

Beyond Shelter



The Skid Row Families Demonstration Project

**Final Evaluation Report
Housing Stability and Family Well-Being**

July 2010



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I. INTRODUCTION

The Skid Row Families Demonstration Project, which operated from January 2007-December 2009, represented a unique nonprofit-government partnership to address increasing family homelessness in Los Angeles' Skid Row neighborhood, a dangerous and unhealthy environment for families with young children. Complementary to other efforts to combat this problem, including the Board of Supervisors' "Zero Tolerance" policy and the Homeless CalWORKs Families Project, the Demonstration Project was an L.A. County-funded initiative designed to holistically address the crisis intervention, permanent housing, and longer-term service needs of homeless families encountered in Skid Row. Central to the program design was a housing-based intervention that linked affordable permanent housing in the community at-large with individualized, time-limited case management services.

Beyond Shelter, a nonprofit homeless services agency, served as the lead provider for the project, with primary responsibility for program design and implementation, including a full range of interim and permanent housing and supportive services activities. Partnering with the agency in the collaboration were the L.A. County Departments of Children and Family Services (DCFS), Public Social Services (DPSS), Mental Health (DMH), Health Services (DHS), and Public Health (DPH), and the Housing Authorities, City of Los Angeles (HACLA) and County of Los Angeles (HACoLA). The Chief Executive Office (CEO) of L.A. County provided oversight for the project, while DCFS served as project coordinator. Funding for the project came from L.A. County's \$100 million Homelessness Prevention Initiative.

As a demonstration project, the program was designed to test an innovative model of services integration involving multiple public agencies and a nonprofit agency, as well as test a flexible and customized housing-based intervention for what was thought to be a high-risk and/or chronically homeless families population.

Beyond Shelter's Institute for Research, Training, & Technical Assistance, with initial consultation from the USC School of Social Work, has been responsible for evaluating the program and preparing process and outcomes reports. This final evaluation report provides a comprehensive portrait of family residential stability and social and economic well-being for the 241 households that achieved permanent housing. It builds upon a prior report (November 2009), which focused on housing outcomes one year following placement, by describing longer-term housing outcomes, as well as changes in non-housing domains.

Evaluation Methodology and Organization of This Report

The evaluation design for the program included data collection at multiple waves – beginning at program enrollment and continuing up to 24 months in permanent housing – in order to measure changes in family housing stability and well-being over time. Due to the time-limited case management offered to families after rehousing – services were terminated at 12 months post housing placement – most of the data collection ceased at 12 months in housing, with the exception

of basic follow-up information collected by Beyond Shelter and the Housing Authority, City of Los Angeles, on housing stability through approximately two years in housing.

The design of the program evaluation was adapted from the Homeless Families Program Logic Model developed by SAMHSA, the Substance Abuse and Mental Health Services Administration, an entity within the U.S. Department of Health and Human Services. The adapted logic model is included in Appendix A. The SAMHSA model was chosen because it was designed for programs utilizing time-limited, housing and service interventions targeted to homeless, female-headed households with complex, co-occurring problems, thus similar in design and nature to the Skid Row Families Demonstration Project.

Although the original intention was to measure change in the various domains delineated in the logic model – housing, mental health, substance abuse, and adult participation in employment and training activities, reliable measurement in all those areas proved to be an insurmountable challenge. This was particularly the case for mental health and substance abuse recovery, as a significant number of adults enrolled in the program either denied having problems and/or refused to access services. For this reason, the actual domains that were prioritized for measurement during the program represent a further refinement of this logic model. Those domains and their corresponding indicators are listed below:

Key Domains and Indicators Tracked During Program	
<u>Domain</u>	<u>Indicator</u>
Housing Stability	Access to and retention of permanent housing Ability to maintain monthly rent payments
Economic Well-Being	Food security Increased household income Ability to meet basic needs Participation in labor force

Outcomes related to these domains were measured according to short-term, intermediate, and long-term time frames. This approach to performance measurement recognizes that change typically occurs in gradual increments, with initial progress in an area (e.g., access to permanent housing) providing a building block upon which future change can occur (e.g., demonstrated housing stability).

