



Looking Back to Move Forward:
Progress and Lessons Learned During
the First Four Years of Homeward DC

September 2019

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MURIEL BOWSER
MAYOR

Dear Washingtonians:

For five years, we have been working together to make homelessness in our city rare, brief, and nonrecurring. Coming into office, I charged my team with developing a new strategic plan to guide our efforts at systemic transformation. For too long, the District had been focused on providing shelter as the solution to homelessness. While shelter is important as a stopgap measure, we know that the real, viable, and sustainable solution to homelessness is a safe and stable place to call home. By March of 2015, we had a plan in place that reflected our values and our approach. That plan, Homeward DC, recognizes that stable housing is a necessary foundation for all things in life—health, education, steady employment, and connection to family and community.

Guided by Homeward DC and with the support of community organizations across all eight wards, we have made tremendous progress. Since the implementation of Homeward DC, the District has seen a nearly 22% decrease in homelessness, driven by a 45% reduction in homelessness among family households. Chronic homelessness is the lowest it has been in 15 years.

We have also kept our focus on ending homelessness among veterans. Since 2015, we have supported over 2,100 veterans in exiting the street or shelter to permanent housing – resulting in a 27% reduction in homelessness among veterans. Just this past October, I was proud to cut the ribbon at HELP USA Veterans Housing at the Parks at Walter Reed, making formerly homeless veterans the first residents to move into the reimaged Walter Reed Campus.

But we all know: there is more work to do. We work in an ever-changing landscape, one that requires us to stay focused on continuous improvement and on learning from our successes and challenges. This report takes a strategic, data-driven approach to making sure the solutions we are implementing are the solutions our community needs – solutions that will allow us reach our ambitious goals. In the months ahead, we will be using the lessons learned to update our Homeward DC plan and identify additional strategies we must undertake as a city and a community. This report recognizes the DC value that Homeward DC first made clear: our work is not done until every DC resident has a safe and stable place to call home.

Sincerely,

A handwritten signature in black ink that reads "Muriel Bowser".

Muriel Bowser
Mayor

Executive Summary

Upon entering office, Mayor Muriel Bowser charged her Interagency Council on Homelessness (ICH) with accelerating the development of a strategic plan to confront the growing crisis of homelessness and housing insecurity in the District of Columbia. In her own words: “We face high levels of economic inequality. The District has lost a significant portion of its affordable housing stock, rent prices have risen dramatically, and it is increasingly difficult to survive on a minimum wage income. The negative consequences are seen and felt nowhere as keenly as in our homeless services system.”

The District is not alone. As reported by the National Low Income Housing Coalition, nearly 11 million families pay more than half of their already limited income towards rent and utilities, and almost a half a million Americans are homeless on any given night.¹ With continuous cuts to federal affordable housing programs and no national housing policy in place, governors and mayors have been left to grapple with the crisis on their own.

Within just 90 days of Mayor Bowser’s inauguration, the Homeward DC strategy was released, with the first investments toward the plan included in the FY 2016 budget. The plan lays out a roadmap for achieving systems change – that is, ensuring the District has an effective crisis response system in place that a) prevents homelessness whenever possible, b) ensures people have immediate access to safe, dignified emergency housing when needed, and c) focuses on rapid connection back to permanent housing with the supports needed to sustain that housing. In other words – making homelessness rare, brief, and nonrecurring.

The Homeward DC plan acknowledges that building a successful crisis response system is not a substitute for a larger strategy around affordable housing, but that they are clearly interrelated. Put another way: the District can build an effective crisis response system focused on quickly and seamlessly rehousing people that experience homelessness, but unless there is an adequate supply of affordable units, people will remain housing insecure and at risk of homelessness. This is why it is essential to tackle both issues concurrently. Mayor Bowser has done just that, with historic investments in both reforming the homeless services system, via the Homeward DC plan, and increasing the supply of affordable housing, via the Housing Production Trust Fund, the Housing Preservation Fund, and other policy tools. The focus of this report, however, is specifically on progress towards the Homeward DC plan.

¹ National Low-Income Housing Coalition. *Out of Reach 2018: The High Cost of Housing*
<https://nlihc.org/sites/default/files/oor/OOR_2018.pdf>

Progress towards the Plan

The purpose of this report is to review progress towards the plan, system-level performance, and key lessons learned – all with an eye towards the course corrections that will be needed over the next five years. These lessons learned will be reflected in Homeward DC 2.0, forthcoming this fall.

The primary takeaway is that the Homeward DC plan is working. Based on Point-in-Time (PIT) count data, homelessness in the District decreased 10.5% during the first full year of implementation (2016 to 2017), and another 7.6% between 2017 and 2018. Family homelessness in particular decreased a remarkable 38% between 2016 and 2018. However, need for assistance – which is largely driven by factors outside of the homeless services system – has *not* changed. Instead, what is changing is the way the system serves people.

Family Homelessness

Within the family system, the investments made by Mayor Bowser have ensured every family entering the homeless services system has access to housing assistance. From the launch of the plan through December 2018, over 4,600 families exited shelter to permanent housing. These housing resources, combined with investments in targeted homelessness prevention assistance and reforms to the family shelter system, have resulted in a sharp decline in family homelessness – 38% over the first two years of plan implementation.

Homelessness among Single Adults

The situation in the system for single adults looks a bit different. Because of the significant investments in the family system– including millions of dollars to replace DC General with new Short-Term Family Housing sites – there have been fewer resources available to concurrently focus on comprehensive reform of the single adult system. That said, the Homeward DC plan hypothesized that focusing first on assisting long-term shelter stayers to exit to Permanent Supportive Housing (PSH) would be the best first step in reforming the system for single adults. The best information available at the time suggested that the chronically homeless population was a more static one, and that helping this group exit to supportive housing would naturally reduce pressure on the shelter system and other emergency response systems, including police, ambulance, and emergency room services.

The resources invested in the single adult system have, in fact, helped over 4,800 single adults exit the streets or shelter to permanent housing since the launch of the plan, over half (2,540) of which exited to PSH – meaning they were some of the most vulnerable individuals in the District. That said, over 12,000 single adults touched the District’s homeless service system in 2018 alone, an approximately 20% increase from 2015. This means, in short, that we have individuals entering into homelessness faster than we are currently able to help them exit – thus the small increase (2.1%) in homelessness among single adults over the first two years of plan implementation. While not the reduction the ICH hoped to

see, given growing need, these housing resources surely helped the District stave off the type of increases in homelessness that other cities have seen in recent years.

Further, the District *has* made progress in reducing homelessness among veterans, a key subpopulation within the single adult system. Between 2014 and 2018, the District saw a 25% decrease in homelessness among veterans – largely because of investments in supportive housing and prevention assistance by the federal government during this timeframe. Because the veteran population is smaller in size but similar in nature to the larger single adult population, the veterans’ subsystem has served as a microcosm for the larger single adult – allowing the District to test ideas before they are brought to scale. Mirroring the results seen in the family system, the District’s progress on reducing homelessness among veterans offers another proof point that when we invest in solutions at scale and use data to guide our way, homelessness *is* solvable.

Lessons Learned

As described in the report, there has been success in the early years of implementation, but there have also been many challenges and lessons learned.

- Capacity Challenges. No matter how much urgency there may be to address homelessness in our community, one of the quickest lessons learned was that capacity constraints limit how fast the District can go and how much programs can be scaled in any given year. The ICH has identified three different aspects of the capacity challenge: a) the capacity of government partners to redesign the system while simultaneously running the system; b) the capacity of service providers to quickly expand to serve more clients; and c) the capacity of the existing housing stock.
- The Vulnerability of the Single Adult Population. The single adult population is more vulnerable than originally assumed. At the time the plan was being developed, it was understood that the single adult population was older and had a higher incidence of disabling conditions relative to family households. However, four years into implementation, both data and on-the-ground experience confirm that a higher percentage of single adults will need PSH to successfully resolve their homelessness than initially anticipated. Further, even less vulnerable individuals appear to be having a difficult time exiting homelessness on their own, due to eroded support networks, barriers to employment, justice-system involvement, and a host of other issues. The ICH originally assumed approximately 30% of single adults in shelter would be able to “self-resolve” each year. Data now suggest this number is closer to 12% – meaning even less vulnerable individuals are at risk of getting stuck in shelter and experiencing long-term homelessness.
- Stemming the Tide: System Inflow. The level of need for housing assistance has not changed in recent years, and there remains tremendous pressure on the District’s homeless services system. This is seen most keenly in the system serving single adults. As previously mentioned, the number of single adults touching the homeless services system each year increased 20% between 2015 and 2018, and the number of single adults experiencing first time homelessness increased 24%. This underscores the importance of homelessness prevention programming.

- The Need for Comprehensive System Reform vs an Incremental Approach. Another key lesson learned is the importance of comprehensive system reform versus an incremental approach. In the family system, where the District simultaneously increased homelessness prevention assistance, reformed the shelter system, and scaled housing resources of all types to help families with varying levels of need exit to permanent housing, there has been a steep reduction in homelessness, as measured by the PIT data. In contrast, in the single adult system, where the initial focus was on supporting long-term, chronically homeless individuals to exit to PSH, the District has not achieved the same types of gains.
- Rapid Re-Housing: The Engine That Ensures Movement Through the System. As mentioned earlier in the Executive Summary, every family entering the shelter system has had access to at least security deposit assistance and time-limited subsidies to help them exit shelter and regain a foothold in housing, with the most vulnerable families being stepped up to a permanent subsidy. In contrast, the District has not yet been able to scale rapid re-housing assistance for single adults. In addition to hundreds of units of PSH, the Homeward DC plan estimated that the District would need approximately 2,000 slots of rapid re-housing assistance for single adults with less intensive needs. However, the Continuum of Care (CoC) currently has fewer than 500 slots in its inventory. The single adult system serves as an important counterpoint of what happens when you do not have rapid rehousing at scale – even less vulnerable individuals end up stuck in shelter for long periods of time, eventually needing a more intensive (and more costly) intervention to exit homelessness.
- Housing Cost Increases. Because housing continues to grow more expensive in the District – so do our housing assistance programs. Actual average unit costs in 2018 were significantly higher than projected during plan development, meaning existing program budgets serve fewer households each year.
- Employment as a Pathway Out of Homelessness. Given the volume of need relative to available housing resources each year, employment simply must be a pathway out of homelessness. As referenced above, the modeling in the Homeward DC plan assumed almost one-third of single adults touching the system each year would be able to self-resolve (i.e., exit homelessness on their own, without a housing subsidy from the District). However, barriers to employment remain intense for this population, including a skills mismatch between job seekers and available jobs, transportation challenges, and pervasive discrimination – just to name a few. Providing job opportunities is one of the most important ways private sector partners can help. If the community is not able to provide more meaningful employment for people – and especially people at the lowest income levels – the District will need to invest in more and more housing assistance over time.
- The Federal Government as Partner. The bold goals and even bolder timelines in the Homeward DC plan were designed to align with the goals and targets of *Opening Doors: The Federal Strategic*

Plan to Prevent and End Homelessness. However, the federal government has not been the partner needed for cities and states to effectively address homelessness. Federal investments in affordable housing have been declining over the last 20 years, particularly programs that subsidize the production of new affordable housing. The Trump Administration continues to propose deep cuts to federal housing programs, meaning new resources are increasingly needed simply to offset federal cuts. Even in a community like the District, where there is tremendous leadership and political will around the issue of affordable housing and homelessness, it will be difficult to make sustained progress without federal support, especially if surrounding counties and states are not investing in similar ways. The lack of federal leadership makes the call to action to private sector partners all the more critical.

- Racial Equity. Last – and perhaps most important – is the issue of racial equity. In the District, African Americans make up 47% of the general population, but 86% of single adults and 97% of family households experiencing homelessness. Research from the Center for Social Innovation finds that economic factors alone cannot explain that higher prevalence of homelessness among people of color. While the CoC has begun work to examine its response through the lens of race – looking at factors such as bias in assessment tools and access to resources – it is not enough. As a community, the District must go upstream to other systems – criminal justice, child welfare, education, and healthcare – to address root causes that push so many people of color into homelessness.

