for either permanent supportive housing or affordable housing in general.

When the current mayor took office in July 2005, his administration hired a consultant and undertook a strategic planning process with the eight deputy mayors and three senior advisors. The results contained no content related to homelessness, and barely touched on housing. The public safety activities of the police and fire departments consume most of the City of Los Angeles budget, but the city does have three agencies with responsibilities related to housing and development—LAHD, HACLA, and CRA. The Department of Water and Power is also involved because it controls resources that can be used to increase the energy efficiency of any housing created under a plan. The Department of Planning participates for obvious reasons.

Responding to the recent interest in homelessness occasioned by the results of the 2005 homeless count, activities around creating a 10-year plan to end homelessness for the county as a whole, and a hard-hitting series of articles about Skid Row appearing in the *Los Angeles Times,* the mayor's office began to concern itself with homelessness. In October 2005, the mayor pledged $50 million in CDBG, HOME, and other dollars administered by city housing agencies for permanent supportive housing that, as already noted, has been augmented by approximately $50 million in each of the next two years. No services funding is attached to these housing dollars, as the county rather than the city controls most of those resources, but the hope in announcing the housing commitment was that the county would follow through with supportive services funding. The mayor also proposed a $1 billion bond issue for affordable housing that went to the

voters in November 2006 (the bond issue failed, though it drew a surprising 62+ percent of the vote; it needed 67 percent to pass).

The Los Angeles Housing Department was given the task of turning the city's initial $50 million commitment into a Permanent Supportive Housing Program (PSHP). LAHD approached CSH and asked for technical assistance; together with LAHD, CSH approached the California Community Foundation (CCF) to help support this work. A grant from CCF coupled with Hilton funds let CSH engage Jean Butzen, former Executive Director of Lakefront SRO Housing from Chicago and former member of the CSH Board of Directors, to help design the PSHP. CSH convened two focus groups with housing developers and service providers and subsequently announced the basic elements of the plan in a joint presentation with LAHD made to over 100 stakeholders from Skid Row and elsewhere in the county. Having developed a program description that focused on housing chronically homeless people in mixed population buildings, CSH was asked to draft the first funding notice.[8]

The first Notice of Funds Availability contained some challenges for project developers. LAHD very intentionally worked to increase the expectations for the quality of the housing to be developed. Among the key challenges for Skid Row developers was the call for complete units (private bath and kitchen in every unit) and central heat and air. A challenge for some of the non-Skid Row developers who tended to develop smaller projects was the call for 24 hour front desk coverage. CSH and LAHD have subsequently held meetings with developers to explain the city's efforts to increase the quality of PSH in Los Angeles, present the evidence for longer and more secure tenure in complete versus incomplete units, and ensure that projects are able to house chronically homeless people successfully.

During the process of developing the program guidelines for PSHP, CSH helped facilitate joint meetings between LAHD and key county agencies to explore possibilities for committing services funds to the city's housing program. At that time, the talks did not succeed in producing a commitment of county funds (although subsequent developments are very promising on this front). Part of the problem was that county agencies were not clear about the mechanism(s) to use to make such a commitment, as all of their considerable resources were tied up in ongoing service contracts. The Special Needs Housing Alliance agreed to review the service plans in the projects submitted for PSHP funding to see how county agencies could obligate their resources to providing the needed supportive services.

A major breakthrough in the development of this initiative is that the city's commitment of $50 million includes both capital funds and project based operating subsidies. This was the first time in Los Angeles that a single funding announcement included two of the three elements needed for PSH.[9] The first funding notice was released in October 2006. In early March, the city announced five successful bidders. CSH had provided some form of financial or technical assistance to four of the five successful bidders. LAHD asked CSH to work with department staff to adapt the funding notice for round two to address some of the concerns raised by sponsors during the first round and to make the funding more accessible for smaller projects. CSH remained heavily involved in supporting projects submitted for the second and third RFPs.

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[8] This "mixed use building" model may be desirable from a number of perspectives (e.g., more efficient to staff, probably easier to site) but proposals based on this approach are meeting some opposition at LAHD, due to that agency's need to produce a lot of PSH units on a tight budget in a relatively short time period (2,200 in five years) to meet the commitments of the housing plan.

[9] The first NOFA to include all three was CDC's request for proposals for the HPI's $32 million, described earlier in this chapter, which was issued more than a year later than the first Permanent Supportive Housing Program request for proposals.

A Housing Plan for the Whole City

Work on the joint RFP proceeded in the absence of a comprehensive housing plan for the City of Los Angeles, but the absence of such a plan was sorely felt and developing a plan soon became a priority. After intensive interactions supervised by the Deputy Mayor for Housing and Economic Development Policy, a housing plan has been developed, reviewed, and completed. The participating agencies agreed on the plan's goals and the ways that their own resources will be involved. Publication occurred in early fall 2008, after City Council members and other stakeholders had a chance to absorb the plan and its implications.

History of the City's Housing Plan

In fall 2006 the mayor created a full-time position of homeless policy coordinator, in recognition of the amount of work to be done in this area and the need for a dedicated staff person to support it. The homeless coordinator's first priority upon assuming the job was to develop a plan for the Skid Row area and to involve the city's housing agencies in the process. In addition to the obvious inability of the city agencies to connect service dollars to new housing, it also became clear in the process that the city has no overall housing policy, so it was difficult to know where and how a plan for the Skid Row area only and permanent supportive housing should fit in. Because there was no overall strategy, providers and developers could not be sure how city agencies would prioritize any plans or proposals that they might hazard to submit.

The group developed a preliminary plan for Skid Row and the work of the participating city agencies became better coordinated. It became clear, however, that a vision for the whole city was needed, to address the permanent supportive, affordable, and other housing needs for various neighborhoods, before it would make sense to implement any plan specifically for Skid Row. This planning activity was therefore quietly tabled while attention turned to creating a comprehensive plan. After more than a year of joint work, the Mayor's Office and participating agencies created a comprehensive housing plan for the City of Los Angeles and published it in early fall 2008. Future investments in PSH and affordable housing that involve city dollars will be expected to comply with the plan's priorities and goals. For the first time, the city has a coherent set of expectations for making public investments in housing and assessing their results and a structure, through the office of the Deputy Mayor for Housing and Economic Development Policy, for implementing the plan and tracking progress.

Supportive Housing Loan Fund

Earlier we described the Innovation Fund, a new pre-development loan fund to stimulate PSH development throughout Los Angeles County outside of the City of Los Angeles. The city has its own similar fund, which began about nine months earlier. This fund, which has $30 million to offer in pre-development loans, can only be used for PSH projects within the City of Los Angeles. The City Council approved it in mid-October 2007. As of June 2008, several loans had already closed and more were in the pipeline. Applications for pre-development loans under this fund must meet certain criteria. Borrowers must identify all costs, justify them, and present a plan for acquiring the development, operating, and supportive services resources to fully finance the project.

To start the fund, CSH's Los Angeles office used $1 million in a low-interest program-related investment from Conrad N. Hilton Foundation grant funds. CSH hoped to attract $4 million more to the fund. Thanks to additional investments from LAHD, FannieMae, CalHFA, and several banks, the loan fund was launched at

$30 million, exceeding the $5 million goal six-fold. CSH manages the fund, which offers loans of up to $3 million per project for acquisition and pre-development costs.

New Generation Loan Fund

While the City of Los Angeles and Los Angeles County revolving loan funds for PSH pre-development were being organized, Enterprise Community Partners (the Enterprise Foundation) was working with the City of Los Angeles mayor's office and LAHD to develop a third revolving loan fund called New Generation Fund. Formally announced on July 21, 2008, the fund has $100 million for pre-development and acquisition. It was created through a public-private partnership of the City of Los Angeles and a consortium of banks, financial institutions, foundations, and community development financial institutions. It is designed to combat homelessness and reduce the housing burden on poor and working families by offering developers access to pre-development and acquisition financing for properties targeted to low- and moderate-income residents.

The City of Los Angeles put up the first $10 million of this fund, with Citi, Wachovia, Enterprise Community Loan Fund, Merrill Lynch, MetLife, and HSBC contributing the remainder of the $100 million. The Fund is expected to grow up to $150 million by summer 2009. Credit enhancements totaling nearly $14 million are being provided by the City of Los Angeles, the Ahmanson Foundation, California Community Foundation, and Weingart Foundation. Enterprise Community Investment, Inc. is the Fund's owner. New York-based Forsyth Advisors manages the daily administration of the fund with the California Community Reinvestment Corporation providing local support for vested parties. Developers may apply for funding from the New Generation Fund through any of the five participating lenders (CSH, Century Housing, the Low Income Investment Fund, Enterprise Community Loan Fund, and Local Initiatives Support Corporation).

A very important aspect of the city's pre-development and related funds—especially its Housing Trust Fund, Supportive Housing Loan Fund, and the New Generation Fund—is the involvement of banks as major for-profit contributors of funding. These are new relationships for the city, and ones that should prove very useful in coming years. The funds offer banks and other investors, including large national foundations, a "way in" to the Los Angeles affordable housing market, which otherwise has appeared too complex and risky for major investors. Negotiations surrounding investment in the New Generation Fund, in particular, established important new relationships that have potential for future public-private partnerships.

Los Angeles County, City of Los Angeles, and Other Cities—Joint RFP Incorporating Services Funding into RFPs for Capital and Operating Resources

The newest development in Los Angeles is a cities-county workgroup whose task is to develop a mechanism to allow a completely integrated process leading to RFPs that offer PSH developers "one-stop shopping" for development, operations, and services funding from a combination of city and county agencies.

In July 2007, the Board of Supervisors agreed to adopt PSH as the chosen intervention for reducing chronic homelessness in Los Angeles County. Board Chairman Zev Yaraslovsky convened a short conference in October 2007 to address regional homelessness, inviting not only county officials but also representatives of the largest cities in the county and those most affected by homelessness—Los Angeles, Santa Monica, Long Beach, Pasadena, and Glendale. LAHSA, CSH, and Common Ground also attended in their roles as planners, facilitators, technical assistance providers, and problem solvers. A key resolution

of the conference was that county and city representatives should begin working together to coordinate a joint Notice of Funding Availability (NOFA) for developing more PSH throughout the county. The process to be designed would build on the City of Los Angeles' PSHP joint RFP process, CDC approaches, and potential contributions from other cities in the county for the housing components, and add the county's service dollars.

In November, staff of the county's Homeless and Housing unit of the Chief Executive Office (CEO), the City of Los Angeles Mayor's Office, LAHSA, and CSH began working together to identify options, and the Ad Hoc Los Angeles Cities-County Joint NOFA Working Group was born. The first step was to identify the range of resources available through county agencies, which are allocated to nonprofit service agencies through contracts for services. Annual contracting activity and resource allocations of the Departments of Children and Family Services, Health Services, Mental Health, Public Health, Public Social Services, and Community and Senior Services were examined.

The Working Group discovered that case management services were the major component of most county service contracts, whether for the elderly, families, youth and children involved with child protective services, people with mental illnesses or addictions, or chronic health conditions. Further, the criteria determining eligibility for these services were largely similar across departments—indigence and disability. Sometimes homelessness was also a criterion, but there is little doubt that many homeless people and most chronically homeless people would meet the criteria of indigence and disability that govern admittance to many county programs. This information allowed the Working Group to conclude that it would be possible, through intergovernmental collaboration, to create predictable funding mechanisms for services in PSH and thereby to stimulate development of more PSH across the county.

The Working Group has proceeded to plan for services funding from existing county contracts. The Services Integration Branch of the CEO's office noted, in its report on HPI performance for the fall quarter of 2008, that by June 2009, county departments would develop and obtain approval of a Countywide Homeless Services Integration Plan. This plan will include expansion of Permanent Supportive Housing (PSH) in partnership with the CDC and other county department participation through their existing service contracts, the four Continuums of Care in the county, COGs, and the cities within the county; institutionalization of successful HPI projects and lessons learned from the HPI, county hospital and jail discharge policies, and completed cities' 10 year plans to end homelessness; continued development of regional planning, partnership and collaboration; and enhanced coordination of existing homeless services systems and programs within the county.

City contributions would come from the housing side, for development and operating subsidies, and would maximize the value of the county's service dollars. According to the financial models developed by CSH for the Working Group (described earlier in this chapter), if the county redirected about $34 million of existing services funding over a five year period and aligned its disbursement with the $45 to $50 million for housing ($15 to $20 million for capital and $30 million in project-based rent subsidies) being developed under the City of Los Angeles's Permanent Supportive Housing Program, the county would be able to leverage almost $700 million more in capital financing and $46 million of operating subsidies from other local, state, and federal sources. This combined investment would finance the 2,200 new PSH units in the City of Los Angeles's housing plan. The county could do the same vis-à-vis other cities within its boundaries for about $13 million in redirected service dollars, which could garner an additional $400 million in housing investment to create about 800 more PSH units.

These conclusions as well as suggestions for next steps were issued in a June 2008 report from the Working Group. Next steps include:

- Meeting with department heads, departmental homeless coordinators, and the Board of Supervisors deputies charged with addressing homeless issues to develop a plan and timeline for redirecting contracted resources into a countywide joint RFP for PSH.

- Working with community-based service providers and developers to build the capacity to develop and run these new units, through planning, training, expanding philosophies of care, and creating integrated teams for PSH development, operations, and supportive services.

- Integrating the joint cities-county work with City of Los Angeles and other Continuums' activities for developing PSH.

- Creating a Funder's Committee to recommend service commitments for projects that are in a state of readiness. The funding principles will be based on extensive work done by the Special Needs Housing Alliance of the County of Los Angeles, the MHSA Housing Trust Fund Advisory Board, and other national jurisdictions such as Seattle and Portland.

- Learning more about models of joint funding for PSH (e.g., Seattle/King County's Funders Group) and work on developing a version for Los Angeles. A group from Los Angeles recently visited Seattle and held a very lively and fruitful meeting with its Funders Group.

In many smaller, less complex communities, establishing a joint city-county working group and issuing a report would not constitute a major "accomplishment." But a mere five years ago, when CSH opened its Los Angeles office, it would have been inconceivable to think that a member of the County Board of Supervisors would convene an all-day county-cities conference to discuss how the county and its constituent cities could work together to solve chronic homelessness, or that a Working Group would come together and make significant progress toward a viable plan of action. Many steps have been taken to get to this point, but all of them in combination are clearly paying off in a big way.

Chapter 3:
Health-Related Developments

Much has been happening on the health care front in the two years since the last system change report. Developments that were off to a good start two years ago have matured, those that were in their infancy two years ago have evolved into full-fledged programs, and new programs and policies have been developed. Many health-related activities connected to the county's Homeless Prevention Initiative (HPI) grew out of the work of the Special Needs Housing Alliance and its Strategic Plan, which CSH together with Shelter Partnership helped to bring to fruition (Burt and Anderson 2006). Others developed independently of the HPI, although they may have received some funding through HPI when their activities coincided with HPI priorities. Many of these activities have developed to their present level without CSH involvement, while CSH continues to be involved in others. In this chapter we review the evolution of the Skid Row Homeless Healthcare Initiative into what is about to become the Leavey Center, the creation and development of the United Homeless Healthcare Partners (UHHP), CSH's efforts to promote an "FQHC-services-to-tenants-in-PSH" model as a way to assure adequate supportive services funding for formerly homeless people residing in PSH, and further developments through the Department of Health Services (DHS), some of which began through HPI and some of which evolved on their own. We reserve to chapter 5 our discussion of approaches and projects that involve complex interagency arrangements to assist particularly vulnerable segments of the homeless population, including Project 50, development and use of a vulnerability index to identify the most vulnerable people, and jail-mental health collaborations to prevent homelessness for people with serious mental illness leaving the county jail.

The Skid Row Homeless Healthcare Initiative and the Development of Integrated Health Care

Three-plus years of effort to develop integrated primary health, mental health and substance abuse, dental, eye, pharmacy, and other aspects of care for homeless people in downtown Los Angeles are about to pay off in "the Leavey Center." The Leavey Center will become the new home of the JWCH Institute's homeless health care operations in Skid Row, more than doubling the space now being used for primary health care. It will include mental health care provided by staff of the Downtown Mental Health Center co-located at the Leavey Center, substance abuse treatment by cooperating partners, dental care by the USC School of Dentistry, optometry, radiology, a clinical pharmacist, HIV/AIDS care, and public health services. The Family Assessment Center now located at the Union Rescue Mission will also move to the Leavey Center, bringing county services from the Departments of Children and Family Services, Public Health, Health Services, Public and Social Services, and Mental Health into the Leavey Center and improving integration of those services with direct health care. Some of these services are now co-located at the Weingart Center and will move to the Leavey Center; some will begin co-location once the space in the new building becomes available.