Due to the time-limited nature of supportive services provided in housing, long-term outcomes of the program were not measured, except for housing retention at 24 months. Most outcomes were only measured until 6 or 12 months after housing placement. Appendix B contains an evaluation timeline indicating the various points at which data were collected on areas related to residential stability and economic well-being. Generally speaking, data were collected by staff at program entry,

placement in permanent housing, within the first month in housing, at 6 months in housing, and at case closure, typically one year after housing attainment.

Information was collected by Intake Workers and Case Managers as part of the normal services delivery process, using assessment instruments developed by Beyond Shelter or, where noted in the report, standardized tools developed by researchers for use with low-income families. Heads of household were not compensated for their participation, and parents were free to ignore or refuse to answer any questions asked of them.

While every effort was made to include all families at each assessment interval, staff inability to reach clients as well as program attrition (i.e., clients voluntarily choosing to end services or being involuntarily terminated from the program) sometimes contributed to lower response rates at follow-up. The number of respondents for questions and/or outcomes is listed parenthetically throughout the report (i.e., n = x).

The findings in the report compare families' baseline characteristics with their outcomes during program implementation. In interpreting the results, the reader must bear in mind that the findings cannot demonstrate cause and effect, due to the nature of the evaluation design and the lack of a comparison, much less a control, group. Furthermore, the findings may not be generalizable, as program participants were not necessarily representative of homeless families in L.A. County or the country at-large. Where possible, findings are compared with results from similar programs, both locally and nationally, in order to provide a broader context to the reader.

Even though the generalizability of the findings is unknown, prior analysis, as reported in the November 2009 Interim Outcomes Report¹, found that the families who achieved permanent housing were remarkably similar in their needs and characteristics as their counterparts who did not fare as well in the program. Household characteristics alone, therefore, likely do not account for differences in reported outcomes. Stated differently, the program showed as much success with the families with the greatest housing barriers as it did with those with fewer barriers. See Appendix C for a complete discussion of the similarities between the two cohorts.

This report primarily focuses on changes in family and parent stability and well-being for the 241 households that achieved permanent housing. The evaluation design and budget precluded follow-up with the 59 families who voluntarily dis-enrolled, or were terminated, from the program. Beyond Shelter and an academic partner are currently pursuing funding for a more rigorous study to better understand the differences in outcomes for the two cohorts, as well as the cost-effectiveness of the intervention model relative to alternative interventions for a matched comparison group of homeless families in Skid Row.

¹ Report available at www.beyondshelter.org/aaa_programs/demonstration_projects.shtml#Skid_Row

SECTION I:

PROGRAM MODEL & IMPLEMENTATION

General Overview of Program Model

In an effort to enforce the “Zero Tolerance” policy for families in Skid Row adopted by the L.A. County Board of Supervisors in 2006, staff from a variety of L.A. County Departments were assigned to Skid Row to work in teams to identify, and then assess and provide resources and referrals to, homeless families encountered in the area. For the Skid Row Families Demonstration Project (Demonstration Project), families encountered in Skid Row were assessed by members of the Skid Row Assessment Team (SRAT) consisting of staff from DPSS, DCFS, DMH, and DPH. Families deemed eligible were then referred to Beyond Shelter for further screening and assessment and program enrollment.

After program intake by Beyond Shelter, families were enrolled into the Crisis Intervention Program – Program Phase I, which included crisis intervention services and temporary housing located outside Skid Row. The Crisis Intervention Program was intended to address families’ crisis needs and then once stabilized, refer them in a timely manner to the Housing First Program – Program Phase II. As a rapid rehousing model, the Housing First Program is predicated on moving homeless families into permanent housing *as quickly as possible* and then providing them, through home visitation, the case management services that are traditionally provided in transitional housing programs.

Unlike traditional models, the Housing First approach does not require families to meet certain program expectations or goals (e.g., mandatory savings plans, parenting classes, or job attainment) before being assisted into permanent housing; instead, the model focuses on actively engaging homeless families in the steps necessary to develop and implement permanent housing plans. As an adaptation of this model, the current program was intentionally designed by Beyond Shelter as a “high tolerance” demonstration project intended to engage families who are typically denied services by other homeless programs due to presenting issues or family makeup, or who refuse to participate in services when offered. Dysfunctional behavior and/or noncompliance with program activities did not necessarily result in termination of services.

