City of Seattle
Tim Burgess, Mayor

Human Services Department
Catherine Lester, Director

FOR YOUR INFORMATION

Date:	September 22, 2017
To:	Members of City Council
From:	Catherine L. Lester, Director, Human Services Department
Subject:	One Year Update on Pathways Home and Homelessness Response

The purpose of this memorandum is to provide an update on the progress the City and its partners have made in implementing the six priority action areas for *Pathways Home*, a policy framework for addressing homelessness. This memorandum outlines the system changes that have been implemented and the results and lessons learned to date.

In September 2016, the City of Seattle released *Pathways Home* in conjunction with two national experts' studies of the homelessness response and investments (Barbara Poppe report and Focus Strategies report) for Seattle and King County. *Pathways Home* recognized that our region's homelessness response does not effectively address the scope of our homelessness crisis. The City of Seattle had not competitively bid our homelessness services dollars in a decade. Our region supports hundreds of human services providers that are individually successful, but are not integrated to systematically work to end a person's experience with homelessness.

Progress rarely happens quickly, nor does it follow a straight or simple path. That has never been truer than in the first year of *Pathways Home*. We have been initiating shifts in homeless care delivery, moving from recommendation to implementation, and recognizing that we share a common goal: to move people into housing as quickly and successfully as possible. Funding programs through the RFP process currently underway ensures that we remain focused on that shared goal.

I am encouraged that the changes implemented so far are already improving our region's homeless response. We are seeing key successes from our efforts and remain committed to staying the course for continued positive results.

Headline Accomplishments during Inaugural Year of *Pathways Home*:
- First quarter 2016 and 2017 compared to second quarter of 2016 and 2017 shows an improved trend system wide:
  - Utilization rate from 74% to 84% across all program types;
  - Average length of stay decreased from 93 days to 74 days across all program types;

- o Emergency shelters utilization rate improved from 51% to 74% and the average length of stay decreased from 55 to 32 days;
  - o Rapid Re-Housing programs increased exits to permanent housing from 63% to 70%;
  - o Transitional Housing programs increased utilization rate from 79% to 90%.

- One thousand three hundred forty-four (1,344) households participating in Coordinated Entry for All (CEA) resolved their housing crises (housed through CEA, diverted from homelessness, and self-resolved) in the second quarter, up from 700 households in the first quarter of 2017.

- Seven hundred thirty-eight (738) families sheltered.

- Released the 2017 Homeless Investments Request for Proposal (RFP) which uses a pay for performance model and incorporates performance metrics to evaluate our investments.

- Opened the Navigation Center and Compass at First Presbyterian Shelter which provide 175 low-barrier, 24-hour shelter beds.

- Established the Navigation Team, comprised of outreach workers and specially-trained police officers, that have contacted 1,340 individuals resulting in 528 people moving from un-managed encampments to safer living spaces and 864 accepting other services.

This is evidence that the changes our community has undertaken over the last year are yielding positive results. However, we know our community has more work to do. To meet the challenge of homelessness we must increase access to housing regionally, scale our successes to meet the needs of a growing population in crisis, and invest in programs that are proven to reduce homelessness. The transformation we are undergoing requires all partners – City, County, elected officials, non-profits, providers, and clients – to pull together in the same direction to create an integrated response to homelessness that keeps this momentum going.

HSD's funding allocations in response to the RFP are a critical component to continuing this momentum. Through the RFP, HSD is asking providers to bring proposals for their best services, delivered most effectively and efficiently.

Pathways Home Context:

Pathways Home, as a policy framework, acknowledges that addressing homelessness requires a focus on systemic solutions balanced with survival, crisis services. It develops a cohesive system of services, setting clear performance expectations for both the City and service providers, and prioritizes housing solutions for people experiencing homelessness. *Pathways Home* acknowledges our system's service gaps including lack of an integrated response system to end homelessness, as evidenced in no procurement strategy or competitive bid of homeless investments in more than a decade. Furthermore, the significant overrepresentation of people of color in our homeless population requires a different approach.