While progress has been made, it goes without saying that so much work remains. However, the results of the last four years teach us that when we invest in solutions at scale, homelessness is not intractable. An extremely strong foundation has been built, and with important lessons learned to continue to guide our way forward, we will not stop until homelessness in the District of Columbia is rare, brief, and nonrecurring.

Introduction

The Homeward DC plan was developed by the District of Columbia Interagency Council on Homelessness (ICH) to guide the District's efforts at reforming its homeless services system, also known as the Continuum of Care (CoC), with the ultimate goal of ending chronic homelessness and making homelessness a rare, brief, and nonrecurring experience. The Homeward DC strategy was adopted, released, and championed by Mayor Bowser in March of 2015, with the first investments toward the plan included in the FY16 budget.

As explained in the Homeward DC plan, the District of Columbia is just one of three jurisdictions in the country that provides a legal right to shelter. As the nation's affordable housing crisis has grown steadily worse over the past two decades, the corresponding need for emergency shelter has grown more intense. The District, in particular, saw a sharp rise in spending on shelter between 2010 and 2014. Homeward DC is a data-driven strategy that examines the investments needed to ensure the District has a system that can continue to meet emergency housing needs in real-time while at the same time ensuring people have the assistance needed to quickly exit homelessness back to permanent housing.

Making Homelessness Rare, Brief, and Nonrecurring

- Homelessness will be rare when we have programs and services in place to prevent as many people as possible from experiencing housing loss. Prevention takes the form of emergency cash assistance and conflict resolution/problem-solving support, but it also involves robust discharge planning and strategic targeting of support for populations known to be at heightened risk of experiencing homelessness – including returning citizens, youth aging out of foster care, and people with complex behavioral health conditions.
- Homelessness will be brief when we have housing assistance – and housing stock – available at scale to help people experiencing homelessness quickly exit shelter and return to permanent housing. In addition, the right emergency housing environment can help stabilize people and support their return to permanent housing, while the wrong one can re-traumatize and trap people in homelessness. Accordingly, shelter reform can be an important part of ensuring that homelessness is brief.
- Homelessness will be non-recurring when people have the support they need to successfully maintain their housing, including connection to healthcare services, income, and social supports.

The plan acknowledged that the District's homeless services system had both quantity and quality problems. At the time, the system was too focused on expanding emergency shelter assistance to meet growing need versus scaling permanent housing assistance to help people move through the system. However, the system also had poor quality shelter facilities – facilities too large, inadequately staffed,

difficult to manage, expensive to maintain, and never designed for the purpose at hand – which meant that people all too often were retraumatized by the experience of entering shelter versus supported to stabilize. Accordingly, the plan focused on strategies to tackle both challenges.

Progress Report Lookback Period

The lookback period for this report is 2015 to 2018. Before continuing, it’s worth taking a moment to consider the process and timeline by which investments get translated into results. The Homeward DC plan reminds us that the affordable housing crisis was not created overnight, and likewise cautions that it will not be fixed overnight – no matter how much urgency is felt. Standing up new programs requires time to design the programs, obtain stakeholder feedback, craft regulations, develop solicitations, and manage procurement processes. Further, developing project-based housing, new shelter facilities, or other site-based programming involves substantial time for building renovations or new construction.

Once facilities are ready and providers have been selected, those providers must then hire and onboard staff, a process which can also take a few months. Only *then* are we ready to start referring clients. With regard to housing programs, each individual lease-up can also take months to accomplish. Once a client has been matched to a housing resource and a provider, the provider will begin working the client to complete program paperwork and compile needed documentation, including obtaining identification, income documentation, etc. They must locate an available unit – a process that can be challenging for clients with poor credit or rental histories – obtain the unit inspection, and finally, complete the lease-up and move in. Some of this work can be done concurrently, but other pieces of the work must be done sequentially.

Table 1 outlines the time involved in translating resources into results. As the table illustrates, it takes minimally 2.5 years to move from budget planning to resource availability/implementation to the capture of results in the District’s Point-in-Time (PIT) count.²

Table 1: Translating Resources Into Results

² The U.S. Department of Housing and Urban Development (HUD) requires that communities receiving federal funds from the McKinney-Vento Homeless Assistance Grants program conduct a count of all sheltered and unsheltered people in the last week of January, known as the Point in Time (PIT) count. Electronic administrative records are used to enumerate people living in emergency shelters and transitional housing. In unsheltered counting efforts, outreach workers and volunteers are organized to canvas the CoC jurisdiction to enumerate and survey people who are living in places not meant for human habitation. Of course, the District has real-time data sources and is able to monitor how many people are using CoC programs and services throughout the year, as well as how many people are in various stages of the housing process at any point in time, but because of the unsheltered count, the PIT is the most reliable way to assess changes in the total number of people experiencing homelessness from one year to the next.

| Plan Year | Budget Planning Period | Resources Come Online, Clients are Matched to Housing | First Point at which Persons Housed Will Be Reflected in PIT Reporting | PIT Results Released |
|--------------|------------------------|---|--|----------------------|
| Year 1: FY16 | Nov 2014 – May 2015 | Oct 2015-Sept 2016+ | Jan 2017 | May 2017 |
| Year 2: FY17 | Nov 2015 – May 2016 | Oct 2016-Sept 2017+ | Jan 2018 | May 2018 |
| Year 3: FY18 | Nov 2016 – May 2017 | Oct 2017-Sept 2018+ | Jan 2019 | May 2019 |
| Year 4: FY19 | Nov 2017 – May 2018 | Oct 2018-Sept 2019+ | Jan 2020 | May 2020 |
| Year 5: FY20 | Nov 2018 – May 2019 | Oct 2019-Sept 2020+ | Jan 2021 | May 2021 |

As of the drafting of this report, the District is in the middle of the fourth implementation year (FY19) and planning for its fifth budget (FY20), though only has two full years of data that reflect changes in the system based on new investments. This context is important for interpreting results discussed throughout the report.

Report Organization

The purpose of this report is to review progress against the plan, system-level performance, and key lessons learned – all with an eye towards the course corrections that will be needed over the next five years and reflected in Homeward DC 2.0, forthcoming this fall.

This report contains the following chapters:

- I. Progress towards the Plan. The availability of housing assistance is the ultimate factor that drives progress on homelessness. Accordingly, this section looks at the housing investments made towards the Homeward DC plan during the first four years of implementation relative to the targets outlined in the plan, along with a summary of other key accomplishments and milestones.
- II. System-Level Performance. The ICH tracks five key system-level measures to evaluate progress on making homelessness rare, brief, and nonrecurring. This section outlines what these measures are and looks at progress against these measures.
- III. Challenges & Lessons Learned. This section summarizes challenges and key lessons learned during the first four years of implementation, highlighting changes that will be needed in the years ahead.

I. Progress against the Plan

The Homeward DC plan is working. As Table X above illustrates, the January 2017 PIT count was the first count in which any investments in the Homeward DC plan would be detected. Overall, homelessness in the District decreased 10.5% during the first full year of implementation (2016 to 2017), and another 7.6% between 2017 and 2018. Family homelessness in particular decreased a remarkable 38% between 2016 and 2018. However, progress has been uneven across the system, as homelessness among single adults has remained flat during this same time period. This report will explore the reasons behind these differences.

The Homeward DC plan is founded on the belief that housing is the solution to homelessness. Using data on the number and needs of people entering the homeless services system each year, Homeward DC estimates the type and number of permanent housing resources needed to help family and single adult households exit homeless services system back to permanent housing. These estimates are discussed in Chapter 3 of the plan. The sections that follow will look at how close the District was to meeting those targets.

Understanding the Housing Models in the Homeward DC Plan

There are three different permanent housing programs used in the CoC:

- **Rapid Re-Housing (RRH)**: Time-limited rental assistance and case management support to help individuals and families with less intensive service needs return to permanent housing. This resource needs to be paired with employment supports to be successful.
- **Targeted Affordable Housing (TAH)**: Deep, ongoing rental assistance with light-touch case management support to help households with fixed incomes but less intensive supportive service needs. This resource is often targeted to seniors and persons with disabilities who do not need ongoing case management support to maintain their housing.
- **Permanent Supportive Housing (PSH)**: Deep, ongoing rental assistance with intensive, ongoing case management support. This resource is targeted to our most vulnerable neighbors – individuals that often have behavioral health conditions in addition to physical disabilities and/or chronic health conditions.

While all low-income households would benefit tremendously from ongoing rental assistance or an otherwise deeply affordable unit, providing everyone who touches the homeless services system with a permanent subsidy has not proven feasible. Accordingly, the modeling behind the Homeward DC plan assumes that, as the crisis response system, the CoC will provide the lightest touch intervention needed to resolve each person's homelessness, targeting the most intensive resources to those households with the most intensive needs.

The plan also assumes that the District will continue to invest in affordable housing more broadly to ensure entering shelter is a last resort – not the only way to receive help with housing. Towards this end, Mayor Bowser has made unprecedented investments in affordable housing for District residents through the Housing Production Trust Fund (HPTF). The fund had previously received a \$50 million annual investment, but since taking office, Mayor Bowser doubled the District's investment to \$100

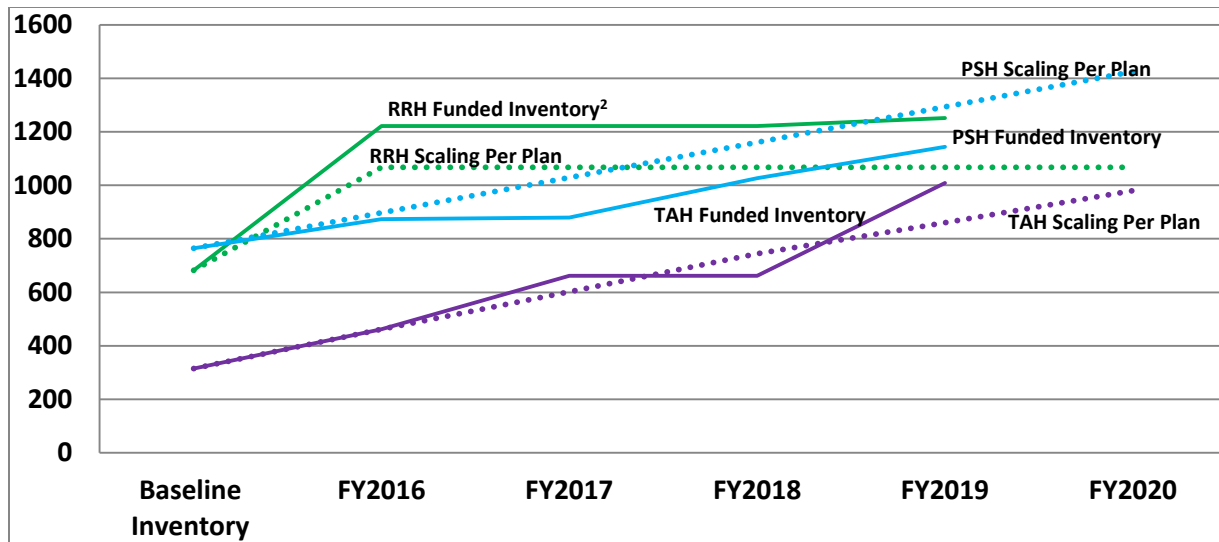
million in each of her budgets and has proposed \$130 million for FY20. Since January 1, 2015 the HPTF has contributed to producing and preserving over 2,000 units of affordable housing, with over 90% of funds targeted to households earning less 50% of Median Family Income (MFI).

Housing Investments in the Family System

Within the family system, Mayor Bowser’s investments have ensured every family entering the homeless services system has had access to housing assistance, which has made a tremendous impact on the District’s ability to reduce family homelessness. From the launch of the plan through the end of 2018, over 4,600 families exited shelter to permanent housing. These housing resources, combined with investments in homelessness prevention assistance and comprehensive reform to the family shelter system, have resulted in a sharp decline in family homelessness.

