EVALUATION OF THE

Conrad N. Hilton Foundation Chronic Homelessness Initiative
PHASE I FINAL REPORT
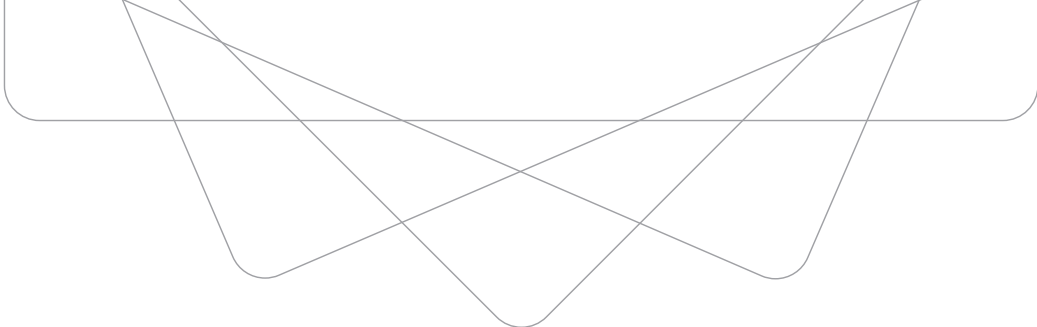
October 2016

Abt
ASSOCIATES

Acknowledgements

Phase I Initiative: Executive Summary and Outcomes Dashboard

In 2011, the Conrad N. Hilton Foundation partnered with Abt Associates Inc. to conduct an evaluation of the Hilton Foundation's Chronic Homelessness Initiative, with the goal of answering the overarching question: **Is the Chronic Homelessness Initiative an effective strategy to end and prevent chronic homelessness in Los Angeles County?** This final evaluation report provides an overview of the community's progress on selected metrics over five years, January 2011 through December 2015.

Although the community, with support from the Foundation, has made substantial progress in furthering support for permanent supportive housing (PSH) as a solution to chronic homelessness, significant challenges remain. In the January 2016 point-in-time count, 14,058 individuals were reported as experiencing chronic homelessness within LA County. This represents an increase of nearly 5,000 from the point-in-time count conducted in January 2011 at the start of the Initiative, despite the high number of housing placements during this same time period. Economic conditions, insufficient and shrinking availability of affordable housing, and unmet need for mental health and supportive services are credited not only with cancelling out the effect of the housing placements but also with adding to the count within the collaborative system.

We do not believe that these challenges and the increasing numbers of chronically homeless people suggest that the community's strategy on chronic homelessness is failing. Rather, the growth in numbers suggests that the new systems that coalesced through the work of Phase I of the Initiative are needed more than ever as of the end of 2015. Many stakeholders consider LA to be at a possible turning point, with significant new commitments of funding to address chronic homelessness and more alignment on the issue among elected officials and leaders of the key local government agencies.

There is no question that the landscape shifted between 2011 and 2015 and that the community reached a new standard for collaboration as of January 2016. Strong systems were in place, and public agencies had embraced new responsibilities. As the Foundation looks ahead to the next phase of the Initiative, the challenges of getting to the scale needed to end chronic homelessness will require all to take stock of their roles and assess their best fit within the collaborative system.

Progress on Initiative goals, 2011-2015

Build demonstrated action by elected and public officials to support addressing chronic homelessness.

Leadership groups have become increasingly involved in addressing chronic homelessness. Immediately after the conclusion of Phase I of the Initiative, the City and County each passed comprehensive, aligned strategies to address homelessness at the scale necessary.

Leverage $205 million for PSH.

The Home For Good Funders Collaborative leveraged the Foundation's seed investment to raise more than $562.1 million ($18.9 million in private funds and $543.2 million in public funds) for permanent supportive housing (PSH) and related service.

Create 5,000 units of PSH.

The Foundation supported the development or commitment of more than 7,300 project- and tenant-based housing units. Community-wide during that period, more than 15,700 housing units were created through development or commitment of housing vouchers to PSH.

Establish a system of prioritizing chronically homeless persons for PSH

A coordinated entry system (CES) was established with Foundation support to identify and prioritize individuals who are chronically homeless for PSH. The Los Angeles Homeless Services Authority has adopted CES as a key mechanism for determining priority access to PSH.

Increase capacity of developers and providers to effectively provide PSH.

The Foundation has supported technical assistance to develop capacity to produce PSH in underserved areas of the county such as the San Gabriel Valley, the Gateway Cities, and South LA.
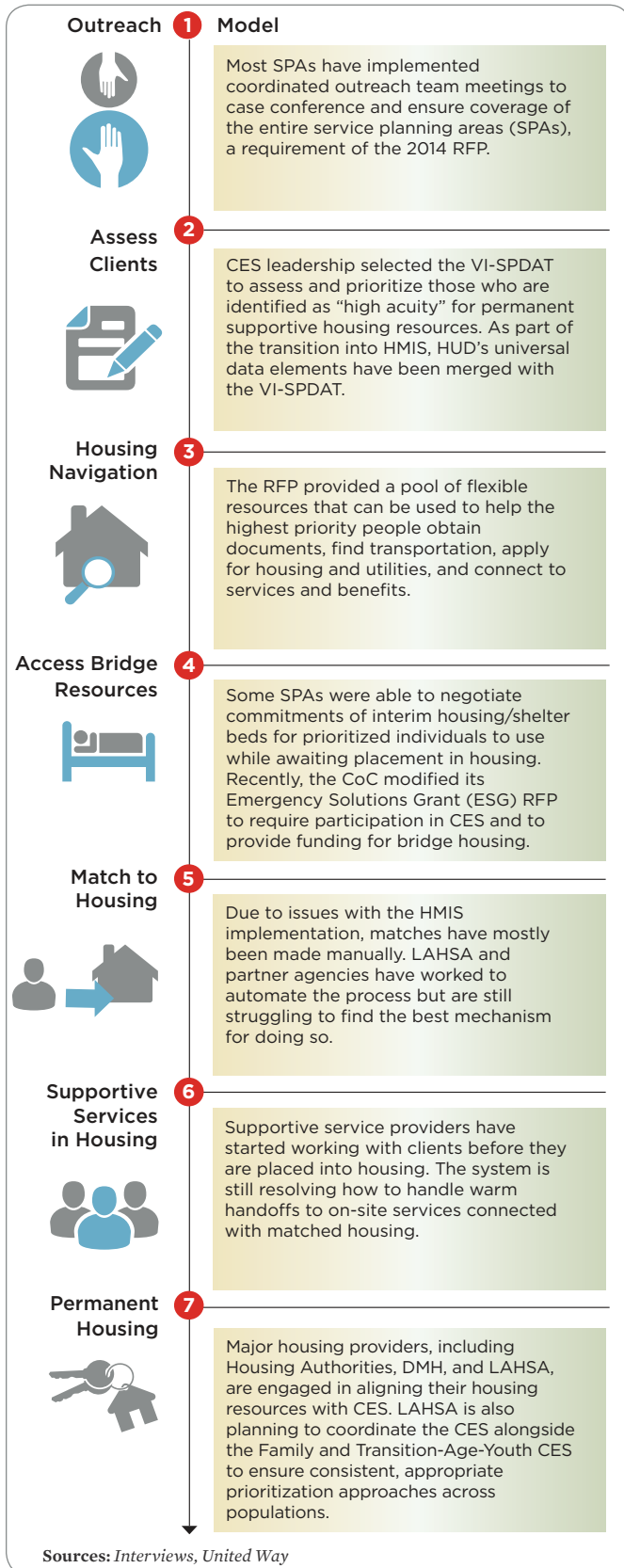
House 2,000 of the most vulnerable chronically homeless or at risk persons in PSH.
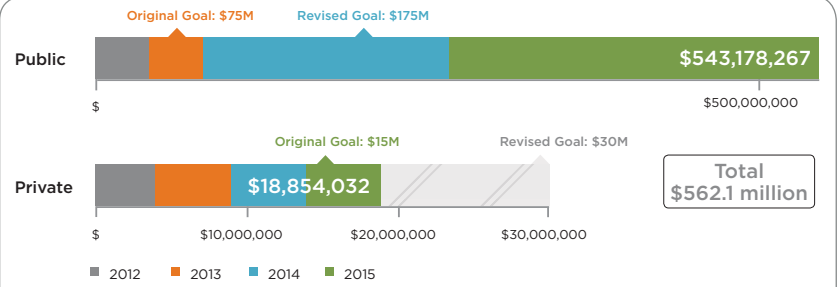
From 2011 through 2015, more than 18,000 chronically homeless and vulnerable individuals were placed in PSH, including more than 6,000 individuals placed by Hilton-supported grantees.

Coordinated Entry System Model

Outreach ① **Model**

Most SPAs have implemented coordinated outreach team meetings to case conference and ensure coverage of the entire service planning areas (SPAs), a requirement of the 2014 RFP.

Assess Clients ②

CES leadership selected the VI-SPDAT to assess and prioritize those who are identified as "high acuity" for permanent supportive housing resources. As part of the transition into HMIS, HUD's universal data elements have been merged with the VI-SPDAT.

Housing Navigation ③

The RFP provided a pool of flexible resources that can be used to help the highest priority people obtain documents, find transportation, apply for housing and utilities, and connect to services and benefits.

Access Bridge Resources ④

Some SPAs were able to negotiate commitments of interim housing/shelter beds for prioritized individuals to use while awaiting placement in housing. Recently, the CoC modified its Emergency Solutions Grant (ESG) RFP to require participation in CES and to provide funding for bridge housing.

Match to Housing ⑤

Due to issues with the HMIS implementation, matches have mostly been made manually. LAHSA and partner agencies have worked to automate the process but are still struggling to find the best mechanism for doing so.

Supportive Services in Housing ⑥

Supportive service providers have started working with clients before they are placed into housing. The system is still resolving how to handle warm handoffs to on-site services connected with matched housing.

Permanent Housing ⑦

Major housing providers, including Housing Authorities, DMH, and LAHSA, are engaged in aligning their housing resources with CES. LAHSA is also planning to coordinate the CES alongside the Family and Transition-Age-Youth CES to ensure consistent, appropriate prioritization approaches across populations.