Pathways Home demonstrates the City's commitment to making homelessness rare, brief, and one-time by laying out a set of overriding principles to guide homelessness policy and decision making, including funding for homeless investments. These principles are to: (1) Create a Person-Centered Systemic Response; (2) Invest in Models with Demonstrated Success; and (3) Address Racial Disparities.

In addition to detailing a policy and decision framework, Pathways Home also establishes a set of priority action items critical to jump-starting system transformation.

These bodies of work were selected because they were likely to have substantial impact quickly or were essential elements of increasing the efficacy of the entire homeless response. Outlined below are each priority area including the results to date as well as key learnings and next steps.

Priority #1: Commitment to Unsheltered Families

Issue Identified:
Coordinated Entry for All (CEA) is the housing waitlist for people who have been evaluated by a provider to determine their needs and the critical issues with which they are dealing. While the vision of CEA is to provide families with quick centralized access to shelter and housing, there are system inefficiencies that cause families to experience very long wait times. When *Pathways Home* was released, over 500 families on the CEA waitlist were living unsheltered. King County is actively addressing these system inefficiencies, and the improvements have been identified with guidance and input from the provider network.

Commitment in Year 1: Shelter 500 families
Seattle identified three action steps grounded in the belief that that no family should be unsheltered: 1) Create a Family Impact Team to focus on reducing wait times for and barriers to housing; 2) Prioritize unsheltered families with young children for emergency shelter; and 3) Increase investments in Diversion and Rapid Re-Housing interventions to ensure families have access to flexible funds to help prevent homelessness. These action steps were meant to reduce wait times and accelerate the placement of families into housing.

Results for Sheltering Families:
- 738 sheltered (October 1, 2016 – August 31, 2017).
    - These families were unsheltered when they entered permanent housing, transitional housing, or emergency shelter.
    - 20% have now exited the homeless response system to permanent housing.

- 223 enrolled in diversion programs.
    - 132 have exited to permanent housing.
    - Increased investments in diversion programs by $314,000.

- 361 families enrolled in City-funded prevention programs.
    - 257 have exited to permanent housing.

- 1,071 enrolled in Rapid Re-Housing (RRH).
    - 432 have exited rapid re-housing programs to permanent housing.
    - Increased investments in RRH by $2.6 million.

- Increased eligibility so more families can be referred to RRH programs.
    - 83 families enrolled in RRH who wouldn't have qualified previously.

- Families can now access shelter without waiting for a housing assessment from CEA.

Learnings and Next Steps:

1. Families will greatly benefit from the housing units that will be available through the Housing Resource Center (HRC);

2. Re-launch the Family Impact Team By-Name-List with enhanced training and oversight to ensure consistency in assisting moving families into housing; and

3. The City and its partners will continuously improve these processes by evaluating our investments through data collection.

Priority #2: Expanding Access to Enhanced Shelter

Issue Identified:
Many people living unsheltered indicate that they are unlikely to ever use shelters that don't allow people to stay with their partners or families, bring their pets or possessions, or don't allow them to make some decisions about their own schedule or lifestyle. Historically, the focus of the City's shelter investments has been on providing safe, dry places for people to sleep in an emergency. For shelters to become an active solution to our homelessness crisis, they must move beyond responding only to a person's emergency survival needs and put services in place that support people moving out of the shelter into permanent housing. Shelter must be a preferable option to living outdoors in order to bring unsheltered people indoors, connect them to support services, and help them move on to permanent housing.

Commitment in Year 1: Expand Enhanced Shelter Options
Seattle committed to expanding access to low-barrier enhanced shelter that includes the necessary amenities and services to effectively end a person's homelessness. The City identified the creation of a Navigation Center, modeled after such a center in San Francisco, as an important action to take to expand access to enhanced shelter and support. Additionally, the City was able to solicit responses through a Request for Proposals for an additional enhanced shelter, which opened in First Hill.

Results for Expanding Enhanced Shelter Options:
- The City of Seattle created 175 shelter beds at 24/7 enhanced facilities. This additional capacity has been made available through the opening of the Navigation Center and the Compass at First Presbyterian Shelter.

