

Barbara Poppe and associates
The collective for impact

The Path Forward: Housing Resource Center

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Overview

The Path Forward report provides recommendations for City of Seattle HSD management that can be used to shape the Homeless Investment Policy. The suggestions describe ideas and concepts to move from the current state to a desired state that enables all members of Seattle to benefit from the advantages of Seattle’s thriving economy. It builds on earlier agreements on the key goals, intended outcomes, and key opportunities.

The Path Forward report contains recommendations on how to operationalize the vision that homelessness is rare, brief and one-time through shifting City investments and promoting successful service models. Building an integrated system of interventions that provide more rapid response and access to housing is critical to end homelessness. The recommendations incorporate analysis from new predictive analytics developed by Focus Strategies. The policy and investment recommendations build on the demonstrated success of programs moving people out of homelessness in timely and cost effective ways and consider local and national best practices.

The Path Forward report describes a robust set of interventions that prioritizes these twin priorities:

- 1) **Reduce unsheltered homelessness.** This is critical since the increasing numbers of people who are experiencing unsheltered homelessness has prompted the Seattle Mayor and King County Executive to issue a state of emergency.

- 2) **Increase the throughput from homelessness to stable housing.** Both a humane response and provides greater efficiencies for existing emergency responses through turning over temporary shelter capacity to enable more persons who are experiencing unsheltered homelessness to be served.

The Path Forward recommendations point to suggestions for reallocation priorities, opportunities to advocate with local partners for system improvements, and proposed timing of these shifts in investment and policy. The overall content is organized by these categories.

- Recommendation 1.* Create a person-centered crisis response system

- Recommendation 2.* Improve program/system performance and accountability

- Recommendation 3.* Implement well, with urgency

City leadership will need to consider which of the concepts described within this document will be in the HIP report. The detail provided within this Housing Resource Center report is more granular than may be appropriate for a policy report on investment strategies. The detail is provided to help City leadership consider the implications of shifting to the approaches described in this report.

Increase access to affordable housing options

One reason that has been raised about why Seattle isn't making progress on addressing homelessness is the lack of access to affordable rental housing in a strong economy and escalating rental market. This is cited as a reason for increased demand on the homeless crisis response system and a rationale for why homeless programs are under-performing. Providers are generally not placing families and individuals in permanent housing at rates comparable to other communities.

Based on a review of best practices, there are three ways that communities report that families and individuals exit homelessness to stable permanent housing. First, **clients identify apartments** available in the community to low income households. Second, **homeless assistance providers provide leads and referrals** to landlords that they have established working relationships with. In some cases these relationships are formalized through memorandum of agreement; generally these are informal working relationships. Third, an **intermediary organization provides listings** and/or referrals to landlords and/or vacancy listings.

In Seattle, the Landlord Liaison Project is viewed as national model for communities across the country to emulate. The *OneHome* campaign, launched by All Home and Zillow, is a local effort to develop new partnerships with landlords to expand housing options for formerly homeless individuals and families that has also received national attention. In addition, Seattle is considered a national leader in providing low-income housing that addresses the continuum of housing needs, and a pioneer in permanent supportive housing, through its local Housing Levy funding, deployment of federal block grant funding (HOME and CDBG), and significant partnership with the Seattle Housing Authority. More strategic use of these affordable housing resources that the City has invested in over the past decade is another way to increase access. Greater outreach and engagement with private owners and managers of subsidized and affordable housing would also increase access. Within All Home structure, conversations are under way to determine how to take these efforts to the next level.

Within All Home's new Coordinated Entry for All operated by King County, many households that are assessed as Band 3 (high need) or Band 2 (medium need) will need to locate apartments available in the community to low income households in order to use the housing assistance provided through rapid rehousing or scattered site transitional housing and permanent supportive housing. The current time from being accepted into one of these programs and being able to move into an apartment can be protracted. Expediting this transition is a priority as it will not only stabilize the family/individual, it will free up precious emergency shelter space for another family/individual who is unsheltered.