Sources: *Interviews, United Way*

Private and Public Funding Aligned Through Funders Collaborative for PSH, 2011-2015

Public
Original Goal: $75M
Revised Goal: $175M
$543,178,267
$500,000,000

Private
Original Goal: $15M
$18,854,032
Revised Goal: $30M
$10,000,000 $20,000,000 $30,000,000
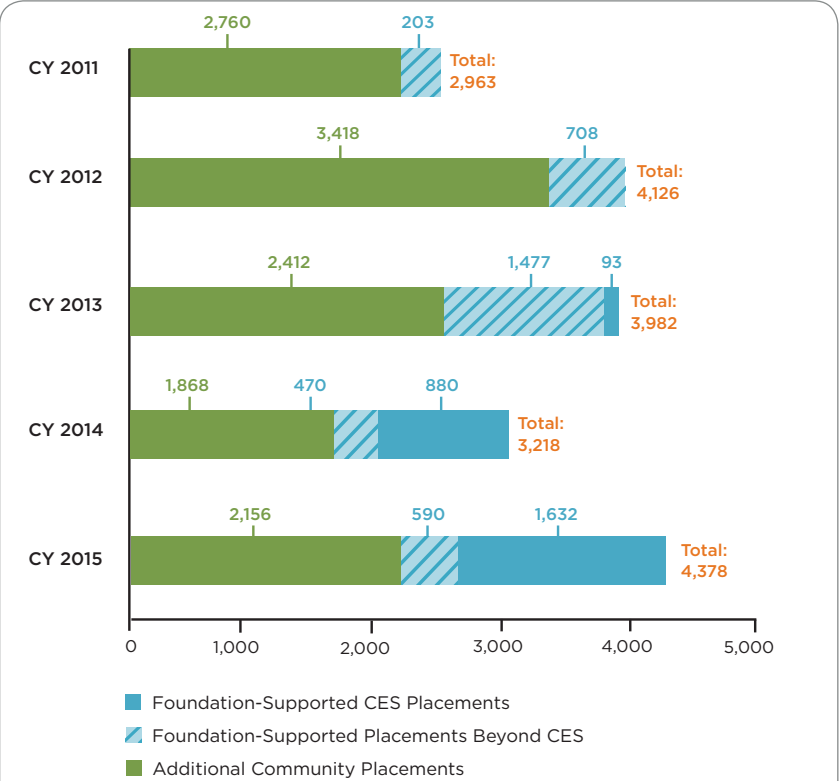
Total $562.1 million

Legend: ▇ 2012 ▇ 2013 ▇ 2014 ▇ 2015

Source: *Home For Good Funders Collaborative (Commitments made January 2011–December 2015)*

New PSH Units for Individuals, 2011-2015

Total PSH Units including Those Dedicated to Chronically Homeless or Vulnerable (CH): 4,592 / 2,757 / 6,586 / 1,780 — Total: 15,715

Total PSH Units Dedicated to CH: 2,842 / 600 / 4,653 / 1,290 — Total: 9,385

Legend:
▇ Foundation Supported Units
▨ Foundation Supported Units (Pipeline)
▇ Additional Community Units
▨ Additional Community Units (Pipeline)

Sources: *LAHSA Housing Inventory Chart, HACLA, HACoLA, Department of Health Services, CSH*

Placements of Vulnerable, At-Risk, and Chronically Homeless People in PSH, 2011-2015

CY 2011: 2,760 / 203 — Total: 2,963
CY 2012: 3,418 / 708 — Total: 4,126
CY 2013: 2,412 / 1,477 / 93 — Total: 3,982
CY 2014: 1,868 / 470 / 880 — Total: 3,218
CY 2015: 2,156 / 590 / 1,632 — Total: 4,378

(x-axis: 0, 1,000, 2,000, 3,000, 4,000, 5,000)

Legend:
▇ Foundation-Supported CES Placements
▨ Foundation-Supported Placements Beyond CES
▇ Additional Community Placements

Sources: *Home For Good Homelessness Analysis Collaborative, Funders Collaborative, CSH*

CONRAD N. Hilton FOUNDATION

Abt ASSOCIATES

Introduction and Background

In 2011, the Conrad N. Hilton Foundation partnered with Abt Associates Inc. to conduct an evaluation of the Hilton Foundation's Chronic Homelessness Initiative, with the goal of answering the overarching question: **Is the Chronic Homelessness Initiative an effective strategy to end and prevent chronic homelessness in Los Angeles County?** This final report for Phase I of the Initiative provides an overview of the community's progress over five years, January 2011 through December 2015, toward improving the systems for serving people experiencing chronic homelessness and resolving the problem of chronic homelessness.

The results are based on interviews, administrative data, and annual stakeholder surveys. Prior annual reports have presented results associated with each year of the Initiative. Rather than focusing on year 5 results, this report summarizes the cumulative results for Phase I, from baseline through 2015. Each of the previous annual evaluation reports, including detailed descriptions of data sources, is available on the Foundation's website at *https://www.hiltonfoundation.org/learning*.

1.1   Homelessness in Los Angeles: Landscape before the Initiative

In February 2010, the Hilton Foundation Board of Directors approved a Chronic Homelessness strategy. This strategy was informed by lessons learned over the past decade through the Foundation's focused investments in an Initiative to End Homelessness for People with Mental Illness in Los Angeles County, launched in 2004 in partnership with the Corporation for Supportive Housing.

These early investments by the Foundation supported the development of promising new program models and helped to engage public agencies and stakeholders in developing and operating permanent supportive housing (PSH). In doing this groundwork, the Foundation and its partners observed that, despite some successes, the system was not well aligned overall to support the vulnerable, chronically homeless population that would most benefit from PSH. Developers and providers were particularly hampered by a "lack of collaboration and aligned funding between cities and the County of LA and/or within the County," a "need for increased political [and public] will and funding for supportive housing," and a "need for a… means of prioritizing the homeless population for housing."[1]

1.2   Goals and Strategies of the Chronic Homelessness Initiative

While Foundation staff recognized the need to support investment in PSH within the county, they also understood that the Foundation's direct investments would be able to support only a subset of the overall inventory needed to address the scale of chronic homelessness in Los Angeles. Thus for the first phase of the Initiative, grant making was focused on making an impact on this tremendous need through three major funding areas designed to leverage broader community action: systems change, testing service strategies through targeted and leveraged programs, and knowledge dissemination. In all of these funding areas, the Foundation has been a leader: willing to take reasonable risks to innovate and find new solutions, spurring other community stakeholders to action, and expanding the reach of the Initiative beyond direct investments by the Foundation.

For 2011–2015, the Foundation articulated the following **strategic goals for the Initiative**, which represented milestones toward the ultimate goal of ending and preventing chronic homelessness in Los Angeles:

- **Demonstrated action by elected and public officials** to support a systemic approach to addressing chronic homelessness

- **$15 million in private funds** leveraged directly for PSH and **$75 million in public sector funds** realigned for PSH

- **3,000 new PSH units** constructed or in the development pipeline and **1,000 scattered-site PSH units** made available with necessary operating and service funding

- **Development and implementation of a system for prioritizing** chronically homeless persons for PSH

- **Increased capacity** of developers and providers to provide PSH effectively

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1   FSG. Homelessness Landscape Research presentation. August 2010.

- **1,000 of the most vulnerable** chronically homeless persons housed in PSH and **1,000 people prevented from becoming** chronically homeless

In August 2015, the Foundation Board of Directors approved a strategic direction for Phase II of the Initiative, continuing to focus on the same three funding areas over the next five years, 2016 through 2020. The Foundation is now in the process of defining updated Initiative goals for the five-year period beginning in 2016. This report tracks progress on the first Phase I goals described above and provides recommendations to inform the strategy of the Foundation's Phase II Chronic Homelessness Initiative.

1.3 About This Evaluation

The formative evaluation of Phase I of the Chronic Homelessness Initiative was intended to:

- Track progress on the strategic goals over time through outcome and process-focused measures
- Advise grantees on which data to collect and which out-comes to measure to help them benchmark their progress
- Inform the implementation of key strategies and to shape the overall strategic direction for the Initiative

The evaluation design is predicated on a **Theory of Change**[2] —a model that illustrates the individual actions of the partners and how the actions sequentially and cumulatively are expected to lead to the desired goal of ending chronic homelessness. The diagram in Exhibit 1 illustrates the Theory of Change for the Initiative. Community consensus that PSH is the solution to chronic homelessness drives changes in political will, funding for PSH, development of PSH units, PSH provider capacity, and prioritization of the chronically homeless population for PSH. Development capacity and increased funding are critical to creating more PSH units. The ultimate goal of ending chronic homelessness requires more units, a coordinated system to help chronically homeless people access those units, and high-quality services to help people retain their housing. Each step shown in the Theory of Change is related to a Chronic Homelessness Initiative strategic goal, as shown in the boxes in the diagram.

Exhibit 1: Theory of Change for the Chronic Homelessness Initiative
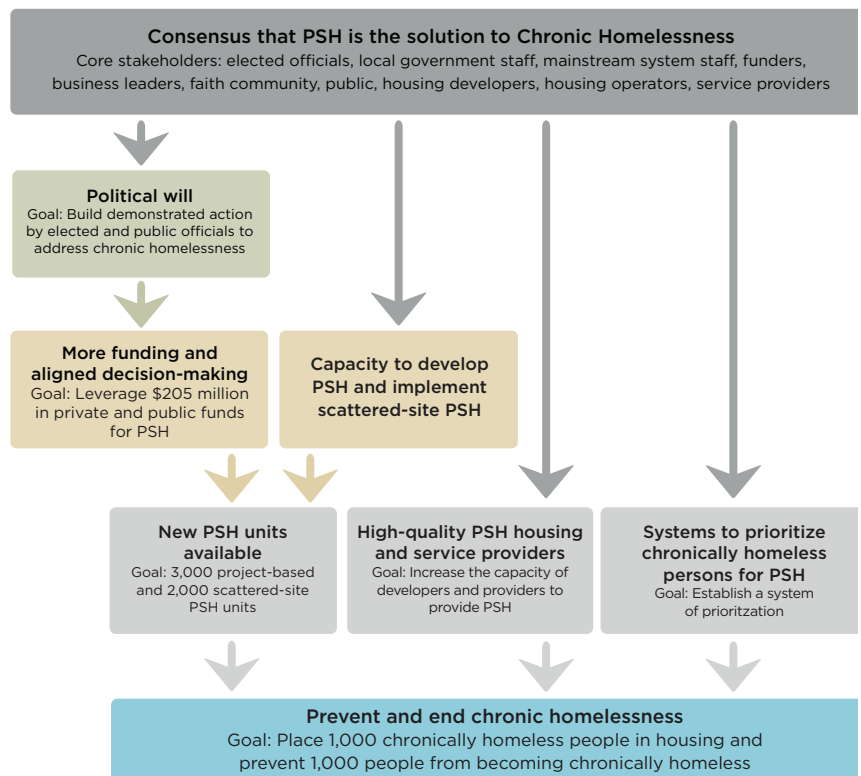
Note: Includes revisions to original goals effective November 2013

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2 A Theory of Change is an analytic approach that helps multiple stakeholders to identify a clear long-term goal and then relate measurable indicators of success and planned actions to that goal. For an evaluation, a Theory of Change helps to create a framework for the research questions and the measures of change on which the evaluation will focus.

Achievement of Initiative Goals 2011-2015

Section 2 of this final report on Phase I of the Initiative provides an overview of the progress that has been made relative to the Theory of Change and the Foundation's strategic goals by the Foundation and the community. Section 3 discusses the implications of the findings and provides an updated assessment of the landscape of homelessness in Los Angeles at the end of the Initiative.

This section summarizes activities undertaken by the Foundation and community partners and five-year results for each of the Initiative goals. Progress against each goal is reported in terms of both the Foundation's direct activity and the community's status as a whole. A green check mark signifies that the Foundation and the community have achieved the intended goal, and a yellow triangle indicates that the area remained a challenge at the end of the initial phase of the Initiative.

Foundation funding over the five years of Phase I has been driven by the strategic goals described in Section 1.2 and the three core funding areas: programs, system change, and knowledge dissemination. While the Foundation has always funded all three, the Foundation's grantmaking initially emphasized pilot projects to foster both recognized and exploratory approaches to serving chronically homeless people, prioritizing them for housing, and helping them retain that housing. Over the course of the Initiative, the Foundation shifted from an emphasis on funding individual supportive housing programs to a more strategic approach of catalyzing sustainable funding and systems change. The Foundation's investments in knowledge dissemination were smaller than in the other two funding areas. However, through convenings, evaluation, publications, and other learning activities, it has shared lessons learned within LA and with others working on homelessness across the country. In all, the Foundation awarded 58 Phase I grants to 33 agencies with total funding of more than $64 million. A list of Phase I grants is provided in Appendix A.

When possible, the report distinguishes between results that are directly attributable to the Foundation and its grantees and results that reflect the overall status of the community. However, as the Foundation shifted grantmaking toward greater investment in community-level system change, achievement of goals directly tied to the Foundation's activities became less distinct from overall community achievements.