As Figure 1 below illustrates, although the distribution of investments across program models has varied slightly from projected need in the plan (i.e., there has been more investment in TAH than PSH), more than 100% of projected need has been funded during the first four years of plan implementation.

Figure 1. Family System Investments: Actual vs. Projected Need

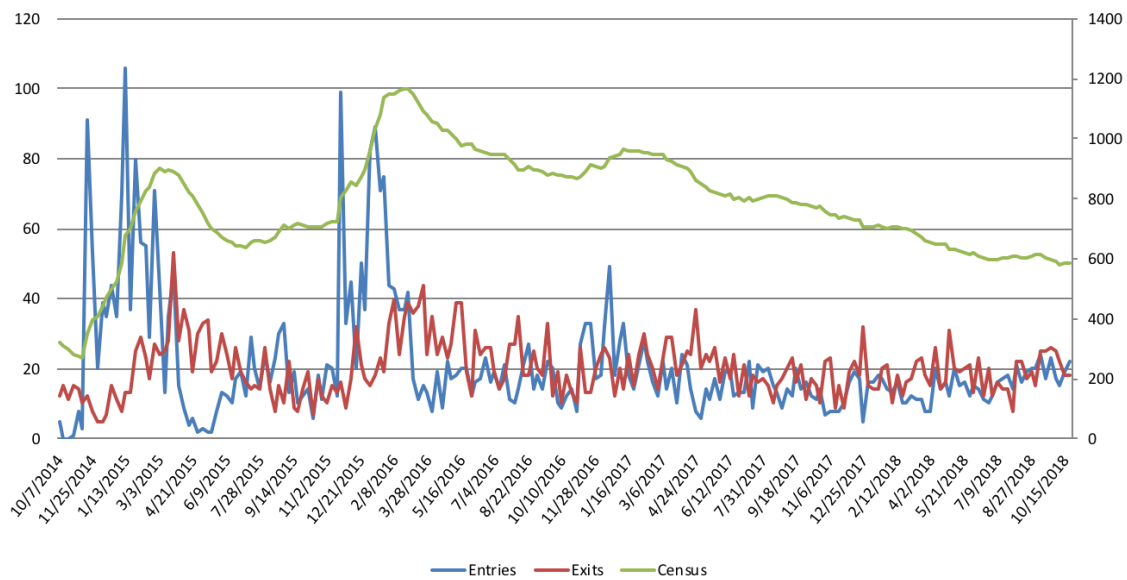


| Units (baseline) | FY2016 | FY2017 | FY2018 | FY2019 | FY2020 |
|----------------------------|--------|--------|--------|--------------------|--------|
| RRH Per Homeward DC | 1,067 | 1,067 | 1,067 | 1,067 | 1,067 |
| RRH Funded Inventory (682) | 1,222 | 1,222 | 1,222 | 1,252 ³ | TBD |
| TAH Per Homeward DC | 462 | 602 | 744 | 860 | 980 |
| TAH Funded Inventory (315) | 462 | 662 | 662 | 1,009 | TBD |
| PSH Per Homeward DC | 897 | 1,029 | 1,161 | 1,293 | 1,425 |
| PSH Funded Inventory (765) | 873 | 880 | 1,027 | 1,144 | TBD |

In the case of RRH, there are two primary issues impacting the significantly larger number of actual slots relative to plan projections. First, in the early months of plan implementation, as the District transitioned to year-round shelter access, more families entered the system than projected in the plan modeling. Accordingly, more families needed housing assistance to exit shelter. As Figure 2 illustrates, the seasonal spikes that accompanied the Districts’ previous policy to limit shelter access to hypothermia season leveled out after year-round access took root. However, this policy shift also preceded the availability of the first investments in the Homeward DC plan, which became available in FY16. Accordingly, the shelter bottleneck grew in the early months of plan implementation until the District was able to move forward with other pieces of the system reform.

Figure 2: Family System Shelter Utilization, 2014-2018

³ While the number of funded slots is approximately 1,250, actual slots (or families in the system) as of January 2019 was closer to 1,900.



Second, there have been longer lengths of stay in the family RRH program, known as the Family Re-Housing and Stabilization Program (FRSP), than projected in the modeling. RRH is intended to be short-term, and the modeling assumed an average of 9 months of assistance. In reality, average length of stay in the program has been longer (15 months in FY18). With less turnover of available slots each year, the Department of Human Services (DHS) has needed to increase the overall number of slots to ensure the availability of resources to offer new families entering shelter each month. In fact, while the funded inventory is approximately 1,250 slots, the actual number of slots (i.e., families in the program) as of January 2019 was closer to 1,900. This means DHS has had to find resources from other areas of their budget to cover costs of this program. If they are unable to do so moving forward, families entering the system will be stuck in shelter waiting for available housing assistance – growing the District’s shelter footprint once again, and accordingly, expenditures on motels.

With regard to PSH, 90% of the estimated need in the family system had been funded through FY19. In addition to the direct investments in the Homeward DC plan, the CoC has also benefited from the creation of new project-based PSH through the District’s Consolidated RFP process.⁴ As Table 2 illustrates, the family system received 21 units of PSH between 2015 and 2018, with 139 units currently in the pipeline and another 139 units in the pipeline for which a population is still to be designated. These units are *in addition* to the unit count noted in Figure 1 above.

⁴ The Consolidated RFP combines Housing Production Trust Fund (capital) dollars via the Department of Housing and Community Development, Low Income Housing Tax Credits from the District of Columbia Housing Finance Agency, capital dollars from the Department of Behavioral Health, operating subsidy (in the form of project-based Local Rent Supplement Program vouchers) from the DC Housing Authority, and case management/supportive service funds from the Department of Human Services.

Table 2. Project-Based PSH Units Funded Via Consolidated RFP⁵

| | Completed Pre-2015 | Completed 2015-2018 | In Pipeline (Delivering 2019 or Beyond) | Total |
|----------------------|--------------------|---------------------|---|-------|
| Family PSH Units | 26 | 21 | 139 | 186 |
| Individual PSH Units | 80 | 212 | 364 | 656 |
| To Be Determined | 53 | 14 | 139 | 206 |
| Total | 159 | 247 | 642 | 1,048 |

In the case of TAH, the larger inventory of funded slots relative to projected need was largely the result of resources added to the FY19 budget by the District of Columbia Council. While all low-income households certainly benefit from a permanent subsidy, in the context of Homeward DC implementation, there may have been more strategic places to invest the additional housing resources – either RRH or PSH for families (where gaps exist) or anywhere in the single adult system.

Family Systems Change Highlights

In addition to scaling permanent housing resources to help families experiencing homelessness exit to stable housing, as mentioned in the introduction, the Homeward DC plan includes more than 40 different strategies to help effectuate transformation of the system. Key initiatives within the family system requiring the most significant investment of staff time and resources during the first four years of implementation include the following:

- Year-Round Access to Shelter & VWFRC Redesign. The transition to year-round access to shelter, which began after the plan was launched (March 2015) but before the first official plan year commenced (October 2015), required not only a rewrite of policy and program rules, but also a significant staff reorganization within DHS. The District’s central point of intake for families, the Virginia Williams Family Resource Center (VWFRC), had previously been operated by a contractor. DHS felt that determining eligibility for government benefits should be performed by government staff, and accordingly resumed responsibility for the intake function. This required creation of a new unit and significant investment in time around hiring and training of the team. Additionally, DHS improved services for survivors of domestic violence (DV) by co-locating DV experts at VWFRC to provide training to DHS staff, help assess for DV issues, provide homelessness prevention assistance, and support connections to safe houses.

⁵ The Housing Inventory Count (HIC) is the official record of the number of beds and units dedicated to the CoC. The HIC is compiled on an annual basis at the same time the PIT is conducted and supports planning by helping the District track changes in its homeless services system inventory over time. Ongoing access to units (i.e., ensuring that units continue to be filled by referrals from the CoC upon turnover) is required for a unit to be included in the HIC. DHCD and DHS are currently working on monitoring and compliance protocols to ensure the CoC retains access to these units over time. Once this process has been confirmed, these units will be incorporated into the District’s HIC.

- Scaling of Targeted Homelessness Prevention Services. Design and launch of the Homelessness Prevention Program (HPP) – operated in close coordination between the DHS team at VWFRC and a network of community providers – has also been instrumental to our ability to drive down family homelessness. During the first four years of operation, over 6,000 unique families have been assisted through HPP to stabilize in housing, thereby avoiding an emergency shelter stay.
- Launch of Short-Term Family Housing. One of the biggest investments in time and resources over the past four years has been the work to reform our shelter system for families by launching a strategy to replace the outdated, decrepit DC General family shelter with smaller, service-enriched Short-Term Family Housing sites throughout the city. The work started with an ICH Task Force to create design guidelines for the new sites. Simultaneously, the District worked to identify viable locations for the new sites. The Department of General Services (DGS) proceeded with solicitations to hire architects and construction partners for each site. Advisory Teams were launched in each community to engage neighborhood stakeholders in the effort. The District progressed and prevailed through zoning issues and legal battles. DHS managed a competitive procurement process to identify new providers for the sites. Three of the new sites – Ward 4 (The Kennedy), Ward 7 (The Horizon), and Ward 8 (The Triumph) – opened and started accepting clients in the fall of 2018, and the remaining sites are expected to deliver in 2019 and 2020. DC General Family Shelter was permanently closed on October 31, 2018.
- Expansion and Enhancement of Permanent Housing Programs. Of course, the new investments in housing programs do not translate into people housed without significant time and effort from government partners and nonprofit service providers. New programs must be designed, and program regulations and supporting documents must be created. Data collection and monitoring infrastructure must be established. Solicitations must then be created, procurement processes managed, and contracts executed. Likewise, providers must prepare proposals, and if selected, begin the hiring and onboarding process – all before a single client is referred. This process has repeated itself across programs and across populations each year since Homeward DC was launched.
- DC Flex. Another exciting development is the creation of an innovative, new housing pilot program to assist working families. Funding for deep, ongoing rental assistance is limited, and accordingly vouchers associated with programs like PSH and TAH are targeted to the most vulnerable households in our community. However, many working households simply do not make enough to afford housing. To address this issue, the District designed and launched the DC Flexible Rent Subsidy Program (DC Flex) to test whether shallow, flexible subsidies can help families maintain adequate, affordable housing in a more efficient way. The DC Flex program allocates \$7,200 a year to each family, via a program specific bank account, for up to four years (or longer, if the program is continued). Because income volatility is especially prevalent among low-income households, the program puts families in the driver’s seat, allowing them to determine how much money to use each month. Any money remaining at the end of the year

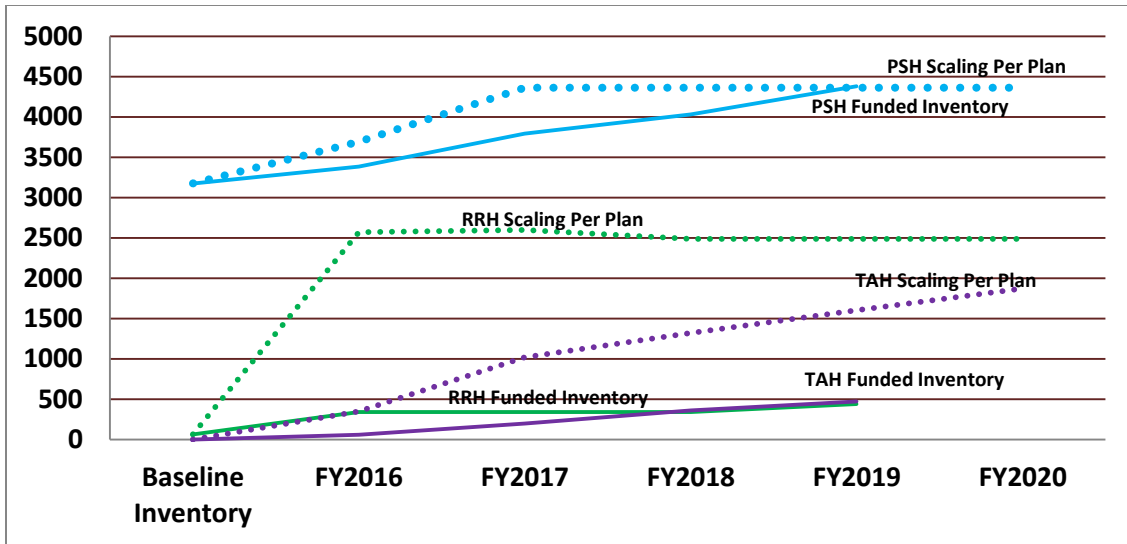
will roll over for use the next year. The pilot used a lottery process to select households for the program and facilitate a rigorous evaluation of how the program affects participant outcomes relative to a control group. The Urban Institute and the Lab@DC have teamed up to evaluate the program. Year one results are expected in early 2020.