- **Seattle's Navigation Center** opened in July 2017, and has served 105 people to date. Of these, 32 (30%) have exited the program in the first 45 days of full operation. Nearly half of the clients who have left have refused to disclose or didn't know where they were exiting to. The City and the Navigation Center's operator, DESC, have been evaluating the intake process and program to ensure there is a fit with the clients entering the Center.

Race of Guests at Navigation Center	• 39 White	• 9 Multiple Races
	• 36 Black or African American	• 7 Client Doesn't Know/Client Refused/Data Not Collected
	• 0 Asian	

	• 13 American Indian or Alaska Native	
Ethnicity of Guests at Navigation Center	• 91 Non-Hispanic/Non-Latino • 7 Hispanic/Latino	• 7 Client Doesn't Know/Client Refused/Data Not Collected

- The principles of person-centered service delivery, investing in what works, and addressing racial disparities are embedded in the operational plan of the Navigation Center. The Navigation Center is not included in the HSD Request for Proposals that is currently open.

- **Compass at First Presbyterian Shelter**, opened on September 1, 2017, providing additional 24-hour low-barrier shelter capacity for 100 guests. This shelter is operated by Compass Housing Alliance and provides three housing navigators on site specifically to help transition clients into permanent housing, in additional to overnight shelter. Currently, there are 72 guests at the shelter, including three self-identified couples.

- Sixty-three (63) practitioners representing 25 shelter programs attended training on best practices for emergency shelter sponsored by HSD and conducted by the National Alliance to End Homelessness. The purpose of this training was to strengthen the capacity of shelter providers in focusing on exits to permanent housing and ways to improve model fidelity for person-centered interventions.

- 2017 Homeless Investments Request for Proposals prioritizes funding for enhanced shelters with extended hours and services, including wrap-around case management, meals, laundry, and hygiene facilities. Contracts from this competitive funding process will begin in January 2018.

Learnings and Next Steps:

1. The majority of Navigation Center guests (64 guests or 60%) have been unsheltered for over a year and many fit the definition of chronically homeless (57 guests or 54%). Most clients have chronic health conditions that make it difficult to stay in a traditional shelter. Originally the City planned to refer people to the Navigation Center based upon their length of time homeless. However, the lack of low-barrier shelter in Seattle has kept many unsheltered, so the City determined that it was more effective to refer people to the Navigation Center based on the barriers they face to traditional shelter, rather than solely length of time homeless.

2. People coming inside from being unsheltered have a big adjustment to make and multiple issues to address and many barriers to housing stability; the Navigation Center is finding that mapping out a strategy to get them housed could take more than 60 days.

3. 2017 Homeless Investments RFP offers up to $500,000 in capital funding to support the conversion of basic shelter programs to enhanced shelter programs.

4. In 2018, shelter programs that are awarded funding from the Homeless Investments RFP will engage in performance-based contracting based on the percentage of clients that exit shelter to permanent housing. Twelve percent (12%) of the total award will be based on this performance standard.

Priority #3: Problem Solving Wait Lists

Issue Identified:
Coordinated Entry for All (CEA) is an essential element in a functioning homeless response system, and is mandated by HUD. However, CEA wait lists that are prioritized based on a household's vulnerability rating have not moved people efficiently into housing. The county-wide system has thousands of people experiencing homelessness living outdoors or in shelter waiting for housing intervention.

Communities that have been successful in reducing their wait lists have routinely used "By-Name-Lists" (BNL). BNL allow providers and funders to work together to actively problem solve individuals' or households' barriers to housing. The process creates accountability between providers and funders, and most importantly to the people experiencing homelessness.

Commitment in Year 1: Problem Solve the Wait List with a By-Name-List Practice
Develop BNL processes to reduce wait times and move people into housing faster. In year one, HSD pledged to actively manage BNL calls with providers to problem solve barriers to housing for people on wait lists and to work with stakeholders to develop BNL processes for specific populations, including Youth and Young Adults (YYA), Families, Long-term Shelter Stayers (LTSS), and Unsheltered Adults.