2.1 Increased Political Will

The Theory of Change underlying the Initiative starts with the premise that developers, providers, and other stakeholders understand that PSH is the solution to chronic homelessness, which will, in turn, create strong footing for other progress. To help build consensus, the Foundation made major grants to the Corporation for Supportive Housing (CSH), United Way of Greater Los Angeles and Community Solutions to educate policymakers, address barriers to developing PSH, and to galvanize support from elected and public officials by getting them to sign on as a partner for the Home For Good community-wide strategy to end chronic homelessness. The leadership of Foundation staff at all levels brought credibility to Home For Good and contributed to the involvement of other philanthropic and public partners in the strategy. Through engagement with key leaders, technical assistance supplied to developers and providers, and public outreach through activities such as HomeWalk, these

Goal: Build demonstrated action by elected and public officials to support addressing chronic homelessness.

Leadership groups have become increasingly involved in addressing chronic homelessness. The City, the County and the Los Angeles Homeless Services Authority (LAHSA) have all pursued policies consistent with the strategy of Home For Good, in effect endorsing a core community plan for ending chronic homelessness. Immediately after the conclusion of Phase I of the Initiative, the City and County each passed comprehensive, aligned strategies that, if fully implemented, address homelessness for all populations.

grantees and others shifted public opinion. HomeWalk, along with early support from Supervisors Mark Ridley-Thomas and Zev Yaroslovsky, led to the full Board of Supervisors endorsing the Home For Good plan in 2011. Then-Mayor Antonio Villaraigosa appointed Elise Buik, chair of Home For Good and United Way LA CEO, to the Commission of the LAHSA.

During the 2013 Mayoral election and the 2014 Board of Supervisors election, grantees recognized the importance of continually fostering political support for the goal of ending chronic homelessness, particularly with newly elected officials. They were able to point to the successes in the early years of the Home For Good plan to affirm and cultivate the support of public and elected officials. After the election of Eric Garcetti, grantees worked closely with key staff to push the adoption of homelessness as a priority for the Mayor and were able to secure his endorsement of the Home For Good plan in 2015. By the end of 2015, the LA County Board of Supervisors and the City of LA came together to hold policy sessions on critical homelessness issues and drafted aligned community strategies to address homelessness. As one stakeholder noted, "when Home For Good was launched… many people in County departments agreed with the direction and focus – Housing First, PSH, etc. – those were things we needed to do, but it took awhile. [Home For Good] did a great job advocating and directing. Now it's…the County leading [more than ever]. Now it's not the same uphill battle."

Responses to web-based surveys conducted by the evaluation annually from 2012 to 2015 indicate that stakeholders feel that, across the board, local government staff, private sector funders, housing authority staff, and elected officials increased their level of involvement in reducing and ending chronic homelessness in Los Angeles County (Exhibit 2).

These survey findings are supported by stakeholder interviews conducted from 2011 through 2016. As one stakeholder put it in an interview in the summer of 2016, "[five years ago] homelessness was something people sort of tolerated… It was seen as just one of those problems that will never be addressed. The focus was on the recession, the economy, unemployment… [Home For Good] and their partners in philanthropy – they were among the few insisting that it be elevated to a more important issue. Now elected officials have realized it is a priority, something [they] are hearing every day from constituents. They are realizing [homelessness] is at a crisis point, and there is real understanding of what the solutions are, and ultimately what the costs are of doing nothing."
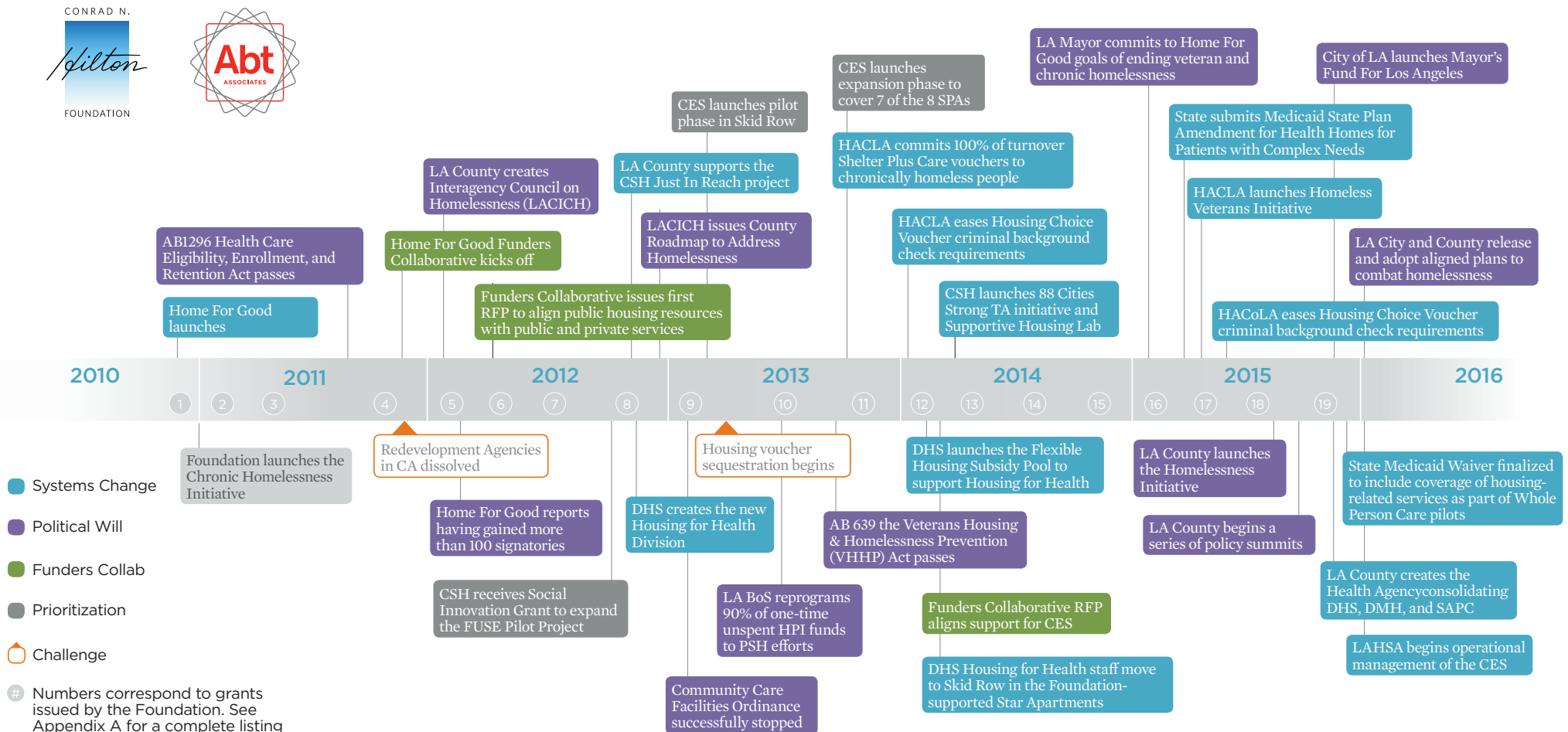
Exhibit 2: Respondents' Perception of Stakeholder Group's Level of Involvement in Addressing Chronic Homelessness, 2012 and 2015
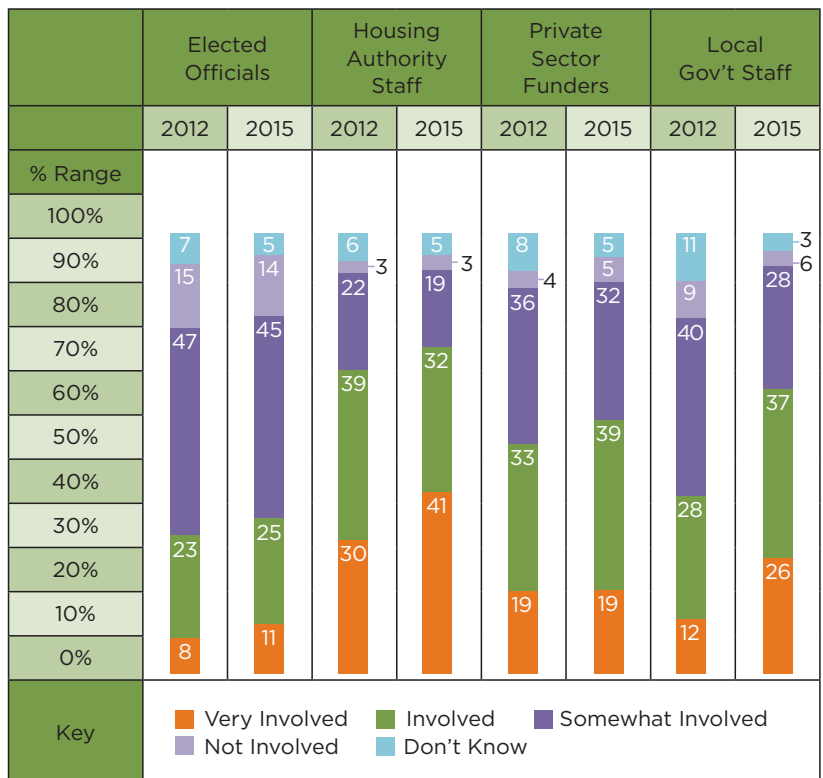
Sources: Abt Associates Stakeholder Surveys: June 2015, n=464, and July 2012, n=379; all stakeholder types.

CHRONIC HOMELESSNESS INITIATIVE PHASE 1 • Community Milestones

The following points represent key milestones for LA County in the first five years of the Conrad N. Hilton Foundation Chronic Homelessness Initiative. Most are significant community achievements, while others represent challenges the community has faced. Not all of the accomplishments listed here are directly attributable to the Foundation or its grantees, but many are. Foundation system change partners worked closely with and strongly influenced critical community players, advocating for engagement from local, state, and federal lawmakers and departments. Program grantees stretched to develop and pilot new strategies to serve the most vulnerable clients, forming the bedrock of the coordinated entry prioritization system and partnerships with mainstream service providers. These grantees also helped to educate policymakers at the local, state, and federal levels about the need for policy reforms to sustain and replicate effective programs. Knowledge dissemination grantees shared findings with the community to refine service models and development capacity. In all, the Foundation awarded 58 Phase I grants to 33 agencies with total funding of more than $64 million. A complete list of the grantees that received Foundation support during Phase I of the Initiative can be found in Appendix A.