- **Landlord Engagement.** Several steps have been taken over the past two years to bolster landlord engagement in CoC housing programs. First, the Landlord Partnership Fund was launched in early FY18 to incentivize landlords to relax their screening criteria and accept clients exiting the homeless services system. The Fund was developed in partnership with the Downtown DC Business Improvement District and the Coalition for Non-Profit Housing and Economic Development (CNHED), was initially capitalized by JP Morgan Chase, and is being administered by CNHED. The Fund is an important vehicle for corporate and philanthropic partners that want to participate in Homeward DC implementation and support solutions to homelessness. In addition to the launch of the Fund, the District took a number of steps in 2018 to begin standing up a coordinated, system-wide approach for landlord engagement and unit-client matching, including: designing and piloting a collaborative unit identification and unit-sharing protocol; developing system-wide marketing content aimed at helping landlords understand different housing assistance programs; mapping the different leasing packages used across the CoC and working to consolidate them into a standard package for use across the system; working with the DC Housing Authority (DCHA) to streamline the inspection process and reduce inspection scheduling times; and establishing protocol with DCHA to identify and recapture units becoming available as a result of anticipated turnover from their subsidy programs. All of these efforts support all programs and populations.

Housing Investments in the Single Adult System

The situation in the system for single adults looks quite different. Because of the significant investment in overhauling the entire family system, there have been fewer resources – both in terms of staff capacity and financial resources – to concurrently focus on the single adult system at the same scale. Although there have been substantial new investments for single adults – especially in PSH – the overall level of investment relative to need has been smaller. As Figure 3 below illustrates, the CoC currently has approximately 60% of the permanent housing slots that the plan projected would be needed.

Figure 3. Single Adult System Investments: Actual vs. Projected Need



| Units (baseline) | FY2016 | FY2017 | FY2018 | FY2019 | FY2020 |
|------------------------------|--------|--------|--------|--------|--------|
| RRH Per Homeward DC | 2,571 | 2,600 | 2,487 | 2,487 | 2,487 |
| RRH Funded Inventory (65) | 340 | 340 | 340 | 440 | TBD |
| TAH Per Homeward DC | 350 | 1,021 | 1,319 | 1,604 | 1,873 |
| TAH Funded Inventory (0) | 60 | 200 | 360 | 470 | TBD |
| PSH Per Homeward DC | 3,690 | 4,362 | 4,362 | 4,362 | 4,362 |
| PSH Funded Inventory (3,174) | 3,382 | 3,791 | 4,032 | 4,381 | TBD |

The largest shortfall for single adults relative to plan projections has been with RRH assistance. The plan estimated that the CoC would need over 2,000 slots of RRH for single adults to meet need, though it has not been possible to scale that program as quickly as needed. Given the vulnerability level of individuals in the single adult system, the CoC has struggled to appropriately identify the target population for the program, and it has also struggled to successfully connect program participants to meaningful employment opportunities. Further, without an income supplement program for non-disabled single adults, it has been very difficult for program participants to make ends meet once the housing subsidy period ends. There also seems to be a structural challenge with RRH when it is not offered at scale and people mistakenly perceive they have a choice between short-term assistance and a voucher, when in fact vouchers are not available. Accordingly, the take-up rate has been poor. The paradox is that more RRH is needed to make the system function more effectively, but it will be difficult to make the case for more resources until the CoC is successfully utilizing the resources in hand.

Turning now to PSH, once the project-based units noted in Table 2 (refer to page 12) are taken into consideration, the District has exceeded the PSH target in the plan by over 200 units. However, as Figure 3 illustrates, in addition to the RRH shortfall, there has been a significant shortfall with TAH for single adults. TAH was intended for individuals on fixed incomes who are not expected to need as much case management support, but a key lesson learned during the first four years of implementation is that the

single adult population is more vulnerable than data originally suggested. Many of the individuals matched to TAH had been in the shelter system so long that they needed more support to regain stability than originally anticipated. Accordingly, this gap in TAH resources is now understood to be a gap in PSH resources, which will be reflected in Homeward DC 2.0 as the models get updated.⁶

The resources invested in the single adult system have no doubt changed the lives of hundreds of vulnerable District residents. In fact, over 4,800 single adults exited the streets or shelter to permanent housing since the launch of the plan, over half (2,540) of which exited to PSH – meaning they were some of the most vulnerable individuals in the District. That said, over 12,000 single adults touch the CoC *each year*. Compared to the family system, where there has been a housing resource for every family that enters shelter, the single adult system has had approximately one housing resource for every ten adults. Yet, this is more than many other cities, and these investments have surely allowed the District to stave off the type of increases in homelessness that other cities have experienced. (See Table 3.) This observation is further corroborated by data presented in Section II, which shows that the number of single adults flowing into the homeless services system each year has grown in recent years.

⁶ As part of the District’s Coordinated Assessment and Housing Placement (CAHP) system, the District uses the Vulnerability Index - Service Prioritization Decision Assistance Tool (VI-SPDAT), one of the only evidenced-informed screening tools currently available. This tool is used to screen clients in a consistent way to determine vulnerability levels across the system, and accordingly, the level of supportive services people will need to obtain and maintain housing. Scoring bands suggest who will need ongoing supportive services (PSH), time limited supportive services (RRH), or minimal to no supportive services. The tool helps with system planning, but also helps us prioritize individuals for available housing resources. At the time the Homeward DC plan was created in 2014, the District was using VI-SPDAT Version 1.0. We could see people in our data scoring for RRH that we thought would need ongoing support, which was part of the reason we created Targeted Affordable Housing (TAH) – a program that provides more support than RRH but less than PSH. An updated version of the tool with modified scoring bands was released in late 2015, and the District transitioned to the VI-SPDAT Version 2.0 in 2016. Predictably, the switch to Version 2.0 increased the number/percentage of single adults assessed as needing PSH, which aligns with our experience and observations that the gap in TAH resources over the past four years is actually a gap in PSH resources.

**Table 3. Single Adults Experiencing Homelessness in Major US Cities:
PIT Count Results 2015 – 2018**

| City | 2015 | 2016 | 2017 | 2018 | Change 2015-2018 |
|-------------------|-------------|-------------|-------------|-------------|-----------------------------|
| Austin, TX | 1,255 | 1,502 | 1,449 | 1,584 | 26.2% |
| Baltimore, MD | 2,177 | 2,021 | 2,170 | 2,112 | -3.0% |
| Boston, MA | 2,538 | 2,474 | 2,441 | 2,494 | -1.7% |
| Chicago, IL | 3,732 | 3,715 | 3,721 | 3,546 | -5.0% |
| Denver, CO | 2,996 | 3,514 | 4,005 | 3,910 | 30.5% |
| Honolulu, HI | 2,544 | 2,772 | 3,088 | 2,895 | 13.8% |
| Houston, TX | 3,337 | 3,038 | 2,667 | 3,160 | -5.3% |
| Jacksonville, FL | 1,337 | 1,444 | 1,410 | 1,393 | 4.2% |
| Las Vegas, NV | 6,046 | 5,570 | 5,932 | 5,568 | -7.9% |
| Los Angeles, CA | 33,389 | 37,601 | 46,834 | 42,016 | 25.8% |
| New York City, NY | 29,609 | 28,942 | 31,119 | 33,385 | 12.8% |
| Oakland, CA | 3,042 | 3,137 | 4,846 | 4,727 | 55.4% |
| Orlando, FL | 1,392 | 1,094 | 1,342 | 1,340 | -3.7% |
| Philadelphia, PA | 3,333 | 3,407 | 3,315 | 3,553 | 6.6% |
| Phoenix, AZ | 3,475 | 3,554 | 3,766 | 4,504 | 29.6% |
| Portland, OR | 3,127 | 3,205 | 3,506 | 3,381 | 8.1% |
| San Diego, CA | 6,702 | 6,810 | 7,494 | 6,958 | 3.8% |
| San Francisco, CA | 6,050 | 6,178 | 6,153 | 6,108 | 1.0% |
| Seattle, WA | 6,995 | 7,718 | 8,585 | 9,312 | 33.1% |
| Washington, DC | 3,814 | 3,673 | 3,578 | 3,761 | -1.4% |

It is also important to note that the District *has* made progress in reducing homelessness among veterans – a subpopulation in the single adult system for which significant new housing resources were appropriated during the Obama Administration. Between 2014 and 2018, the District reduced homelessness among veterans by 25%. Because the veteran population is smaller in size but very similar in nature to the larger single adult population, the veterans’ subsystem serves as a microcosm for the larger single adult – allowing the District to test ideas before they are brought to scale. For example, development of the District’s Coordinated Assessment and Housing Placement (CAHP) system began with veterans, the District’s first RRH program for single adults was a federally funded program for veterans, and the first diversion program for single adults targeted veterans. Mirroring the results seen in the family system, the progress on reducing homelessness among veterans offers another proof point that when we invest in solutions at scale, homelessness is solvable.

Single Adult Systems Change Highlights

The relatively stable PIT count numbers obscure the significant progress that has been made in the single adult system over the past four years. In addition to the over 4,800 single adults who exited the street or shelter to permanent housing, critical system infrastructure has been developed, which creates an increasingly strong foundation for the work ahead. Highlights include the following:

- Coordinated Assessment and Housing Placement System. One of the most important developments in the system for single adults includes in recent years is the development of the District's Coordinated Assessment and Housing Placement (CAHP) system. The importance of the CAHP system in creating a systems response to addressing chronic homelessness cannot be emphasized enough. Previously, the District had a fragmented system where every housing provider used a different assessment tool, had different eligibility criteria, and maintained a separate waitlist. This fragmented system was incredibly difficult for people to navigate, especially extremely vulnerable individuals. Fast forward to today: providers and partners throughout the community use a common assessment tool, a single data registry to enter assessment results, common eligibility and referral criteria, and a data-driven protocol to prioritize access to available housing resources. This system has increased the District's ability to identify and reach vulnerable individuals; it allows more efficiency in matching the right resource to the right client; and it has dramatically increased our understanding of the population. The CAHP leadership team – which includes representatives from throughout the community – meets monthly to review performance dashboards, discuss operations, and identify needed changes or improvements in policy, protocol, training, and quality control measures. The development and continued evolution of this system puts the District in a strong position to accelerate efforts in the years ahead.
- Development of Coordinated Street Outreach Protocols. In 2015, the Department of Behavioral Health (DBH) received a \$9M, three-year grant from the US Department of Health and Human Services (HHS) under the Cooperative Agreements to Benefit Homeless Individuals (CABHI) Program. This funding enabled the District to develop a coordinated, systemwide approach to delivering street outreach services to individuals experiencing unsheltered homelessness. Data was used to map hotspots, and four community-based organizations were contracted to build rapport with the District's most vulnerable residents in their assigned territories, with a goal of helping individuals connect to mental health and substance use services, Supplemental Security Income/Social Security Disability Income (SSI/SSDI) or other forms of income, and ultimately, housing. In addition to connection to housing and services, the CABHI teams act as a warning system, providing information in advance and safety checks during extreme weather, K2 emergencies, and large city events. From June 2016 to June 2018, the CABHI teams had nearly 20,000 face-to-face engagements, helping to house 325 chronically homeless individuals, and providing 942 connections to mental health, substance abuse, and recovery support services.