The Weingart Center Association owns the building that will house the Leavey Center and is renovating it for use as an integrated care setting. County Board of Supervisors and City Council members were involved in the decision to allow the building to be used for this purpose. The County of Los Angeles will be using general fund resources to pay the rent for the building.

The Leavey Center hopes to have four integrated health care teams, each consisting of a primary care physician, half of a mental health provider, one case manager, one licensed vocational nurse (LVN), and a Master's level behavioral health care specialist. The hope is also that the teams will have some members who can do addiction recovery groups and triage for people coming in for detox. Every time a patient comes in, he or she will see only people from his or her team; anyone on the team will help when the patient is there so the patient will not have to fit into a particular schedule. Team members will all be "up" on the situations of the people for whom they are responsible. The teams will meet daily to schedule care and will conduct case conferences weekly for patients with complex situations. Each team will have a dental chair assigned to its patients, with two additional chairs available for emergencies. An integrated medical records system is planned, which will give all team members and other relevant Leavey Center staff the full picture of each patient's needs and treatment history.

Care at the Leavey Center will be supplemented by an expansion of the current mobile health care team approach that meets tenants of SROs and PSH projects run by the Skid Row Housing Trust. Outreach teams seek to engage tenants in health care and help them apply for public benefits that will help fund the care they need. Some types of care will always need to be done at the Leavey Center, but people are more willing to come in for care once they realize that the nurse they will see at the Leavey Center is the same nurse that works with them in their neighborhood through the outreach team.

Because JWCH is a Federally Qualified Health Center (FQHC), it will be able to bill Medi-Cal for care at FQHC rates, giving it more resources than standard Medi-Cal rates to handle the more complex circumstances of most of its patients. It will also be able to bill for dental care and pharmacy services offered at the Leavey Center, the latter at considerably better rates than Los Angeles County now pays for medications through its primary and mental health services. JWCH estimates that the money that county departments could save by the pharmacy arrangements alone would be sufficient to cover the costs of most of the Department of Mental Health staff to be assigned to the Leavey Center. Also, because this will be a clinical pharmacy, the pharmacist will be licensed to assess side effects and drug interactions and modify medications as needed.

History of the SRHHI and Integrated Services

The Leavey Center builds on the successes of three years of work by the Skid Row Homeless Healthcare Initiative (SRHHI), but it has turned out to be something different than the initial SRHHI vision.[10]

In 2003, USC's Michael Cousineau published an assessment, commissioned by the Weingart Foundation, of homeless people's access to primary health care in the Skid Row area. He reported that care was scarce and that what existed was fragmented. Existing primary health care services did not communicate with each other. When homeless people were desperate, which was the only time they sought care, they went to whichever clinic was open that day, or where they thought they could get in. It was not uncommon for people to have been seen at all three primary care clinics in Skid Row, but no doctor ever knew what another doctor might have done for the patient sitting in the office now. Access to specialty care was very

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[10] The SRHHI began organizing at about the same time that CSH and Shelter Partnership began working with the Special Needs Housing Alliance to help it develop its Strategic Plan. SRHHI developed some projects that ultimately received funding through the HPI because its goals and those of the HPI coincided, but the SRHHI was not itself part of the Special Needs Housing Alliance's Strategic Plan. CSH was involved in some aspects of SRHHI organizing from its inception, most notably with respect to mental health services.

poor, and other problems abounded. Cousineau also reported the pervasiveness of physical health problems among the area's homeless population, including the proportion experiencing serious chronic and life-threatening conditions. From other data (e.g., Boston's Health Care for the Homeless client tracking), we know that death rates among street homeless people are 30 to 50 times higher than those for housed people of similar age.

The Cousineau report stimulated creation of a major initiative to improve access to care in Skid Row. The selected the Community Clinic Association of Los Angeles County (CCALAC) was selected to mobilize the Skid Row Homeless Healthcare Initiative through funding support of the Weingart, Ahmanson, and Annenberg foundations of about $1 million over three years. The SRHHI began in January 2004 with a focus on primary health care and the intent to expand to mental health and dental care once primary health care goals were on their way toward achievement. The CCALAC supplied staff to convene and facilitate meetings; keep communications flowing; keep track of funding, organizational, regulatory, and other developments pertinent to the SRHHI mission and share this information at meetings; keep track of goals and progress; facilitate proposals for funding for various strategies developed by SRHHI workgroups; and report results.

The Primary Health Care Group

The experience of the primary health care group was excellent. Cousineau had provided a preliminary inventory of health services in Skid Row, most of which interacted rarely if ever at the start of SRHHI. Nineteen partners initially committed to participating in quarterly meetings of an overall guidance group and monthly meetings of specific workgroups. Their focus was on improving coordination of and access to primary health care. After making a more complete inventory of existing resources and capacity, the group produced a planning document that included 28 strategies plus a timeline for funding and implementation. Strategies covered capacity building (with a specific goal of increasing utilization by at least 500 additional clinical visits per month), direct services, enabling services, and infrastructure development. The strategies were further divided by those the group expected to be able to fund almost immediately, those it felt could be funded by the end of the SRHHI's first year, and those to be funded by the end of the SRHHI's second year.

Services that SRHHI got funded during its first two years include (1) expanded van services to accommodate 200+ additional riders per month with additional afternoon and evening hours; (2) assistance to access benefits (mostly SSI), cutting approval time down from 12 to 4 months; (3) training and development for front line and case management staff; (4) projects focused on expanding radiology, specialty referral, and chronic disease treatment and services; (5) a "hospitalist" project to assure continuity of care for people referred from Skid Row to various hospitals for specialty treatment; (6) two expansions for dental care, and (7) resources to establish a clinical pharmacy. All in all, at the end of the first two years the SRHHI raised $7.1 million to fund 14 projects growing directly out of its planned strategies. With the Weingart Foundation making lead commitments to each project, other foundations contributed to this funding. In addition, the Conrad N. Hilton Foundation, through CSH, dedicated resources to the initiative's continued planning efforts. CCALAC continued to facilitate the SRHHI through the end of its foundation funding in 2007.[11]

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[11] Extensive material describing the history and progress of the SRHHI is available at the CCALAC website, www.ccalac.org.

The successes of the SRHHI primary health care group are easy to explain and to see in action, and make it easy to point to the initiative's success. As important as these successful strategies are, however, they pale in comparison to the much less visible but overwhelmingly important accomplishment of the initiative—that the three downtown primary care providers and the county Departments of Health Services and Public Health began to work together to better address the health problems of homeless people on Skid Row.

The Mental Health Work Group

Once the primary health care group was under way, the SRHHI staff began to work on the mental health and dental aspects of the overall initiative. Networking with mental health providers in Skid Row began in January 2005 and the mental health work group first convened in July 2005. This work group was expected to follow the same approach as the primary care group. As the CCALAC staff had less experience with mental health issues and the original SRHHI funders were more focused on primary care, CSH was asked to facilitate the Mental Health Work Group. CCALAC and CSH provided contract funds to hire a consultant for this facilitation, and CSH also used Hilton funds to provide significant staff time and technical assistance to the effort.

The experience of the mental health work group did not follow the same smooth development track as the primary care group, due to two barriers of considerably different magnitude. The first barrier arose from bringing new organizations into the conversation that had seriously divergent views as to the purpose of the work group and its ultimate goal. The second barrier arose from funder experiences with the projects developed by the primary care group. As already noted, these were foundation-funded. As these projects were implemented, began to have impacts on primary care, and began to seek ongoing support from public sources, it became clear that the relevant county agencies were not likely to begin paying for them in the future. At the same time, the new state mental health dollars through MHSA were on the horizon but it was not yet clear how the county would allocate these resources. Philanthropic investors felt it would be more prudent to wait and see what the county was going to do, rather than create more start-up projects with private funds that might not have any hope of being incorporated into public service plans in the future. In the end, it again became clear that the relevant county agencies (in this case the County Department of Mental Health) were not likely to begin paying for mental health projects initiated from the work group. The mental health work group joined the primary care piece of the SRHHI to integrate behavioral health services into the collaborative.

Evolution from the SRHHI

The Weingart Foundation funded CCALAC to transition the collaborative to a new governance structure based on what the members thought best and relevant to their future plans, after which support for CCALAC's intensive facilitation ended.

The opportunity offered by the Leavey Center seemed to be the most viable option for achieving integrated care and therefore became the new focus of philanthropic investment. In addition, many of the 14 projects launched by the primary care group continue to progress and foundations are considering their options with respect to continuing support. In the meantime, one of the three primary care providers, the JWCH Institute Inc. (JWCH) was interested in pursuing a role as a service provider for tenants in permanent supportive housing, and received a grant from CSH in 2007 to determine its overall capacity to undertake this role. Under the grant JWCH worked on plans for JWCH to provide services in permanent supportive housing

under its FQHC contract and a plan for an urgent care center that could act as a community resource as well as a medical home to many permanent supportive housing tenants in the area.

With the opportunity for the Leavey Center, a small subset of all the stakeholders in the SRHHI process saw the potential for integrated care and kept talking until they found an approach that would work. In the Leavey Center they found the resources to realize their approach in Skid Row. The Leavey Center did not spring from whole cloth. Much of the care that will be integrated under its roof is already being provided, but in less conducive and more overcrowded conditions and in some cases scattered locations. Some types of care slated to be offered at the Leavey Center were not previously available in a downtown location or were little used by homeless residents of the Skid Row area for a variety of reasons. No records system currently integrates patient care records to give staff the whole picture of a patient's situation. The Leavey Center represents a major improvement on all of these care delivery mechanisms, but above all it will improve the integration of all aspects of care in a structure that takes the whole person into account. Renovations have started on the Leavey Center building; the facility is expected to be in operation in March 2009.

Promoting Homeless Health Care Services and the FQHC-Services-to-Tenants-in-PSH Model Throughout Los Angeles County

The need of homeless people located throughout Los Angeles County for health care and related services is great but the availability of services beyond Skid Row is even less adequate or accessible than has been the case in downtown Los Angeles. Building on the successes and lessons learned from the SRHHI, efforts are under way to organize homeless health care in all eight county Service Planning Areas (SPAs).

United Homeless Healthcare Partners

In November 2005 the Los Angeles County Department of Health Services and Public Health[12] organized a meeting to which it invited organizations throughout the county interested in addressing critical issues in providing healthcare services to homeless people. By the end of the meeting, participants decided to keep meeting to continue discussions and build on the work of the SRHHI to develop a long-term plan that would benefit from lessons learned and extend its successes to the rest of the county.

The DHS homeless liaison, Libby Boyce, was a key organizer of the November 2005 meeting, which was planned with the hope that participants would be interested in spreading the emerging models of care throughout the county. Following that meeting, Boyce supported the resulting ad hoc group in its planning efforts and worked with it to become a more formalized group. In late 2006 the group became the United Homeless Healthcare Partners (UHHP). Members include homeless service providers, social service organizations, foundations, private health providers, professional associations, federal and county officials, and other interested parties. All are involved in one or more aspects of planning, policy making, funding, and delivery of health care to homeless people in Los Angeles County. UHHP obtained a grant from the Green Foundation for a policy analyst to develop feasible ways to coordinate and develop a policy platform to address homeless health care needs.

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[12] In 2006 this department split in two to become the Department of Health Services and the Department of Public Health. The homeless liaison now pursues UHHP and other homeless-related activities in the Department of Health Services.

In July 2007, UHHP received a two-year grant from Kaiser Permanente to pursue its work. The grant supplied funds for technical assistance and some staff to support the volunteer work of members' work on UHHP committees. During the first year of this grant, UHHP completed a three-to-five year strategic plan, negotiated with Community Partners to act as its fiscal agent, completed a policy analysis and wrote a policy platform, and established a broad-based and very active Policy Development Committee to be able to propose policies to member agencies and respond to policy changes in agencies and funding streams that affect member activities.

Using the support from its Kaiser Permanente funding, UHHP also held a highly successful *Executive Summit on Homeless Healthcare Service Delivery* on November 5-6, 2007, attended by more than 200 people. The first day of the Summit was devoted to presenting and discussing different innovative and successful models of homeless healthcare. In addition to a presentation by the SRHHI, models from around the country were represented, including Boston's Health Care for the Homeless, Seattle's Downtown Emergency Service Center, and San Francisco's Direct Access to Housing.

On the Summit's second day, attendees from each of the county's eight SPAs were asked to form geographic groups and consider "What would it take to get one or another of these models going in your SPA?", "What are your current resources?", and "What types of technical assistance would you need?" The hope was that after the Summit these groups would form the nucleus of organizing committees in each SPA. That hope has been borne out when three new communities—South Los Angeles (UHHP South LA), South Bay Cities, and Whittier—joined two that had already begun organizing—San Fernando Valley, and Antelope Valley. UHHP is working with committees in these five communities to assess needs, develop a concept of "homeless healthcare" that includes housing as a key ingredient, raise money to support continued organizing, and provide technical assistance and overall leadership and advocacy. The goal is to integrate health care in its broadest sense for homeless and formerly homeless people throughout the county.

CSH is part of the UHHP partnership. A CSH staff person became the co-chair of UHHP's policy workgroup in late 2008, and CSH has participated in the recent conference and is working with several FQHCs and community clinics. In addition, CSH has provided UHHP with a grant to develop two guides for practitioners that will make the knowledge and experience of some UHHP partners available to all. The first guide focuses on the various ways that FQHCs and housing providers can work together to integrate health and other services with housing to sustain formerly homeless tenants in PSH. The second guide is for clinicians and will describe standards of care and present best practices in providing health care to homeless people on the street (street medicine) and care provided in supportive housing environments. This guide may have a videotaped version that can be used to provide training in a variety of settings.

Promoting the FQHC-Services-to-Tenants-in-PSH Model

The Leavey Center represents something that CSH and others are calling the FQHC-services-to-tenants-in-PSH model. Both CSH and the Department of Health Services are interested in promoting this model as an important new direction in the difficult task of finding adequate sustainable resources for the supportive services component of PSH that CSH, DHS, and UHHP are working to promote in other areas of the county. SRHHI collaborative members decided to become a regional group under the UHHP umbrella and participate in UHHP trainings and discussions of future directions. They have been active in explaining their model centered on and building out from an FQHC and linked to housing as a key ingredient in promoting health, and were one of the presenters at the November 2007 Summit's first day.

By federal definition, FQHCs serve medically underserved populations. They have resources from DHHS's Health Resources and Services Administration to provide care and personnel from the Public Health Service to augment their own paid staff. They are set up to bill Medicaid and, as noted above, they may establish rates that reflect the true level of care needed by the people they serve. FQHC rates for a given service are usually considerably higher than standard Medicaid rates. By assembling many types of care under an FQHC umbrella, it is possible to cover primary health, mental health, substance abuse, dental, pharmacy, and other types of care through Medicaid. Of course patients must be Medicaid beneficiaries for this billing to be possible, hence the importance of streamlining procedures for submitting and approving SSI applications, which DHS is developing and we describe below. FQHCs are ideally suited to provide the documentation and casework needed for successful SSI applications, which in turn make recipients eligible for Medicaid. It takes time to develop care under an FQHC model, but in the end, continuing funding is more secure than expecting local public agencies to come through with initial contracts and annual renewals for case management, mental health and addictions treatment, and other aspects of support for PSH tenants.

With the Leavey Center about to become a reality, CSH is working to replicate the FQHC-services-to-tenants-in-PSH model with other Los Angeles FQHCs that already serve homeless people or are in heavily impacted areas, including St. John's Well Child and Family Center in south/central Los Angeles, Venice Family Clinic, the Northeast Valley Health Corporation (NEVHC), and T.H.E. Clinic in the Crenshaw neighborhood. CSH is also working with the Saban Free Clinic (formerly LA Free Clinic) in the Hollywood/Wilshire area and Homeless Healthcare of Los Angeles (HHCLA), which are not currently FQHCs but are contracted to provide healthcare services for homeless patients under NEVHC's Bureau of Primary Health Care 330(h) grant for the Cooperative Health Care for the Homeless Network (CHCHN) of Los Angeles County. Saban and HHCLA are exploring the possibility of becoming independent FQHCs. A meeting in June 2008 organized by CSH and its partners brought these FQHC and community clinics, potential local service partners, and PSH developers together. The meeting generated considerable enthusiasm for pursuing the FQHC-services-to-tenants-in-PSH model. DHS is also promoting more FQHC involvement in supportive housing and serving homeless people. However, it is important to note that DHS has no organizational control over FQHCs. Given the difficulties involved in securing adequate resources for supportive services in PSH from public agency contracts, as well as the unpredictability of funding levels from year to year, "FQHC-services-to-tenants-in-PSH" model appears to be a viable and possibly preferable route to the same goal.