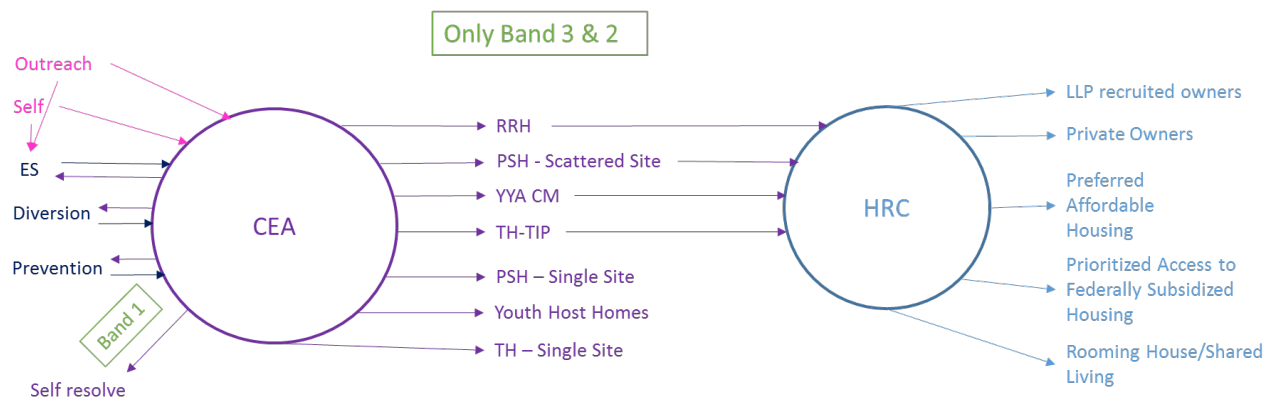
For purposes of these recommendations **targeted homeless assistance funding** is funding from Federal, state, and local government sources that is provided to programs targeted to specifically assist homeless individuals, family and youth. Targeted homeless assistance funding is used for a range of costs including services, operations, rent assistance, administration, etc. Examples of targeted Federal homeless assistance funding include HUD CoC, HUD ESG, and HHS PATH. **Mainstream funding** is funding from Federal, state, and local government sources that is provided

to programs that serve low income populations. Examples of mainstream housing assistance include Housing Choice Vouchers and Public Housing.

Recommendation: The City of Seattle should lead and actively support the creation of more systematic access to affordable housing resource options for households that are assessed by CEA as Band 3 (high need) or Band 2 (medium need).

All city funded programs receiving targeted homeless assistance funding should be required to participate in Coordinated Entry for All (CEA). The figure below proposes that housing resources that receive mainstream funding or are not receiving homeless assistance funding participate in the Housing Resource Center (HRC) not the CEA. Band 1, 2, and 3 refer to the vulnerability assessment scores for homeless individuals as determined by CEA.

Strategies:



1. Increase the capacity of all homeless assistance organizations to implement Housing First placement practices and engage effectively with property managers and owners of affordable rental housing and demonstrate successful placement to garner more support and access.
2. Organize affordable housing resources under one umbrella organization. This Housing Resource Center could be a one-stop for housing placement staff to have access to prioritized affordable housing resources as well as a training and technical assistance center. See graphic above.
3. As noted earlier, the City of Seattle should hold providers who are funded as part of the homeless crisis response system to meet housing placement performance expectations.

Training available within the Housing Resource Center

Sample types of training available to providers:

- Landlord outreach strategies
- Tenant/landlord rights and responsibilities
- Preparing clients for housing
- Helping clients with criminal histories
- Linking to community resources that support housing stability
- When to develop an MOU with a landlord
- Housing Resource Center orientation
- Other topics as requested by providers

The HRC would not provide training to people who are seeking housing but could develop curriculum and tools for homeless assistance providers to use with their clients as part of the housing placement process. The HRC should operate under a business to business model (B2B) not a business to customer model (B2C) in order to be more efficient and to make clear that it is homeless providers responsibility to assist clients achieve housing outcomes.