- Creation of Dedicated SOAR Teams. Dedicated SSI/SSDI Outreach, Access, and Recovery (SOAR) workers were first established in 2016 through the District’s CABHI-funded street outreach program to increase access to SSI/SSDI for eligible adults experiencing or at risk of homelessness with a mental illness, medical impairment, and/or co-occurring substance use disorder. This program is crucial to connecting individuals to income. In 2018, the SOAR nationwide average approval rate was 65%, compared to a general initial approval rate of 28.5% for all persons aged 18-64 who applied for SSI or SSDI, with success dropping to half that rate for people who are experiencing homelessness and have no one to assist them. In the District, approval rates for applications submitted during the first two years of operation mirrored national averages at 64.3%. In anticipation of the federal funding sunseting in FY19, locally-funded pay-for-performance SOAR teams were created at the end of 2018.
- Expansion of Services. The Homeward DC plan recognized that replacement of low barrier shelters for single adults would follow replacement of DC General on the family side. Accordingly, the plan called for a Daytime Services Center to help bridge the gap in services for single adults. Due to the difficulty in identifying a downtown location, the Adams Place Day Center – located next to the Adams Place Men’s Shelter – was opened in 2016. The center provides diverse services during the day, including housing assessments, employment services, meals, access to showers and laundry facilities, and connections to other benefits and services. Three years later – in February 2019 – the Downtown Day Services Center (DDSC) opened to provide more centralized services for single adults experiencing homelessness. In addition to the services offered at Adams Place, the welcoming DDSC also offers onsite medical assistance, assistance from the Department of Motor Vehicles (DMV) and Department of Health Vital Records Division (DOH/VRD) to assist with obtaining identification, and legal assistance to help create a convenient one stop shop for clients. Finally, there has also been a push to increase connection to services in the shelters by increasing case management support. A total of 23 additional staff have been added to the low barrier shelter system over the past two years, bringing the client-case manager ratio down from 100:1 (pre-Homeward DC) to, on average, 25:1.
- Diversion/Rapid Exit Services. In July 2018, the District was one of 14 communities selected by the US Department of Veterans Affairs (VA) to implement a veteran diversion pilot program. Similar in purpose to the Homelessness Prevention Program for families, Rapid Resolutions is intended to help reduce inflow into homelessness by reconnecting veterans presenting at shelters to family or other support networks, providing mediation assistance, and/or connecting them to services that enable them to quickly return to housing on their own before they spend extended periods of time in the homeless services system. During the pilot, 14% of clients targeted for assistance were successfully diverted. In early 2018, with an eye towards expanding diversion to the broader single adult population, DHS began work to design Project Reconnect – a partnership between DHS, a nonprofit grantee, and 11 other implementation partners. Project Reconnect will launch in April 2019.

- Launch of Low Barrier Shelter Redesign. Building on the work to replace the dilapidated DC General family shelter with the new Short-Term Family Housing sites throughout the city, in 2018, the District government turned its attention to reform of the low barrier shelter system for single adults. With resources in the FY19 budget to replace 801 East Men’s Shelter, a feasibility study and preliminary design was completed, allowing DGS to begin the procurement process. A design-build firm was selected in early 2019, allowing the District to proceed with stakeholder engagement on the full design of the site. Funding for replacement of a second site – Harriet Tubman Shelter for Women – was included in the FY20 budget.

Addressing Youth Homelessness

Research suggests that experiencing homelessness as a youth is one of the single biggest predictors that someone will experience homelessness as an adult.⁷ One study, *Pathways into Adult Homelessness*, showed that the “youth to adult” pathway was the single largest pathway to adult homelessness at 35%, compared to 19% who entered the homeless population because of a housing crisis, 17% because of substance abuse, and 16% for mental health reasons.⁸ Additionally, the “youth to adult” homelessness pathway is, on average, associated with the longest and most entrenched adult homelessness experiences.⁹ For these reasons, one of the most important things a community can do to address homelessness is to ensure it has strategies in place to meet the needs of young people experiencing or at risk of experiencing homelessness.

When the Homeward DC plan was developed, it did not include an emphasis on youth because, like many cities across the country, the District did not have the data needed to inform planning efforts related to unaccompanied youth. Further, at the time, the youth “system” looked and functioned less like a coordinated system of care, and more like a handful of independent programs doing their best to meet overwhelming need with limited resources.

Rather than invest time and resources to develop a plan in a vacuum without data or critical infrastructure, the ICH began in 2015 by launching an effort to develop a Coordinated Assessment and Housing Placement (CAHP) system for Transition Age Youth (TAY). The benefits of starting with coordinated assessment were viewed as threefold: 1) Design and implementation of the TAY-CAHP system required community partners to come together to work on a tangible goal, thereby developing critical interagency relationships needed to support system-building work in the years ahead; 2) Having a TAY-CAHP system would help ensure the CoC was using limited existing resources strategically to serve its most vulnerable youth (i.e., youth with no safe place to stay); and 3) By reducing/eliminating separate waitlists, implementation of the TAY- CAHP System would improve the CoC’s understanding

⁷ The term “youth” is used generally to include anyone under age 25 – i.e., minors under age 18 as well as Transition Age Youth ages 18 to 24.

⁸ Chamberlain, Chris and Guy Johnson. “Pathways Into Adult Homelessness.” *Journal of Sociology* 49(1) November 2011.

⁹ Ibid.

about the number, characteristics, and circumstances of youth seeking assistance, including the number turned away because shelter/housing was not available for them when they needed it.

At approximately the same time the CoC began working on the development of the TAY-CAHP system, the DC Council passed the End Youth Homelessness Act, which required and established funding for an annual homeless youth census. The census, referred to as Youth Count DC, is similar in purpose to the PIT Count, but uses a methodology that takes into consideration the different ways in which homelessness among youth manifests. Youth are often less willing to come into shelter (especially adult shelter), and more apt to couch surf or sleep in areas more hidden from public view. Accordingly, the tailored methodology helps provide a more accurate count.

Two years later – after two years of data collection – the ICH released Solid Foundations DC, the District’s first-ever strategic plan to prevent and end homelessness among youth. The ICH and The Community Partnership for the Prevention of Homelessness (TCP) both hired dedicated staff to support plan implementation, and DHS likewise created a Youth Division to support the administration of the new resources allocated under the plan.

While Homeward DC is about systems *change*, Solid Foundations is more about system *creation*. As of the drafting of this report, the District was in the midst of its second full year of implementation (FY19). During the first year and a half, the CoC has been focused on standing up new programs, developing protocols for how youth are identified, engaged, and matched to resources, and continuing to improve data quality. In addition to expanding shelter and transitional housing beds for youth, the first two budget cycles brought funding for many new program models, including a 24-hour drop-in center, prevention services to support family reunification and stabilization, youth-focused street outreach teams, TAY RRH, and Extended Transitional Housing (ETH) – a program that provides PSH-level services in a youth-appropriate context. The ICH Youth Committee also created a Youth Action Board, referred to as “Through the Eyes of Youth,” to ensure that youth who have experienced homelessness have a central role in shaping the policies and programs developed under the Solid Foundations plan.

In just four short years, the landscape in the District around homeless services for unaccompanied youth looks dramatically different. Despite heavy demands on time, attention, and resources as the District launched Homeward DC implementation, significant time and attention was also directed toward the creation and launch of Solid Foundations because, simply put, youth homelessness is too urgent an issue to wait. One early lesson learned under Solid Foundations is that how progress is defined for youth may look different than it does for adults. It will likely involve different measures, different timelines, and different considerations. As plan implementation progresses, performance against the Solid Foundations plan will be more fully examined through a separate process under the purview of the ICH Youth Committee.

II. System Performance

In addition to guiding resource investments, the Homeward DC plan outlines over 40 individual strategies across five objectives to improve and align policy across agencies, increase system capacity, identify and recruit new partners, and improve system efficiencies. Different data are collected at the agency, program, and provider level to assess performance in different parts of the system. The various ICH committees and work groups review data on an ongoing basis to inform discussions and guide decision-making. Further, providers receive quarterly scorecards that reflect their performance on key indicators relative to system targets and averages across like-type providers.

However, equally important to tracking program and provider performance is monitoring how this network of programs functions as a coordinated system of care to help achieve the District's goals of making homelessness rare, brief, and nonrecurring. Towards that end, the ICH is focused on tracking progress on five key system-level measures:¹⁰

- 1) Total Number of Persons Experiencing Homelessness
- 2) Number of Persons Who Become Homeless for the First time
- 3) Average Length of Time Persons Remain Homeless
- 4) Returns to Homelessness
- 5) Employment and Income Growth

It is important to note that ultimately none of these measures are within the sole control of the homeless services system. The larger landscape – including the availability of jobs and the wages paid by those jobs relative to availability of housing units and the cost of those units – has a major impact on these measures. However, it is the responsibility of the homeless services system to track progress on these measures on behalf of the community to ensure decision makers at all levels and in all sectors have a clear picture of the factors impacting homelessness.

This section reviews system outcomes between 2015 and 2018. Data from 2015 were used to inform the modeling in the Homeward DC plan. However, the first investments in the plan appeared in the FY16 budget, so 2017 would be the first year any impacts from the plan are detectable in the data.

1. Total Number of Persons Experiencing Homelessness

The first measure is intended to help track the number of persons who are experiencing homelessness from year to year. The measure has two separate components. The first is a snapshot of individuals and families experiencing homelessness on a given night in January, also known as the PIT count. As described earlier in the report, the PIT count provides a count of all individuals and families staying in shelters, transitional housing programs, and sleeping on the street or in places not meant for human habitation (cars, abandoned buildings, etc.).

¹⁰ These measures are the same measures used by HUD under the Homelessness Emergency Assistance and Rapid Transition to Housing (HEARTH) Act to evaluate system-level performance of federally funded CoCs.

Because there is tremendous flow through the homeless services system each year, data from the Homeless Management Information System (HMIS) is also used to produce an unduplicated count of individuals and families that experience homelessness and access District of Columbia homeless assistance programs and services throughout the year.

Section I of this report describes how the investments made compared to targets in the plan, as well as how investments translated to changes in the PIT count. As previously discussed, and as illustrated in Tables 4 and 5 below, the District saw significant reductions in family homelessness starting in 2017 and continuing in 2018. Veterans homelessness has also decreased in the District, thanks to the infusion of federal resources to assist this population. However, with the cut in resources for veterans under the Trump Administration, veteran homelessness increased in the District (and nationwide) in 2018 for the first time in five years.

Table 4. PIT Count, by Population: 2015-2018

| | January 2015 | January 2016 | January 2017 | January 2018 | Percent Change 2015-2018 |
|--|--------------|--------------|--------------|--------------|--------------------------|
| Number of individuals experiencing homelessness | 3,821 | 3,673 | 3,583 | 3770 | -1.3% |
| <i>Number of individuals experiencing chronic homelessness (subset of all individuals)</i> | <i>1,593</i> | <i>1,501</i> | <i>1,470</i> | <i>1,586</i> | <i>-0.4%</i> |
| <i>Number of homeless Veterans (subset of all individuals)</i> | <i>408</i> | <i>338</i> | <i>285</i> | <i>302</i> | <i>-26.0%</i> |
| Number of family households experiencing homelessness | 1,131 | 1,491 | 1,166 | 924 | -18.3% |

As discussed throughout the report, despite significant new PHS resources for single adults in recent years, the number of single adults as well as the number of adults experiencing chronic homelessness has remained largely flat. However, the PIT data tell only one piece of the story. As Table 5 shows, between 2015 and 2018, the number of single adults entering homelessness throughout the year *increased by nearly 20%*. Therefore, while need seems to be growing worse, the homeless services system is working more effectively to help people stabilize and exit to housing.