Homeless Prevention Initiative Activities of the Department of Health Services

As described in our earlier report on system change in Los Angeles County, a major milestone was achieved in October 2005 when the County Board of Supervisors unanimously adopted the Special Needs Housing Alliance's Strategic Plan and initial goals for reducing and preventing homelessness. A second milestone occurred in April 2006 when the Board of Supervisors took the unprecedented step of appropriating $100 million to implement many of the recommendations in the Alliance's plan, in a sweeping action that became known as the Homeless Prevention Initiative (HPI). Most ($80 million) of the $100 million were one-time dollars for a wide range of pilot projects, with the possibility of renewal if the projects could show their effectiveness in preventing or ending homelessness.

The HPI included funding for several projects involving the Department of Health Services (DHS) that are focused on improving health outcomes for homeless people. DHS is responsible for all the public hospitals,

emergency rooms, specialty care clinics, and many direct care settings in the county that have DHS contracts. DHS facilities are directly affected by homelessness as they are the safety net provider of last resort, providing care for the uninsured population including homeless people.[13]

DHS has a very active homeless liaison who participated in the Special Needs Housing Alliance from the beginning and helped shape its strategic plan and the HPI projects that followed from it. She perceives a major increase in communications around homelessness within county departments, and also a major increase in access to resources. DHS has either run or been a partner in a collaborative effort to provide Access to Housing for Health (AHH), recuperative care, and SSI advocacy, as described next. It is also a key partner in Project 50, which we describe in Chapter 5.

Access to Housing for Health

The concept behind Access to Housing for Health is that "housing is health." Most health care is far less effective when given to homeless as opposed to housed people, because homeless people have a much harder time than housed people following medical advice, taking medications as prescribed, and avoiding unsanitary conditions and infections. Evidence is increasingly available to support this contention, and also documents the positive effects of housing on reducing behaviors that constitute risks to others, such as spreading drug-resistant tuberculosis, various forms of hepatitis, intravenous drug use, needle sharing, and unprotected sex (Aidala and Sumartojo 2007; Lubell, Crain, and Cohen 2007; Shubert and Bernstine 2007). The AHH project provides housing and supportive services to highly vulnerable homeless people with multiple disabilities and illnesses who are identified by their persistent use of DHS inpatient or emergency department services. The project's core operating assumption is that this is better for the people and better for the system—health improves with appropriate care, and inappropriate and expensive crisis care is avoided. It was stimulated in part by media charges of "discharge dumping"—leaving ill patients at downtown homeless shelters, which prompted the DHS homeless liaison to begin the process of seeking housing resources for DHS clients with Axis II and substance abuse disorders that made them unlikely to be able to sustain housing on their own. The project was prioritized for funding under the HPI.

The HPI funded AHH at about $1.5 million for case management services, temporary housing, housing locator services, and project management staff at DHS. DHS manages the project and HACLA and HACoLA provide the housing resources (each gives 50 Section 8 vouchers and HACoLA also offers 15 public housing units). Homeless Health Care of Los Angeles provides case management services to help people stabilize in housing and provides housing locator services as of January 1, 2008 (initially Del Richardson and Associates did the housing locator work).

AHH began enrolling clients on March 1, 2007. To be eligible, clients had to be 1) homeless, as defined by HUD, 2) frequent users of DHS facilities (two or more inpatient or emergency department visits within the previous 12 months), 3) experiencing at least one chronic illness or permanent physical disability, 4) a U.S. citizen or legal resident, 5), able to live independently (i.e., not be so sick as to need nursing care), and 6) free of criminal history that would disqualify them from using HUD housing resources. To find clients, AHH staff hold in-service trainings at various shelters to alert shelter staff to the types of people who should be referred, attend weekly meetings at DHS hospitals, and work with JWCH's Recuperative Care program.

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[13] Other health service providers with primarily homeless clients are the three Health Care for the Homeless grantees, which together have 20 service sites throughout the county. These are funded directly by the federal Health Resources and Services Administration in DHHS.

For various reasons, AHH has not been able to place all 115 households (single adults or families) in permanent housing during its first year and a half of operation. It did place 39 individuals and 4 families in the 2007-2008 fiscal year (more were enrolled and in temporary housing while applications for benefits and housing were being processed). Of the 43 households in permanent housing, 12 individuals had reached their first-year anniversary by August 2008. An evaluation built into AHH indicates that following placement, these households reduced their inpatient hospitalizations by 95 percent and their emergency department visits by 87 percent.

Difficulties encountered in placing clients into permanent housing can be grouped into problems enrolling in public benefit programs and applying for housing subsidies, problems finding and moving into housing units, and difficulties related to clients' level of need for supportive services, which is far more extensive than expected. It takes a great deal of time and requires multiple agency contacts to assemble the information needed for SSI and housing subsidy applications, which AHH case managers have had to take on. Once these documents are assembled and applications accurately and completely filled out, it takes the Social Security Administration a long time to process applications for benefits (which are not always successful on the first try) and the two housing authorities a long time to process housing subsidy applications. Even after the latter are approved, it takes weeks and sometimes months for a client to find a unit, get the landlord to agree to rent it, get it inspected and approved by the housing authorities, and actually move in. Landlord demands for higher-than-normal security deposits do not help either. The bottom line for all these time-consuming activities is that AHH clients are spending an average of six months (185 days) in temporary housing (usually a hotel/motel room) between enrollment and moving into housing, more than twice as long as the 75 days that had been anticipated. Clients' extensive and complex health, mental health, and addictions conditions have also required much more time from case managers and staff with considerably more training and experience than originally envisioned.

Despite these difficulties, AHH has the obvious potential for high impact. The County Board of Supervisors acknowledged its value to date and expected future value by extending the project's original two-year grant and adding funding for two more years.

Recuperative Care

Another challenge being addressed within the county's new spirit of seeking solutions to long-standing problems is recuperative care. People leaving hospitals often need a period of recuperative care before they can get back on their feet, but homeless people have nowhere to go for this care and no one who will supply it. The private hospitals throughout the county were among the strongest proponents of doing something about this need. DHS brought together members of the Hospital Association of Southern California, Kaiser Permanente, the Community Clinic Association of Los Angeles County, JWCH, Neighborhood Legal Services, and LA Health Action—all of whom agreed that more recuperative care beds were needed. After about a year of meetings, the Hospital Association took over the organizing task of bringing the private and public hospitals together on this, with a planning grant from Kaiser Permanente. The group determined that 45 beds that could hold recuperating people for 30 to 50 days would meet the initial need and was a reasonable first goal, and that 15 should be located in South Los Angeles, 15 in Hollywood, and 15 in the San Fernando Valley. The plan also indicated the importance of case management services to accompany these beds, to help their occupants move to the most relevant type of housing once they are ready to leave. CSH staff made a presentation to this group on options for permanent supportive housing, which was well received.

The county's total recuperative care beds stood at 75 in summer 2008, up from 25 in early 2004 when the SRHHI began. JWCH operates these beds, of which 45 are at Weingart and 30 are at the Salvation Army Shelter in the City of Bell. Los Angeles County funds 25 of these beds (15 at Bell Shelter and 10 at Weingart Center), HUD transitional housing grants flowing through LAHSA fund 20, Kaiser Permanente funds 5 beds at Weingart, and a combination of private hospitals and foundations funds the rest. Expanding recuperative care capacity was a priority for the SRHHI. Tripling recuperative care capacity in less than five years is a considerable accomplishment representing extensive collaborative effort.

Recuperative care capacity stood at 45 in 2006, after the first expansion. Occupancy for these beds was 92-95 percent during their first full year of operation. Experience with the first 160 clients in these 45 beds also demonstrated the inaccuracy of at least one of the assumptions of the original expansion project—average length of stay was 90 days rather than the 30 to 50 days projected (although this is coming down under pressure from DHS). Part of the problem was that clients who no longer needed the level of medical attention provided in recuperative care were still too fragile to turn out onto the shelter system or the streets, and no alternative housing was available. The longer people remain in recuperative care beds, the fewer people can be served overall. Despite the almost-doubling of recuperative care capacity between 2004 and 2007, the need for additional beds was obvious, and in February 2008 the County Board of Supervisors approved an additional $2.5 million for new beds, bringing the total to 75. As another HPI project, AHH (described above), reaches full capacity, its resources will provide an excellent match for recuperative care clients, as housing is what they need.

To make these recuperative care beds even more accessible, the Los Angeles County Housing Resource Center[14] was able to raise $240,000 from Kaiser Foundation Hospitals that, along with $382,000 of HPI and CDC funding, will be used to develop an on-line registration system for recuperative care beds in their two locations. The registration system is expected to improve access to these beds and increase bed utilization to the maximum feasible level.

SSI Advocacy

Every effort to house homeless people with multiple disabilities and provide them with adequate supportive services encounters the issue of how to pay for those services. Tenants themselves are potential sources of cash income and medical insurance coverage (which can help pay for supportive services) if they are SSI beneficiaries and receive the related Medicaid (Medi-Cal in California) coverage to which SSI entitles them. In California, which supplements federal SSI monthly payments, cash benefits provide $850/month for an individual, on average, with which recipients can pay for food, housing, and other necessities and achieve a measure of self sufficiency. However, most long-term homeless people with disabilities are not receiving SSI,[15] nor are they covered by Medi-Cal, which means that local governments end up paying for

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[14] The Los Angeles County Housing Resource Center is a web-based information clearinghouse for information on affordable, special needs, accessible, and emergency housing within the County of Los Angeles. The County Board of Supervisors approved funding the project as part of the HPI, and subsequently selected Socialserve.com, a national nonprofit provider of housing locator services, to manage and operate the site. The site is intended to foster collaboration and information sharing among all jurisdictions within the County. CDC manages the Center. The initial rental vacancy listings were from HACoLA landlords, but as word spreads, this site continues to expand the amount of current, accurate, resource information. The site is free to search, and free for landlords to list.

[15] In a recent study in Los Angeles (Burt 2007b) of enrollees at the county's 19 mental health agencies that received AB2034 funding at the time, only 10-12 percent were receiving disability payments (SSI/SSDI) at program entry, and only one-third had health insurance.

their care at public hospitals. Motivation is therefore strong among health care providers and agencies offering permanent supportive housing to help as many people as possible to become SSI and Medi-Cal beneficiaries.

A Benefits Assistance Project was one of the 14 original priorities established by the SRHHI in its first year. As of the end of 2006, SRHHI agencies had screened 8,400 people for potential eligibility and assisted with 270 SSI applications, of which 193 had been approved as of the reporting date (SRHHI 2006).

The HPI included $2 million for developing an SSI advocacy project. The original plan was for a collaborative effort of several county agencies that included DHS and the Department of Public and Social Services (DPSS). However, as things evolved, DPSS launched an approach of its own that targets people who are long-term recipients of General Relief, but who are not necessarily homeless.

Activities related to improving the quality and success of SSI applications include:

- **SOAR training.** Along with 23 states and the District of Columbia, Los Angeles County participates in the federal SSI/SSDI Outreach, Access, and Recovery (SOAR) program of the federal Substance Abuse and Mental Health Services Administration (SAMHSA), designed to increase the rate of successful applications among homeless individuals. As SAMHSA reports, before the SOAR initiative, with few exceptions, approval rates were only an estimated 15 percent for initial applications by people who were homeless. Preliminary data indicate the average approval rating for locations that participated in SOAR was 62 percent.

- **Improving access to medical documentation.** One of the major stumbling blocks for SSI applications for homeless people is the difficulty in documenting the duration and extent of disabling conditions. Homeless people usually do not have a "medical home" and seek medical care at the facility most convenient to them at the time they need care. Records are scattered in many facilities and rarely has the medical professional being asked to fill out SSI/SSDI documentation known the person long enough to be able to report that a condition has existed for a long time at a high level of disability.

  To overcome this barrier, DHS assigned two highly experienced registered nurses to retrieve the needed documentation from the county's many public health care facilities, establishing this practice well before the HPI. All DHS hospitals use the same data system, "Affinity," but it is not linked across hospitals and each hospital has its own system for assigning patient numbers. The DHS nurses have access to all of these systems, but initially and for several years they had to go to each hospital to search for its patient records. In June 2008 DHS succeeded in getting the nurses access to all of the Affinity systems in one central place, greatly facilitating the process of verifying when and where people got care, and for what. The new structure of data access makes it a lot easier for the nurses to get the data for the case managers, thus speeding up the process of completing SSI/SSDI applications *and* providing the exact information that shows how long the person has had disabling conditions.

  Prior to gaining this access, in the year between July 1, 2007 and June 30, 2008, the nurses received referrals for 122 clients and assisted 82, of whom 51 (62 percent) were approved at first application, 23 (28 percent) were denied and are in the appeals process, and 8 were pending. Next

year's statistics will indicate whether the improved data access has contributed to a higher proportion of approvals on first application.

- **DHS SSI Demonstration Project—improving the medical documentation itself.** DHS is currently preparing a request for applications to expand the county's ability to move disabled homeless people onto SSI, and thereby also Medi-Cal. DHS has found that SOAR training, with its concentration on caseworkers, does help its intended audience improve its ability to prepare successful applications but is limited in that it reaches only a few of the people who need it. In addition, even if caseworkers were able to access the documentation, the documentation available in hospital records often does not itself provide the specific information that the Social Security Administration needs before it can approve an application.

  DHS is working to develop a project that would train health care professionals in proper documentation while simultaneously expanding the role of the two registered nurses mentioned above to improve existing documentation, initiate pertinent documentation when it is missing, recommend applicable diagnostic tests, coordinate with community based providers to document outpatient services, and act as liaisons with SSA and its Disability Determination Services to assure that everything possible has been done to submit complete and successful applications.

  The project will involve a health care team to provide expertise regarding how to write medical documentation that contains the information needed to verify eligibility for disability payments and thus lead to successful applications. One of the technical assistance activities funded by CSH and being prepared by UHHP (described earlier in this chapter) will complement this DHS project. The DHS-funded team will include a case management component to ensure that all steps of the SSI application process are completed, documentation is complete, historical medical and psychiatric records have been identified and acquired, and similar activities. In addition, DMH, DHS and the Sheriff's Department will each provide a single point of contact person who will facilitate access to health and other records to assure strong documentation.

It should be clear from all the different activities included in this health chapter, and how many of them involve housing, that health and housing status are inextricably intertwined. Evidence is mounting that lack of housing is associated with poorer health and a reduced ability to regain health once lost, while stable housing is associated with better health and an increased ability to recover from or stabilize various health conditions. Resources to support both housing and health care are available through public programs if people can be assisted to submit viable applications. Resources linked to individuals through public benefits (e.g., Medi-Cal) can help sustain health care providers, who in turn will be able to treat more people and treat them more satisfactorily. Thus the health initiatives described in this chapter have contributed to the county's ability to expand its supply of PSH, and are poised to increase that contribution in the future.

Chapter 4:
Reducing Risk of Homelessness for Formerly Incarcerated People

Recognition has been growing in recent years that people leaving jails and prisons face a very high risk of becoming homeless. Some were homeless when they entered these institutions and have not improved their housing opportunities while incarcerated. Others had been housed before being arrested but lost their ability to return to that housing while they were in jail or prison. Still others have been incarcerated so long that their connections to local communities no longer exist. In this chapter we describe activities within Los Angeles County to reduce the odds that people will become homeless when they leave jails or prisons. All of these circumstances are exacerbated when former inmates have disabilities such as mental illnesses and other mental disabilities, addictions, and chronic physical conditions. We reserve to chapter 5 a discussion of collaborations between the Los Angeles Sheriff's Department (LASD) and the Los Angeles County Department of Mental Health (DMH) to reduce homelessness among inmates with serious mental illness.

Every month, more than 13,000 people enter the Los Angeles County Jail. Most are convicted of petty drug charges or theft, although those with serious mental illness are most likely to be charged with "quality of life" crimes. At intake, 1,700 to 1,800 of those 13,000 say that they are homeless. Every month, about 13,000 people are released from jail. We can assume that their risk of becoming homeless at release is at least the same as it was at imprisonment, comprising around 15 percent of all releasees.

Because the Los Angeles Jail releases many inmates early, most people leaving the jail go out on parole. This means they have some structure of supervision in the community. That supervision has historically been geared to assuring compliance with parole conditions rather than supporting former inmates to achieve stable living arrangements and adequate income. In 2000 the Los Angeles County Sheriff's Department (LASD), cognizant of the high rates of return to jail among releasees, established the Community Transition Unit (CTU) to aid inmates who needed help with the transition to civilian life if they were to avoid committing new crimes. In establishing the CTU, LASD became part of the national movement among criminal justice agencies to do something new about recidivism.