Results for Wait List & BNL Practice:
- Formed BNL work groups for the Unsheltered Adults, YYA, and Family Impact Team.

- Formed the LTSS BNL workgroup that is managed by HSD and partners with other funders and service providers. This workgroup has:
    - Housed 22 LTSS, many of whom had been in shelter for more than a decade.
    - When accounting for normal shelter turnover, housing these individuals is comparable to adding a new 75 bed shelter within the City of Seattle.

- Housed 330 unsheltered young adults through participation in the YYA 100-Day Challenge supported by the Raikes Foundation, the Schultz Foundation, and A Way Home Washington.

- One hundred forty-four (144) households, not including LTSS, that were discussed on BNL calls were referred to housing; 34 (23%) of these households have entered housing.

- Funded a temporary staff person to create more capacity at King County for the CEA team in order to clean up wait lists so that they accurately reflect households waiting for housing. The list had contained duplicates and people who had already been housed, diverting time and energy from currently unsheltered people.

- King County, with the support of HSD and All Home King County, is conducting a CEA process improvement review. Numerous potential areas for improvement were identified and plans are being produced by King County staff and the CEA Policy Committee.

Learnings and Next Steps:

1. Although the anticipated outcome of the BNL process was not fully achieved, there is an opportunity to improve this practice by adopting a more robust case conferencing model. Steps are underway to do this in early 2018.

2. Although the BNL practice has not been as fully implemented as originally anticipated, the system is continuing to exit people to permanent housing. As context, 2,044 households exited to permanent housing, either through placement into housing, diversion, or support self-resolving their crisis, in the first half of 2017.

3. Managing BNL work groups is a multi-jurisdictional process. While HSD pledged to manage all the population-specific BNL, CEA is in King County's purview and it was determined that King County is better suited to manage BNL for the Family Impact Team, YYA, and Unsheltered Adults. HSD did manage the LTSS BNL.

4. BNL are a new process for the funders and the service providers in Seattle. The BNL calls were initially implemented as informational updates on persons near the top of waiting lists to ensure they were connected to a service provider and were ready to receive a referral when they reached the top of the list. This approach didn't move enough households into housing and wait times continued to be excessively long while the lists get longer. HSD is encouraged by the transformation to a full case conferencing model in which households are discussed and assigned housing placement in meetings. The single adults list began full case conferencing in August 2017.

Priority #4: Connecting People Living Outdoors to Services

Issue Identified:
While there are many outreach providers who individually are doing good work, Seattle and King County do not have a coordinated system of outreach to ensure adequate coverage, outreach, and placement. Some geographic areas may receive multiple contacts per week and others receive none. In addition, outreach historically focused on meeting basic survival needs by providing items like food and blankets, rather than connecting to support for housing programs. Outreach is essential to help transition people who are living outdoors to services and ultimately into housing.

Commitment in Year 1: Develop Outreach Strategy and Improve Data in HMIS
The City commits to developing a comprehensive outreach strategy and system to actively engage persons living unsheltered in accessing services, and commits to requiring outreach providers to enter data into the Homeless Management Information System (HMIS) to track the outcomes from the region's outreach practices. While outreach will always include components such as survival supports, medical interventions, and mental health and substance abuse treatment, outreach must be the entrance to our homeless response system, actively working to get people indoors either into shelter or into permanent housing placements.

Results for People Living Outdoors:
- Established the Navigation Team, comprised of outreach workers and specially-trained police officers, designed to engage persons living in hazardous, un-managed encampments and connect them to providers and safer alternative living spaces.

- Navigation Team has made 5,127 outreach contacts to a total of 1,340 individuals; the outcome of this engagement includes:

Exits to Alternate Living Arrangement	• 39% exited encampment to an alternate living arrangement • This included exits to a managed encampment, the Navigation Center, or a traditional shelter environment
Services Accepted	• 64% accepted services of some sort • This included medical treatment, help with identification, signing up for other benefits
Declined services	• 33% declined offered for any services

- Convened an Outreach Continuum workgroup in partnership with All Home King County and the region's leading outreach providers to develop standards of practice for outreach to unsheltered people. With standards in common, funders and providers can more closely align the needs of unsheltered people with the region's available resources.