CONRAD N. Hilton FOUNDATION

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2010

AB1296 Health Care Eligibility, Enrollment, and Retention Act passes

Home For Good launches

2011

LA County creates Interagency Council on Homelessness (LACICH)

Home For Good Funders Collaborative kicks off

Funders Collaborative issues first RFP to align public housing resources with public and private services

① Foundation launches the Chronic Homelessness Initiative

Redevelopment Agencies in CA dissolved

Home For Good reports having gained more than 100 signatories

CSH receives Social Innovation Grant to expand the FUSE Pilot Project

2012

CES launches pilot phase in Skid Row

LA County supports the CSH Just In Reach project

LACICH issues County Roadmap to Address Homelessness

DHS creates the new Housing for Health Division

Housing voucher sequestration begins

LA BoS reprograms 90% of one-time unspent HPI funds to PSH efforts

Community Care Facilities Ordinance successfully stopped

2013

CES launches expansion phase to cover 7 of the 8 SPAs

HACLA commits 100% of turnover Shelter Plus Care vouchers to chronically homeless people

HACLA eases Housing Choice Voucher criminal background check requirements

CSH launches 88 Cities Strong TA initiative and Supportive Housing Lab

DHS launches the Flexible Housing Subsidy Pool to support Housing for Health

AB 639 the Veterans Housing & Homelessness Prevention (VHHP) Act passes

Funders Collaborative RFP aligns support for CES

DHS Housing for Health staff move to Skid Row in the Foundation-supported Star Apartments

2014

LA Mayor commits to Home For Good goals of ending veteran and chronic homelessness

State submits Medicaid State Plan Amendment for Health Homes for Patients with Complex Needs

HACLA launches Homeless Veterans Initiative

HACoLA eases Housing Choice Voucher criminal background check requirements

LA County launches the Homelessness Initiative

LA County begins a series of policy summits

2015

City of LA launches Mayor's Fund For Los Angeles

LA City and County release and adopt aligned plans to combat homelessness

State Medicaid Waiver finalized to include coverage of housing-related services as part of Whole Person Care pilots

LA County creates the Health Agency consolidating DHS, DMH, and SAPC

LAHSA begins operational management of the CES

2016

Legend:
- Systems Change
- Political Will
- Funders Collab
- Prioritization
- Challenge
- # Numbers correspond to grants issued by the Foundation. See Appendix A for a complete listing

Grant markers: ① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪ ⑫ ⑬ ⑭ ⑮ ⑯ ⑰ ⑱ ⑲

2.2 More Funding and Aligned Decision-Making

As expected according to the Theory of Change, increased political will for addressing chronic homelessness was accompanied by increased funding for services and housing. The Foundation and grantees were instrumental in ensuring that key public and private funding partners came together to align and leverage resources toward shared priorities. At the beginning of the Initiative, committed resources were relatively small in proportion to the need. By the end of Phase I of the Initiative, committed resources had greatly expanded, and political leaders had established even larger-scale funding goals intended to fully address housing and service needs for all homeless populations.

One of the core examples of aligned funding is the work of the Home For Good Funders Collaborative. The Foundation's role in creating the Home For Good Funders Collaborative is one of its most important

Goal: Leverage $205 million in private and public funds for PSH.

From 2011 to 2015, the Home For Good Funders Collaborative leveraged the Foundation's seed investment to raise more than $562.1 million ($18.9 million in private funds and $543.2 million in public funds) for PSH and related services to address the needs of those who are chronically homeless and of other highly vulnerable people experiencing homelessness.

systems change contributions. The Collaborative was formally established in 2011 and completed four annual funding rounds during Phase I (2012, 2013, 2014, 2015), through which more than $562 million was awarded or committed from private and public partners, as shown in Exhibit 3. The original goals of the Collaborative were to align public and private social service funding with housing vouchers, to use pooled private funding to catalyze public investment, and find the places where private funding could be used to test innovative solutions to identified challenges. By the end of Phase I of the Initiative, twenty private funding partners had directed nearly $19 million toward PSH and related services. A complete list of these grantees can be found in the 2015 Evaluation Report.[3] In addition to private funders, many public sector partners had formally joined the Funders

Collaborative: the LA County Departments of Mental Health (DMH), Health Services (DHS), and Public Health; the Housing Authorities of the City and County of LA; the LA Housing and Community Investment Department; and several smaller cities. The Collaborative successfully engaged Pasadena, West Hollywood, and Santa Monica, offering to pair countywide resources with a voucher commitment from their PHAs.

Aside from streamlining access to funding for supportive housing programs, the Funders Collaborative has served as a formal mechanism for scaling up the effort, securing public sector commitments to expand programs developed through private seed money. Public and private funders have articulated shared goals and minimum expectations for service providers through a common application and reporting tool. More information about the history and functioning of the Funders Collaborative can be found in one of the reports produced by the Phase I evaluation.[4]


The Conrad N. Hilton Foundation's President/CEO, Peter Laugharn with Corporation for Supportive Housing SpeakUp! Community Advocate, Zondre Johnson. Photo courtesy Conrad N. Hilton Foundation.

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3 Abt Associates Evaluation of the Conrad N. Hilton Foundation Chronic Homelessness Initiative: 2015 Report. Conrad N. Hilton Foundation, 2015.

4 Abt Associates Home For Good Funders Collaborative: Lessons Learned from Implementation and Year One Funding. Conrad N. Hilton Foundation, 2013.

Exhibit 3: Private and Public Funding Aligned Through Funders Collaborative for PSH, 2011-2015
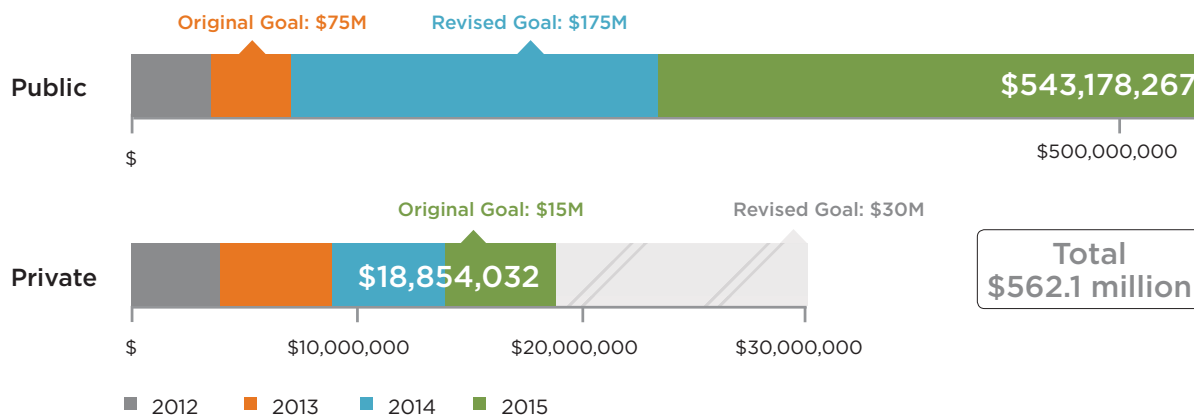
Note: Most housing vouchers are valued at $10,000 per year for 15 years of expected use, based on the average annual value assigned to them by the participating PHAs. HUD-VASH vouchers are valued at $9,600 per year by the VA. This methodology has been used by the Funders Collaborative and is retained here for consistency.

Source: Home For Good Funders Collaborative (Commitments made January 2011–December 2015)

The Funders Collaborative brought in public commitments valued at $543.2 million toward the Foundation's public funding goal of $175 million and $18.9 million in private foundation or corporate funding toward a $30 million goal. Originally, the Foundation set its strategic goals for leveraging public and private funding as aspirational targets for Phase I. As the initial goals were reached, the Foundation increased them to ensure that the Foundation maintained its focus on the need to increase funding alignment and commitments in order to address the problem. While total private dollars leveraged through the Funders Collaborative did not reach the revised private goal of $30 million, public funding commitments reached a level more than double the stretch goal. Over the course of Phase I of the Initiative, the Collaborative was not able to bring as many new private funders to the table as they had hoped. Fortunately, most of those that committed early on have sustained their commitment, expanded their knowledge base, and engaged deeply around homelessness.

The Foundation's grantees have raised an additional $264 million in public and $421 million in private resources (primarily tax credits and other development costs leveraged by Foundation-supported development projects) toward providing PSH to chronically homeless individuals. These resources have not been counted as funds formally leveraged through the Initiative but nonetheless represent significant investments in development and services. Information about funding raised by the Foundation's grantees outside of the Collaborative is provided in Appendix B.

While the Funders Collaborative aligns many resources and partners and is a lynchpin of the Foundation's strategy, it is not the only example of increased funding and resource alignment in the community. Over the course of Phase I, public partners became engaged in other activities that supported the expansion of PSH and system changes needed to end chronic homelessness. The Board of Supervisors reprogrammed nearly $7 million of the county-wide Homeless Prevention Initiative (HPI) funding to support the implementation of LA County's Single Adult Model, which included funding for DMH's multidisciplinary integrated teams, and provided an additional $4 million to support the DHS Flexible Housing Subsidy Pool (FHSP). The FHSP was started in partnership with the Foundation and provides an alternate source of housing subsidies and supportive services to high-needs DHS patients who are experiencing homelessness. DHS started the project with an $18 million budget, including the HPI, DHS, and Foundation funding. DMH also increased by nearly $2 million funding to the Mental Health Services Act Housing Trust Fund, which pays for services for people with mental illness who are in PSH. In addition, the Supervisors increased the proportion of the County's discretionary HPI funding that went towards PSH projects and programs related to PSH. Once these efforts were piloted and implemented, some of these resources were committed through the Funders Collaborative.

Leadership also evolved significantly, and this created increased executive support for shared goals. In December 2014, Peter Lynn was brought over from the Housing Authority of the City of LA (HACLA) to become the new Executive Director at LAHSA. In 2015, two County Board Supervisors hired experienced senior staff members from local non-profit agencies to focus full-time on homelessness. In late 2015, Dr. Mitch Katz, the DHS leader, was selected to run a new umbrella 'health agency,' combining DHS with DMH and the Department of Public Health. These community shifts toward increased program and funding alignment presaged the City and County's joint strategy to address homelessness, adopted shortly after the end of Phase I of the Initiative.

2.3 New PSH Units Available

The Theory of Change posits that the combination of increased, aligned funding and strong development capacity will lead to an increase in the number of available PSH units. Between 2011 and 2015, more than 15,700 housing units for individuals in LA County were opened, added to the development pipeline, or created through the use of tenant-based vouchers in private rental apartments. Approximately 9,300 of those units or vouchers are dedicated for use by chronically homeless and vulnerable individuals. Forty one percent of those (3,100 vouchers and roughly 700 project-based units) are provided through the HUD-VASH program and are for use by homeless veterans. Details of the community-wide units created during Phase I of the Initiative are provided in Exhibit 4.

> **Goal: Create 5,000 units of PSH.**
>
> From 2011 to 2015, the Home For Good Funders Collaborative leveraged the Foundation's seed investment to raise more than $562.1 million ($18.9 million in private funds and $543.2 million in public funds) for PSH and related services to address the needs of those who are chronically homeless and of other highly vulnerable people experiencing homelessness.

The Foundation established a goal to support the creation of 5,000 PSH units over the course of the Initiative: 3,000 project-based and 2,000 scattered-site vouchers. Of the 15,000 units created community-wide, the Foundation supported the development of more than 7,300 of them: 2,487 project-based units and 4,862 tenant-based units (including the units that were in the pipeline as of the end of Phase I). Although the number of project-based units fell slightly short of the goal, the larger-than-expected commitment of tenant-based vouchers allowed the Foundation to meet the overall goal. In 2011, the State of California dissolved local redevelopment agencies, which had provided an important source of funding for the development of affordable housing, including supportive housing. At about the same time, state bond funding for affordable housing was depleted. Despite ongoing advocacy by the community (led by Foundation partners), as of 2015 there was no new dedicated source of funding for affordable housing to replace the redevelopment agencies. The loss of development financing was a major obstacle to meeting the project-based unit goal.


A Community of Friends' Rayen Apartments, a Permanent Supportive Housing Development. Photo courtesy Corporation for Supportive Housing.

Public partners rallied to support the expansion of tenant-based PSH opportunities with unprecedented commitments of housing choice vouchers, the creation of the FHSP, and efforts to dedicate greater proportions of existing permanent housing units to people who are chronically homelessness. However, stakeholders caution that the community had to rely too heavily on these tenant-based vouchers and are now "paying the price… It can take a year to find a landlord willing to accept a tenant-based voucher in today's market. Some people experiencing homelessness give up because it is so hard. The lack of political will to create new funding sources for site-based PSH development after redevelopment dissolution was a major challenge that still haunts us today."