Funded by the Inmate Welfare Fund, which gets its resources from inmate purchases of candy, cigarettes, and similar items, the CTU was staffed by 18 "custody assistants" acting as case managers. All custody assistants were sworn officers and supervised by a lieutenant, but an effort was made to select staff who had or could develop a social services/support orientation. The CTU focused on reducing jail recidivism, not on preventing homelessness. But to the extent that it reduced recidivism it probably had some effect on lowering the risk of homelessness as well, since the route to reduced risk of recidivism, stable housing and employment, clearly implies less homelessness.

At about the same time, service providers and advocates in the homeless arena were becoming increasingly aware of two things. First, emergency shelters were admitting significant numbers of people coming directly from prisons and jails, so jails and prisons were using the homeless system programs as their new "halfway houses," without having to support any facilities from their own budgets. Second, it appeared that jails, especially, were serving as makeshift shelters for some of the most severely disabled homeless people. Chronically homeless street dwellers with serious mental illness, chronic addictions, or both were being jailed for "quality of life" offenses such as sleeping in public places—infractions that affect only homeless people.

Corrections officials were of course well aware of this second fact as well—the Los Angeles County sheriff often remarks that he runs the largest mental institution in the world, citing estimates that half of his daily population suffers from a serious mental illness. The risk of homelessness upon release is particularly severe for this disabled population. The Los Angeles County Department of Mental Health maintains a presence at the county jail to work on discharge planning for its own clients and to enroll those eligible for its services who are not already clients. Both agencies received important assistance in this task from 1999 through 2006 through state funding for the AB 2034 program (see Burt and Anderson, 2006), which Governor Schwartzenegger eliminated in the state's 2007 budget. Los Angeles County received one of the first three pilot programs in 1999 and had 18 programs operating in the county from 2000 through 2006. The Los Angeles program focused largely on preventing homelessness among people with serious mental illness exiting the county jail.

Recent Developments: National and State

National—Second Chance Act and HUD Definitions

- ***Second Chance Act.*** At the national level, a broad coalition of advocates and other stakeholders have been working for several years to achieve passage of legislation affecting ex-offenders known as the "Second Chance Act," which was finally signed into law in April 2008. CSH staff participated in this effort by helping to shape the supportive housing elements of the legislation and educating public officials and other partners about the positive impact that statewide re-entry programs would have in many states. Passage of the Second Chance Act, along with subsequent appropriations, establishes a mechanism for creating statewide re-entry housing programs that include supportive housing initiatives.

- ***HUD Definition of Chronic Homelessness.*** Additionally, on the administrative level CSH has engaged with senior HUD officials to discuss options for refining the current definition of chronic homelessness to include people who meet the current definition based on the longevity or frequency of their homelessness, but who are excluded because they cycle between homelessness and incarceration. A revised definition would let supportive housing providers "catch" otherwise chronically homeless people as they leave jail or prison and end the costly cycle of homelessness and incarceration.

State—Reentry Supportive Housing Pilot Program, PROMISE, Reentry Employment Options Project, and Co-Occurring Disorders Joint Action Council

- ***Reentry Supportive Housing Pilot Program and PROMISE.*** CSH began working closely at the state level with key partners, including Housing California and legislative staff for Senator Alan Lowenthal, to build support for a statewide reentry supportive housing pilot program. CSH, Housing California, and Senator Lowenthal garnered support among the Senate and Assembly Budget Committees to include funding in the 2007-08 budget for wrap-around services, including supportive housing, for parolees with mental illness who would likely become homeless upon release. CSH and Housing California also began working with Senator Darrell Steinberg, who has long championed legislation to end homelessness among people with serious mental illness, to craft legislation to create the Program for Returning Offenders with Mental Illness Safely and Effectively, or PROMISE. The language was eventually included in Senator Steinberg's mental health courts bill, SB 851, and would have required the California Department of Corrections and Rehabilitation (CDCR) to contract with community-based service providers to offer in-reach services and supportive housing to 300 parolees in three parole

regions. The legislation did not specify the counties in which the pilot would have been implemented, but CSH's discussions with CDCR staff made clear that Los Angeles County would have been included in implementation. The governor vetoed SB 851 due to concerns unrelated to PROMISE, but the Legislature passed and the governor signed $4 million in the state's budget for "wrap-around services for mentally ill parolees." Unfortunately, despite CSH's continuous efforts to educate CDCR, without legislative instruction on the use of these funds, CDCR used most of this funding for cash assistance for 200-300 parolees.

In 2008, Senator Steinberg again introduced his health courts bill, which included PROMISE, in SB 1651. Due to the budget crisis facing the state, the bill did not pass the Senate Appropriations Committee. However, thanks to the work of CSH, Housing California, and Senators Lowenthal, Steinberg, and Machado (the Budget Chair), the governor's proposed budget for 2008-09 included $10 million for wrap-around services for parolees, which survived extensive budget cuts, was approved, and a request for proposals has been issued. CSH, Housing California, and legislative staff will continue to work with CDCR to implement this funding according to legislative intent, as well as pursue legislative language specifying PROMISE program guidelines.

- ***Reentry Employment Options Project.*** Another state initiative, the Reentry Employment Options Project, to assist returning prisoners with employment, had better luck in the California legislature. CDCR funded 20 projects throughout the state under this program. Five of these projects are in Los Angeles County, of which one focuses on prisoners with homeless histories or a high risk of homelessness upon release. The City of Los Angeles' Community Development Department (CDD), which oversees the city's One-Stop employment centers, partners for this project with Social Services for Groups, a supportive services and mental health agency located in south Los Angeles.[16] In addition to its homeless focus, this project is also designed to serve returning inmates with addictions problems. The project, which began in October 2007 and will last for 29 months, supports prisoners returning to the South Los Angeles area, which is greatly in need of expanded services. Funding of $1.2 million comes from the state Department of Corrections and Rehabilitation and covers intake and assessment, vocational training, job placement and educational services, and housing referrals. CDD's work with homeless people began in 2003, when it became the lead agency in Los Angeles for LA's HOPE, one of the five federal projects designed to demonstrate the impact of combining housing and employment assistance for chronically homeless people. CDD's partners for LA's HOPE included the Housing Authority of the City of Los Angeles and the county's Department of Mental Health.

- ***Co-Occurring Disorders Joint Action Council.*** CSH staff participate in the state's Co-Occurring Disorders Joint Action Council (COJAC), a policy body appointed by the directors of the State Departments of Mental Health and Alcohol and Drug Programs, since its inception three years ago. The Los Angeles County Mental Health Director co-chairs COJAC, which includes representatives from state agencies, county directors of mental health and alcohol and drug treatment, and the major statewide associations of nonprofit mental health and substance abuse treatment. CSH's participation in COJAC has provided an opportunity to educate leading stakeholders about supportive housing and to help them recognize CSH as a valuable partner. COJAC members increasingly recognize homelessness (and the cycles of homelessness, health crises, and incarcerations) to be a

[16] Three of the remaining four Los Angeles projects provide employment services to returning state prisoners but without an explicit homeless focus; the final project supports the Sheriff's Department to develop a strategic plan for reentry.

consequence of systems fragmentation and untreated co-occurring disorders, and the need for supportive housing is increasingly a part of conversations about how to strengthen the systems of treatment and support for recovery.

CSH staff have chaired COJAC's Housing Committee, which includes representatives from Los Angeles County Mental Health and several major Los Angeles County treatment providers as well as Housing California and CIMH. This committee builds support among leading stakeholders for investing MHSA funds in permanent supportive housing, which has contributed to developments in Los Angeles County. The Housing Committee developed a compendium of housing models for people with co-occurring mental illness and substance abuse problems, providing for the first time a common vocabulary and framework for understanding a range of housing models and the evidence regarding the effectiveness of each model for people with different levels of disability and motivation to achieve and sustain sobriety.

Recent Developments: Los Angeles County

Several interrelated things have been happening in Los Angeles pertaining to jail inmates returning to the community. All show promise of being able to help returning inmates avoid homelessness.

Just In Reach Project

It has taken more than a year for LASD to finalize Just In Reach, but in summer 2008 it became a reality. The project, which is supported by a $1.5 million contract from LASD, is a partnership among many players. LASD, Goodwill Industries of Southern California's Workforce Development Program, Volunteers of America, the Union Rescue Mission, Tarzana Treatment Center, Amity, and CSH, among others, are involved in the project.

The returning jail inmates targeted for Just In Reach have addictions recovery issues and other barriers to work and stable housing, but those with a serious mental illness are screened out as several other jail in-reach and community integration projects focus on inmates with mental illness. Although in this project inmates are released to shelters, missions, and residential treatment programs and not to housing, the grant covers intensive employment-focused activities through Goodwill, intensive casework through the VOA, addictions recovery services, and other supports to help people leaving jail achieve stable community tenure and not re-offend. To reach this goal the project is designed to help participants overcome major barriers to stable employment and housing.

Just In Reach partner agencies offering services include the Union Rescue Mission (offering shelter and case management) and including the Volunteers of America (offering shelter, drop-in, PSH, and a housing placement specialist), Goodwill Industries of Southern California (offering employment and training), Tarzana Treatment Center (offering outpatient and residential substance abuse treatment and, soon, a housing placement specialist), Amity (offering outpatient and residential substance abuse treatment and a mentoring program), and several other partners.

Case management staff for Just In Reach are mostly those who already worked for participating agencies. Once the project began in July 2008, these staff went through jail orientation (the same as any new jail employee would receive). They also received training provided by CSH and others to learn about project goals and probable client issues and histories. For the most part the staff of the new project did not have a lot of experience working with people who had the extensive criminal history, active substance abuse, or

other complications of the project's intended clients, nor did they have much experience trying to get people into housing, whether regular affordable housing or PSH. Initial and ongoing training has been important and the CSH point person for reentry issues has been doing a lot of it, as well as helping partner agencies to learn about each other's services and approaches.

Just In Reach began receiving referrals in August 2008 and had screened 160 referrals in its first two and a half months. CTU staff screen inmates who are about to be released and offer Just In Reach services to those who are eligible. Eligibility requirements include having three or more jail incarcerations and serious substance abuse issues. In addition, at least 25 percent of referrals are supposed to be chronically homeless (four or more homeless episodes in the last three years, or one year of continuous homelessness). Case managers from one or another of the project's service partners are at the CTU locations on Monday through Friday. Once an inmate agrees to a referral to Just In Reach, he or she is referred to the case manager on duty at the time. That case manager works with the inmate before release to determine services appropriate to the inmate's needs and preferences, and makes arrangements for connections after release. Many inmates go directly to shelter upon release, but they also go into residential substance abuse treatment at partner agencies and other providers. Their Just In Reach case managers are responsible for helping them link to a wide variety of services and benefits once they are out of jail.

The assumption behind Just In Reach is that once clients' substance abuse issues are under control they will be able to work, so the housing they need is not so much PSH as transitional accommodations until they can get established in the community and not recidivate. However, it is also possible that clients' substance abuse has been masking underlying mental illness and trauma issues, which would have to be dealt with before such self-sufficiency was possible. Two partner agencies, Union Rescue Mission and Tarzana Treatment Center, have applied for 60 Section 8 vouchers from the allocation set aside for homeless people by the Housing Authority of the City of Los Angeles. Volunteers of America has a housing specialist supported by the Sheriff's Department funding. With funds from CSH, Union Rescue Mission and Tarzana are planning to hire one as well, so the project will have significant housing resources. Tarzana is also interested in developing PSH. However, due to concerns about having to commit to five years of ongoing supportive services, Union Rescue Mission would not apply for Shelter Plus Care vouchers, so the project has little access to PSH should any of its clients turn out to need it.

Returning Home Initiative

In spring 2006, CSH received a grant from the Robert Wood Johnson Foundation to mount the Returning Home Initiative, with additional support from the Conrad N. Hilton and JEHT Foundations. Primary sites include Los Angeles, New York, and Chicago, with additional work occurring in five other states. This initiative is designed to establish the role of supportive housing as an essential component of systems to assure a successful return to the community for people leaving jails and prisons. In Los Angeles, Returning Home is a partnership of CSH and the Los Angeles County Sheriff's Department.

The first person CSH hired to be the RHI project manager worked mostly at the state level, where he helped shape legislation to provide support for people leaving state prisons and returning to California communities; not much happened with the Los Angeles Sheriff's Department during that time. A hiatus of several months followed the departure of the first RHI project manager, after which CSH hired a new manager who has begun to work closely with the Sheriff's Department around the Just In Reach project

and related matters. In addition she has been expanding CSH connections with a variety of other activities related to reentry in Los Angeles.

Arrangements have been made for the new RHI project manager to work in LASD's Correctional Services Division; she participated in orientation at the jail as if she was a new staff person, and began to work in the jail in November 2008. The Correctional Services Division works with inmates during their entire stay in jail. It offers training classes to develop employment skills, education classes for people who need to earn credentials, special wards for people in recovery from substance abuse, and a host of other specialized services. Several of these offerings could be developed into a supportive housing demonstration project. The arrangements for co-location of the CSH point person put her in much closer touch with the Department and increase the quality of technical support and staff training that CSH is able to provide to assist the department's Community Transitions Unit staff and Just In Reach program case managers working with homeless inmates in the jail.

In addition to her work with LASD, the RHI project manager for Los Angeles has been working with several other reentry initiatives. One, the 21st Century Reentry Project, with funding from the California Department of Corrections and Rehabilitation, is developing a reentry plan for all of Los Angeles County. The University of Southern California is the lead for this activity, which covers people returning to the county from both jail and prison. She is also working with the Integrative Recovery Network to develop an approach to jail diversion for chronically homeless people who have been arrested, to keep them out of jail and help them access PSH. Finally, she is working with the Coalition for Responsible Community Development, a South Los Angeles group, to develop projects for women leaving prison and transition age youth.

CSH Work with Housing Authorities

CSH has supported advocacy by Shelter Partnership directed toward the Los Angeles City and County Housing Authorities (HACLA and HACoLA) to take a somewhat more flexible approach to their criteria for accepting people with criminal records as recipients of public housing or rental assistance. In 2005, HACLA had proposed major changes to its admissions policy to be more restrictive than required by federal guidelines with respect to admission in Section 8 housing. Shelter Partnership organized a number of interested parties to oppose these changes and was successful in these efforts. HACLA ultimately agreed to waive some of its criteria for time since incarceration for people convicted of substance abuse offenses if they can show proof that they have successfully completed a substance abuse treatment program. Shelter Partnership also reviewed nonprofit developer practices in screening potential tenants to exclude persons with criminal background histories, and made recommendations for policy changes. If public housing authorities cannot be flexible on this issue there is little hope that returning prisoners can secure these very important housing resources. It is hoped that these negotiations can be expanded to the other public housing authorities in the county, once tenants using HACLA and HACoLA resources have some track record of success.

Opening New Doors and Creating Relevant Housing

Opening New Doors is an extensive training package that CSH is offering to teams of developers and service providers interested in helping to expand the supply of PSH (based on the curriculum developed in CSH-Southern New England's One Step Beyond Training Institute). In the second round of Opening New Doors (now about to begin its fourth round), two of the provider teams were planning to develop housing

targeted specifically for jail inmates returning to the community. CSH is helping with technical assistance and with linkages to the jail's Community Transition Unit.

21st Century Project: Recidivism Prevention and Reduction in Los Angeles County

A new planning project with broad ambitions with respect to the criminal justice system in Los Angeles County has recently gotten under way under the auspices of USC's Annenberg Institute for Justice and Journalism. Called "The 21st Century Reentry Project," it aims to address the criminal justice system as it affects adults, juveniles, and their families from the point of first contact with the justice and/or social services system through reentry into the community. Its first focus for planning and implementation, from 2008 to 2011, is reentry from the point of arrest through reintegration into the community.

The California Department of Corrections and Rehabilitation provided the grant for this planning project. CDCR's Division of Community Partnerships continues to be involved. County agencies and offices participating in the project include the CEO's office, the Children's Planning Council, the Countywide Criminal Justice Coordination Committee, the District Attorney, the Probation Department, the Public Defender's office, the Public Health Department, the Sheriff's Department, and the Los Angeles County Superior Court. City of Los Angeles agencies and offices include the Mayor's Office, the office of Councilmember Richard Alarcon, and the Community Development Department, Workforce Development Division. The City of Pomona is represented as are many of the Just In Reach and Reentry Employment Options Project partners (Special Service for Groups, Tarzana Treatment Center, and Union Rescue Mission/Eimago, in addition to USC's Annenberg Institute for Justice and Journalism, CDD, and CSH). Other nonprofit agencies, foundations, and universities represented include (in alphabetical order) A Better LA, The Advancement Project, the Amity Foundation, Friends Outside Los Angeles County, the Corporation for Supportive Housing, the Ex-Offender Action Network, Goodwill Southern California, Homeward Bound, the Integrated Recovery Network, L.I.T.E., Prototypes, Public Counsel, Quantum CDC, Shields for Families, UCLA, Walden House, and the Weingart Center Association.