Housing options within the Housing Resource Center

The Housing Resource Center (HRC) could provide listings for five types of property owners:

1. OH Homeless units that do not have homeless assistance funding
2. Preferred Affordable Housing, including OH financed units
3. Prioritized Access to Federally Subsidized Housing
4. Rooming Houses/Shared Housing
5. Other privately owned housing

HRC staff will work closely with owners to encourage reduced screening criteria. Incentives, such as a mitigation fund, could also be provided by the HRC. An upfront financial incentive could be provided for very high barrier households.

OH Homeless units are affordable units in housing projects that have received OH capital investment and are voluntarily designated by the owner as homeless units or are regulated as homeless unit in the funding agreement with OH. Some units may be currently serving homeless residents but are not designated as PSHⁱ and THⁱⁱ and do not receive any homeless assistance funding that would require making the units available to prioritized Band 2 or Band 3 individuals and families referred from CEA. **The primary intent is to preserve these regulated and voluntarily designated units as part of the strategy to end homelessness not to relieve owners of this mission.**

To implement this recommendation, OH should complete an analysis, currently underway, of housing units in its portfolio that are regulated to serve people who are homeless or at risk of homelessness, to achieve the following:

Those regulated units (not already designated as PSH and TH) which receive funding from the homeless assistance system to pay for operating or services should be re-categorized as PSH and funding levels should be adjusted if needed. These owners should be required to receive referrals and fill units directly from CEA (Band 3) as a condition of their homeless assistance funding. OH will be supportive of this action by the homeless assistance funder but will not independently compel the owner to participate in CEA.

Those regulated units (not already designated as PSH and TH) which are not receiving funding from the homeless assistance system to pay for operating or services will be required or encouraged to admit homeless clients via the HRC who are receiving RRH assistance (Band 2) or scattered site PSH (Band 3). Owners will be encouraged to offer reduced screening criteria but may elect to use the owner's typical screening criteria. In some cases due to the underlying OH agreements, it may not be possible to compel the owners, however OH can strongly encourage them to participate in HRC and share information about how to participate.

Next steps:

- 1) Analysis of inventory: OH will need to analyze the inventory and underlying funding agreements. For projects with units regulated as homeless units, OH will need to determine if any of the homeless units are receiving funding from the homeless assistance system to pay for operating or services. For projects designated as PSH and TH, a similar inventory analysis should occur confirm ongoing participation in CEA as PSH and TH. Suggestions on conversion of transitional housing are described in the Path Forward report.
- 2) Analysis of underlying agreements: To prepare for engagement with these owners, OH will need to review the underlying funding agreements and determine whether requirements are possible and a strategy for outreach.
- 3) Outreach to owners:
 - a) If units are receiving funding from the homeless assistance system, whether or not they are regulated as homeless units, All Home and other homeless assistance funders will need to coordinate with OH to outreach and discuss with owners the requirement to be part of CEA as PSH program.
 - b) If units are not receiving funding from the homeless assistance system to pay for operating or services but are regulated as homeless units, OH will need to notify them whether participation in HRC is required or suggested and share information about how to participate.
 - c) If units are not receiving funding from the homeless assistance system to pay for operating or services but are not regulated as homeless units, OH will need to notify them to suggest participation in HRC and share information about how to participate

(follow outreach strategy similar to that described below in Preferred Affordable Housing).