Although efforts were made in the original program design to process families through the two program components as quickly as possible, a variety of outside factors and extenuating circumstances prevented the majority of families from moving quickly through the various steps required for a successful move into permanent, affordable housing. Through improved communication and collaboration with project partners, however, many of these issues were successfully resolved at the end of the first year of program operation. The Year One Evaluation Report provides a detailed discussion of these challenges.²

Once families became housed in the community at-large with their own lease agreements, Case Managers worked intensively and proactively with parents and children to assist them to stabilize in their housing and to link them with community-based resources and services. Home visitation

² Report available at www.beyondshelter.org/aaa_programs/demonstration_projects.shtml#Skid_Row

services were offered for the first 6 months, tailored in frequency and intensity to individual need, followed by 6 months of monitoring and support, primarily through phone contact.

Project Implementation: Step-by-Step, How the Program Worked

The actual implementation of the Demonstration Project involved several key steps within the two primary program phases described above. These steps are described in detail below as well as illustrated in the flow chart at the end of this section. Some of the challenges in moving families through the various program steps are also discussed below; challenges related to family dysfunction, inability or refusal to follow through on case management tasks, and other family issues that significantly impacted program implementation are discussed in Section IV. The intensity and magnitude of those challenges warrant separate consideration.

Target Demographic:

The target demographic for the Skid Row Families Demonstration Project was homeless families with children under 18 years of age (including one adult and one child), who were living temporarily in a shelter (mission) in Skid Row; who were originally encountered in Skid Row and provided a hotel voucher by an agency in Skid Row; or who were encountered in Skid Row and could demonstrate that they had no safe shelter for that night. Families walking directly into Beyond Shelter's offices *from Skid Row* were also eligible for enrollment.

Outreach by the SRAT and Referrals to Beyond Shelter:

All families enrolled in the Demonstration Project were screened and assessed by the Skid Row Assessment Team (SRAT) prior to referral to Beyond Shelter for enrollment into the Demonstration Project or prior to enrollment after referral from Beyond Shelter. The Skid Row Assessment Team consisted of one DCFS staff, one DPSS Homeless Case Manager, and one "on call" DMH staff who drove around or walked the streets of Skid Row (between 3rd and 8th street and Main and Alameda) to link homeless families living on Skid Row to any available benefits and resources. Prior to the referral to Beyond Shelter, the team completed a general assessment of each family including DCFS assessment of child safety; DPSS assessment of eligibility for welfare and homeless assistance benefits; and, where necessary, DMH assessment of mental health functioning and DPH assessment of physical health needs of parents and children.

The general guidelines for program referrals were specific to each department, and referrals were made based upon team consensus. Each department, therefore, was instructed and expected to review and approve each referral. Families with the following characteristics generally were to be excluded from the program:³

- Active mental health symptoms that would prevent the family from participating in the program.
- Parents undergoing mental health treatment who were not stable in treatment.
- An open DCFS case that was not stable in case management services.
- Outstanding medical treatment issues requiring immediate attention.
- Aggressive and dangerous behavior towards mission staff and/or other shelter residents.
- A chronic history of being service resistant.

³ Personal communication, Theresa Rupel, L.A. County Department of Children and Family Services (June 8, 2010).

From January 2007 through September 2007, 300 families were referred to, and enrolled in, the Demonstration Project, the majority referred directly by the SRAT to Beyond Shelter. It is not known how many families were screened out of the project by the SRAT and referred to alternative programs during this time period. Five of the families originally referred by the SRAT did not complete their intake interviews at Beyond Shelter, and disappeared from the program.

Phase I - Crisis Intervention, Emergency Shelter and Short-Term Stabilization

Relocation from Skid Row: The majority of homeless families referred to the Demonstration Project by the SRAT were relocated outside the Skid Row area into short-term housing the same day or within 24 hours. Actual enrollment into the Demonstration Project was conducted at the initial time of contact with Beyond Shelter or within the next few days. If the family arrived at Beyond Shelter's offices late in the day, the family was screened for immediate needs, provided food vouchers and placed into a motel outside the Downtown/Skid Row area for the night, and then assessed more comprehensively the next day. Once enrolled, families were immediately engaged in Phase I – The **Crisis Intervention Program**, which provided temporary, short-term housing through motel vouchers, placement in emergency shelters in the community at-large, or other temporary housing options.