The central intent of this project is to develop an approach reflecting a shift from a "lock 'em up and throw away the key" philosophy to one that acknowledges that most incarcerated people will be returning to their communities. Given this fact, the best interests of the public from a safety and cost perspective will be served by doing everything possible to prevent or divert arrestees from incarceration through treatment and alternative sentencing options, rehabilitate inmates while incarcerated in prisons and jails, and provide coordinated and comprehensive support programs on release to break a cycle of repeat offending. The long-term goal of the 21st Century Project is to reduce the rate of people returning to prison from Los Angeles County by 50 percent by 2020.

Chapter 5:
New Approaches for Extremely Vulnerable People

The preceding chapters have described many developments that could be categorized relatively easily as specific to housing, health, or corrections, although even they are helping homeless and formerly homeless people with multiple needs and entail some cross-system interactions. We reserved for this chapter several new initiatives that require multi-system involvement by their very nature and design, in recognition that the people they intend to serve have many issues that interact in complex ways and require the coordinated efforts of several systems acting simultaneously. Five years ago such initiatives would have been almost impossible to mount, although the two federal Chronic Homeless Initiative demonstration projects—the Skid Row Collaborative and LA's HOPE—won by Los Angeles agencies in 2003 made valiant efforts. At that time it would have been inconceivable to imagine that a county supervisor's initiative would lead first to the Board of Supervisors adopting PSH as the intervention of choice for ending chronic homelessness and second to the Board's generous support for a project such as Project 50, directing many county and community agencies to work together to end the homelessness of 50 extremely vulnerable long-term homeless people in Skid Row. In this chapter we describe Project 50, look at the broader role of Common Ground and its Vulnerability Index in Los Angeles County, and examine transition options for inmates with serious mental illness at the time they leave the county jail.

Project 50

As noted in chapter 2, in July 2007 the Board of Supervisors adopted PSH as the chosen intervention for reducing chronic homelessness in Los Angeles County, following a visit of key Los Angeles officials to New York's Times Square Alliance. In New York they witnessed the success of Common Ground's Street to Home strategy that reduced street homelessness in the Times Square area by 87 percent in two years. Common Ground had a grant from the Rockefeller Foundation to help selected communities create Innovator Circles aimed at mobilizing to reduce chronic street homelessness. Board Chairman Zev Yaroslavsky's office asked to be one of these communities and was accepted. The first activity was the one-day conference held in Los Angeles on October 17, 2007 to address regional homelessness. Supervisor Yaroslavsky convened the meeting and was joined by Rosanne Haggerty of Common Ground and Philip Mangano of the U.S. Interagency on Homelessness. Common Ground provided the resources to bring presenters from various communities in other states with proven success at reducing street homelessness. Participants included the Deputies on Homelessness from the five Board of Supervisors' offices, County CEO's office, Directors of key County Departments, CDC, representatives of the VA, Mayor, Sheriff, LAPD, LA Police Commission, LAHSA, City Attorney, Public Defender, Public Counsel, City of Santa Monica, Glendale, Pasadena and Long Beach HUD Continuums of Care. One commitment taken at the end of this meeting was described in chapter 2—doing what it takes to create a joint county-city NOFA to offer funding for all aspects of PSH projects (capital, operations, and services). The second commitment of the meeting was to launch a demonstration project within 100 days to house the "50 most vulnerable" homeless people in Skid Row. A Board of Supervisors motion passed shortly after the October 2007 meeting provided generous funding for this project, which was dubbed "Project 50." The funding commitment specified that the project use an integrated service structure requiring the participation of DHS, DPH, DMH, LAHSA, DPSS, and HACLA, and that it have the flexibility to use its funds in the most effective way.

The Project 50 collaboration includes county agencies and community partners:

- County agencies—DHS, DPH, DMH, and DPSS, developed and staff a pilot Integrated Services Support Team (ISST). The staff created a new ISST integrated healthcare treatment model to enhance team clinical planning, coordination and communications. The pilot model includes DMH and DHS efforts to maximize healthcare funding reimbursements by partnering with a Federally Qualified Health Center and establishing a certified mental health clinic. Each agency also makes its own resources available to Project 50 people, from mental health care and mental health housing through DMH to substance abuse treatment through DPH to SSI and Medicaid eligibility assistance through DHS and DPSS. The Sheriff's Department is also involved through the jail mental health unit and the Community Reintegration Project as locations for recruiting participants.
- Other public City of Los Angeles agencies—HACLA, to approve the applications from Project 50 clients for Shelter Plus Care certificates, which it controls, to cover housing costs.
- LAHSA (joint powers agency) and the VA (federal agency)—participate in outreach and recruitment.
- Housing providers—the Skid Row Housing Trust (SRHT) houses Project 50 clients in four of its buildings that have project-based Shelter Plus Care funding and provides the on-site case management staff that works with the ISST.
- Health care providers—JWCH Institute, Inc., a Federally Qualified Health Center, provides primary care, pharmacy, and other critical aspects of care.
- Substance abuse treatment providers—Didi Hirsch Community Mental Health Center provides substance abuse referrals and direct treatment for Project 50 clients based on individual need.
- Shelter Partnership—the Shelter Partnership Resource Bank provides many of the furnishings and supplies for the new PSH units.
- Common Ground—guided the Vulnerability Index Survey, helped structure the project, trained outreach workers to find target individuals, provides continued technical assistance when needed.
- Outreach—DMH, LAHSA and VA staff were trained by Common Ground to use a new motivational outreach team approach to create a heightened commitment to engage the 50 most vulnerable clients to move off the street and into housing. The outreach team's mantra was "whatever it takes," and "we won't give up."
- Other agencies such as the Public Counsel, Probation, City Attorney, Public Defender, judges, specialty courts (mental health, drug, and homeless courts), and legal clinics connect due to their involvement with Project 50 clients.

In a project as ambitious and groundbreaking as Project 50, everything has to be done "first."

The project has to have clients, so outreach, eligibility determination, and recruitment are paramount. At the same time, the project has to organize itself to be able to serve and house clients most effectively, which is always a challenge when participating agencies have not worked together before. Further, the minute the first client enrolls, he or she will undoubtedly present challenges to one or more agency's standard ways of doing things. The project must deal with the resulting bottlenecks and barriers while keeping the client engaged and moving forward.

We have to pull these simultaneous activities apart to describe Project 50's start-up and progress, but it is important that the reader not lose sight of the fact that client recruitment, service delivery, and system

change have all been all driving each other and happening together. We look at recruitment first, then management structure, then special strategies developed during Project 50 to expedite housing and supportive service delivery. The expectation is that these strategies will become the new "standard operating procedure" for county agencies as they continue their work to end chronic homelessness in Los Angeles County.

Project 50 Clients

As has already been noted, Los Angeles County was working with Common Ground to develop its approach to moving its most vulnerable street homeless people into housing. Project 50 did a survey of street homeless people in Skid Row, using Common Ground's Vulnerability Index, to assess the degree of vulnerability and create a registry of 350 individuals living on Skid Row. A list of "the 50 most vulnerable" people became the project's target population for moving people off the streets and into housing accompanied by extensive supportive services.

The idea behind Common Ground's Vulnerability Index, which is based on the work of Dr. Jim O'Connell of Boston's Health Care for the Homeless program, is to identify those with the most severe health risks and prioritize them for housing and other support. The Index assesses street homeless people's risk of dying if they remain on the street by identifying various life-threatening conditions such as end-stage renal disease, cirrhosis of the liver, history of frostbite, immersion foot, or hypothermia, HIV/AIDS, and tri-morbidity (co-occurring psychiatric, substance abuse, and chronic medical condition). Also identified are people aged 60 or older, those with three or more hospitalizations or emergency room visits in a year, and those with more than three emergency room visits in the previous three months. A person's final score on the Vulnerability Index takes account of the risk factors identified plus the duration of the person's homelessness.

Recruitment into the project began about 30 days after the street survey to allow time for training connecting with street-dwelling homeless people and establishing rapport. Common Ground conducted this training for outreach workers assigned to Project 50 from several county agencies and LAHSA. The Project 50 target population was highly mobile and independent. Between the time of the survey and the time outreach and recruitment began, many individuals had moved to different areas of the city, which made it difficult to locate them. Considerable effort was expended to find those specific individuals again and help them move into housing. In Project 50's first 11 months starting in February, 2008, 44 of these most vulnerable and chronic street homeless people had been placed into housing, with a median of 14 days from the first post-survey outreach contact to the day the person moves into his apartment. Several people on the target list refused services offered by Project 50 and a small number were incarcerated and thus could not be housed.

Once Project 50 staff connected with potential clients identified by the Vulnerability Index, they did some additional assessments to determine the range of services and supports the person would need. Staff used the Multnomah Community Abilities Scale (MCAS) to effectively understand participant needs and develop treatment goals and interventions in collaboration with the participant to successfully maintain housing and community living. The MCAS measures 17 areas of functioning including health and mental health, adaptation to living in the community, social skills, and behaviors. The top score on the Multnomah is 85, indicating no impairment. DMH has used the MCAS over the past eight years to determine appropriate levels and types of mental health services and supports for individuals who are ready to be discharged from long term institutional settings. On average, Project 50 participants scored between 45 and 55 at enrollment in the program, with one participant scoring 30. In addition to indicating that Project 50 participants were not functioning at a high level at enrollment, the pattern of responses to the Multnomah provides ISST with

strong indications of the functional areas in which the participant could use immediate assistance. For instance, many had long histories of substance abuse and needed residential substance abuse treatment, and several chose to go to treatment shortly after enrollment. Many did not, however, as treatment was not an eligibility requirement, but some may accept treatment later on, as Project 50 staff work to ensure that continued substance abuse does not jeopardize housing retention.

Project 50 can access and use numerous public agency resources thanks to the multi-agency composition of its ISST. ISST members from various agencies coordinate resources and expedite service delivery through contacts and relationships they have at their agency. As part of the Project 50 ISST, two SRHT case managers work collaboratively with mental health clinicians, physicians, nurses, and substance abuse counselors to ensure that participants receive the appropriate type and level of services to successfully reintegrate participants into community living.

Project 50 Management Structure

During the process of participant recruitment and working with clients once enrolled, Project 50 staff discovered many ways that individual public agencies and programs made it difficult to get their clients what they needed. Initially staff attempted to deal with these issues on a case-by-case basis, but if they arose with some frequency it was clear that a more systematic “fix” was needed, often involving changes in agency procedures. Project 50 evolved several management structures to resolve these issues.

Because of the complex multi-agency nature of Project 50, the Deputy Chief Executive Officer with responsibility for homelessness, Miguel Santana, has played a key coordinating role from the project’s inception. Early on, Santana initiated daily 7 a.m. conference calls to identify issues, develop approaches to resolve the issues, and track progress on those resolutions. These conference calls eventually slowed to twice a week and then to once a week with key managers at DMH, DHS, DPSS, HACLA, LAHSA, the project director, Carrie Bach, representing DPH, and Flora Gil Krisiloff, Supervisor Yaroslavsky’s Deputy on Homelessness, to address systems issues. In addition, the Project 50 director meets with many stakeholders every two weeks to review policies and procedures and the status of recommended changes to make recruitment and placement more effective.

Facilitating Strategies

Through the Project 50 management structure different departments evolved strategies to facilitate service delivery to Project 50 participants. HACLA has modified its procedures for project clients in ways that ultimately produced one-day turnaround on approval of applications for Shelter Plus Care once Project 50 staff had made sure that all necessary documentation was assembled. DMH and DPH developed protocols for guiding agency responses to service needs identified by the ISST; DMH was able to facilitate connections to its range of service and housing options, and DPH smoothed the way for receipt of substance abuse treatment. The need for adequate documentation of health and mental health status for SSI applications for Project 50 clients added further weight to DHS’s strategies for assembling that documentation (as described in chapter 3), with the result that time to approval has been cut significantly and rates of approval on first application have increased significantly. Lack of identification, social security cards, birth certificates, and other critical documents required for public benefits and housing applications also posed barriers with which Project 50 staff still struggle.

As one member of the Project 50 team, a veteran of years of public service, said—“We needed to start small to get all the kinks out of all these systems.” The payoff, in her view, is that “I have never, in my entire

professional life, had the pieces come together like this, providing integrated services, the right services, at the right time. Having the organizational support in the CEO's office and on the Board of Supervisors has been essential to get participating agencies to re-examine their procedures and take the opportunity to be more flexible in their procedures. It's like everything you ever dreamed of; people are really overcoming system barriers." And it is needed, because Project 50 participants have required more intensive services and supports than was initially anticipated. With respect to mental illness issues, Project 50 mental health participants need *more* intensive integrated services, including treatment for co-occurring substance abuse disorders, than people who meet the criteria for DMH Full Service Partnerships, and DMH partners in Project 50 are hoping to encourage participants to voluntarily participate in ongoing mental health treatment and services and manage their symptoms so they can retain their housing and be transferred to Full Service Partnerships for ongoing services. The same was true for substance abuse issues, especially drug abuse, which the ISST found to be more prevalent and entrenched than initially thought. From the perspective of the Skid Row Housing Trust (SRHT), the housing provider, Project 50 clients are even sicker, physically, than the clients involved in SRHT's Skid Row Collaborative, and those people were significantly more challenged than the typical SRHT tenant. SRHT staff believe that this population could not be served in housing were it not for the fully integrated nature of the ISST and the county's commitment of resources from many agencies to make it work.

The level of attention paid by Project 50, at all its levels, to identifying bottlenecks caused by agency procedures and working out modifications to facilitate service receipt is a critical precursor to system change that Project 50 has had the high-level sponsorship necessary to make happen. Project 50 has just completed its first year and has one more year to run with its current funding. As yet, participating departments have not made any permanent changes in procedures based on Project 50 experience that would affect the wider world of homeless people's access to housing and services, but it may be too soon to expect that result. One hopes that the commitment to doing what it takes to get Project 50 clients the services and supports they need will solidify and expand outward in the future. Such has certainly been the intent of the Project 50 pilot, but the county's current fiscal environment may delay such developments.

The Broader Role of Common Ground

Common Ground's success with the Times Square Alliance was an important factor in convincing County Board of Supervisors members to support PSH as the preferred approach to ending street homelessness. Because of its Times Square success, Common Ground was being asked to speak to or work with many groups around the country, and did so but without working in depth with any community. A change of agency policy came when Common Ground decided it should be strategic with its assistance, creating the Common Ground Institute to work with fewer communities but work more intensely and broadly with the ones to which it made a commitment. Los Angeles was one of the communities that Common Ground chose to work with more intensely, along with New Orleans, Washington, DC, upstate New York, and several others. The organization hired its first full-time Los Angeles staff person in July 2007, who spent a lot of time during her first couple of months "meeting everyone and reading everything."

Common Ground resources helped support the one-day October 17, 2007 conference that produced the commitment to what became Project 50. Common Ground staff assigned to Los Angeles spent most of December 2007 training county, LAHSA and VA employees to use the Common Ground Vulnerability Index to screen for homeless people who would be eligible for Project 50. It has continued to provide or arrange for training on a wide range of issues that confront anyone trying to mount a project as complex and challenging as Project 50. These have included how to do motivational interviewing (a technique that has

proven essential for helping people in Housing First projects to work out their priorities and help them retain their housing), how to structure an integrated services support team, linkages and use of FQHCs (in this case JWCH), how to acclimate long-time street homeless people to being in housing, and how to apply other best practices from around the country to the Skid Row and Los Angeles city and county environment.

In addition to Common Ground's activities in Skid Row and with Project 50, described above, it also responded to the desire of the City of Santa Monica to use the Vulnerability Index with its own street homeless population, which is arguably the second highest concentration in the county after Skid Row. Supervisor Yaroslavsky invited the City of Santa Monica to participate in the initial October 17, 2007 conference and Project 50 training. In January 2008, after appropriate training, volunteers administered the Vulnerability Index survey to 260 people sleeping on the streets of Santa Monica. Results indicated that 110 of the 260 had at least one high risk indicator. The City Council pledged to prioritize housing for all 110 of the most chronic and vulnerable homeless people, and assigned all 110 to homeless service providers within the Santa Monica community to take responsibility for case management and housing placement. Santa Monica has used the findings from the Vulnerability Index survey, coupled with its own commitment to provide housing, to successfully advocate for an additional $1.2 million in funding through Supervisor Yaroslavsky's office for integrated supportive services to match its own housing vouchers for these 110 highly vulnerable homeless people.