The Foundation supported housing development and voucher availability through several strategies during Phase I of the Initiative: direct Foundation grants, funding to CSH's loan pool, support to the Funders Collaborative, and more recently through funding to the DHS Flexible Housing Subsidy Pool.

The Foundation provided direct grants to developers, including LA Family Housing, Clifford Beers, and Skid Row Housing Trust (SRHT). The grant to SRHT was for the development of the Star Apartments, which provides PSH units as well as clinical and office space to DHS's Housing for Health department to increase the availability and mobility of services in the Skid Row area. The Foundation also continued to invest through $6 million in Program Related Investments in the CSH loan pool, which used Foundation funding to leverage significant resources from public and private sources to develop permanent supportive housing units.

Exhibit 4: New PSH Units for Individuals, 2011-2015
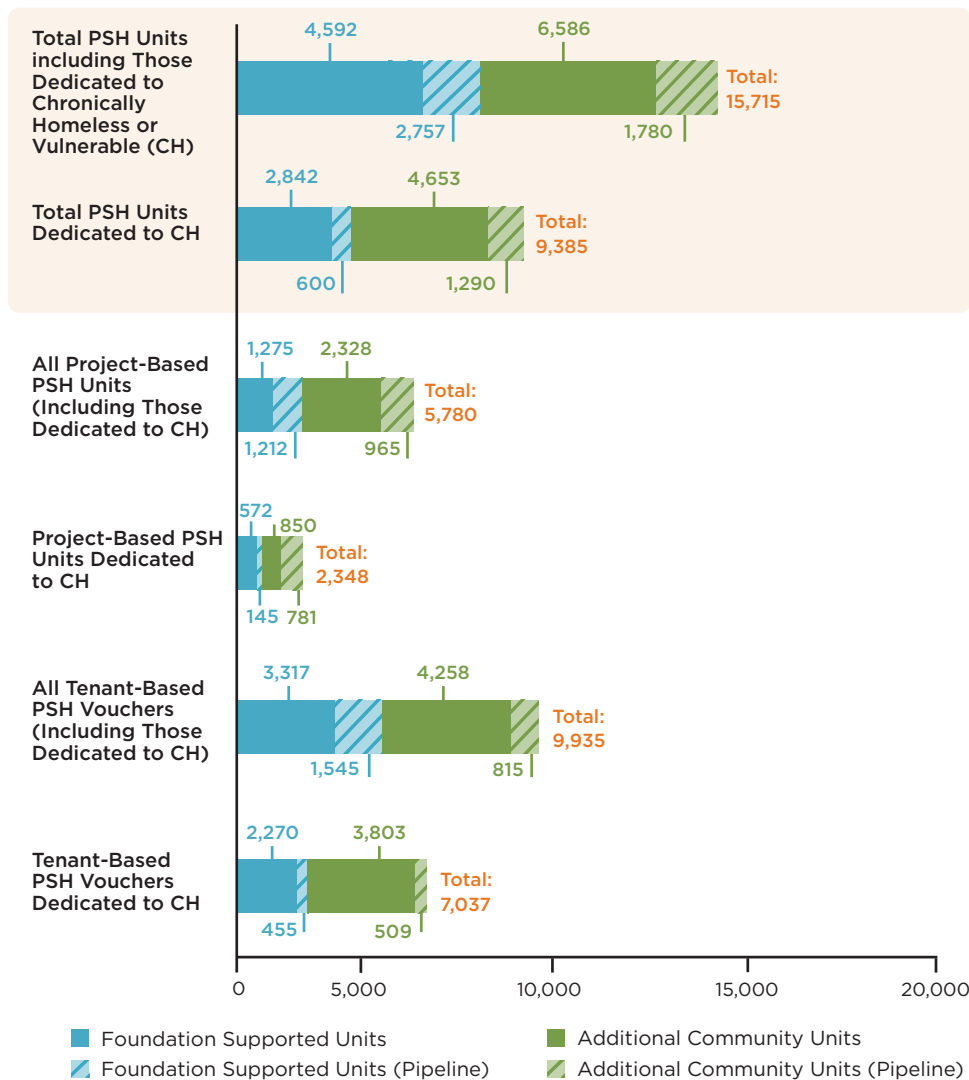
Note: CH=Chronically Homeless or Vulnerable

Sources: LAHSA Housing Inventory Chart, HACLA, HACoLA, Department of Health Services, CSH

Legend:
- Foundation Supported Units
- Foundation Supported Units (Pipeline)
- Additional Community Units
- Additional Community Units (Pipeline)

* CH = Chronically Homeless or Vulnerable

Through the five different loan pools created with the Foundation's support, including one pool with a zero percent interest rate, CSH invested in 37 projects with loans made from 2011 to 2015. These projects, some still in early planning phases, were planned to result in a total of 1,300 PSH and 600 affordable housing units. Thanks to the early investment in these projects, developers leveraged the loans into $658.6 million in public and private investments. More details about this fund leveraging can be found in Appendix B.

The Foundation also worked through the Funders Collaborative to obtain the commitment of hundreds of housing vouchers from local PHA partners, including HACLA, Pasadena, Santa Monica, and Housing Authority of the County of LA (HACoLA), to pair with public and private funding for the services component of PSH. As one stakeholder noted, "HACLA provides housing vouchers, DMH provides clients and services, [the] Funders Collaborative…brings together private philanthropic money for services – millions of dollars." These housing vouchers made it possible to provide resources quickly to providers that were ready and willing to house chronically homeless individuals.

In addition to helping obtain commitments of vouchers from the PHAs, the Foundation supported significant unit creation through the FHSP administered by DHS. Just as the new DHS Housing for Health department was beginning to come together, the federal government budget sequestration of 2013 took effect, leading to a complete halt to PHAs issuing new housing vouchers. The FHSP ensured that DHS could continue to make large-scale PSH placements during the voucher freeze by providing an alternative source of rent subsidies. The FHSP also provided resources flexibly and with few restrictions, which made it easier for individuals with high needs to use them. For example, the funding was used to hold units open until a client was ready to move in, to pay higher rents than permitted by the PHA voucher programs, and to pay for unit damages. Based on the lessons learned in the FHSP, local PHAs in the Los Angeles region incorporated some of these flexibilities into their federally funded voucher programs.

Though we originally described the Theory of Change as operating linearly, we also observed a feedback loop through which the creation of PSH can reinforce and strengthen political will. Stakeholders reported that elected officials had "gotten behind" the idea of site-based PSH after seeing PSH projects built in their jurisdictions. Although there may have been community opposition to the projects, once they opened, leaders and community members saw that they were attractive and successful in housing people who have experienced homelessness.

2.4 Capacity to Develop and Implement PSH

As indicated in the Theory of Change, critical to the success in any of the Initiative goals is the capacity of developers to create PSH units and the capacity of service providers to serve the most vulnerable clients. The Foundation supported this goal through grants to CSH to provide technical assistance and capacity-building; to Enterprise Community Partners to conduct PSH development research; and to CSH, Housing California, Southern California Association of Nonprofit Housing, and Western Center on Law and Poverty for policy advocacy for increasing development and service funding for PSH.

At the beginning of the Initiative, the resources provided to CSH were intended to educate housing developers in Los Angeles about PSH.

Over the course of the evaluation, the strategy evolved from this preparatory stage to providing support to targeted developers in underserved areas such as

Goal: Increase capacity of developers and providers to effectively provide PSH

Technical assistance and capacity building partners have increased the willingness of developers to work on PSH and have now shifted their strategy to focus on underserved areas. Local PHAs have made administrative changes to ease access to vouchers. Although no new permanent source of funding for affordable housing development has replaced the redevelopment agencies, Foundation partners have advocated for new state and federal funding resources that meet the service needs of people in PSH.

the San Gabriel Valley, the Gateway Cities, and South LA. The 88 Cities Strong Initiative, a capacity-building campaign, provides additional support to the local leaders in these underserved areas to increase their capacity to access resources and combat NIMBYism. CSH was able to increase the value of these technical assistance resources by pairing them with the aforementioned PRI loan pools.

PSH developers and others in Los Angeles operated in a challenging landscape during Phase I of the Initiative due to the dissolution of redevelopment agencies in November 2011, subsequent loss of CRA development financing, and the simultaneous loss of state bond financing for affordable housing. Although a new source of funding has not yet been identified, local community development agencies are implementing creative incentives to promote PSH with input from Foundation grantees: CSH and Enterprise Community Partners. For example, the LA Housing and Community Investment Department changed its policy to allow PSH projects to use up to $4,000 year per unit to cover the costs of service coordinators in PSH development, rather than requiring the equivalent amount of project income to be used to retire loans from the Department. Projects are permitted to accrue this amount as a reserve for up to three years, providing a reliable source of funding for coordinating services for PSH tenants. The City has been working with the County and state funders of affordable housing to encourage them to adopt similar policies.

As one stakeholder reported about the development capacity for PSH, "we are building a really great car and now all we need is the gas, so as soon as there is a source of funding we can go very quickly to create PSH...Our limitation: the money isn't there to do considerably more PSH."

The ability to access and use housing vouchers for scattered site housing is another crucial capacity the Foundation supported during Phase I of the Initiative. When federal government budget sequestration led to a one-year halt in the issuance of any new housing vouchers in 2013, the FHSP, which was originally created as a more nimble way to provide supportive housing to stabilize chronically homeless county hospital patients, was available to fill the temporary gap. Then, following sequestration, at the urging of the Funders Collaborative, HACLA made significant commitments of vouchers to the chronic homeless populations and to veterans who are not ineligible for VASH. Both HACLA and HACoLA also made administrative changes in alignment with the Foundation and community strategy for ending chronic homelessness, sometimes unprompted, as part of their collaboration with Home For Good and the Funders Collaborative, and sometimes based on concerted pressure from homeless advocates and committed elected officials. Such changes included easing the PHAs' eligibility screening based on criminal background and dedicating the entirety of their HUD Continuum of Care Program PSH inventory to chronically homeless people.

In addition to funding for housing development and tenant-based vouchers, PSH depends on the ability of providers to offer the range of services needed by highly vulnerable chronically homeless clients. During Phase I of the Initiative, Foundation partners worked to develop and advocate for policy improvements at the state level that could have a significant impact on the availability and quality of services for people with complex needs who are living in PSH. Federal approval of the state's Medicaid waiver in the summer of 2015 provides new options for counties to leverage matching federal funding in the years ahead. The waiver provides funding for Whole Person Care pilots, which will focus on people with complex needs and include funding for housing-related services. Based on the federal approval of the waiver, California will be able to make several changes in the Drug Medi-Cal program, which provides Medicaid reimbursement for substance use treatment, including some services that could be delivered in PSH. An initiative based on the Affordable Care Act, Health Homes for Patients with Complex Needs, will be launched in California in the coming years. In preparation, CSH and other grantees have worked with the Department of Health Care Services staff to develop a Health Homes benefit that includes provisions specifically designed for homeless Medicaid beneficiaries.

2.5 Systems to Prioritize Chronically Homeless People for PSH

Concurrent with increasing resources for PSH units and services, the Theory of Change posits that it is necessary to ensure that PSH resources are actually being targeted to individuals experiencing chronic homelessness. The Foundation was among the very earliest supporters of the community's Coordinated Entry System (CES) for prioritizing highly vulnerable and chronically homeless individuals for PSH.