Table 5. Annual Count of Unique Households Experiencing Homelessness: 2015-2018

| | FY 2015 | FY 2016 | FY 2017 | FY 2018 | Percent Change FY15-FY18 |
|-------------------|---------|---------|---------|---------|--------------------------|
| Individuals | 10,357 | 11,144 | 11,334 | 12,343 | 19.2% |
| Family Households | 1,687 | 2,256 | 1,753 | 1,545 | -8.4 |

Assuming the larger workforce and housing landscape is comparable for families and single adults, one would expect to see similar trends on both sides of the system. The difference in the annualized count helps illustrate the importance of the Homelessness Prevention Program (HPP) on reducing inflow, beginning in earnest in FY2016. (See Table 6.)

Table 6. Unique Family Households Served Through Homelessness Prevention Program: FY15-Present

| Fiscal Year | Unique Households |
|--------------------------|-------------------|
| FY 2015 | 104 |
| FY 2016 | 1,798 |
| FY 2017 | 1,282 |
| FY 2018 | 2,275 |
| FY 2019 (as of March 31) | 882 |
| Total | 6,341 |

However, equally important to the prevention resources is the infusion of housing assistance to prevent families from getting stuck in shelter. As discussed in Section I, since the launch of the Homeward DC plan, the CoC has had a housing resource for every family entering shelter, in comparison to the system for single adults, where there has been approximately one resource for every ten adults. This means that while the family system is, generally speaking, serving new families entering the system each year, the system for single adults is serving both new individuals as well as individuals from prior years who were unable to exit – thereby having a greater cumulative effect over time.

2. Number of Persons Who Become Homeless for the First Time

The second system measure is the number of people experiencing homelessness for the first time. In accordance with HUD guidelines, this measure is calculated by looking at individuals with no prior enrollments in the District’s HMIS. Accordingly, it not only includes District residents that are experiencing homelessness for the first time, but also individuals that experienced homelessness in the District but did not seek services, as well as people that experienced homelessness in other jurisdictions but are new to the District. Accordingly, it is not a perfect measure, but it does offer a consistent way to examine system inflow from one year to the next.

The data in Table 7, below, is consistent with data reviewed in the subsection above and illustrates the importance of prevention programming. Due to HPP and changes to the front door of the family shelter system, first-time homelessness among families dropped by more than 50% between FY17 and FY18 alone. However, in the system that serves single adults, first-time homelessness increased substantially in FY18.

Table 7. Households Experiencing Homelessness For the First Time: 2015-2018

| | FY 2015 | FY 2016 | FY 2017 | FY 2018 | Percent Change FY15-FY18 |
|-------------------|---------|---------|---------|---------|--------------------------|
| Individuals | 5,588 | 5,257 | 5,172 | 6,933 | 24% |
| Family Households | 1,124 | 1,139 | 861 | 415 | -63% |

At least one factor impacting the increase in first-time homelessness among individuals is likely the increase in programs and services targeted to youth and young adults under the Solid Foundations plan. According to annual youth census, 94% of unaccompanied youth experiencing homelessness in the District are transition age youth between the ages of 18 and 24, which means they may be accessing both youth and adult system services. Looked at from this perspective, this increase may actually be a positive sign; it means the District has the opportunity to intervene and provide assistance sooner, before support networks have eroded, health conditions have grown worse, and opportunities lost altogether.

That said, it is doubtful that the jump between 2017 and 2018 is solely because of the increase in youth programming. Accordingly, developing strategies to prevent homelessness among single adults – who are more often entering homelessness from other systems (e.g., criminal justice system or behavioral health system) versus housed situations, and who may have weaker support networks – will be an important issue to tackle in the coming years.

3. Average Length of Time Persons Remain Homeless

The third system-level measure is the average length of time an individual or family remains homeless, from the point of housing loss to re-entry back into permanent housing. It takes the average cumulative number of days during which households receive outreach services, emergency shelter, and transitional housing assistance as measured from the first program entry to system exit (or the last day of the report period if the household has not yet exited).

As a “right to shelter” jurisdiction that must expand shelter supply to meet need, the length of time people spend in shelter is a key cost driver in our system. It goes without saying that reducing the amount of time someone is without permanent housing is good for that person, but it’s also a more efficient use of resources. To illustrate this point, in a system where 1,000 families experience homelessness each year with an average length of time homeless of 12 months, we would need 1,000 units of family shelter in our system. Because family shelter is provided in a private room setting, is

staffed with supportive services and security on a 24-hour basis, and receives no operating support from tenant income, family shelter is the most expensive intervention in the CoC, at approximately \$50,000 per unit per year. Accordingly, providing shelter for 1,000 families with an average length of stay of 12 months will cost approximately \$50M per year. In contrast, with an average length of stay of just three months, the CoC could serve the same 1,000 families in just 250 units per year, for a cost \$12.5M per year.

In a right to shelter jurisdiction that must expand shelter supply to meet need, helping people exit quickly back to permanent housing is not only good for households experiencing homelessness, it's economically more efficient. The modeling in the Homeward DC plan assumed that with an infusion of housing resources, the CoC would be able to help people exit homelessness faster, thereby reducing average length of time over the course of the plan implementation.

Table 8. Average Length of Time (Days) Households Remain Homeless: 2015-2018

| | FY 2015 | FY 2016 | FY 2017 | FY 2018 |
|-------------------|---------|---------|---------|---------|
| Individuals | 163 | 247 | 126 | 113 |
| Family Households | 217 | 269 | 328 | 350 |

As Table 8 illustrates, in the family system – where every family entering shelter has had a housing resource available to them – average length of stay has grown longer. On the surface, this is extremely counterintuitive. However, there are several reasons why this may be happening:

- 1) A very competitive housing market and a lack of available options. This is especially within the pool of units that meet Fair Market Rent standards and pass Housing Quality Inspection standards, as required by law. Further, locally funded subsidies can only be used within the District, which creates increasing pressure on a part of our market where there is significantly greater demand than supply.
- 2) Discrimination in the housing market, especially in low poverty/high amenity neighborhoods. DCHA and DHS have taken a number of measures to increase access for voucher holders to low poverty/high amenity neighborhoods, including the Housing Affordable Living Options Program and the Landlord Partnership Fund, but data show that voucher holders are still overwhelmingly concentrated in higher poverty neighborhoods.
- 3) The vulnerability of population. Because of the increase in prevention resources in recent years, families with stronger ties to housing and support networks can often be stabilized without a shelter stay. This likely means that families that do end up in shelter are highly vulnerable with the highest degree of barriers. Further, HMIS data shows that there are a small number of families in shelter with extremely long lengths of stay, which are impacting the average. When one looks at median length of stay (161 days for families at DC General and 203 days for families in motels in FY18), the numbers do not look as extreme.

- 4) Perverse incentives. Every low-income household would benefit tremendously from ongoing housing assistance. However, given that there are approximately 40,000 households on DCHA's waitlist eligible for and in need of assistance, families may perceive that that best chance to obtain housing assistance is through the shelter system. Although vouchers allocated under the Homeward DC plan are targeted to individuals and families with physical and behavioral health conditions and/or other significant barriers, the availability of any vouchers in the shelter system appears to impact take-up rates for other interventions.
- 5) Process inefficiencies. There are many agencies, staff, and steps involved in the housing process, and despite significant efforts to streamline steps and reduce requirements, the process still takes time. For example, paperwork might be incomplete or inaccurate and must be returned to the client; other times, eligibility documentation (such as a Social Security statement or other income documentation) can "time out" or be lost before a client makes it all the way through the process and will have to be re-requested. Many units do not pass inspection the first time. Each time the process stops and must go back a step, we can lose days, if not weeks.

Without a larger evaluation to isolate the impact of each variable, it is impossible to say how much each contributes to the growing length of time, on average, that families are in shelter. However, it will be important that we continue to monitor this data and explore strategies for addressing each of the issues.

Average Length of Time: Individuals

In the system that serves individuals, as Table 8 shows, the average length of time spikes in FY16 and then declines sharply in FY17. It is not clear what caused this spike, although it is important to acknowledge that it is extremely difficult to accurately capture length of time homeless in the context of a low barrier shelter setting where clients may or may not provide their name (or may provide multiple different names) and move in and out of the system altogether.

In fact, following two years of Homeward DC implementation where hundreds of single adults exited to permanent housing with no change in the PIT count, the ICH initiated a data analysis project to look closer at inflow and system utilization patterns. In the original modeling for the Homeward DC plan, based on the best available information at the time, the ICH assumed approximately 30% of shelter users would "self-resolve" each year (i.e., exit shelter without further assistance from the system). This finding mirrors national data, so it seemed to be a reasonable assumption. Based on the analysis, it seems that many individuals who disappear from the data are not actually "self-resolving" as originally thought, but rather continue to experience homelessness outside of the District's homeless services system.¹¹ During the time they are not appearing in the data, individuals may be couch-surfing, they may be using services in a neighboring jurisdiction, or they may be in one of a handful of programs in the District that is privately funded and does not enter data in HMIS. In other words, these individuals are not on the less vulnerable end of the spectrum; they likely have very long histories of homelessness. This

¹¹ To view inflow analysis presentation, visit the ICH website at: <https://ich.dc.gov/event/ich-full-council-9>

is a critically important finding – one not easily detected in the data but that will have significant impact on the modeling when the plan is updated later this year.

Despite the challenge of accurately measuring length of time homeless for people with sporadic use of the system, this measure does still give us insight into what is happening among clients with more regular contact. There are a couple of factors likely driving the decrease in length of time homeless we see in FY17 and FY18 among single adults. The first factor affecting length of stay in the single adult system is presumably related to the infusion of PSH under the Homeward DC plan. As explained earlier in this report, over 5,000 single adults have exited the street or shelter to permanent housing in recent years. Based on prioritization criteria and matching protocols in our CAHP system, the PSH resources in particular have been targeted to extremely vulnerable individuals – many of whom had spent years on the streets or in shelter in the District. Accordingly, it makes sense that average length of stay across the system would decline.

A second factor may result from a change in the way data from Federal City Shelter is entered into HMIS. Federal City Shelter is home to 800-1,000 beds for single adults (depending on the season) and is operated by an all-volunteer staff with the Creative Community for Non-Violence (CCNV). Federal City Shelter represents 20-25% of the single adult system and therefore has significant influence on system-level trends. CCNV staff had been entering data directly into HMIS for many years, though in 2017, staff began providing bedlists to The Community Partnership, who would update data in HMIS on their behalf. A number of clients were identified who were no longer staying at the shelter but had never been exited from HMIS. The exit of this group of individuals and the corresponding improvements in data quality since may have also had an impact, albeit smaller than the influence of the over 2,500 people that exited to PSH during the report period.

4. Return to Homelessness

The fourth key system measure looks at returns to homelessness following exit to permanent housing. This measure assesses how well CoC housing programs work to stabilize individuals and families. HUD's methodology examines returns in the short term (within 6 to 12 months of exit) as well as a longer horizon (within 2 years). HUD uses these timeframes because – as a performance measure – returns to homelessness 3 to 5 years following exit (or beyond) would be less indicative of the system's success in stabilizing the individual or family and more indicative of a separate episode of homelessness. Another way to look at it: much the same way that an ER doctor who treats a leg fracture would not be responsible if the same client later returned with a broken arm, the homeless services system cannot always protect against future emergencies – job loss, health emergencies, etc.

That said, the CoC does track returns on a longer horizon, which is important to help identify individuals and families that are at the greatest risk of chronic homelessness so they may be referred to deeper care (i.e., PSH), much the way an ER doctor may refer someone with repeat ER visits to a different type of care.

Within both the family system and the system serving individuals, returns to homelessness at two years are consistent with national averages (approximately 15%) and have remained consistent over the last few years. (See Table 9.) This is, of course, good news – it confirms that the District’s programs are effective at ending homelessness for the large majority of individuals and families served.