DMH Work with the Sheriff's Department

The Department of Mental Health has long had a presence in the county jail, both to work with inmates with serious mental illness and to identify inmates who would be eligible for AB 2034 services upon release and coordinate their linkage to appropriate service providers. Of the 600 to 800 people coming into the jail every day, about 30 percent get referred for mental health screening, which happens if they self-report having ever been in mental health treatment or taken psychotropic medications. Ten percent of the men and nearly 30 percent of the women have a mental illness severe enough that they are placed in mental health housing within the jail. Every day, about 1,400 men and 400 women are in jail mental health housing and receiving DMH services, and an additional 400 men and 200 women are in the general jail population but taking psychotropic medications. All of these 2,400 people present on any given day have received a full mental health assessment and must have a treatment plan on file within two weeks that includes a focus on service needs following release. Among the mental health population of the jail, two-thirds have histories of homelessness or were homeless at jail intake, and many are likely to be homeless at release unless programs are developed to prevent it.

During a DMH reorganization in 2006, Jail Mental Health Services (JMHS) was placed within the overall DMH programmatic focus of "Adult Systems of Care." This new organizational home connected JMHS to DMH's broader community-based services and housing programs as part of an overall goal to improve client linkages to information and services at both intake and release. For clients identified as part of its charge, DMH release planning starts as soon as possible after intake and has relatively little to do with the jail's Community Transition Unit, which processes most of the releases from general population and focuses mostly on men as they are the large majority of inmates.

One development in the City of Los Angeles, the Safer Cities campaign of the Los Angeles Police Department, has increased the number of people entering the jail for quite minor crimes but who have quite

severe mental illnesses. This development has put more pressure on JMHS to find these clients housing with supportive services upon release, for which their level of disability definitely qualifies them.

Despite the increase in clients with serious mental illness attributed to arrests made under the Safer Cities campaign, JMHS has not received any additional resources to address the needs of these more challenging clients. DMH's inability to pay for housing directly, described in chapter 2 with respect to MHSA housing resources, also affects the ability of JMHS to arrange for appropriate placement for its jail clients upon release, as JMHS does not have a funding source to pay for either PSH or transitional housing, which would often be the option of choice. JMHS must often resort to putting people in shelters, but it is working with CSH to develop relationships with transitional housing programs to take some of its clients.

Despite these constraints with respect to providing housing, JMHS is intensively involved with reentry issues for its clients through a number of avenues. MHSA jail linkage staff (who link JMHS clients to community-based mental health services including Full Service Partnerships) and JMHS release planners are being fully integrated into men's and women's care coordination teams in the jail to be sure that release planning is part of multi-disciplinary in-jail treatment and acknowledged as the clear responsibility of the whole team. JMHS staff also have access to the DMH housing specialists in each SPA, funded under the HPI, to help find housing for exiting clients.

In addition to these structures that affect all JMHS clients, JMHS has a number of small community reintegration projects including a project (Homeboys) for gang-involved youth leaving the jail, a Mentally Ill Offender Crime Reduction Project (Project DIRECT) that focuses on inmates with histories of violence, and the Community Reintegration Demonstration Project, which we highlight below.

The director of JMHS, Dr. Kathleen Daly, has been very involved in the Special Needs Housing Alliance and also in Homeless Prevention Initiative activities. She has been working with the CEO's Service Integration Branch to encourage more interagency discussion about reentry. Through these channels a work group may be on the horizon under the CEO's aegis to bring together the various departments doing work around reentry. The first goals of such a group would be to share information and coordinate their activities. Ultimately, one would hope for some new or improved approaches to reentry that integrated the resources of two or more departments to increase the odds that ex-offenders would be able to remain crime-free in the community. In addition, a number of people in Los Angeles are working on the idea of a mental health court process that would address some of the needs of this population. The California State Supreme Court has appointed a statewide task force on related issues, whose members include a CSH-LA staff member along with an advocate and a judge from Los Angeles.

Community Reintegration Demonstration Project

Through the women's Community Reintegration Demonstration Project (CRDP), JMHS has been working to help women with multiple arrests and incarcerations plus persistent co-occurring mental illness and substance abuse issues reintegrate into their south Los Angeles community as they leave the women's jail (Century Regional Detention Facility). These women may also have issues with domestic violence, poor work histories and limited job skills, and children in out-of-home placement, presenting an extremely complex challenge to efforts to help them stabilize in the community and avoid reincarceration.

A serious challenge for the CRDP is that about half the women at the women's jail stay only three days, on average. It is very difficult for anyone offering specialized services within the jail to identify potentially relevant inmates and approach and engage them in possible assistance in that time frame. Among the

many women coming through the jail, relatively few would be eligible for the CRDP, but the project still misses some of the women it is designed to help. Nevertheless, during FY 2007-2008 more than 100 women were referred through the CRDP for FSP eligibility determination. About 44 were authorized for enrollment and linked to FSP programs; outreach and engagement continues with others.

The CRDP and its clients have recently gained a considerable advantage in resolving its clients' many challenges with the opening of the new Women's Community Reintegration Services and Education Center in south Los Angeles, known as "8300" for its address on Vermont Avenue. This multi-service center is a collaboration of DMH, DPSS, and the Department of Children and Family Services (DCFS), along with many community-based service and housing providers as partners. The Center is a community institution, available to all women in the surrounding area who may need help with education, employment and training, benefits establishment (food stamps, CalWORKs, GA), or providing safe and secure home environments for their children and themselves. Through its many community-based partners the Center offers a range of specialized services and supports unprecedented in Los Angeles County, including mental health and substance abuse treatment and ongoing supports, parenting, housing assistance (to find it, and also permanent supportive housing for families that need it), education (GED preparation, money management), job readiness and access to training and work opportunities through job developers, and links to primary health care.

The success of the CRDP, described above, has resulted in few remaining openings in the Full Service Partnership programs for these women, so releases are now more frequently referred to "8300." Pre-release assistance is directly connected to the Center's many resources once a client leaves jail. It is too early to tell how much of a difference this integration will make for CRDP's clients, but given the many fronts on which they might choose to work and the wide range of resources available to them at the Center, the integration appears to be a good way to make many needed services available in a "one-stop" environment specifically designed to help women in the community.

Chapter 6: Expanding Collaborative Activities

The preceding chapters have described many examples of collaborative work that are part of the growing commitment throughout Los Angeles County to make serious progress toward ending long-term and street homelessness, especially for people with mental illness and other chronic disabilities and health conditions. In this chapter we focus on the collaborative nature of the work rather than on its substantive contribution, since a major goal of CSH and its Hilton Foundation initiative has always been to transform "the system" in ways that will prioritize and facilitate the development of PSH and move long-term homeless people into housing. This chapter starts with organizations and activities that have not yet been discussed—developments at LAHSA and new information systems that should help further various aspects of the work to end homelessness. Thereafter it brings together brief summaries of collaborative activities already described in previous chapters, reviewing first developments within the City of Los Angeles, then those within the county's public structure, and finally those that involve broader coalitions and partnerships. Examples that have been fully described in previous chapters will merely be noted rather than repeat the information that has been provided already.

Los Angeles Homeless Services Authority (LAHSA)

When the first system change report for this evaluation was published, covering 2005 and 2006, a new director had just taken over at the Los Angeles Homeless Services Authority. She had support from the LAHSA Board of Commissioners to improve agency management and take LAHSA in the direction of becoming the strategic planning and implementation agency on homelessness for the whole county. LAHSA was created in 1993 to settle lawsuits between the city and the county over responsibility for homelessness. The city and the county created in LAHSA a joint powers authority to address homelessness throughout the county, including the responsibility to serve as convener for the Continuum of Care that covers most of the county, developing the annual application to HUD for the federal money that supports much transitional and permanent supportive housing in the county. For years LAHSA labored under a cumbersome legal and financial structure that gave it virtually no leeway, and insufficient resources, to become a true center and guide for developing countywide responses to homelessness. Nor did any other entity fill this need, leaving homeless assistance providers struggling along in the trenches with no place to turn for leadership that would bring public agencies and local elected officials together to create a coherent countywide approach to addressing homelessness.

With selection of the new director in 2006 the LAHSA board took steps to end the agency's sideline position and start moving it toward the activist and forward-looking agency with a mission to end homelessness that was and still is needed in Los Angeles County. The director and chief operating officer developed budget proposals for submission to the city and county that ultimately produced a 40 percent increase in agency infrastructure funding. This funding became available in October 2007. By March 2008 these new funds had been invested in expanded staffing to fulfill three core capabilities: assuring program performance, assuring fiscal compliance, and providing planning and policy development to guide homeless-related activities countywide.

The first capability means that LAHSA is now able to monitor the programs that receive funding through it to be sure they are fulfilling the terms of their funding proposals and contracts and also to understand their activities and outcomes. As of June 30, 2008 the agency completed on-site monitoring of all programs under its aegis. It is helping agencies develop the capacity to document outcomes in ways that will stand up

to HUD audits, which had sometimes not been the case in the past. Through LAHSA monitoring activities it has discovered significant gaps in agency knowledge and understanding of how to document activities and outcomes and has developed technical assistance materials and classes to teach agency staff what needs to be done. Materials and classes have been open to all, but LAHSA has required attendance for agencies where monitoring found clear deficiencies in documentation, and will be working with them to improve their recordkeeping.

The second capability facilitates LAHSA's work to ensure that program funds are being used for the purposes for which they were awarded and identify issues that might lead to denial of payment by federal and other funders. It samples transactions to assess whether they meet federal requirements and works with agencies where issues are discovered to help the agencies come into compliance.

With program monitoring and fiscal compliance under its belt, LAHSA has begun the long process of developing its third capability, planning and policy development. LAHSA expects to operate on two levels with respect to this third capability—at the provider level and also at the level of the boards, agencies, and legislatures that set policies that affect Los Angeles. At the provider level, LAHSA sees itself as "representing the CoC" in more than the nominal way it has operated in the past. It expects to use its expanded staff capacity to work with the people and agencies that actually provide homeless assistance services, becoming involved with the homeless coalitions that function in eight parts of the county, including the San Fernando Valley, East San Gabriel Valley, the Westside, Pomona, the Palmdale/Lancaster area, and the Gateway Cities area, and an emerging network in south Los Angeles.

The LAHSA leadership knows that every year, HUD increases its pressure on CoCs to show the impact of HUD dollars, as part of justifying why HUD should continue funding their programs through its Supportive Housing Program. CoCs are increasingly going to have to demonstrate progress in five domains—(1) increasing PSH, (2) improving retention of PSH tenants in housing, (3) improving the proportion of people moved quickly from emergency shelter into housing, (4) helping more people find employment or qualify for public benefits, and (5) ending family homelessness. For Los Angeles to meet escalating standards in these domains it is going to have to do two things—get a lot more organized and serious about addressing homelessness and be able to prove that it is making progress. LAHSA leadership believes it can facilitate the work of the county's regional homeless coalitions by bringing them data, thoughts, technical assistance, and implementation strategies and helping them develop regional components of what needs to become a countywide 10-Year Plan with some real prospects of being carried out.

LAHSA has just fielded the third countywide homeless count, to add to the information garnered from the 2005 and 2007 counts. Each year the methodology for this count has become increasingly sophisticated and thus increasingly reliable. The 2005 count provided the first systematic picture of homelessness in Los Angeles, revealing the shocking number of about 88,000 people homeless at a point in time in late January, of whom more than 80 percent were unsheltered and about 43 percent had been homeless for more than a year. Two years later the point-in-time count estimated about 74,000 homeless people—a reduction of about 16 percent. The proportion unsheltered remained essentially the same, but the proportion identified as long-term homeless went down by about 12,000 people, comprising about 33 rather than 43 percent of the total count. In addition to periodic counts of homeless people, which for the first time give the community necessary information about the effectiveness of its efforts in reducing the overall level of homelessness, the LAHSA surveys provide information describing the people homeless at the time of the survey. This information indicates the types of assistance that people might need to leave homelessness, and can be used for planning purposes.

At the policy level, LAHSA expects to be more assertive in understanding matters that affect homelessness in Los Angeles County and playing a role in influencing them. As an example, knowing that HACLA periodically makes changes in its administrative plan, including policies that govern eligibility for housing subsidies, LAHSA staff analyzed HACLA rules and compared them to federal requirements. Staff found many instances of HACLA rules that restricted access to subsidies for the typical homeless person but that *were not required* by federal regulations and thus could be modified or relaxed if HACLA chose to do so. Staff presented this analysis in testimony before HACLA's board of directors in an attempt to guide good decision making.

LAHSA policy staff have developed a state and federal legislative agenda to influence state and federal housing policies, such as working to educate local and federal policy makers about the need to modify the formula for allocating McKinney Vento homeless funding. This formula is based on the formula used to allocate Community Development Block Grant funds, which currently favors older cities due to a component that gives significant weight to older housing stock. LAHSA policy staff is intent on building its level of competence, becoming a local resource for knowing and being able to help with implementing best practices, and providing cogent and pertinent policy analyses, thus creating a level of respect that will make it a more significant player than it was able to be in the past.

Information Sharing and Performance Measurement Mechanisms

Any community that is intent on reducing or ending homelessness needs information to tell it how it is doing. Until quite recently Los Angeles has not had any reliable source for that information, or even the promise of a reliable source. In this it has lagged behind many other communities throughout the country that have been using data from homeless management information systems (HMIS) for several years to identify needs, assess gaps, monitor progress, and guide decisions about allocating resources. In addition to LAHSA's very recent implementation of an HMIS that has been on the drawing boards for years, several more specific mechanisms for assembling and sharing information have been launched in the past year or two. These include a tracking and reporting system for projects funded under the HPI, an affordable housing locator service, and employment portals at three shelters to increase homeless people's access to jobs, as well as the improvements in document retrieval for SSI applications that was already described in chapter 3.

LAHSA's HMIS

A homeless management information system for Los Angeles County has been in the works for many years. The new LAHSA administration has finally made it a reality and is in the process of bringing on board all the programs that receive funding through LAHSA plus as many others as possible. Three of the county's four Continuums of Care (Los Angeles, Pasadena, and Glendale) plus Orange County are able to participate in this HMIS, which has been retooled and simplified from an original design developed with Renselaer Polytechnic Institute. The first projects to begin using the system were HUD-funded transitional housing and permanent supportive housing programs, which HUD requires to participate in HMIS if an HMIS exists in a community. About 60 percent of these projects were active system users as of January 2009; the goal is to have the rest on the system by the end of 2009. Also, during November and December 2008 all of the year-round emergency shelters in the Los Angeles Continuum of Care receiving public funding through LAHSA, including the seasonal winter shelter programs, were enrolled into the system, following intensive preparation that began in June 2008.

Part of the preparation, creating a new "swipe card" identification system, has made it possible for the big emergency shelters to participate. Shelter users receive a photo ID card with an embedded bar code that can be "read" by sensors at shelter intake points. Swiping a card at shelter intake registers its owner as using the shelter that night and sends this information to the HMIS. Swipe cards make it possible for shelters to complete intake for hundreds of people in a fraction of the time that used to be required, while simultaneously getting a lot more information about shelter users than could be gathered on the simple sign-in sheets that were used previously. In addition to streamlining shelter entry and improving information on shelter use, the card also facilitates receipt of food and blankets at shelters.

Quite a number of homeless assistance providers do not receive funding through LAHSA and thus are not required to participate in HMIS. LAHSA would nevertheless like to have them use the HMIS so it can get a complete picture of what is happening throughout the county and so providers can access useful information about their clients. It is customizing the new system to make it more attractive to these agencies by working with the HMIS system vendor to develop useful management reports to assist managers of homeless service agencies, hoping that the reports will be of sufficient value to agency directors that they will have an incentive to get into the system even when they are not required to do so.

The LACoC HMIS is now able to produce all the statistics and other information that LAHSA needs to support its three organizational capabilities and report on performance, complete HUD's annual program progress reports, assist program monitoring activities, determine which agencies might need help to improve performance, identify frequent system users who would benefit from interventions more intensive than simple shelter, and as Continuum participation in the system increases, will provide the ability to track referrals to see whether people actually get the services for which they are referred. As time goes on and the system covers more people, more projects, and more activity it will be able to depict patterns of system use and which programs are most and least effective at helping people leave homelessness.

LAHSA expects to be sending regular reports based on HMIS information to City of Los Angeles and county officials who are responsible for working on homelessness. To complete the picture, it would be highly desirable for county agencies with direct responsibilities for ending homelessness to report their performance to the HMIS also. This might be done by direct participation or by maintaining a separate but compatible data system and periodically uploading information to the HMIS.