Comprehensive Screening and Assessments by Beyond Shelter: Upon enrollment into the Demonstration Project, families were screened and assessed by Beyond Shelter for Low, Moderate, and High Intensity Service Needs, including history of homelessness, DCFS involvement, domestic violence, age of head of household, education, employment, and mental health functioning. Self-reporting by the head of household was a crucial part of the assessment process.

While the initial screening by the Skid Row Assessment Team provided Beyond Shelter with a basic overview of the specific details pertinent to each referred family, upon intake and screening at Beyond Shelter, deeper issues were often uncovered, some related and some unrelated to the results of the SRAT report on the family. It became apparent that a significant number of families were experiencing ongoing and active crises, many of which had not been identified through the preliminary screening by the SRAT. These crises included problems requiring child protective services intervention, active and recurring domestic violence, often-serious mental health issues, and criminal activity.

Although efforts were to be made to exclude families that included parents with untreated or unstable mental health problems, open and closed DCFS cases in which the children were still in danger, outstanding medical treatment issues requiring immediate attention, and families with histories of aggressive and/or service resistant behavior, difficulty assessing such situations resulted in a significant number of families being enrolled in which these issues were both current and active.

The comprehensive assessments conducted by Beyond Shelter helped to identify many of these issues; other issues, however, came to light only after extended interaction and experience with the families. In addition, the assessments helped not only to determine the intensity of services to be provided during the crisis intervention and emergency housing phase, but also after the move into permanent housing.

The Provision of Crisis Intervention Services: After enrollment into the program, each family was assigned to a Crisis Case Manager for the delivery of initial emergency services and short-term case management. Together with the head-of-household, the Case Manager developed an individualized **Family Action Plan**, geared to helping the family address immediate needs prior to permanent housing. The goals set forth in the Family Action Plan evolved over time from practical objectives such as obtaining a birth certificate, or showing up for appointments, to more personal goals, such as enrolling children in extracurricular activities or obtaining employment. Crisis intervention services included referrals as needed to collateral programs in the community, including substance abuse treatment for adults, as well as counseling and mental health services for parents and/or children.

Specialized Children's Services: Due to the high-risk target population, the project employed a Children's Services Specialist to address the special needs of children, particularly those who were at risk of, or vulnerable to having, poor outcomes, or who were actively exhibiting developmental, behavioral, or other problems. Case Managers who identified such children referred them to the Children's Services Specialist for further screening and assessment, followed by referral to specialized services and resources in the community at-large and individualized case management support and advocacy. The Children's Services Specialist played a critical role assisting parents with enrolling children in school, obtaining immunization records, obtaining school uniforms or supplies, requesting Individualized Education Plan meetings from school counselors, participating in Team Decision Making meetings related to DCFS involvement, and advocating for the children and their families in other ways, whenever possible. Generally speaking, the Children's Services Specialist referred families to local mental health agencies, Regional Centers, after-school and mentoring programs and other community resources, and then acted as liaison between those agencies and programs and the families when necessary.

Processing of Section 8 Applications: During the Crisis Intervention phase of the program, families were also assisted in obtaining necessary documents for submission of Section 8 applications to the Housing Authorities, City of Los Angeles (HACLA) and County of Los Angeles (HACoLA). Beyond Shelter Housing Relocation Specialists worked with each eligible household to prepare and submit Section 8 applications. It was originally anticipated that the majority of CalWORKs/TANF families would have the necessary documentation, including birth certificates for each child, available in DPSS files, but this proved not to be the case; for some families, accessing vital documents sometimes took months, particularly for those in crisis, from other California counties, or from out-of-state.

Program Modifications: Modifications to the original program design were made during the first year, in response to (1) many families experiencing intense and ongoing crises which were difficult to diffuse, (2) difficulty accessing vital documents for many families, causing delays in Section 8 applications, (3) long delays in Section 8 processing and issuance by HACLA, and (4) limited capacity of the existing family shelters in L.A.'s federally funded Continuum of Care to provide temporary shelter to enrollees during the sometimes 5-7 month period between submission of a Section 8 application and actual movement of the family into permanent housing. By the end of the first year, with improved communication and refined procedures between Beyond Shelter and HACLA, the timeframe from application to issuance of a Section 8 voucher was significantly reduced to approximately 60 to 90 days, facilitating more rapid movement into permanent housing for families.