The groundwork for a prioritization system was laid by Foundation partners Community Solutions, OPCC, St. Joseph Center, Skid Row Housing Trust, and Mental Health America. Community Solutions organized providers to implement a vulnerability index as a tool for creating local by-name lists in small cities and jurisdictions throughout LA County, though there was not yet a clear connection to coordinated housing resources. In 2012, the US Department of Housing and Urban Development published a rule indicating that communities receiving Continuum of Care Program resources would be expected to implement community-wide procedures for prioritizing eligible people for housing assistance. Anticipating the need to formalize the process, Home For Good then partnered with Community Solutions and Rapid Results Institute in 2013 to launch a pilot process in Skid Row to organize providers to match the prioritized individuals from the vulnerability index with a pool of available housing resources. Through winter and spring 2014, the pilot project expanded from Skid Row to 14 communities in 7 service planning areas (SPAs) throughout the county as part of a second round of 100-day pilot efforts led by Home For Good and Community Solutions.

> **Goal: Establish a system of prioritizing chronically homeless persons for PSH.**
>
> Based on the groundwork laid by Community Solutions and many direct service grantees to pilot strategies to prioritize vulnerable populations for PSH, Home For Good led the development and implementation of a comprehensive coordinated entry system with plans underway to transition responsibility to LAHSA.

In the 2014 funding cycle, the Home For Good Funders Collaborative provided $3.465 million to fund infrastructure and regional coordinators to support sustained expansion of the CES to cover the entire county. The 2015 Funders Collaborative RFP continued to support the SPA lead agencies and was supplemented in some cases by direct grants from the Foundation. The general structure of the system is illustrated in Exhibit 5 and more information about the implementation of the CES can be found in one of the reports produced as a part of the Phase I evaluation.[5]

Skid Row - A campaign employee surveys a homeless woman on Skid Row. Photo courtesy Community Solutions.

5 Abt Associates A Coordinated Entry System for Los Angeles: Lessons from Early Implementation. Conrad N. Hilton Foundation, 2015.

Over the course of the Initiative, the active participation of Foundation staff in systems change enabled them to identify catalytic program funding opportunities for piloting strategies to serve high-need populations. CSH piloted the prioritization of frequent users of hospital emergency services. The Downtown Women's Center piloted a Critical Time Intervention model to support homeless women transitioning into housing. Housing Works embedded intensive wrap-around services in mainstream affordable housing. OPCC targeted housing resources to medically vulnerable patients referred from hospitals and clinics. Mental Health America integrated primary care and health care as part of its strategy for engaging and housing the most vulnerable people in Long Beach. The National Health Foundation is testing a "bridge housing" model for chronically homeless individuals recovering from hospitalization.

Pathways to Housing focused on housing veterans with complex clinical needs. These grants produced new learning about effective ways to support those experiencing chronic homelessness that are being incorporated into the implementation of the county-wide prioritization system. Furthermore, the Foundation and other Funders Collaborative partners have made participation in the prioritization system a condition of grant funding.

By the end of Phase I of the Initiative in 2015, plans were underway to transition primary responsibility for CES operations to LAHSA, where it would be aligned with LAHSA's family prioritization system and the newly forming transition-age youth prioritization system. Though there are still challenges ahead in bringing the tracking and matching aspects of the system into HMIS; aligning with FHSP, DMH, and other frequent-user prioritization efforts; and ensuring administrative continuity with the transition, the community has clearly met the goal of establishing a prioritization system and rooting it stably in a public institution.

Exhibit 5: CES Model

Outionreach 1 Model

1 Outreach
Most SPAs have implemented coordinated outreach team meetings to case conference and ensure coverage of the entire service planning areas (SPAs), a requirement of the 2014 RFP.

2 Assess Clients
CES leadership selected the VI-SPDAT to assess and prioritize those who are identified as "high acuity" for permanent supportive housing resources. As part of the transition into HMIS, HUD's universal data elements have been merged with the VI-SPDAT.

3 Housing Navigation
The RFP provided a pool of flexible resources that can be used to help the highest priority people obtain documents, find transportation, apply for housing and utilities, and connect to services and benefits.

4 Access Bridge Resources
Some SPAs were able to negotiate commitments of interim housing/shelter beds for prioritized individuals to use while awaiting placement in housing. Recently, the CoC modified its Emergency Solutions Grant (ESG) RFP to require participation in CES and to provide funding for bridge housing.

5 Match to Housing
Due to issues with the HMIS implementation, matches have mostly been made manually. LAHSA and partner agencies have worked to automate the process but are still struggling to find the best mechanism for doing so.

6 Supportive Services in Housing
Supportive service providers have started working with clients before they are placed into housing. The system is still resolving how to handle warm handoffs to on-site services connected with matched housing.

7 Permanent Housing
Major housing providers, including Housing Authorities, DMH, and LAHSA, are engaged in aligning their housing resources with CES. LAHSA is also planning to coordinate the CES alongside the Family and Transition-Age-Youth CES to ensure consistent, appropriate prioritization approaches across populations.

Sources: Interviews, United Way

2.6 Placements of Chronically Homeless and Vulnerable People in PSH

This goal is the last step in the Theory of Change. Increased resources and development of a coordinated entry process should lead to an increase in the community's placements of chronically homeless individuals.

As shown in Exhibit 6, the Foundation supported direct service grantees or subgrantees in making 6,053 housing placements into PSH, surpassing its 5-year goal of placing 2,000 chronically homeless, vulnerable, and at risk clients in housing. Of these, 2,605 were made through the CES. Each of the CES leads is either a direct grantee or a subgrantee of the Foundation through the Funders Collaborative. CES placements are an increasing proportion of the overall community placements, an indicator of success in adoption of the coordinated entry system.

Given these successes toward meeting the Foundation goal, we have indicated successful achievement on this measure. However, neither the Foundation nor the

**Goal: House 2,000 of the most vulnerable chronically homeless or at risk persons in PSH.**

The Foundation's grantees have directly supported the placement of more than 6,000 chronically homeless or vulnerable individuals in PSH, significantly higher than the original placement goal of 2,000. Home For Good has tracked over 18,000 community-wide placements of chronically homeless and other vulnerable groups in PSH, including veterans at-risk for chronic homelessness. An increasing proportion of those reflect placements made by the CES.

community distinguished between placements intended to address chronic homelessness versus those intended to prevent it. The Foundation's goal to place 2,000 people experiencing chronic homelessness or at risk of chronic homelessness was intended to be a goal of 1,000 people from each of those distinct groups. The CES prioritization system relied on tools to prioritize people based on their assessed vulnerability, not necessarily their chronic homeless status. As a result, placements became increasingly difficult to track separately for these groups and so are reported here collectively.

Sign for priority populations at the Housing Authority of the City of Los Angeles. Photo courtesy Carol Wilkins.

More significantly, the number of annual PSH placements did not increase dramatically over the five years of Phase I of the Initiative, which would have been required to achieve significant reductions in the overall number of people experiencing chronic homelessness within the County. Each year, the community placed roughly 3,000 to 4,000 chronically homeless or vulnerable people in PSH, with slight increases and dips in placement activity from year to year. The methods of tracking the placements at the community level may have affected the reported counts, and some of the dip in 2013 and 2014 was likely due to the impacts of sequestration. But the gravest challenge was that the combination of new and turnover PSH units was simply not adequate to support significant increases in the placement rates. This was especially true since most of the new units were for tenant-based housing vouchers that became increasingly challenging to use in market rate housing. There were programs intended to help people "move on" from PSH into more traditional subsidized housing, but these vouchers were just as challenging to use and may have led people to stay in their PSH units for longer periods of time. For all these reasons, during Phase I of the Initiative the system placements were not yet happening at the scale needed to have an impact on the overall count of people who experience chronic homelessness, as we will discuss in the next section.

Exhibit 6: Placements of Vulnerable, At-Risk, and Chronically Homeless People in PSH, 2011-2015
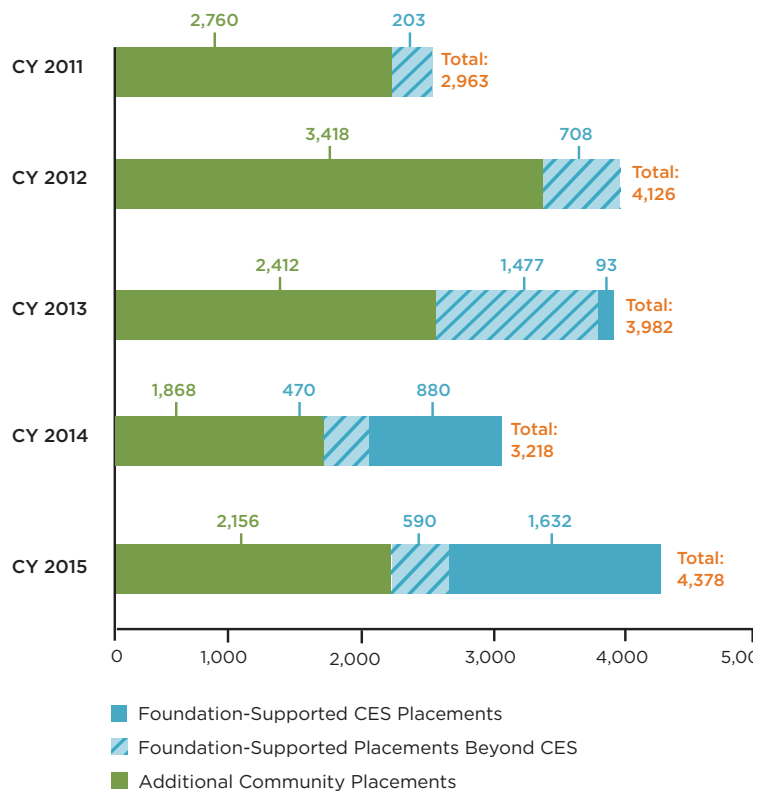
Note: 2015 placements include an approximation of the number of veterans (chronically homeless and non-chronically homeless) placed in PSH, VASH, or other subsidized housing. Due to a changed tracking methodology implemented by the LA Homelessness Analysis Collaborative after May 2015, the placement type was not tracked. We believe this to be a conservative estimate, since the overall placements of veterans increased during the latter part of 2015, while our estimate holds the number of PSH placements steady during that period.

Sources: Home For Good Homelessness Analysis Collaborative, Funders Collaborative, CSH

Considerations for the Chronic Homelessness Initiative Phase II

3.1 Homelessness in Los Angeles in 2016: A New Landscape

Although the community, with support from the Foundation, has made substantial progress in furthering support for PSH as a solution to chronic homelessness, significant challenges remain. In the January 2016 point-in-time count, 14,058 individuals were reported as experiencing chronic homelessness within LA County. This represents an increase of nearly 5,000 from the point-in-time count conducted in January 2011 at the start of the Initiative, despite the 18,000 PSH placements during this same time period. While methodological improvements may have increased the reach and accuracy of the count, these changes cannot entirely explain the large increase.

However, there is clear indication that a large number of people became chronically homeless in Los Angeles between 2011 and 2015. As one stakeholder put it, the community was "ill-prepared to deal with the increase in inflow." Economic conditions, insufficient and shrinking availability of affordable housing, and unmet need for mental health and supportive services are credited not only with cancelling out the effect of the housing placements but also with adding to the count.[6]

With increased demand for available rental housing units, the price of housing increased in the Los Angeles region during Phase I of the Initiative, while the incomes of the lowest income households did not, thereby limiting the number of affordable rental units and increasing the number of severely rent-burdened individuals. For people already paying well over half their income for housing, an unanticipated change in income can lead to homelessness.[7] A recent Economic Roundtable report stated that efforts to prevent chronic homelessness will need to reduce the channels into homelessness, including the lack of affordable housing in Los Angeles.[8]

Not only is the lack of affordable housing contributing to the increase in homelessness generally in Los Angeles, but an insufficient supply of PSH is contributing to the continuation of chronic homelessness. In a recent analysis to support the development of City and County strategies to address homelessness, LAHSA estimated that, as of 2016, there was still a shortage of nearly 15,000 PSH units for single adults.[9] Meanwhile, PHAs reported ongoing struggles to lease up vouchers they had committed toward PSH because of a fiercely competitive rental market.