Preferred Affordable Housing (non-homeless housing) is a new type of housing designation for nonprofit and private rental housing that has received capital development funding from local sources (e.g. housing levy, LIHTC, HOME, etc.) that rents at "below market" price points. This includes OH financed affordable housing. Currently this rental housing serves a range of needs from seniors to disabled to working families. Many people who experience homelessness fall into these same categories and would benefit from having access to these units but are currently unable to access these units due to lack of awareness about vacancies and/or admission criteria that exclude people who experience homelessness. It is not envisioned that all admissions would be limited to homeless families and individuals, rather, that homeless families and individuals would be on at least a level playing field to access this quality rental housing.

Preferred affordable housing providers would establish a mechanism (preference, protocol or set aside) to serve homeless households and exempt these households from some eligibility criteria. Locally, some owners are already designating a portion of units for homeless households and/or have in place preferred admission practices. This concept would be broadened such that owners voluntarily list vacancies via the HRC and/or establish MOU's or informal relationships with homeless services providers. These owners will agree to admit homeless clients who are receiving RRH assistance (Band 2) or scattered site PSH (Band 3) but may reject prospective applicants based the owner's screening criteria.

Next steps:

- 1) Analysis of inventory: OH will need to analyze the inventory to identify owners in this category.
- 2) Outreach to owners: OH will need to notify them to suggest participation in HRC and share information about how to participate.

Prioritized Access to Federally Subsidized Housing (non-homeless housing) is a new type of housing designation for private and nonprofit affordable rental housing that creates voluntary homeless preferences using [2013 HUD guidance](#). These owners establish an admission preference to serve homeless households and may also exempt these households from some eligibility criteria. These owners list vacancies via the HRC and/or establish MOU's or informal relationships with homeless services providers. These owners will agree to admit homeless clients who are receiving RRH assistance (Band 2) or scattered site PSH (Band 3) but may reject prospective applicants based the owner's screening criteria.

Next steps:

- 1) Analysis of inventory: OH should partner with All Home and HUD to identify owners in this category. HUD has developed the existing owner list.
- 2) Outreach to owners: OH should partner with All Home and HUD to notify them to suggest participation in HRC and share information about how to participate.
- 3) Ongoing partnership: HRC should maintain the ongoing relationship.

Rooming Houses/Shared Housing. Some transitional housing programs operate in apartments while others are congregate, small units, or shared living within a single family home. Some single adult transitional housing programs could convert to permanent housing reserved for homeless single adults in a congregate setting to provide rooming house/shared housing. Rents would be affordable to low wage workers or SSI recipients. Depending on whether there is a mainstream funding resource as an operating or rent subsidy, rents are fixed at 30% AMI or sliding scale based on income. This model of pretty low cost congregate housing is an important part of Houston's response to homelessness.

As noted elsewhere, single adult transitional housing providers should determine feasibility of conversion in consultation with their respective funders. Rooming Houses/Shared Housing should not receive funding from the homeless assistance system to pay for operating or services. But if the units are homeless regulated, OH should require or encourage the project to admit homeless clients through the HRC who are receiving RRH assistance (Band 2) or scattered site PSH (Band 3). Owners may reject prospective applicants based the owner's screening criteria. However, OH should strongly encourage owners to lower screening barriers as a condition of approving the conversion.

New developments using Shared Housing could be considered only upon evaluation of the effectiveness of the stock created by transitional housing conversion.

Next steps:

- 1) Analysis of inventory: OH will need to analyze the TH inventory to determine if units are regulated or non-regulated. Then determine if they are receiving funding from the homeless assistance system to pay for operating or services. Regulated transitional housing that is not receiving funding may elect convert to rooming house/shared housing or OH Homeless Housing (see above). For projects receiving homeless assistance funds, OH with All Home and other respective funders should determine TH programs that may be underperforming as transitional housing and may be appropriate for conversion.
- 2) Analysis of underlying agreements: To prepare for engagement with these owners, OH will need to review the underlying funding agreements and determine whether requirements are possible and a strategy for outreach.
- 3) Outreach to owners: All Home, other funders and OH will need to determine conversion process steps and notify owners about options for conversion.

