The United States Interagency Council on Homelessness

Reallocating and Repurposing CoC Funds to Achieve Maximum Impact

September 22, 2011

Panelists

- Kristy Greenwalt, USICH
- Norm Suchar, NAEH
- Heather Lyons, CSH

Webinar Purpose

- Purpose: To discuss how to use McKinney-Vento renewal resources more effectively to help more households achieve stable housing and improve CoC performance.
- Agenda
  1. Setting the Stage
  2. Reallocation and Repurposing
  3. Program Models and Issues to Consider
  4. The Community Process
  5. Q & A

Webinar Format

- Call will last approximately 1 hour and 15 minutes
- We have reserved time at the end for Q&A.
- Audience members who would like to pose a question can do so at any time through the “questions” function found in the “GoToWebinar” toolbar.
- We will periodically be polling audience members – please participate!
- Call audience members are “muted” due to the high number of participants.
- Call will be recorded.

Setting the Stage

- *Opening Doors*
- HEARTH Act
- Growing Body of Research
- Recession, High Unemployment
- Federal Budget, Deficit Deal

Opening Doors

- Nation's first-ever comprehensive strategic plan to prevent and end homelessness.
- Four goals:
  1) Finish the job of ending **chronic** homelessness by 2015.
  2) Prevent and end homelessness among **Veterans** by 2015.
  3) Prevent and end homelessness among **families, youth, and children** by 2020.
  4) Set a path to ending **all** types of homelessness.

HEARTH Act

- Improve community capacity to carry out mission of preventing and ending homelessness through *systems transformation*.
- Systems can overcome barriers, achieve efficiencies, and bring best practices to scale in a way that programs cannot.

HEARTH Act, Contd.

- Increases flexibility and local control
- BUT also increases focus on results
- A shift to system-level measures, including:
  - ✓ Length of time homeless
  - ✓ Recidivism (subsequent return to homelessness)
  - ✓ Overall reduction in number of persons who experience homelessness
  - ✓ Reduction in first time homeless

Growing Body of Research

- Effectiveness of Housing First approach
  - ✓ Particularly for persons with serious behavioral health and other disabilities
  - ✓ Growing evidence on families too (more commonly referred to as Rapid Re-Housing)
  - ✓ Several studies currently underway at HUD
- Challenges related to TH
  - ✓ Expensive intervention
  - ✓ Resources spent on supportive services when many need only a subsidy
  - ✓ Often structured so families must move upon completing program (disruptive/destabilizing)

Recession/High Unemployment

- Number of Americans living below poverty line increased by 4 million (10%) between 2008 – 2009.
- High unemployment
  - ✓ 4.3% for those with Bachelors degree or higher
  - ✓ 14.3% for those with less than high school degree
  - ✓ Unemployment averaging over 40 weeks in duration
- Rental housing costs have remained stubbornly high and affordable stock continues to shrink.

Federal Budget, Debt Ceiling Deal

- Plan designed to reduce federal deficits by approx $2.4 trillion over next decade.
- Agency heads ordered to prepare FY13 budgets at 5-10% cuts.
- Even remaining flat-funded will be a challenge for programs in the coming years.
- Better use of existing resources and better outcomes help us make the argument to Congress for increased funding.

Bottom line?

- Increasing pressure on local homeless service systems combined with constricting resources requires us to retool programs to achieve greater efficiency and effectiveness.

Options for Retooling your System

Option #1: Reallocation

- Shifting funds from an expiring SHP renewal grant to a new project.
- Must happen during an open competition.
- Only available to continuums in HHN status
  - ✓ Final Pro Rata Need based on Hold Harmless Need amount
  - ✓ Used the Hold Harmless Merger process

Option #1: Reallocation, Contd.

- Each year, CoC NOFA establishes types of projects to which funds may be reallocated.

- In FY11 competition:
  - ✓ SHP-PH
  - ✓ SHP-HMIS
  - ✓ S+C
  - ✓ Section 8 SRO

Option #1: Reallocation, Contd.

- New projects created through this process funded under selection criteria for <u>renewals</u>.

- Must be prioritized within a CoC's FPRN amount.

Option #2: Repurposing

- Modifying an existing program model to increase capacity and effectiveness.
- Available to all CoCs
- Requires an amendment to grant agreement.
- Can be completed anytime during year.

Option #2: Repurposing, contd.

- Examples of program design changes that can be completed through a grant amendment:
  - ✓ Number of units/number of persons served
  - ✓ Length of stay
  - ✓ Target population
  - ✓ Budget modification of more than 10% from one line item to another
- Examples of changes that require reallocation:
  - ✓ New project activities
  - ✓ Going from services only to housing

A word about timing…

- Change is a process, not a single event.
- Reallocation may be an option this year for some CoCs
  - ✓ Should have strong performance management protocols in place on which to base decisions
- Most will not be prepared to undertake significant changes during the FY11 competition
  - ✓ However, it's critical to begin thinking about it NOW so you are prepared as HEARTH is rolled out

National Alliance to
END HOMELESSNESS

Program Models & Issues to Consider

Norm Suchar
September, 2011

Key Questions

- Goals
- Community Needs
- Existing Program Model
- Population Being Served
- Stretching Resources

Goals

- Shorter episodes of homelessness
- Housing stability
- Permanent housing with transitional support

Community Needs

- Prevention
- Shelter
- Re-housing
- Permanent Supportive Housing

Community Needs Data

- How many unsheltered?
- How many experiencing chronic homelessness?
- Length of stay in shelters?