We do not believe that these challenges and the increasing numbers of chronically homeless people suggest that the community's strategy on chronic homelessness is failing. Rather, the growth in numbers suggests that the new systems that coalesced through the work of Phase I of the Initiative are needed more than ever as of the end of 2015. Many stakeholders consider LA to be at a possible turning point, with significant new commitments of funding to address chronic homelessness and more alignment on the issue among elected officials and leaders of the key local government agencies.

The potential impact of additional resources can be seen by considering the recent, significant decreases in the veteran population in Los Angeles and nationwide.[10] LAHSA reported that the homeless veterans population counted at a single point in time decreased from 4,300 in January 2015 to 3,000 in January 2016. Due to the influx of federal and local resources targeted to this population, the community was able to place nearly 4,000 homeless veterans in housing during that time.[11] It would seem that at that rate, the placements were sufficient to offset the inflow and reduce the overall number appreciably.

6 Los Angeles Homeless Services Authority. 2016 Greater Los Angeles Homeless Count Data Shows Significant Drops in Veteran And Family Homelessness Citing Focused Investment. May 4, 2016.

7 NYU Furman Center. National Affordable Rental Housing Landscape: Los Angeles. March 8, 2016.

8 Flaming, Daniel and Patrick Burns. All Alone: Antecedents of Chronic Homelessness. Economic Roundtable. 2015.

9 Los Angeles Homeless Services Authority. Homeless Housing Gaps in the County of Los Angeles. January 2016

10 US Department of Housing and Urban Development. 2016 PIT Estimate of Veteran Homelessness in the U.S. July 2016.

11 Los Angeles Homeless Services Authority. Homeless Count Presentation. May 2016.

During 2015-2016, the County of LA, City of LA, LAHSA, Home For Good, and other community partners developed coordinated and complementary strategies to combat homelessness in support of a broader effort to end homelessness. In February 2016, both the LA City Council and the LA County Board of Supervisors approved comprehensive plans to address homelessness throughout the region. The City of LA's Comprehensive Homeless Strategy Plan outlined 62 strategies and called for $1.85 billion over the next decade. The City's plan called for the expansion of services, rental subsidies, permanent housing, and staffing at service agencies, presenting both short-term and long-term implementation plans and identifying potential funding streams and estimated costs.[12] The County's approved plan identified 47 strategies and called for $100 million in one-time funding and the identification of a permanent source of funding.

The County's strategies highlighted homeless prevention, subsidized housing, increasing income, providing case management and services, creating a coordinated system, and increasing affordable housing and housing for formerly homeless people.[13] Both plans recognized the need for strong partnerships with mainstream service systems, non-profit service organizations, landlords, developers, education institutions, community stakeholders, the philanthropic community, and business leaders. In order to connect people experiencing chronic homelessness with housing and the services they need to become and remain stably housed, investments in funding, resources, housing availability, and leadership would need to be made.

Vikki Vickers is a Community Advocate through the CSH SpeakUp! Program. Photo courtesy United Way Greater Los Angeles.

These efforts by both the City and the County are important and significant achievements in and of themselves. However, the plans would depend upon new sources of revenue to pay for programs and housing, and the City and County plans would need support from local voters or state policymakers. Continued, scaled-up, and formalized partnerships would be needed to achieve the strategies set forth in both the City and County plans.

The Foundation has an opportunity to continue as a strategic partner and funder over the five years of Phase II of the Initiative, to ensure the long-term viability of the system changes that were established in the Phase I and to help advance the significant measures proposed within the City and County plans.

3.2 Considerations for the Community in Preparation for Scaling Up

There is no question that the landscape shifted between 2011 and 2016 and that the community reached a new standard for collaboration as of 2016. Strong systems were in place, and public agencies had embraced new responsibilities. That said, the challenges of getting to the scale needed to end chronic homelessness would require all stakeholders to take stock of their roles and assess their best fit within the collaborative system. For this final report of the evaluation of Phase I, we offer some open questions for the community and the Foundation to consider as the strategy for Phase II takes shape.

- How can existing stakeholder groups best advocate for **revenue at the scale needed to implement the City and County plans**? How can advocates push for added revenue from the State and County, such as passage of a quarter-cent sales tax to fund housing and services for homeless people? What role can advocates play in supporting the creation of a permanent local source of funding for permanent housing development?

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12 Chief Administrative Office. City of Los Angeles Comprehensive Homelessness Strategy Plan. February 2016.

13 Los Angeles County Homeless Initiative. Approved Strategies to Combat Homelessness. February 2016.

- How will the community ensure that the most vulnerable, **high-need individuals continue to be prioritized in the community's planning process**, especially in light of the array of strategies addressing the needs of all homeless populations in the City and County plans? Who can help focus on the long-term strategies most relevant to the people with the highest needs?

- Many neighborhoods feel overwhelmed by the growth of street homelessness. Given the need to develop PSH and place people with housing vouchers all over the county in market rate units, what role can the business community, advocates, and private funders play in educating landlords and the general public to **combat NIMBYism**? Might a strengthened focus on public education help change the narrative of NIMBYism and public attention on **street homelessness and encampments**?

- Given that LA has an acute rental housing shortage for people with low incomes, which affects both the availability of low cost housing for people at risk of becoming homelessness and the availability of units for homeless people trying to use vouchers for PSH, how should **advocates participate in the development of a larger affordable housing strategy** for LA?

- How should the community maximize the **efficiency and effectiveness of targeted approaches to housing placement** and provision (e.g., programs or entry points targeted to populations with specific needs or characteristics)? What infrastructure is needed to support continued development of the coordinated entry function and effective matching, housing, and service systems within SPAs? What measures of system efficiency and effectiveness must be tracked (e.g. time to placement, housing retention, reasons for loss of housing, returns to homelessness)? How will resources that are available county- or city-wide be allocated to the SPAs, including those that are made available from new mainstream partners (such as the criminal justice system, child welfare system, etc.)?

- How should newly available **rapid re-housing resources** be incorporated into the strategies for preventing and responding to chronic homelessness, including the coordinated entry process?

- Since available tracking mechanisms do not allow the community to understand whether the people being prioritized for housing are those who are actually being placed in housing, how will the community take advantage of new HMIS technology or other approaches to **maintain a master list** – perhaps at the SPA level – that can be connected to the community-wide housing placement records?

- How will the community begin to **shift focus "upstream"** to look for the feeder systems into chronic homelessness? What do community leaders and their partners understand about the number of people becoming chronically homeless, their characteristics and pathways, and how to identify those who are most likely to become chronically homeless? How can philanthropy and other funders support a broader array of pilot approaches and engagement strategies with mainstream systems to prevent chronic homelessness?

- As revenue comes online, how can the community be prepared to use resources efficiently and effectively? How can the existing funding channels be put to use in a way that streamlines application, reporting, and monitoring processes to **minimize burden on grant recipients and developers**?

- How will SPA lead agencies be supported as they are called upon to play multiple new roles that include planning, convening, and providing leadership for systems change, at the same time that SPA agencies serve as the fiscal and programmatic intermediaries responsible for administering subcontracts and overseeing partners? As local organizations and collaborations are given increasing responsibility for setting goals, managing subgrants, and advocating for resources within each SPA, what role can LAHSA, philanthropy, and technical assistance providers play in **building organizational capacity** to run what will likely become, in effect, an independently functioning service system?

- With public stakeholders taking more responsibility through the City and County strategies, including CES moving under LAHSA, **how will roles shift** among LAHSA, Home For Good, the public and private partners working within the Funders Collaborative, and non-profit agencies as the plans are implemented?

- As new stakeholders come into the fold, whether new hires to implement the City and County plan or new mainstream systems engaging around homelessness, what is the role of the Foundation and its partners in supporting their **understanding of and commitment to PSH as solution to chronic homelessness**?

3.3 Recommendations for Phase II

From our vantage point, the Foundation's investment in Systems Change was its most important contribution to the community's effort to end chronic homelessness during Phase I of the Initiative. But that does not mean the Foundation's investments in programs and knowledge dissemination did not make significant contributions. We believe it is the interplay of the three that yielded the greatest dividend during Phase I, particularly when they were aligned intentionally to create a strategic approach and an iterative learning process. The Foundation's willingness to fund a testing ground spurred innovation, supported the growth of local organizations and leaders, and solidified the Foundation's reputation as a national leader in addressing the issue of chronic homelessness. As the Foundation moves forward with Phase II of the Initiative, we recommend supporting the community in the following ways.

Support full implementation of the county-wide prioritization system. In addition to ongoing funding to support the implementation of the prioritization system, the Foundation should consider partnering with other funders and grantees to increase the participation of local PSH providers and landlords in the prioritization system. Working with partners, the Foundation should help build the capacity of LAHSA for long-term leadership of the infrastructure currently being developed and of processes to align existing and emerging housing opportunities across public agencies. Ongoing private support is neither sustainable nor desirable, but making a transition will require intentional capacity-building for the staff and leadership of public agencies.

Elevate the policy work necessary to develop and support PSH and affordable housing at a scale that will address the need. System-wide structures and capacity are in place to develop PSH projects and use additional new vouchers for PSH, but significantly more resources are needed. Without increased housing, the prioritization system will not be able to make placements at a rate that will reduce homelessness. The Foundation should leverage the partnerships of Home For Good, the Funders Collaborative, the Business Leaders Task Force, the new Health Department, and policy partners to support a coordinated policy strategy aimed at achieving scale. The Foundation should also continue to support the Program Related Investments with CSH in the predevelopment loan pool. This loan pool and associated technical assistance builds the capacity of permanent supportive housing developers and their access to resources to grow the pipeline of new PSH inventory. The Foundation should also continue to find opportunities to support new approaches to scale up the availability of housing resources, such as the Flexible Housing Subsidy Pool.

Engage the public. The Foundation should support its partners to engage providers and the general public to understand and participate in ending homelessness.

Dorothy Edwards is a Community Advocate through CSH SpeakUp! Program and CSH Board Member. Photo courtesy Conrad N. Hilton Foundation.

Use program grants strategically. The Foundation should use program grants strategically to fund priorities established through the Funders Collaborative, test solutions to high-priority challenges, and support innovative program implementation and evaluation for interventions that require more evidence to secure sustainable funding. For example, continue to test funding strategies such as the "pay for success" model and expand the focus on programs designed to prevent people from becoming chronically homeless.

Look "upstream" to better understand the rate and nature of inflow into chronic homelessness and support development of informed, targeted prevention strategies. The Foundation should continue to support partners' work on engaging public systems such as healthcare, criminal justice, children and family services, and services targeted to older adults to redirect mainstream funding toward housing solutions. This work should be paired with efforts to better understand the inflow into chronic homelessness and the relative risks of chronic homelessness for those involved in these systems, so prevention strategies can be more strategic and likely to reduce chronic homelessness in the future.

Continue bringing key stakeholders together. Regular convenings to discuss lessons-learned and their applicability to local and national work on chronic homelessness provide a space for sharing innovative thinking and collective problem-solving.