Table 9. Percentage of Households Returning to Homelessness Following Exit to Permanent Housing: 2015-2018

| | FY 2015 | FY 2016 | FY 2017 | FY 2018 |
|---|---------|---------|---------|---------|
| Individuals: Returns within 6-12 mos | 4.6% | 5.6% | 6.0% | 6.8% |
| Individuals: Returns within 2 years | 13.9% | 14.9% | 16.3% | 14.1% |
| Family Households: Returns within 6-12 mos | 4.5% | 4.9% | 2.0% | 1.6% |
| Family Households: Returns within 2 years | 17.5% | 17.9% | 15.4% | 14.2% |

5. Employment and Income Growth

The last major system measure tracks changes in income, from both employment as well as connection to benefits, such as Temporary Assistance for Needy Families (TANF) or SSDI. Increases in income are important not only for the most obvious reason – greater household income results in greater housing stability – but also because ensuring clients that receive housing subsidies maximize their income allows the system to stretch limited housing dollars further to serve more households.¹²

Income is the single biggest barrier for people to obtain and maintain stable housing, but the homeless services system only has so much ability to influence income receipt. Accordingly, HUD’s intent is to examine the extent to which providers are able to use the time available to them (while individuals and families are in CoC programs) to help achieve connections to benefits and/or employment.¹³

As Table 10 below shows, the number of households experiencing increases in household income while in CoC programs has improved between FY15 and FY18. While these percentages seem low, it’s important to view the data in the proper context. First, many individuals and families entering the homeless services system already receive benefit income, whether it is TANF, SSDI, the Supplemental Nutrition Assistance Program (SNAP), or another benefit program. According to 2018 PIT data, 80% of families and 76% of single adults reported some type of income, with the majority reported benefit

¹² In most housing assistance programs, clients receiving a subsidy pay 30% of their income towards their rent, and the government pays the difference. Therefore, the more each household pays, the more government resources can be stretched to assist more households.

¹³ The income calculation looks at whether people served in the program during the report period have increased their income at any point while in the program (not just during the report period). Federal targets for these measures are 15% (increases from employment) and 20% (increases from all sources.)

income as their primary source of income. The challenge, of course, is that benefit income largely stays flat from one year to the next, and benefit income alone is not enough to afford housing in the District.¹⁴

Second, we know that there are extreme barriers to employment among households experiencing homelessness – historically poor access to quality education, low literacy rates, high levels of disabling conditions (both physical and behavioral), high rates of trauma, high rates of justice system involvement, and persistent institutional discrimination.

Table 10. Percentage of Households With Increases in Income: 2015-2018

| | FY 2015 | FY 2016 | FY 2017 | FY 2018 |
|--|---------|---------|---------|---------|
| Individuals: Increased Income, Employment | 15.1% | 23.6% | 22.1% | 19.6% |
| Individuals: Increased Income, All Sources | 22.8% | 32.3% | 29.9% | 33.5% |
| Families: Increased Income, Employment | 4.8% | 6.9% | 5.2% | 14.6% |
| Families: Increased Income, All Sources | 11.3% | 11.5% | 9.5% | 23.5% |

Even among healthy, working age adults in CoC programs, there are extremely high levels of unemployment and underemployment. According to 2018 PIT data, only 34% of adults in families report being employed, and only 22% of individuals reported being employed (full time, part-time, or seasonal). This aligns with findings from an in-depth survey of single adult women conducted in 2017 by an ICH Women’s Task Force. Based on the women’s needs assessment, only one-quarter of women were working, and over half were actively looking for work. Among women 35 and under specifically, 75% were actively looking for work.

Further, connection to full-time employment does not guarantee one’s ability to afford housing in this market. According to the National Low-Income Housing Coalition *2019 Out of Reach: The High Cost of Housing* report, the District has the fourth highest “housing wage” in the nation, at \$32/hour to afford a two-bedroom rental home or \$28/hour to afford a one-bedroom rental home. The report’s “housing wage” is the hourly wage a full-time worker must earn to afford a modest rental home at HUD’s Fair Market Rent while spending no more than 30% of his or her income on rent and utilities. It is debatable whether the 30% threshold remains a realistic standard, but even if households had two adults working

¹⁴ Although benefit income largely stays flat from one year to the next, one exception to this rule was a boost to TANF payments many District families received resulting from the District’s TANF reform efforts. Although the increases began in FY2015, TCP has been working with providers to improve data quality on income receipt. Accordingly, the combination of the increased TANF payments combined with the push to improve data quality likely contributed to the “increased income – all sources” for family households seen in FY2018.

full-time minimum wage jobs, that household would still be forced to make difficult decisions about which bills to pay each month, placing them at ongoing risk of experiencing homelessness. This, no doubt, is why inflow into the homeless services system remains such a challenge.

III. Challenges & Lessons Learned

When the Homeward DC plan was developed, ICH staff, member agencies, and stakeholders had significant discussion about the targets and timelines to set forth in the plan. A decision was made to align with *Opening Doors: The Federal Strategic Plan to Prevent and End Homelessness*, released by the Obama Administration in 2010 and updated in 2015.

Subsequently, based on the best available data at the time, the ICH laid out a roadmap of the strategies and resources anticipated would be needed to achieve the goal of making homelessness rare, brief, and nonrecurring by 2020. The ICH knew it was a bold goal, but one we felt appropriately recognizes the crisis that homelessness has become in this country and here in the District of Columbia. Simply put, strategic plans with ten- or twenty-year time horizons not only fail to create the urgency required, but they also do not easily allow for the more regular course corrections needed in an ever-changing landscape.

As described throughout this report, there have been numerous lessons learned during the first four years of implementation. Taking into consideration key points from the data in Sections I and II, the final section of this report attempts to summarize lessons learned and course corrections that will be needed as we turn to development of Homeward DC 2.0.

Capacity Challenges

No matter how much urgency there may be to address homelessness in the community, one of the quickest lessons learned was that capacity constraints limit how fast the District can move and how much programs can be scaled in any given year. The ICH has identified three different aspects of the capacity challenge:

- The capacity of government partners to redesign the system while simultaneously running the system. Although many agencies are involved in Homeward DC implementation, DHS has been at the center of the systems change efforts. Systems change is a wholly separate line of business, especially for an agency that has grown and evolved around a mission of benefit administration and direct service. In the years leading up to the Homeward DC plan, DHS' homeless services budget grew in a somewhat haphazard way, with funds being added to address the growing crisis but few additional resources allocated to personnel to administer and monitor the growing budget. After Homeward DC was launched, it took the Department some time to reorganize and recruit additional staff to ensure it had the staff needed to manage all the new procurements, policy work, and data analysis needed to support the systems change

efforts. As we look ahead to the next five years, the Department is in a much stronger position to continue driving this work forward.

- Capacity of service providers to expand. The infusion of new resources necessarily creates a need for the provider network to expand. However, it's not just about identifying any provider to get money out the door; given the vulnerability of clients served through the homeless services system, it is important that providers are knowledgeable and skilled at working with this population. The ICH and its member agencies have worked to address some of the issues raised by providers that impede their ability to grow. For example, in the District's locally-funded PSH program, DHS now allows providers to be reimbursed for onboarding expenses to help cover the time before a new case manager is carrying a full caseload. However, other issues, such as ensuring agencies have adequate cash flow to cover overhead expenses related to expansion (e.g., additional office space, growing back office functions) have yet to be fully resolved. The same capacity constraints exist among nonprofit housing developers, and especially those working in the supportive housing space. Because this issue is so important, Homeward DC 2.0 will outline specific strategies and resource needs to help increase capacity.
- Capacity of existing housing stock. During the early years of Homeward DC implementation, the District invested more heavily in tenant-based subsidies to increase PSH programming versus the project-based subsidies tied to new construction. Not only have the tenant-based vouchers allowed the District to move more quickly, but – in theory – they offer clients more choice. However, as discussed throughout the report, it is taking clients a very long time to locate units, even with the launch of the new Landlord Partnership Fund and the support of housing navigators. Clients with no or poor credit or rental history, as well as clients with any sort of criminal history, face especially steep barriers. In short – the District needs more stock, and the ICH fully supports Mayor Bowser's goal of creating 36,000 new housing units by 2025. As the ICH looks towards Homeward DC 2.0, we anticipate recommending that more resources for our homeless service system reform efforts go towards the development of new project-based PSH facilities, similar to the Conway Residence on North Capital Street NE or La Casa on Irving Street NW. Additionally, while the original modeling assumed the CoC would drive down the average length of time people spend in the system simply by increasing the availability of housing assistance, we now know that's not entirely true. Accordingly, the updated modeling for Homeward DC 2.0 will include different scenarios to account for things not entirely within the control of the homeless services system.

The Vulnerability of the Population

At the time the Homeward DC plan was developed, it was well understood that the single adult population was older and had a higher degree of disabling conditions than did family households experiencing homelessness. However, based on the data available at the time, the ICH assumed that some adults experiencing chronic homelessness might be able to exit the system with lighter touch interventions. Four years into implementation, we no longer believe that to be the case. This insight is confirmed by data, including the District's CAHP system data (the system has broader coverage in 2018 than it did in 2015, when the system was first launched) and special analysis projects such as the 2017 Women's Needs Assessment. In addition to health and income/employment barriers, the needs assessment documented extremely high levels of violence and trauma.¹⁵ These findings will certainly have an impact on resource needs as the ICH updates the modeling for Homeward DC 2.0.

In addition to insights learned from the data, the vulnerability levels are something providers are seeing in practice as well. As referenced earlier in the report, providers have had more difficulty than anticipated identifying individuals appropriate for TAH because of the higher level of services needed among the population. Further, because the population is an aging cohort, clients are beginning to struggle with age-related conditions on top of physical disabilities and behavioral health conditions. It is clear that the District will need more project-based PSH developments in the coming years that accommodate 24-hour onsite services, as well as access to nursing homes and assisted living facilities prepared to serve a high needs population.

System Inflow

As discussed throughout this report, the level of need for housing assistance has not changed in recent years, and as a result, there remains tremendous pressure on the homeless services system. This is seen most clearly in the system that serves single adults, where over 4,800 people have exited to permanent housing over the last four years, and yet the District's PIT count has remained largely flat.

While one would expect to see similar levels of inflow among single adults and family households, there are at least two major structural differences between the subsystems that impact inflow. First, nearly all of the District's shelter stock for unaccompanied persons is "low barrier" per the definitions in the Homeless Services Reform Act. While the intent of low barrier shelter is to ensure no District resident has to sleep on the street because of a lack of paperwork or identification, the reality is the District's low barrier shelter system is available for anyone who needs assistance – not just District residents. Further, few jurisdictions in the surrounding states add capacity to their shelter system as local demand

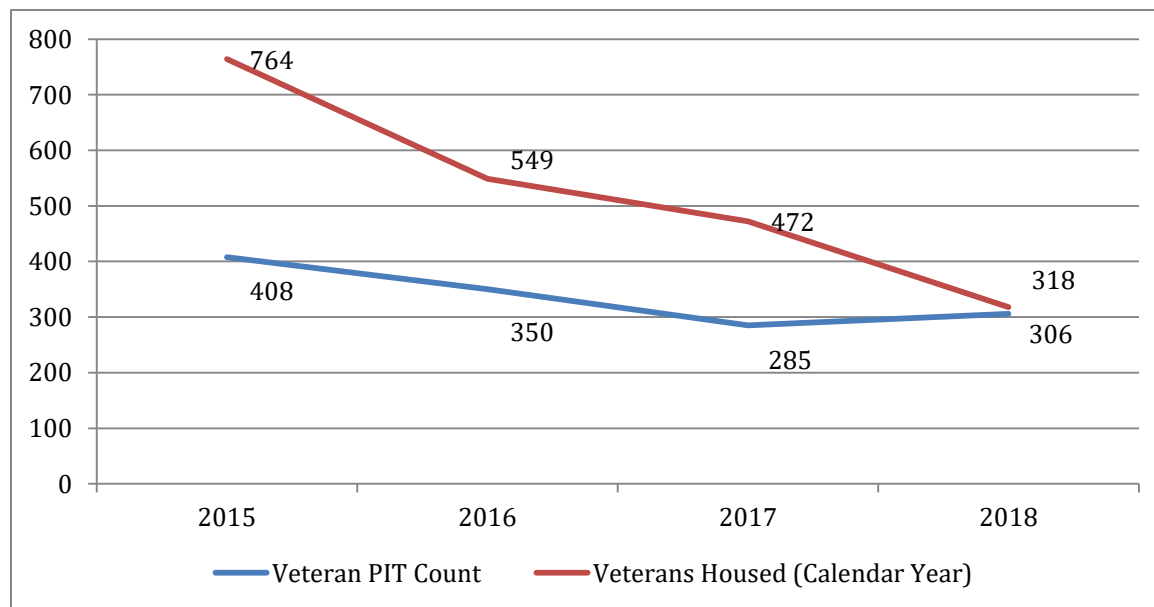
¹⁵ In addition to physical health, behavioral health, and income/employment barriers discussed throughout the report, the 2017 Women's Needs Assessment found that women face an additional barrier: exposure to violence. According to the assessment data, over half (56%) of women experiencing homelessness are survivors of domestic or intimate partner violence, and half had experiences of violence perpetrated by a parent or guardian. Survivors of violence also had higher rates of violence against them during their episode of homelessness (63%) than did women without a history of violence (43%).

increases. According to 2018 PIT data, nearly one-quarter of shelter users who shared data at intake indicated that the zip code of their last place of residency was outside of the District.¹⁶

Second, the District’s use of the “no wrong door” approach is rooted in the belief that requiring individuals to go through a single point of entry may cause many to opt out of the shelter system altogether, choosing to sleep on the street. This is a concern especially for individuals with long histories of homelessness that have become habituated to accessing the site of their choice. However, under this type of decentralized system, it is more difficult to conduct the type of prevention and diversion work that has been so effective within the District’s family system.