Getting the HMIS up and running is a significant accomplishment for the county for 2008. The fact that it was done so quickly after languishing for so many years is a tribute to the new LAHSA leadership's determination to support a mechanism that provides good data for planning as well as for reporting. It will take time for many projects and agencies to decide to use the HMIS, and it will take time for government officials throughout the county to learn to appreciate how useful a comprehensive and flexible HMIS can be to them. Hopefully government officials and LAHSA staff can work together to create and produce HMIS reports that will provide the feedback needed to shape and improve the county's efforts to prevent and end homelessness.

HPI Tracking and Reporting System

The Services Integration Branch of the CEO's office has conducted a comprehensive review of HPI programs and activities and is working on a way to generate standardized data across projects that will be simple and also focus on outcomes (i.e., documenting that homelessness has been prevented or ended; improved self-sufficiency or well being). An HPI Quarterly Report has been developed for this purpose and will be used to compile HPI results for the CEO's quarterly reports to the Board of Supervisors. This will be

a big improvement on the current reporting structure, which leans heavily toward process measures (i.e., people served, types of services provided) and population characteristics, although it does show the number of households that were able to move into permanent housing, and it is able to determine the total number of households (unduplicated) that received housing help, even when some received two or more types of assistance. In addition, the Services Integration Branch is beginning to review HPI impacts on county departments through a systems change survey that asks how HPI activities have resulted in procedural and policy modifications to facilitate access to services for homeless people.

The Los Angeles County Housing Resource Center

The Housing Resource Center (HRC) is a web-based initiative launched in June 2007 with funding from the Homeless Prevention Initiative and CDC. Its primary goal is to help reduce homelessness by providing listings of affordable, special needs, transitional, and emergency housing. People seeking housing and landlords looking for tenants may use the website for free. A toll-free number is available for people needing assistance to use the site. Phase I, currently in operation, has focused on listing available rental housing. In Phase II, which has not yet begun, the county expects to add transitional and emergency housing resources. The site is managed by Socialserve.com, a nonprofit agency that operates similar housing listing web sites in 25 states.

In addition to the "free for everyone" part of the site, an additional "restricted-access" component is available by password to county departments and approved agencies or other cities within the county. As of September 2008 at least 40 collaborative arrangements had been established whereby county and nonprofit agencies that work with homeless populations have received this password and access to the restricted information. In addition to county agencies, these partners include LAHSA, Union Rescue Mission, 211-LA County, Volunteers of America, and several agencies that work with transition-age youth. Housing locator/specialist staff in county departments such as DMH and DPSS regularly report that the web site is an invaluable tool for them.

By the end of its fifth quarter of operation (July-September 2008), almost 4,000 landlords had registered with the center, of whom about 500 were new to the site in the fifth quarter. All landlords eligible to receive HACoLA Section 8 housing vouchers are asked to list their properties, and a large amount of the traffic received by the site comes from Section 8 voucher holders looking for rentals. The CDC, in its role as funder for affordable housing development, now requires all multi-family rental developers who receive county funds to advertise their properties on the HRC. In contrast, at present HACLA uses the site mostly as a search mechanism to assist in finding units appropriate for households with special needs. Although HACLA posts links to the HRC, it has not been asking its own landlords to list their units on the site. CDC has been negotiating with HACLA to become more involved, because bringing HACLA in as a full participant would greatly increase the listings and traffic on the site. However, CDC wants to be sure there is some additional revenue to cover this expansion, and thus is simultaneously asking HACLA to share some of the administrative cost.

Issues

- ***Need for Many More Listings.*** As good an idea as the Housing Resource Center web site is and as useful as it has thus far proven to be for its most frequent users, its current listings are no match for the need for affordable housing in the county. In the 15 months since its inception and the most recent statistical report on usage, the site received about 2.1 million searches that returned matched listings of available units, or about 140,000 a month. The helpline averages over 5,300 calls a month. Compared

to this level of interest and probable need for affordable housing, the HRC lists about 1,660 apartments a month that come up as available for lease.[17]

The center clearly needs to increase manyfold the number of landlords who register their units. CDC staff overseeing the center are trying to expand awareness of the center as quickly as possible through presentations and trainings. To date, however, these have focused mostly on training service providers who are trying to help people *looking* for housing (e.g., DCFS's Skid Row Assessment Team) rather than on landlords other than those receiving public subsidies who may have affordable units to rent. If Phase II funding is approved, HRC managers will have more time to do outreach and marketing to landlords to increase the HRC's listings.

- ***Need to Track Performance.*** It is also important that the center develop mechanisms to track performance. One critical aspect of web site performance is the timeliness of the information it contains. One of the hardest things to achieve on a web site such as the Housing Resource Center is assuring that the information is current. Once a listed apartment is rented, landlords should update their listings. One of the valuable features of Socialserve.com (especially compared to almost all other web-based listing services) is that the company does regular bi-weekly verifications (and in some cases weekly verifications) that listings are still available and accurate. If listings are found to be inaccurate, they are pulled from the system.

  Since the ultimate goal of the web site is to facilitate housing placement, performance measurement should focus on ascertaining the number of housing placements facilitated through the website every month. It is not realistic to try to track this type of performance based on a ratio of "placements per hit" or "hits per placement," since Socialserve does not have a mechanism for learning how many of the people searching the web site every month actually moved into a unit they found through the web site, nor can people who use the site always report reliably on where they got the information about their new apartment.

  However, it *is* realistic to expect, and require, that the agencies given restricted access to the HRC report to CDC monthly on (a) the number of times they access the website, (b) the number of clients on whose behalf they do this accessing, and (c) the number of clients whom they are able to place in a housing unit they found by searching the web site. These expectations and requirements would apply to housing locators/specialists in county departments as well as case managers in nonprofit agencies that have received special access. At a minimum CDC should be receiving clear reports of *accomplishments*, not just activity, from every agency/partner with restricted access. Such feedback would let CDC identify agencies that were using the web site effectively and those that were not.

  It would also be highly desirable for CDC to solicit routine feedback from partner agencies as to difficulties encountered when using the web site and how the web site could be improved. However, the activities of soliciting feedback and making actual improvements take resources. The complexity, size, and population of Los Angeles County have already pushed Socialserve.com to the limits of its capacity with the contractual resources available. Additional tasks of any significant scope, including

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[17] Total listings include about 6,000 units; many of these are occupied, but remain registered so it is easier for landlords to reinstate a unit on the "available" list when it becomes vacant.

increased performance measurement and possible changes to the web site based on user feedback, could mostly be done only if there were resources to pay for them.

In the future it would be highly desirable for the various data systems in the county relevant to the goal of reducing, preventing, and ending homelessness to be able to produce integrated reports on progress and how it is being accomplished. Since it is unlikely that there will ever be a single integrated data system, it is important that thought be given, as systems are being developed, to how they can be made compatible so their data can be dovetailed to tell a coherent story. LAHSA's HMIS is clearly one of these systems; others include data systems in the county's other Continuums of Care to the extent that they do not become part of LAHSA's, the HRC database, the reporting system being developed for all HPI projects by the CEO's office, and even possibly the component of the county's 211 system dealing with requests for shelter and housing. Even more ambitiously one could hope that good information would be available for the broader scope of affordable and special needs housing and not just for the housing that ends someone's homelessness, as there is a good deal of overlap in these housing categories and homelessness may be prevented for many with special needs if adequate supplies of housing are available to meet the demand.

- ***Need to Reduce Administrative Complexity.*** Administrative complexity is a major issue facing many of the activities supported by the HPI, as well as most other homeless-related endeavors undertaken by Los Angeles city and county public agencies. The difficulties facing development of a smoothly functioning and maximally useful HRC provide a good example of this complexity and help explain why projects and activities that may seem relatively simple on the surface may take many months or even years to implement. The contract with Socialserve.com to operate the HRC was initially issued by the CEO's office but managed by the CDC. It was transferred to CDC control only later, and with the CEO's approval, to reduce management complexity. CDC is currently preparing a request to the County Board to expand the HRC's activities into Phase II, paying for the expansion with the CEO's information technology funds. The time frame for submitting a final request is February/March 2009. This request received preliminary approvals in 2008 but contractual details are still being worked out with the County Counsel and the Chief Information Office. Issues under discussion are how to structure a larger HRC contract that has the flexibility to (1) leverage other funding sources as they become available, (2) charge modest administrative fees to user departments and agencies that use the site frequently, and (3) grow and expand with complex needs without having every small change become a contract amendment. This is an example of a very complex contracting system that requires multiple county agencies, the CEO, and County Board deputies to sign off on the scope of work and deliverables.

CDD's Shelter-Based Employment Portals

Information technology is providing homeless people with access to City of Los Angeles job information and employment supports through three computerized employment portals linked to the Community Development Department's (CDD) citywide jobs database. CDD first focused on homeless people as a specific population in need of employment services in 2003, when with DMH and HACLA it received a grant from the federal Chronic Homeless Initiative to offer housing and employment to extremely hard-to-serve homeless people through a program called *LA's HOPE* (Burt 2007b).

Relatively early in *LA's HOPE*, CDD opened an employment portal at the New Image Shelter, the largest overnight shelter in the County of Los Angeles. The portal, which is a self-directed resource room, provides computers with direct links to CDD's job listings, job assistance materials (e.g., classes on resume writing), and one-on-one computer instruction. The New Image EmployABILITY employment portal is open five

hours a night, five nights a week and receives 600 visits a month with approximately 40 new visitors a month. Building on the success of the New Image portal, two more portals have been opened. In 2006, a second portal to serve homeless people was established at the People Assisting the Homeless (PATH) Mall in Hollywood. That portal is no longer located at PATH, but PATH clients are encouraged to seek assistance at a nearby One-Stop.

A third portal opened in April 2007. Known as the Living Independently Through Employment (LITE) Program, this portal receives funding from Community Development Block Grant resources through the Mayor's office, City of Los Angeles. The new portal is operated by the Skid Row Development Corporation and is located at the Volunteers of America Drop-In Center in the heart of Skid Row. From lessons learned through *LA's HOPE*, the LITE Program offers necessary community support services, case management, and coordination with One-Stops.

For almost two years, the LITE program shared its supportive services capacity with users of the New Image portal, all of whom come from the Skid Row Area. As of January 2009, New Image became responsible for its employment portal and needs to find the resources to support the relevant staff. Most of the job seekers who might use the New Image portal are accessing the LITE program during the day, which might be an efficient use of resources as businesses are more accessible for interviewing during regular business hours.

In the LITE Program's first couple of months in operation, it was able to place close to 70 people in employment and had almost as many participating in and completing short-term training courses that prepared them for specific jobs. Hundreds of people use the portal monthly to access job leads, and have done so from the beginning. Since the start of combined effort, registration and placement numbers for LITE and New Image have been maintained jointly since the portals operate collaboratively. From December 2007 through December 2008, 2,522 clients had used center resources at least once and case managers opened files for more than 1,400 users. Of the people with open case files, case managers assisted 239 people to find full-time permanent positions, another 202 to find part-time or short-term employment, and 125 people to enroll in or complete training opportunities. For those working, the average hourly starting wage was $10.58 an hour.

Data Retrieval to Document SSI Applications

Progress on data retrieval from county hospitals and clinics to document SSI applications was already described in chapter 3. We include it in this chapter as the final example of improvements in information systems to illustrate yet another domain in which progress is being made on assisting homeless individuals. DHS's efforts to improve access to historical treatment records has clear payoffs in improving the odds that homeless people with major and multiple disabilities will get the benefits for which they so clearly qualify.

Collaborations among City of Los Angeles Agencies

One of the earliest activities CSH undertook with Hilton Foundation resources was providing technical assistance to the collaboration among four City of Los Angeles agencies—Los Angeles Housing Department, the Community Redevelopment Agency, the Housing Authority of the City of Los Angeles, and the Department of Power and Water—to create the city's Permanent Supportive Housing Program. Under the leadership of the Deputy Mayor for Housing and Economic Development Policy those same departments came together, along with LAHSA and the Planning Department, to design an affordable housing plan for the whole city, providing for the first time a context within which to understand PSH

development and plan and prioritize the allocation of resources. Both of these developments, as detailed in chapter 2, are unprecedented in the City of Los Angeles.

Collaborations among Los Angeles County agencies

When CSH's Hilton Foundation Initiative began in 2005, the Special Needs Housing Alliance was the forum within which county agencies were beginning to think collectively about preventing and ending homelessness. The previous system change report for this project (Burt 2007) detailed CSH's role in facilitating the Alliance's work, along with its partner, Shelter Partnership. The period of time covered in that report was just long enough to include the county Board of Supervisors' acceptance of the Alliance's Strategic Plan and its funding for many of that plan's major recommendations in what has become known as the Homeless Prevention Initiative (HPI). The HPI directed many county agencies to do specific things to prevent homelessness among their clients and help already homeless individuals and families to return to housing.

At about the same time as the HPI passed, the County Administrator's Office changed its name to become the County Executive Office (CEO) and took on new executive functions and powers commensurate with the concept of a CEO. The CEO's office has become the central coordinating office for county activities around homelessness. CEO staff have been assigned solely to housing and homelessness issues and a new position has been created to supervise these functions.

At this point it would perhaps be easier to name the county service and housing agencies that are *not* involved in the HPI and homelessness reduction activities than to name those that *are* involved, as so many agencies have taken on new responsibilities and are participating in many ways in new partnerships and collaborations. In addition to the CEO and many CEO staff, participating county departments include Health Services, Public Health, Public Social Services, Children and Family Services, Community and Senior Services, the Sheriff's Department, the Public Defender, Probation, and the Community Development Commission (including HACoLA). LAHSA is also included, as it has been from the start of the Special Needs Housing Alliance. CSH and Shelter Partnership staff continue to be involved in a variety of ways. A new development is a County Board of Supervisors motion during summer 2008 to include representatives of the City of Los Angeles and other cities in the Special Needs Housing Alliance. Doing so will provide much-needed continuity for city and county plans and actions.

Broad-Based Collaborations

Throughout the previous chapters we have described numerous examples of collaborative work involving governmental agencies from many jurisdictions plus private agencies and organizations ranging from housing developers through health care providers through foundations and other funders. We do not repeat the detailed information here, but do list the activities so the reader can appreciate their number and range of interests. Chapter references in parentheses indicate where to find longer discussions of these developments:

- ***The Cities-County Joint NOFA Working Group***—in response to a Board of Supervisors directive that the county work with the cities to develop joint city/county RFPs that would allow aligning and synchronizing homeless and housing development efforts and relevant supportive services, county agencies and representatives from LAHSA, the City of Los Angeles, and other cities within the county have been working to design a joint NOFA (chapter 2).

- ***CSH Work with Two COGs***—COGs are already alliances among multiple governments, leading to a variety of collaborative activities. Homelessness and housing issues have surfaced in COG agendas in recent years. The San Gabriel Valley and Gateway Cities COGs have expressed interest in working on PSH development, and CSH is helping with projections, options, and planning (chapter 2).

- ***Pre-Development Loan Funds***—the three pre-development loan funds now operating in Los Angeles County are funding collaboratives. Several banks and major private lenders join foundations and public agencies in providing the resources that allow PSH development partners to secure properties and start along the pathway to development. Management of the funds is also collaborative, with three or more partners working together to allocate the resources (chapter 2).

- ***Organizing to Assure Access to Health Care***—housing has been a primary focus for CSH organizing, but it is not the only need of people homeless in Los Angeles. Philanthropies interested in health and behavioral health needs of homeless people began stimulating discussions focused on the Skid Row area in 2004, about a year before CSH received funding from the Conrad N. Hilton Foundation to stimulate PSH development and homelessness reduction. The Skid Row Homeless Healthcare Initiative (SRHHI), which started in 2004, brought together many providers in the Skid Row area, most of whom had had no previous joint work around health care provision. As detailed in chapter 3, the SRHHI led to many important developments, including the Leavey Center—a multipurpose clinic setting in Skid Row that will be close to "one stop shopping" for health, behavioral health, pharmaceutical, and dental services and on-site access to public benefits and services (e.g., CalWORKS, General Relief, food stamps, child welfare). The United Homeless Healthcare Partners (UHHP), a more recently organized group than the SRHHI, has set itself the goal of assuring homeless people's access to health and behavioral health care in every region of the county, some of which already have local working groups that are starting to organize toward this goal. A parallel development is CSH and DHS' work with FQHCs to advance the concept of using FQHCs as the core service agency for providing supportive services to tenants in PSH.