- Established three new authorized encampments (Georgetown, Licton Springs, and Camp Second Chance at Myers Way) for a total of six managed encampments. These new encampments are currently serving 128 individuals, bringing the total number of spaces offering a safe place across all encampment sites to 245. One encampment is low-barrier and has staff trained in harm reduction principles. Encampments are intended to transition people from living outdoors to more stable housing programs through connections to case management and other supportive services.

- Developed data collection standards of practice and began entering client and services data into HMIS to evaluate the effectiveness of our outreach practices. This is critical given that, historically, data had been collected in a very disparate way and had never been entered into the HMIS system, thus contributing to an incomplete sense of the impact of outreach investments.

Learnings and Next Steps:
1. The City of Seattle, United Way of King County, and Healthcare for the Homeless have incorporated the Outreach Continuum's recommendations into their funding processes.

2. There is an urgent need to provide unsheltered people with real time referrals to shelter and housing by using scan card technology in the field to link outreach workers and housing resources.

Priority #5: Making Housing Units Accessible

Issue Identified:
Housing is the only way to end homelessness, but there is a significant shortage of affordable housing units in our region. The City of Seattle is implementing multiple strategies to address this shortage. However, even when housing is available, persons who experience homelessness often face significant barriers to accessing it. Rental restrictions and barriers to entry such as poor credit and criminal background checks extend the length of time people are homeless.

Commitment in Year 1: Develop the Housing Resource Center

Pathways Home commits to supporting the development of a coordinated strategy to increase access to private market rate and affordable housing rental units. This strategy is called the Housing Resource Center[1] (HRC).

Results for Increasing Affordable Housing Units:

- Included planning of the HRC within the activation of the Emergency Operations Center. The multi-departmental and multi-jurisdictional effort is led by the Seattle Office of Housing (OH) in partnership with the Human Services Department, King County, United Way of King County, All Home King County, King County Housing Authority, Seattle Housing Authority, and Building Changes.

- OH, HSD, and Building Changes contracted with Slalom Consulting to design a strategy to approach and engage private market property owners and management companies.

- Worked with private market and non-profit property owners to understand their businesses and build trust to develop an effective program for the HRC initiative. Developed proposed package of incentives and risk mitigation funds, based on property owner feedback, to encourage property owner participation.

- Provided financial support to hire an interim staff member to manage the transition from the existing Landlord Liaison Project (LLP) to the new HRC. This staff member is based at King County and manages relationships with existing LLP property owners and clients, and is translating initial learnings to program development for the HRC. The existing LLP portfolio is 285 property owners serving 519 households.

- Engaged with service providers to solicit their perspectives on program design for inclusion on the new model. The HRC must be responsive to the needs of its participants and program development will be ongoing.

Learnings and Next Steps:

1. The HRC is innovative. The program's goal is to use a business-to-business approach to help find available housing units for people experiencing homelessness, freeing up service providers to concentrate on direct services to clients rather than real estate management. This is a new role for government funders and it has taken time to learn the business from stakeholders.

2. The HRC will require additional resources to scale up the response to the homelessness crisis in our region.

3. An operator is the primary missing component for the HRC. The City of Seattle and King County are planning for a launch of the program in the first half of 2018.

Priority #6: Ensuring Good Government and Performance

Issue Identified:

The City of Seattle has a significant role to play in the state of our homeless response system. The lack of a formal investment process has contributed to a disjointed patchwork of programs rather than an integrated

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[1] Note that the final branding and naming of the Housing Resource Center may change.

response system to help people in crisis. In the past, it has been difficult to capture the outcomes of the programs the City has invested in and, therefore, difficult to know if our system is effectively addressing homelessness. Seattle has not competitively bid its homeless services dollars in over a decade and, as a result, the City's contracts with service providers haven't required the use of nationally recognized best practices or measurable system-wide results for people experiencing homelessness.