Maximize opportunities to expand the reach of the Initiative beyond Los Angeles. By continually identifying and sharing lessons with other funders and communities outside the region through blogs, public-facing mini-reports and conference presentations, the work in Los Angeles can inform similar efforts underway across the country.

Phase I Chronic Homelessness Initiative Los Angeles Grants: 2011-2015

Grant Timing	Grantee	Term	Grant Amount	Type	Stated Purpose of the Grant
Pre-2011 (ongoing)	Corporation for Supportive Housing		$6,000,000	⚙🎯💡	Manage program-related investment loans and other, related loan pools
1	Corporation for Supportive Housing	2010-2013	$9,000,000+	🎯💡	Invest in program partners targeting veterans, transition-age youth, and frequent users; provide technical assistance to PSH developers countywide; policy development and advocacy +Grant amount includes funding for targeted service program subgrantees
Early 2011	Community Solutions	2011-2013	$600,000	⚙	Aligned with the national 100,000 Homes campaign, complete a by-name registry of the most chronic and vulnerable homeless people
2	Downtown Women's Center	2011-2012	$330,000	⚙🎯💡	Develop and implement the Critical Time Intervention (CTI) model and provide housing and CTI services to 80 women
	Mental Health America	2011-2013	$750,000	🎯	Implement the VI Registry to prioritize and place 60 chronically homeless clients in permanent housing as part of the Homeless Prevention Initiative in Long Beach
	PATH Partners	2011-2012	$200,000	⚙	Support Our Faith Matters, a community mobilization initiative designed to bring together the diverse faith community in Los Angeles County around ending homelessness
	Skid Row Housing Trust	2011-2014	$750,000	🎯	Place 80 chronically homeless, high mortality-risk clients in permanent supportive housing per year
	St. Joseph Center	2011-2013	$750,000	🎯	Place 53 chronically homeless clients from the local vulnerability registries in permanent supportive housing
	Step Up on Second	2011-2013	$750,000	🎯	Place 50 highly vulnerable, chronically homeless individuals with severe mental health illness, including 10 veterans, in permanent supportive housing
Spring 2011	Funders Together to End Homelessness*	2011-2014	$300,000	💡	Support member education, networking, and advocacy around housing, employment, HUD-VASH, and mainstream benefits
3	Western Center on Law and Poverty	2011-2014	$300,000	⚙	Legal and legislative advocacy to protect and expand PSH funding, health resources, and public benefits for people experiencing chronic homelessness
Late 2011	Downtown Women's Center	2011-2012	$500,000	🎯	$3 million renovation of Jill's Place, a 48-unit residence for chronically homeless women in downtown Los Angeles.
4	Economic Roundtable	2011-2012	$31,500	💡	Analysis of cost-savings from a pilot program identifying 10th decile hospital patients and placing them in housing
	National Alliance to End Homelessness*	2011-2014	$750,000	⚙	Advocacy and capacity building around ending homelessness
	United Way	2011-2014	$1,600,000+	⚙🎯💡	Implement the Home For Good action plan, engage the business community in creating a Funders Circle, and broaden system data coordination (includes funding for sub-grantees) +Grant amount includes funding for grantees of the Funders Collaborative
Early 2012	OPCC	2012-2014	$750,000	🎯	Place 40 chronically homeless clients in permanent housing (20 from the local service registry; 20 referred from hospitals and FQHC)
5					
Spring 2012	Downtown Emergency Service Center*	2012-2013	$25,000	💡	Support to the inaugural Housing First Partner's Conference March 21-23, 2012
6	Economic Roundtable	2012-2013	$35,000	💡	Research study entitled "Mapping the Childhood and Family Antecedents of Chronic Homelessness"
	Housing Works	2012-2015	$570,000	🎯	Place 75 high-need, chronically homeless clients in permanent housing

* National/press grantee ⚙ Systems Change grantee 🎯 Direct Service grantee 💡 Knowledge Dissemination grantee

Grant Timing	Grantee	Term	Grant Amount	Type	Stated Purpose of the Grant
Summer 2012 (7)	Housing California	2012-2014	$300,000	Systems Change	Advance public policy solutions that promote the development of affordable and supportive housing
	LA Family Housing	2012-2014	$700,000	Direct Service	Place 180 chronically homeless clients and 30 frequent users of health services in permanent housing
	REDF	2012-2013	$50,000	Direct Service	Employ 1,400 people in nonprofit social enterprises (including a significant percentage who have experienced homelessness)
Late 2012 (8)	Enterprise Community Partners	2012-2014	$190,000	Direct Service, Knowledge Dissemination	Analyze the permanent supportive housing funding landscape and recommend approaches to preserving and reforming current permanent supportive housing financing
	SCANPH	2012	$10,000	Knowledge Dissemination	Support for the 24th Annual Housing Conference
	United Way	2012-2015	$7,775,000+	Systems Change, Direct Service, Knowledge Dissemination	Lead cross-sector engagement to expand the Home For Good Funders Collaborative, create an effective and efficient Housing First system, and mobilize the community +Grant amount includes funding for grantees of the Funders Collaborative
Early 2013 (9)	Downtown Women's Center	2013-2015	$450,000	Direct Service, Knowledge Dissemination	Engage 124 DWC participants using CTI strategies and practices and train staff in CTI methodology
	JWCH Institute	2013-2013	$400,000	Direct Service	Enroll 4,160 homeless people in Healthy Way LA (ACA health insurance)
	SRO Housing	2013-2015	$500,000	Direct Service	Place 100 very-long-term, chronically homeless clients in permanent supportive housing
Summer 2013 (10)	LA Family Housing	2013-2014	$250,000	Direct Service	Create 11 new units of permanent supportive housing
	Skid Row Housing Trust	2013-2014	$750,000	Systems Change	Complete construction of the Star Apartments to support Health Home clients and create a space for DHS service providers on Skid Row
Late 2013 (11)	Center on Budget and Policy Priorities*	2013-2014	$50,000	Systems Change	Work with leaders of homelessness efforts in LA to build national, state, and local support for increased funding for low-income housing.
	Corporation for Supportive Housing	2013-2015	$1,500,000+	Systems Change	Develop and implement the Just-in-Reach inmate housing program +Grant amount includes funding for targeted service program subgrantees
Early 2014 (12)	Brilliant Corners	2014-2015	$4,000,000	Systems Change, Direct Service, Knowledge Dissemination	Develop and implement the flexible housing subsidy pool and provide housing vouchers to 600 homeless DHS patients
	Clifford Beers Housing Inc.	2014-2016	$500,000	Direct Service	Develop 200 PSH or affordable housing units
	Mental Health America	2014-2016	$1,500,000	Direct Service	Place 28 high-need clients in PSH as part of the Homeless Prevention Initiative in Long Beach
Spring 2014 (13)	Community Solutions	2014-2016	$350,000	Systems Change, Knowledge Dissemination	Support the expansion of the coordinated entry system countywide
	Downtown Emergency Service Center*	2014-2015	$25,000	Knowledge Dissemination	Support to the 2014 Housing First Partner's Conference
	Funders Together to End Homelessness*	2014-2017	$300,000	Knowledge Dissemination	Support member education, networking, and advocacy
	Corporation for Supportive Housing	2014-2017	$6,000,000+	Systems Change, Direct Service, Knowledge Dissemination	Engage mainstream systems; build developer and organizational capacity for high-quality supportive housing; policy development and advocacy (includes funding for sub-grantees) +Grant amount includes funding for targeted service program subgrantees

* National/press grantee   Systems Change grantee   Direct Service grantee   Knowledge Dissemination grantee

Grant Timing	Grantee	Term	Grant Amount	Type	Stated Purpose of the Grant
Summer 2014 (14)	National Academy of Sciences*	2014-2015	$25,000	Systems Change	Convening on implications of changes to the US health system on homeless and vulnerable populations
	National Alliance to End Homelessness*	2014-2015	$25,000	Knowledge Dissemination	Support for the 2014 NAEH annual national conference
	SCANPH	2014-2016	$100,000	Systems Change	Generate public sector financial investment in affordable housing development and preservation, including funding and land use policy
Late 2014 (15)	LA Family Housing	2014-2016	$1,000,000	Systems Change, Direct Service	Implement and expand coverage of the coordinated entry system in SPA 2
	Pathways to Housing	2014-2016	$700,000	Systems Change, Direct Service	Place 70 homeless veterans per month in permanent housing and provide housing-related resources that expedite placement of veterans into housing
	Housing California	2014-2016	$200,000	Systems Change	Advance public policy solutions that promote the development of affordable and supportive housing
	Center at Blessed Sacrament	2014-2015	$120,000	Systems Change, Direct Service	Implement and expand coverage of the coordinated entry system in SPA 4
	Western Center on Law and Poverty	2014-2016	$100,000	Systems Change	Legal and legislative advocacy to protect and expand PSH funding, health resources, and public benefits for people experiencing chronic homelessness
Early 2015 (16)	Center on Budget and Policy Priorities*	2015-2016	$100,000	Systems Change	National and local analysis and advocacy around Housing Choice Vouchers
	Invisible People*	2015	$25,000	Knowledge Dissemination	Storytelling training and video sessions with advocates
	National Alliance to End Homelessness*	2015-2016	$500,000	Systems Change	Policy analysis and advocacy
	National Coalition for the Homeless, Inc.	2015	$40,000	Systems Change	Lay groundwork for a new coalition of agencies serving homeless people in Los Angeles County
Spring 2015 (17)	Housing Works	2015-2018	$600,000	Direct Service	Pilot an employment program for formerly-chronically homeless clients
	Lamp Community	2015-2017	$1,200,000	Systems Change, Direct Service	Implement and expand coverage of the coordinated entry system in SPA 4
Summer 2015 (18)	National Health Foundation	2015-2017	$250,000	Systems Change, Direct Service	Place 150 homeless clients in permanent supportive housing from recuperative care
	Skid Row Housing Trust	2015-2016	$400,000	Direct Service	Pilot the Health Home service model and assist 1,000 clients access Health Home services
	Brilliant Corners	2015-2017	$2,000,000	Systems Change, Direct Service	Provide housing and employment services to 200 transitioning probationers
	St. Joseph Center	2015-2017	$1,200,000	Systems Change, Direct Service	Implement and expand coverage of the coordinated entry system in SPA 5
Late 2015 (19)	United Way	2015-2017	$6,000,000+	Systems Change, Direct Service, Knowledge Dissemination	Lead cross-sector engagement and advocacy to expand critical systems supporting chronically homeless people, including the Funders Collaborative and the Coordinated Entry System +Grant amount includes funding for grantees of the Funders Collaborative
Cumulative			**$64,176,500**		

* National/press grantee   Systems Change grantee   Direct Service grantee   Knowledge Dissemination grantee

Other Funding Leveraged by Grantees (in millions)

	2011		2012		2013		2014		2015		Total 2011-2015 Commitments	
	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private
Funds raised by Hilton Foundation direct grantees*	$1.17	$0.81	$2.00	$1.53	$1.48	$1.93	$9.01	$2.33	$4.11	$1.99	$17.77	$8.58
Funds raised by CSH PRI or TA recipients**	$51.42	$37.56	$31.07	$54.40	$7.39	$27.35	$33.43	$82.10	$123.04	$210.99	$246.35	$412.40
Total Leveraging	**$52.59**	**$38.37**	**$33.07**	**$55.93**	**$8.87**	**$29.28**	**$42.44**	**$84.43**	**$127.16**	**$212.98**	**$264.12**	**$420.98**

Includes only grantees providing direct PSH services

** All funds leveraged for the project are counted in the year of the CSH PRI loan approval date*

Sources: Grantee reports; CSH

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