While those new and/or refined protocols were being developed, however, the project budget was significantly impacted by unexpected and prolonged emergency shelter costs that had to be absorbed by the program. It was originally planned that the majority of Demonstration Project families would be referred to publicly funded family shelters and transitional housing programs, where they would remain until Section 8 vouchers had been issued to them. At the time the Demonstration Project was implemented, however, emergency shelters and transitional housing programs throughout L.A. County had long waiting lists and could not accommodate the high number of referrals from the Demonstration Project.

Rather than shelter families in motels for extended periods of time while they waited for Section 8 vouchers, funds were reallocated to enable Beyond Shelter to master-lease apartments in a variety of different neighborhoods, with families not paying rent and living in the scattered-site units as “guests.” Reallocated funds covered security deposits, monthly rent and utility costs, as well as basic furnishings and equipment, including kitchen utensils, beds and bedding, tables and, in some cases, stoves and fridges.⁴ This shelter arrangement proved to be fairly cost-effective relative to other options. Appendix D contains a cost-benefit analysis of this alternative shelter model compared to conventional options, including site-based shelters and motels.

As a result of these first-year challenges and their impact on the project budget, the most significant program modification was a change in enrollment numbers, from the originally planned 500 families to the 300 households who were ultimately enrolled.

Referral to Phase II – the Housing First Program

When their immediate crises had been stabilized, families were referred to Phase 2 – the **Housing First Program**, for longer-term case management, assistance in moving into permanent housing, and six months of home-based case management after the move. In the original design, all participants in the Crisis Intervention Program were to be referred to the Housing First Program within two weeks of initial contact, with enrollment into the Housing First Program occurring within 30 days after that. Due to previously discussed implementation challenges, the original timeline for enrollment into the Housing First Program was therefore extended to 30-60 days, to enable crisis case management to begin resolving the most serious crisis situations. This also helped to resolve a “back up” in the enrollment process resulting from the high volume of referrals in short time periods and limited staff to process them.

Once enrolled in the Housing First Program, families were assigned to a Housing First Case Manager who helped them to complete Section 8 applications that had not been submitted during the crisis intervention phase. The Housing First Case Manager also continued the case management activities begun by the Crisis Case Manager. Over time, the Housing First Case Manager helped families to develop and implement individualized Family Action Plans, providing case management support both before and after the move into permanent housing.

Housing Relocation: Housing placement activities were provided by Beyond Shelter Housing Relocation Specialists, who assisted with processing of rental assistance applications, conducted housing searches, and helped with lease negotiation and overcoming bad credit, eviction histories,

⁴ For a full description of the implementation of this alternative shelter model, see “Alternative Shelter Models to Address Rapidly Rising Family Homelessness” which can be accessed at http://www.beyondshelter.org/aaa_the_institute/research.shtml

and discrimination based on ethnicity, income source, gender, and homelessness. Once families were issued a Section 8 voucher or, for those ineligible, a short-term, shallow subsidy paid by the Demonstration Project, a Beyond Shelter Housing Relocation Specialist worked together with each family and their Case Manager to evaluate their permanent housing needs, taking into consideration where children were attending school, where extended support networks were available, and where mental or medical health needs could be met. The Housing Relocation Specialist then assisted the family in identifying and moving into safe, decent, affordable housing in residential neighborhoods located primarily in the City of Los Angeles. To help facilitate the move to permanent housing, the Case Manager assisted the family with signing the lease and arranging for the physical move; this often included transporting the furniture that had been used by the family in the master-leased apartment used as shelter.