Commitment in Year 1: Competitive Procurement and Performance-Based Contracting

HSD commits to conducting routine competitive funding processes and engaging in performance-based contracting for homeless investments which is consistent with the results-based accountability framework and the competitive processes used for other HSD lines of business. The City of Seattle will include the following performance standards in all future funding processes: utilization rate, entries from homelessness, lengths of stay, exits to permanent housing, and returns to homelessness. HSD will also train and hire staff to monitor performance contracts and develop program standards manuals for each project type. In partnership with All Home King County and King County, the City is implementing a capacity-building plan to increase the abilities of programs to meet performance standards and provide necessary technical assistance. Future investments must be made strategically, based on data, grounded in best practices, and in alignment with other funders.

Results for Good Government Practices:

- Released the Homeless Investments Request for Proposal (RFP) which competitively bids $30 million in homeless services funds using a results and accountability framework. The following are the elements that make this RFP process, and the contracts that will result, particularly noteworthy:
  - o Designed pay for performance model for 2018 shelter contracts. Twelve percent (12%) of the total award is contingent on programs meeting minimum standards for moving clients from homelessness to permanent housing.
  - o The City is now fulfilling its signed Memorandum of Understanding agreement with King County and United Way of King County by incorporating performance measures and "pay for performance" into the RFP process.
  - o Partnered with the Non-Profit Assistance Center to provide technical assistance for grassroots and culturally-specific agencies in the development and completion of the RFP applications.
  - o Researched and identified racial equity goals for the Homeless Investments RFP, increasing the numbers of American Indian/Alaska Native households obtaining housing and Black/African American households maintaining housing.
  - o Engagement with nearly 70 provider boards, coalitions, funders, philanthropic entities, elected officials, and businesses in advance of the RFP.

- Enacted performance measures in 2017 contracts, and offered technical assistance and support to provider agencies over the course of the past year.

- Began capturing housing data disaggregated by race to measure the effectiveness of the system in assisting households of color to find and maintain housing.

- Partnered with All Home King County to develop a series of trainings focused on building capacity within programs. Seventy-nine (79) people participated in the first three trainings. Three more trainings are scheduled in the last quarter of 2017.

- Engaged with 62 service practitioners in Best Practices for Rapid Re-Housing training sponsored by HSD and conducted by the National Alliance to End Homelessness (NAEH).

- Thirty (30) Rapid Re-Housing case managers participated in Critical Time Intervention training. Critical Time Intervention is a nine-month program that accompanies Rapid Re-Housing dollars for households that need more support to maintain permanent housing.

- Activated the Emergency Operations Center (EOC) to facilitate cross-departmental work to more quickly respond to the Homeless State of Emergency declared in 2015. Work on expanding access to shelter, connecting persons living outdoors to services, and the development of the Housing Resource Center were rolled into the EOC process.

Learnings and Next Steps:
1. Providers who are awarded funding through the RFP will start their contracts in 2018.

2. HSD will monitor contracts and support providers in achieving performance standards.

3. Performance standards for homeless prevention, diversion, and outreach will be monitored in 2018 and will become pay for performance targets in 2019 contracts.

Conclusion

While many goals have been accomplished in the first year of the *Pathways Home* implementation, there is much more needed. Much of the past year has been focused on changes to the system in order to scale impact for people living unsheltered in our community. The homeless RFP that our department is managing is the tool for fully operationalizing the commitments laid out in *Pathways Home* in the contracts negotiated for 2018.

There are some priority action items that need additional work to bring them to completion, most notably the Housing Resource Center. Others are complete in their initial implementation, but in the spirit of continuous improvement will need to be regularly revisited; examples include CEA and the BNL practice.

I want to acknowledge the dedicated work of the Human Services Department staff. Equally important are our relationships with our funding partners (King County, United Way of King County, and All Home King County), as well as the numerous service providers who work directly with the most vulnerable members in our community.

By working together over the past year, we have accomplished so much, including building a solid foundation for significant system transformation and strengthening our resolve to ensure our City's most vulnerable neighbors receive the support they need to end their homelessness. Thank you for your ongoing support!