Transitional Housing Assets

- Physical assets
  - own building? lease? apartment style?
- Service model
  - focused on employment? self-sufficiency? treatment? mental health?
- Resources
  - grants? rental assistance? contracts?

Services Program Assets

- Expertise
  - outreach? health care? Employment?
- Resources
  - grants? contracts? relationships?

Target Population

- Families with Children
- Single Adults
- Youth
- Veterans
- Domestic Violence Survivors

New Models

- Emergency Housing
- Permanent Supportive Housing
- Rapid Re-Housing

Making a Decision

Emergency Housing

A good choice when--

- A large number of people unsheltered
- Own a facility that is either apartment style or barracks style

Making a Decision

Permanent Supportive Housing

Good choice when--

- Large number of people experiencing chronic homelessness
- Own or lease apartment style building
- Provide intensive mental health, treatment, and health care services

Making a Decision

Rapid Re-Housing

Good choice when--

- Homeless people have longer shelter stays
- Lease units or rental assistance available
- Provide services directly or relationships with other service providers

July 2009

Organizational Change: Adopting a Housing First Approach

National Alliance to End Homelessness

The National Alliance to End Homelessness
1518 K Street NW, Suite 410
Washington, DC 20005

Resource

USICH Webinar

Repurposing and Reallocating for Maximum Impact

What Does the Change Process Look Like?

Overview and Examples

Corporation for Supportive Housing

September 22, 2011

csh.org

Source of Motivation

- Project Level
- Community/Continuum Level
- National Level

Project Level Perspective

Project Level – Kalamazoo, MI

- Housing Resources, Inc.
  - First in Michigan (2007)
  - 35 units scattered site for families
  - Internal HMIS data review found that more than 1/3 individuals and families in organization's TH inventory were disabled
  - Made commitment with resources (staff time and money)
  - 18 months transition to PSH

Project Level – Batesville, IN

- Community Mental Health Center
  - 20 units of TH in apartment building
  - Lower than desired housing retention outcomes
  - No housing in community to transition to
  - New permanent supportive housing project in the pipeline
  - Budget shortfalls

Project Level – First Steps

- Inform yourself about research and best practices
- Do an internal analysis of your program's stated goals, outcomes and long-term impact on the people you serve
- Would the people you're serving be better served in a different model?
- Ask residents what they like and don't like. Talk to former residents as well.
- Ask staff and board what would be needed to make shift
- Visit and learn from other models to help you envision what your project might look like

Project Level – Questions to Ask

- What is our goal?
  - Better outcomes? Targeting? Change under external pressure? All of the above...?
- Who do we serve?
- Which model is most suited for them?
- What is our internal capacity to change?
- Who else do I need to talk to, to make the change?
- What are the financial impacts and how do we secure the appropriate resources?

Community/Continuum Level Perspective

Continuum Level – Chicago, IL

- System wide mandate
- Set aside 2 years for full conversion process
- Provided intensive TA on PSH and RRH
- Got more permanent housing and shortened lengths of stay in emergency housing (ie, transitional/shelter)
- There isn’t a community debate about conversion anymore

Continuum Level – Portland, OR

- Projects not interested in conversion
- Used data to encourage change – focusing on program results
- Based on analysis, agencies were asked to consider a harder to serve population based on program support and capacity (conversion to PSH); others were persuaded to improve their outcomes based on data (better transitional/emergency housing)
- Following year, programs showed significant changes in population change (effective targeting) and improved outcomes (higher placement rates and retention)

Continuum Level – Portland, OR

Scattered Site (475 families)

Exit Reasons

- 73% completed program
- 7% non-compliance

Placement/Retention

- 89% moved to PH

Cost

- **$5,052 per family**

Facility Based (82 families)

Exit Reasons

- 68% completed program
- 19% non-compliance

Placement/Retention

- 86% moved to PH

Cost

- **$9,482 per family**

Facility based is 189% more expensive than scattered site.

Continuum Level – Los Angeles, CA

- Extensive community outreach sought volunteers
- Analyzed projects that were “willing” based on 6 key criteria and discussed options with project sponsors
- Four diverse projects moving forward with conversion
- “Pilot” conversions will inform future conversions

Continuum Level – First Steps

- Look at other models/examples
- Talk to HUD Field Office
- Inform project sponsors of your process
- Assess your overall Housing Inventory
- Using data from APR's and other information, determine which projects are most "ready" for change
- Decide how you will approach the change process with project sponsors
    - Pick a few projects to start
    - Wholesale change to system

Continuum Level – Questions to Ask

- Where are the biggest gaps in our housing inventory?
- How can we serve people most appropriately through a variety of housing models?
- What is the best process for our community?
- Which funding partners do we need at the table?
- Where can we look for models? And which models suit our community?
- What is our current and needed community capacity?

Thank you!

HEATHER LYONS
CSH
Heather.lyons@csh.org

For More Information…

- HUD e-snaps training– HHN Reallocation module: http://esnaps.hudhre.info/coctraining.cfm

- Organizational Change: Adopting a Housing First Approach: http://www.endhomelessness.org/content/article/detail/2489

- Contact your local Field Office and/or submit questions through HUDHRE Help Desk.

Questions?

- Please submit your questions via the chat function.

- The webinar will be available on our website at http://www.usich.gov.