- ***Organizing to Assist Prisoners Facing Homelessness upon Return to the Community***—the Los Angeles Sheriff's Department has long had programs directed toward helping ex-offenders make a smooth transition back to the community upon release. But only recently has the department focused specifically on the interaction of homelessness and re-offending/returning to jail, sometimes with the additional complication of mental illness. Two new projects seek to assist ex-offenders with this challenging combination of circumstances; both involve extensive networks of community agencies as partners. Just In Reach is the first such project funded by the Sheriff's Department for post-release work. It focuses on people being released into the Skid Row area who do not have major mental illnesses but usually do have problems with substance abuse (chapter 4). The second project, the women's Community Reintegration Demonstration Project, is a collaboration among the Sheriff's Department, DMH, and the new Women's Community Reintegration Services and Education Center in south Los Angeles, which itself is a collaboration of DMH, DPSS, the Department of Children and Family Services (DCFS), and many community agencies. Its target population is women with multiple arrests and incarcerations plus persistent co-occurring mental illness and substance abuse issues who are leaving the Century Regional Detention Facility (chapter 5).

- ***Housing the 50 Most Vulnerable Individuals on Skid Row—***Project 50 is a collaboration among four county agencies (DHS, DPH, DMH, and DPSS), three other public agencies (LAHSA, HACLA, and the VA), the Skid Row Housing Trust, which provides the housing, and several other community providers offering specialized services (chapter 5). It uses an integrated service structure for staff representing the public agencies and has the flexibility to use its funds in the most effective way. It serves as a pilot to learn what it takes to identify, recruit, house, and keep housed the people whose long-time homelessness on Skid Row has left them with health and other conditions that greatly increase their risk of dying on the streets.

Chapter 7: Impressions

At the end of our first system change report covering this project's first two years (2005-2006), we summarized our impressions of development in Los Angeles as "First, a lot is happening. Second, there is, as yet, no 'system.' It would be hard to say yet whether the glass is half full or half empty, but one might venture that the glass has gone from completely empty to maybe one-fifth full." So much has changed since that time that it is now much easier to be enthusiastic about what has happened so far and optimistic about the continuing evolution of collaborative structures. Cautious optimism is also in order for the increasing ability of these collaborative structures to produce the permanent supportive housing that will end homelessness for thousands of people with mental illnesses and other disabilities. The glass is getting fuller.

Nevertheless, when one considers the scope of the homeless problem throughout the county (about 74,000 people homeless at a point in time and more than 140,000 homeless over the course of a year, among whom at least 22,000 are long-term homeless people with disabilities), it should be clear that lots of work remains to be done. An earlier report for this evaluation (Burt 2008) indicated the existence in 2007 of about 6,000 open and occupied units of permanent supportive housing, about 600 of which were new since 2004. These units now provide homes to people with disabilities who were once on the streets, many of whom had been homeless for years. In addition, Corporation for Supportive Housing (CSH) projections for the City of Los Angeles indicated that about 2,200 more permanent supportive housing (PSH) units could be built by taking advantage of all available resources, and the Permanent Supportive Housing Program commits the city to providing capital and operating funds for these units. More than 700 of these units are already in development with financing from the city's Permanent Supportive Housing Program. According to a different CSH projection, another 800 units could be developed in the other cities and unincorporated areas outside the City of Los Angeles using available resources, and Councils of Government (COGs) are beginning to organize around creating these units.

While impressive compared to the pace of new PSH development prior to 2004, existing commitments for new units are only about 14 percent of what will be needed to end homelessness for the 22,000 people that the 2007 point in time count done by the Los Angeles Homeless Services Authority estimated were chronically homeless throughout the county. We first summarize what has been happening and the progress that has been made. Thereafter we consider what more will need to occur before the county can expect to see a substantial decline in long-term homelessness among people with disabilities.

More Is Happening

Going back to the research questions posed for this system change part of the evaluation, we can say some things pretty clearly after four years of work to promote system change toward the goal of ending homelessness for people with disabilities who have been homeless a long time:

Question	Answer
How have state and/or local public agencies made changes to better accommodate the development and operation of permanent supportive housing units and the services that tenants need to achieve stability?	Even more money and far more coordination, planning, and joint activities than two years ago.
Are more, or different, public agencies and actors on board (e.g., mayors, agencies in specific cities, new county Board of Supervisors support, etc.)?	Yes, even more clearly than was true two years ago. Elected officials from Los Angeles County and various cities with each other, county agencies with each other, City of Los Angeles agencies with each other, and city and county agencies working together, as well as initial involvement of city managers and officials in other cities throughout the county, and two COGs.
Are public agencies better coordinating their efforts to serve chronically/street homeless people?	More than was true two years ago, through Project 50, AHH, Leavey Center, UHHP, revolving loan funds, joint county-city PSH work group, Just In Reach, and other projects and organizing structures. Some of these coordinating activities appear likely to be permanent changes, but it is still too soon to say whether some others will continue and result in lasting change.
Are new and/or expanded sources of funding available, and/or is existing funding being used in more effective ways? Has any additional funding been committed at the local or state level to **develop and operate** supportive housing and **provide supportive services** to its tenants (e.g., more funding in the same streams, new streams)?	Yes, even more clearly than was true two years ago. New housing resources through Mental Health Services Act, IC, and revolving loan funds; prospects for redirected services funding from county agencies to cover PSH supportive services; joint Requests for Proposals (RFPs); more funding for LAHSA; commitments for PSH for the most vulnerable street homeless in Skid Row, Santa Monica, and elsewhere.
Have local agencies and providers been able to leverage these additional state and federal resources for PSH tenants?	Yes, through revolving loan funds, joint RFPs, and training opportunities. But even the best projections do not come close to meeting the identified need.

Collaborative Activities Have Increased Dramatically

As noted throughout this report, many developments are occurring that involve participants from public agencies, nonprofits, and in some instances the for-profit sector working together in new ways. Most involve city and county government agencies and independent authorities such as the Housing Authority of the City of Los Angeles and the Housing Authority of the County of Los Angeles working together in ways that are unique in the history of the county.

Some of the new cooperative efforts, especially those supported at least in part through the Homeless Prevention Initiative (HPI), are special projects, pilots, and demonstrations with one-time funding. If successes are well-documented and appear to be in line with expectations, the hope is that the county will provide the resources to make these pilots permanent and the procedures they have evolved to achieve their success will become standard operating procedure for the wider world of ending homelessness. The reporting procedures instituted by the county Chief Executive Office's Services Integration Branch (CEO/SIB) should help with documentation of impact in terms of housing placements, by type (permanent, transitional, etc.). The CEO/SIB is working on a strategic plan for addressing homelessness the whole county, which is expected to recommend that the successful HPI projects be made into permanent programs. The plan will also lay out how the case management resources currently committed to county agency contracts with service providers will be directed toward providing supportive services for PSH tenants.

The CEO/SIB's intent is also to conduct analyses of costs expended and costs avoided, to develop a picture of potential savings to the county from HPI interventions. These analyses will compare program costs to corresponding savings to county agencies accrued by avoiding costly crisis services used while people are homeless. Two aspects of such cost analyses are worth noting:

- First and most important, definitions of "success" for HPI and other recently established projects—and thereafter decisions about the wisdom of continuing their funding, making them permanent, and expanding them—should not be made exclusively or even primarily on the basis of the projects' ability to save the county money. Homeless assistance projects that are likely to come closest to realizing actual cost savings are those such as permanent supportive housing that end homelessness and stabilize housing for people with multiple disabilities who have been homeless for years and who use many expensive crisis services. The New York/New York analysis of the effects of PSH for homeless people with serious mental illness (Culhane, Metreaux, and Hadley 2001), the first such analysis and the one that triggered major federal and local investments in PSH, came closest to showing savings, with about $1,000 difference between the costs of PSH and the cost of all the services that PSH tenants stopped using once they had stable housing. Rosenheck, Kasprow, Frisman, and Mares (2003) found that costs of PSH for veterans exceeded pre-housing service costs by about 17 percent, but concluded that the extra cost was worth paying for the quality of life of the PSH tenants and the relief to highly-stressed crisis service systems. Studies that show remarkable cost savings focus only on the people who use the most services—often designated as "frequent flyers"—but these people represent only a small fraction of all homeless people. The expectation of large cost savings created by these frequent user studies makes it hard to generate enthusiasm for investing in interventions that show "break even" results at best.

  The more rigorous a cost avoidance study's methodology and the more general its target population, the less likely it is to show cost savings to public coffers. Further, most HPI projects focus on *preventing* homelessness, and no study known to this author has ever shown cost savings from a homelessness prevention project. Among the many reasons for this, the difficulty that prevention programs have in targeting households that truly will become homeless if they lose their current housing is paramount. Of all the purposes a homeless-related project might have, effectiveness in *preventing* homelessness is the hardest to prove, and documenting cost savings is even harder. Decisions to continue or end HPI projects should not, therefore, rest on findings of cost savings but should focus on improvements in public agencies' ability to meet their clients' combined needs and on clients' improved quality of life.

- Second, one county agency helping a client through an HPI project is probably not the only county agency to be affected by helping that household achieve housing stability. A DPSS client assisted to find supportive housing may thereby be able to avoid using emergency rooms for health care or having a child placed in foster care. To be meaningful, these cost analyses will have to account for costs expended and avoided across several agencies, including the Departments of Health Services, Public Health, Mental health, Public Social Services, criminal justice agencies, and the Department of Children and Family Services if the households affected include children, and also various programs in the homeless assistance system.

Regional Collaborations and Work to Develop Regional Plans Have Begun

Many of the new collaborative efforts focus on regional organizing, in which CSH is very much involved. Substantive concerns vary and include health and mental health (the United Homeless Healthcare Partners (UHHP), chapter 3), PSH development (work with COGs, chapter 2), and improved planning and implementation of homelessness reduction and alleviation strategies (LAHSA's work with regional coalitions of homeless assistance providers, chapter 6). Geographical coverage also varies and overlaps; UHHP is organizing around Service Planning Areas (SPAs); LAHSA is working with homeless coalitions that cross SPA, COG, and civil jurisdiction boundaries; and CSH is working with COGs, which have geographical definitions of their own that correspond closely but not exactly to SPA boundaries.

In the earlier system change report for this evaluation, we noted (Burt 2007, p. 37) that "the historic fragmentation of government and provider communities in the county makes it very difficult to create and implement a coherent countywide plan" and "at the same time, plans abound. There are too many plans, and too many groups meeting about plans…a few people are part of six or eight planning groups, most people are part of two or three."

Two years ago it seemed to this evaluator that for major progress to be made, the county needed a comprehensive countywide plan with strong resource commitments and a strong hand to guide mobilization and community organizing. However, the size and complexity of the county, its many component jurisdictions, and what appeared at that time (late 2006) to be the relative weakness or complete absence of local or regional organizational structures that could mobilize and direct resources toward ending homelessness made it hard to see where such a plan was going to come from.

This project started in 2003, in the middle of the process that resulted in the *Bring LA Home!* report in 2004. This report was supposed to lay out a 10-year plan for addressing homelessness throughout the county, but its recommendations were never adopted and it lacked any implementation component or resource commitments from public officials or agencies, so it should not be surprising that it has had little or no effect. The few cities that had some commitment to addressing homelessness within their own borders (Glendale, Long Beach, Pasadena, and Santa Monica) were limited in their effectiveness because they could not count on county agencies to provide needed services funding to match their own housing resources.

The only other process at that time that tried to reflect homelessness countywide was the annual application that LAHSA compiled and submitted to HUD for federal homeless dollars. This application attempted to catalog homeless assistance programs by SPA and to identify unmet needs, but lack of reliable information about homeless people and LAHSA's weak organizational position for most of its history limited the utility of the planning elements in these applications, and they too were not effective as planning documents.

By late 2008, after two more years of organizing work, it seems to this evaluator that things have come a long way and in a good direction, although there is still a long way to go. There is still no countywide plan but there is much better communication and many more collaborative activities, and regional coalitions of various types are receiving technical assistance and increasing their organizational skills. The evaluator's current perception is that the approach of developing strong regional coalitions of governments, housing developers, and service providers is the most promising route to the ultimate goal of a fully mobilized county. These regional coalitions might be thought of as the legs upon which a countywide mobilization will

be able to stand. It is not reasonable to expect that each part of the county will be able to play its part in ending homelessness without understanding local issues, having the local capacity to create appropriate programs, generating the commitment of local governments, coordinating efforts, and tracking local progress. As larger-picture entities such as CSH, Shelter Partnership, LAHSA, UHHP, and the county CEO's office support the development of strong and effective regional coalitions, they are working toward the long-range goal of convergence into a structure that has a countywide reach.

A Realistic View of What It Will Take to End Chronic Homelessness in Los Angeles

There can be no question that many remarkable new things have happened in Los Angeles during the last four years. New networks have formed, new stakeholders have joined together to try new approaches, and some new resources have been placed on the table. But it may be useful at this point to put this progress in the context of the size of the problem. At last count there were 22,000 chronically homeless people in Los Angeles—meaning they had been homeless a long time *and* they have at least one major disability. The City of Los Angeles is committed to creating about 2,200 new units of PSH (10 percent of what is needed for the entire county) and work is beginning to gain commitments from the county and other municipalities outside the City of Los Angeles to create an additional 800 units. To produce the remaining 19,000 units, additional local resources will have to be committed to leverage state and federal resources, and work may also be needed to pressure the state and federal governments to generate new resources for this purpose.

Compare this situation to what is happening in several other communities around the country:

- ***Denver***—Denver's Road Home initiative committed itself to housing the chronically homeless people identified in homeless counts—about 3,200 people. After the first three years of a five-year plan, 1,243 new PSH units are open and operating and almost 700 more are in various stages of development, comprising 60 percent of the units in the plan, which is on track to fulfill its commitments. Chronic homelessness is down 36 percent. Denver's Road Home operates as a central organizing entity that raises funds from many private sources; downtown businesses are major supporters of the plan and its implementation. Denver's Road Home maintains a website (www.denversroadhome.org) to keep the community informed about what is going on, and issues annual progress reports that are available on its website.

- ***Minnesota***—Minnesota has a statewide plan, Heading Home Minnesota, developed in conjunction with many stakeholders, organized around seven regional initiatives, and managed by the Minnesota Housing Finance Agency. In response to an estimated 4,400 chronically homeless people over the course of a year, the Minnesota plan committed itself to developing 4,000 new units of PSH including the services component, using close to 30 different funding sources. At the end of the plan's fifth year (2008), 2,492 new units or 62 percent of the plan's commitment, were open. The Minnesota Housing Finance Agency maintains a website (www.headinghomeminnesota.org) that reports regularly on the plan's progress.

- ***Washington, DC***—Washington, DC's homeless plan, Homeless No More, projected a need for 2,500 additional units of PSH to resolve chronic homelessness for the estimated 2,200 individuals using shelters and on city streets, plus a smaller number of families that had been homeless a long time. The DC Mayor committed his administration to creating 2,500 net new units—2,000 for single adults and 500 for families—at the rate of 400-500 a year. That goal has been met for the plan's first year of implementation.

- ***Miami and Dade County, Florida—***this community's efforts to organize and systematize its approach to homelessness began in 1993, when it voted to support a 1 percent tax on all food and beverage transactions in establishments with a liquor license that grossed at least $400,000 a year and dedicate 85 percent of the proceeds to supporting homeless-related programs and services. At the same time it established the Homeless Trust and gave it the responsibility to administer the money raised by the tax and most other public homeless-related resources, and to develop a Homelessness Plan and supervise its implementation. In the early 1990s street homelessness was estimated at about 8,000 people. Through many mechanisms including the development of more than 2,000 PSH units, street homelessness was down to about 1,300 in 2008 and the community was continuing its commitment to add at least 100 new PSH units every year.

These communities are significantly smaller in population than Los Angeles County,[18] and governmental structures in two of them are less complex, at least on the surface. Denver is both a city and a county, so one governmental structure can commit resources pertinent to both. But Colorado as a state has made far less investment in homeless-related programs than California, so Denver stakeholders are essentially going it alone. Washington, DC is city, county, *and* state, but everything it does must ultimately win the approval of Congress, which sometimes denies it formula allocations that go to states, so its efforts are not simple either. Minnesota's plan is organizing a whole state that has 84 counties and many more civil jurisdictions, and Dade County has 38 municipalities including the biggest, the City of Miami, so although Los Angeles County's population is almost twice as large as Minnesota's and it has more than twice as many civil jurisdictions as Dade County, its task of organizing many stakeholders to reach the goal is hardly more complex. All of the communities just described are spending their own general fund resources and raising private dollars to fulfill their plans, as well as orchestrating the use of federal resources as is being done in Los Angeles. This would be the direction that Los Angeles should be expected to take as regional efforts come together to form a coherent approach to ending long-term homelessness throughout the county.

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[18] Minnesota, the largest, had an estimated 2007 population of about 5.5 million; the Dade County, Florida population is about 2.4 million.

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