As mentioned earlier in this report, the veterans’ subsystem acts as a microcosm of the larger system serving single adults. Looked at through the lens of the veterans’ subsystem, it is clear just how difficult it is to reduce homelessness with high levels of inflow. As Figure 4 illustrates, the District identified 408 veterans experiencing homelessness on the night of the 2015 PIT count. Throughout the course of 2015, a remarkable 764 veterans exited the District’s homeless services system to permanent housing. However, the PIT count only decreased by 58 people between 2015 and 2016.

Figure 4: Number of Veterans Housed vs. Changes in PIT Count



Looking at ways to reduce inflow, especially in the system serving single adults, will be critical in the years ahead. Stronger regional collaboration will be required as well. As the District continues to grow and prosper, displacement of long-time District residents remains a concern. Therefore, efforts to address homelessness and affordable housing across the region cannot remain siloed. Different

¹⁶ Determining residency is a complicated issue for individuals experiencing homelessness. This data point is not intended to imply that the District should not serve these individuals; after all, it’s possible many were District residents at one point and displaced as new residents moved into the city. The larger point is that inflow into the city’s shelter system is significant, and stronger regional collaboration will be needed in the years ahead.

jurisdictions all have different opportunities and constraints; for example, the District may be better positioned to meet large-scale shelter needs, but has more limited land for development of new housing compared to the surrounding counties. Despite the complications of working across state boundaries, it will be important to find ways to work together to increase access to opportunity and mobility for all low-income households.

Comprehensive System Reform vs. an Incremental Approach

Another key lesson learned over the last four years is the importance of comprehensive system reform versus an incremental approach. In the family system, where the District simultaneously increased homelessness prevention assistance, reformed the shelter system, and scaled housing resources to help families exit, there have been steep reductions in homelessness. However, in the single adult system, where the initial focus was on supporting chronically homeless adults to exit to permanent housing, the District has not seen the same types of gains.

When the Homeward DC plan was developed, the ICH knew it would not be possible to tackle major shelter reform for families and single adults at the same time. Accordingly, “front door” reforms began on the family side with efforts to replace DC General with the new Short-Term Family Housing sites. At the same time, we also knew that we had a large number of chronically homeless adults in our system, some of whom had been in the system for years. We assumed that if we targeted these “long stayers” for housing, we would have a less vulnerable population remaining, i.e., individuals with shorter shelter stays, which would, in theory, decrease the number of shelter beds needed in the system. The ultimate hope was that by the time the District was able to turn its attention to replacing shelter for single adults, we would be able to replace the existing facilities with smaller facilities.

However, as described in Section I of this report, the CoC has not been able to scale all of the different programs needed for single adults as fast as we would have hoped, especially RRH. Although there have been some structural and capacity challenges to scaling this program, the bottom line is that not having resources for clients on the less vulnerable end of the spectrum has resulted in our inability to keep people flowing through shelter. In practice, this has meant that even more individuals have ended up getting stuck in shelter – many timing into chronic status and replacing those chronic homelessness individuals that have exited the system to permanent housing. Based on lessons learned about the structure of the RRH program for individuals, we are currently working on reforms to the program that will better position us to grow this program in the years ahead.

Additionally, as discussed in Section II of the report, homelessness prevention assistance has been critical to helping slow the inflow of new families into the system and preventing “first time” homelessness, and it will be equally critical to implement within the single adult system. Accordingly, over the past year, DHS has been working to design and stand up Project Reconnect, a shelter diversion program for single adults.

This work, combined with the work underway to reinvent shelter for single adults (starting with 801 East Men’s Shelter and Harriet Tubman Shelter for Women), will put the District on the right track to accelerate efforts in the single adult system.

Housing Cost Increases

Prior to the development of the Homeward DC plan, the District’s CoC did not have a solid understanding of the cost of different program models. There was wide variation in the services provided and rates charged. To assist with planning, the ICH examined the portfolio of programs in the community in attempt to identify an annualized average per unit cost for each program model.

Once plan implementation began, it quickly became clear that there was a significant difference between the average cost of our existing portfolio – which included a number of buildings that providers either owned or held a long-term lease – and the cost of renting in the market today. Further, rental costs continue to climb each year.

Table 11: Change in Average Unit Costs of Homeward DC Programs Models, 2014-2018

| Program Model | Average Annual Cost Per Slot: 2014 | Average Annual Cost Per Slot: 2018 |
|------------------------------|---|---|
| Single Adults | | |
| Rapid Re-Housing | \$10,830 | \$7,200 (services) \$9,840 (subsidy) \$17,040 (total) |
| Permanent Supportive Housing | \$6,270 (services) \$9,620 (subsidy) \$15,890 (total) | \$6,024 (services) \$21,036 (subsidy) \$27,060 (total) |
| Targeted Affordable Housing | \$12,156 | \$21,036 |
| Families | | |
| Rapid Re-Housing | \$29,250 | \$9,756 (services) \$22,194 (subsidy) \$31,950 (total) |
| Permanent Supportive Housing | \$11,630 (services) \$15,450 (subsidy) \$27,080 (total) | \$10,584 (services) \$24,420 (subsidy) \$35,004 (total) |
| Targeted Affordable Housing | \$19,800 | \$24,420 |

As Table 11 below shows, actual rental subsidy costs in 2018 were significantly higher than estimated during plan development. At the same time, DHS has done a tremendous amount of work to standardize contracts and reduce variation in case management rates, with the net effect that average service costs have decreased just slightly. Overall, however, total per unit cost for each program model has increased significantly, meaning any given budget allocation serves fewer households.

Employment as a Pathway Out of Homelessness

As described at various points throughout this report, far fewer people have been able to resolve their homelessness on their own than originally anticipated in the modeling. As further described, take-up rates on RRH in the single adult system have been low. Both of these issues can be attributed, at least in part, to the difficulty people have had connecting to meaningful employment opportunities.

Individuals experiencing homelessness often face significant barriers to employment, particularly in a highly skilled, competitive market like the District where even hospitality jobs are often filled by degree holders. Because income and employment data reported through HMIS is self-reported data, with the support of the Lab@DC, the ICH embarked on a data analysis project late last year with Department of Employment Services (DOES) to examine income receipt among clients in the homeless services system. The objective is to determine the extent to which clients in the homeless services are participating in workforce programming, whether participation in those programs helps increase income, and ultimately, the extent to which employment serves as a viable pathway out of homelessness. Results from this analysis will also be included in Homeward DC 2.0.

The Federal Government as Partner

As mentioned above, the bold goals and even bolder timelines in the Homeward DC plan were designed to align with the goals and targets of *Opening Doors*. However, the federal government has not been the partner needed for cities and states to effectively address homelessness.

Although there have been increases in HUD's homeless services budget in recent years, particularly during the Obama Administration, the United States does not have, nor has it ever had, a comprehensive vision for housing policy. Rather, many separate policies enacted by federal, state, and local government agencies affect housing markets. Federal investments in affordable housing have been declining over the last 20 years, particularly programs that subsidize the production of new affordable housing properties. The federal HOME program budget, for example, fell by 62% between 2005 and 2015. This lack of leadership has led to a housing crisis in every state in the country. According to the National Low-Income Housing Coalition, in no state, metropolitan area, or county can a worker earning the federal minimum wage or prevailing state minimum wage afford a two-bedroom rental home at FMR while working a standard 40-hour week.

One area where cities and states did see budget increases during the Obama Administration was on veteran homelessness. Through the infusion of VASH vouchers (PSH resources targeted to veterans experiencing homelessness), Supportive Services for Veteran Families (a RRH program for veteran

households), and Rapid Resolutions (a shelter diversion pilot for veterans), the nation saw a nearly 50% decline in veteran homelessness between 2010 and 2018. Largely through these targeted federal resources, the District also saw a decline in veteran homelessness. The District had been receiving, on average, 130 new VASH vouchers a year during the Obama Administration. Those resources helped continue to drive down the number of homeless veterans, despite continued significant inflow of new veterans experiencing homelessness during this same time period. During the last three years, the District received an average of 26 new vouchers per year, and not coincidentally, saw its veteran PIT count rise in 2018 for the first time since 2014 – underscoring the difference even a small amount of resources can have on homelessness at the local level.

The Trump Administration continues to propose sharp cuts to federal housing programs. Even in a community like the District, where there is tremendously strong leadership and political will around the issues of affordable housing and homelessness, it may be difficult to make sustained progress without federal leadership and if surrounding counties and states are not investing in similar ways and operating from the same playbook. Once again, this makes regional collaboration and private sector involvement all the more critical in the years ahead.

Racial Equity

People of color are dramatically more likely than white Americans to experience homelessness. Furthermore, pathways out of homelessness for people of color are complicated by ongoing discrimination in the housing, employment, health care, and education sectors. Not only are people of color paid less and offered fewer jobs, but black people have also, throughout our nation's history, been systematically excluded from home ownership, the single greatest driver of wealth accumulation in the country. Additionally, the criminal justice system has left vast numbers of people of color with criminal records that limit access to housing and jobs as they attempt to exit homelessness. Not only are disproportionate numbers of individuals and families of color experiencing deep poverty, but often their entire networks are as well, leaving few options when something goes wrong. Further, research shows that transgender people of color face particularly devastating levels of discrimination.

In the District, African Americans make up 47% of the general population, but 86% of single adults and 97% of family households experiencing homelessness. Research from the Center for Social Innovation's "Supporting Partnerships for Anti-Racist Communities" finds that economic factors alone cannot explain that higher prevalence of homelessness among people of color, and that to end homelessness, we must confront structural racism. While the homeless services system has begun work to examine its response through the lens of race – looking at factors such as bias in assessment tools and access to services and resources – it is not enough. As a community, the District must go upstream to other systems – criminal justice, child welfare, education, and healthcare – to address root causes that push (and trap) so many people of color into homelessness in the first place.

Conclusion

Homelessness has not always existed in the United States in the same manner and scale it does today. It is not a fact of life. While the District of Columbia continues to grow and thrive, with many residents experiencing unprecedented levels of prosperity, too many of our neighbors have been left behind.

The Homeward DC Plan was developed to guide the District's effort at system transformation. Four years into implementation, our data tell us that we are headed in the right direction. Overall, homelessness is down 17% since the launch of the plan. Perhaps not surprisingly, declines have been the steepest among families and veterans, subpopulations for which significant new housing resources have been allocated.

While progress has been made, it goes without saying that much work remains. However, the results of the last four years teach us that when we invest in solutions at scale, homelessness is not intractable. A strong foundation has been built, and with important lessons learned to guide our way forward, we will not stop until homelessness in the District of Columbia is rare, brief, and nonrecurring.