Private owners who have been engaged through the OneHome campaign, participated in the LLP, and additional owners who are engaged by the HRC staff should be encouraged to list vacancies via the HRC and/or establish MOU's or informal relationships with homeless services providers. These owners will agree to admit homeless clients who are receiving RRH assistance (Band 2) or scattered site PSH (Band 3) but may elect to use the owner's typical screening criteria or offer reduced screening criteria.

Recommended timeline for implementation

2016

1. OH completes analysis of the homeless housing inventory, underlying funding agreements and if any of the homeless units are receiving funding from the homeless assistance system to pay for operating or services.
2. City works with King County to design and RFP for "next generation LLP" that incorporates the elements of the Housing Resource Center components.
3. Transitional housing program performance for all city-funded projects is assessed.
4. OH/HSD outreach to owners to seek their feedback on the HRC concept and begin recruiting owners to participate.
5. King County selects intermediary organization to implement the next generation LLP (aka HRC).
6. HSD follows up with TH providers about any performance concerns.
7. City determines feasibility and requirements for Rooming Houses/Shared Housing programs.
8. City, County and All Home determine process for voluntary conversions of TH. Share process with TH providers.
9. OH works with All Home and HUD to identify owners in who operate HUD financed and/or supported affordable housing units to participate as Prioritized Access to Federally Subsidized Housing. Begin outreach to the owners who have units that align with housing needs of homeless families or single adults.

By January 2017

1. King County begins operation of the next generation LLP/HRC.
2. OH/HSD continue to recruit owners to participate in HRC.
3. TH conversion plans are being developed for implementation during 2017.

Rationale for HRC to be separately administered from the CEA

1. These are housing units which operate as **real estate** not human services interventions. The CEA system doesn't have real estate expertise. Across the country, the need for treating these as real estate transactions is recommended as best practice (owners care about their business model first).
2. There is **no need to "match"** homeless residents to affordable housing units. In fact using a "matching" approach may create a moral hazard that promotes inaction by providers and prospective tenants to wait for the HRC to have an opening rather than assertively seeking out any available options. Operating HRC separately from CEA will encourage and in fact require both RRH and scattered site PSH providers and their clients to be actively seeking options. RRH and scattered site PSH providers should be working with their clients to pursue 1) options that the client identifies; 2) options that the provider has from their own relationships with property owners; 3) HRC options.
3. There are serious concerns about **lack of capacity** of the CEA staff to implement HRC successfully as it is concurrently implementing a new HMIS and a coordinated entry system for all populations. Successfully implement the CEA will be complex and challenging as currently envisioned. Adding the additional responsibility to recruit and manage affordable housing options is not an integral task to the CEA.
4. In order for the City to be successful at reducing unsheltered homelessness, a very significant increase in throughput to permanent housing is required. Holding RRH and scattered site PSH providers accountable to quickly identify housing is key to achieving throughput. The HRC becomes an "assist" to this goal not a potential bottleneck. This sets up a separate system of accountability for housing placement that is not entwined with whether the CEA is successful at matching clients to the appropriate intervention (RRH or PSH).

ⁱ **Permanent Supportive Housing:** Permanent supportive housing (PSH) is housing that is not time-limited, which provides deeply affordable rent and intensive ongoing support services. It is designed for those homeless people with the most acute needs, particularly those who are chronically homeless and/or have significant behavioral disabilities. Seattle/King County's PSH inventory includes both scattered site and a range of dedicated site-based PSH projects. (Focus Strategies report)

ⁱⁱ **Transitional Housing:** Seattle/King County has a relatively large inventory of transitional housing programs for single adults, families with children, youth/young adults, veterans and DV survivors. These programs are designed to offer longer stays and intensive case management to help residents make the transition to permanent housing upon exit. HUD-funded transitional housing programs are allowed to have stays of up to two years, but the majority of programs in Seattle/King County are designed for 12 to 18 month stays. (Focus Strategies report)