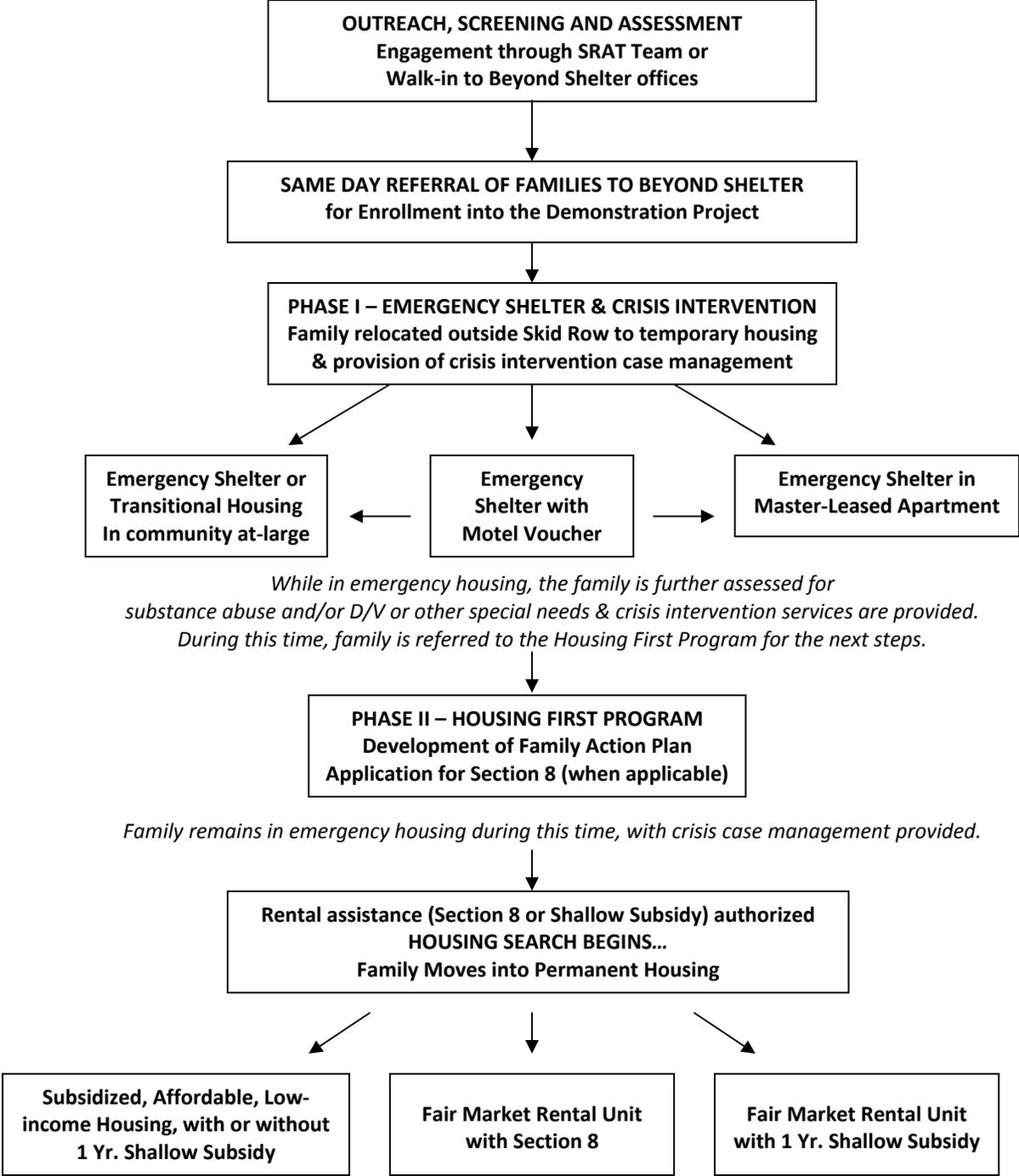
Home-Based Case Management: Immediately prior to moving into permanent housing, each family's service needs were assessed again and a new or the same intensity level – Low, Moderate, or High – was assigned, and services were to be delivered based on that level. A new **Family Action Plan** was developed which focused on (1) following through on activities implemented prior to the family moving into permanent housing and (2) helping the family to stabilize in their new housing and prevent a recurrence of homelessness. **High Intensity** families were visited once per week for 90 days, **Moderate Intensity** families once per week for 30 days, then twice per month for 60 days, and **Low Intensity** families were visited once per month for 90 days, with weekly telephone contact. While many families remained at the same intensity level, some families were moved to a lower level of intensity for service needs. Although participation in case management was voluntary, once they had moved into permanent housing, the majority of families were responsive and continued in the program through six months in permanent housing. Once families moved in, Case Managers and the Children's Services Specialist linked adults and children with the local resources and services, including schools, medical clinics, grocery stores and bus routes, to help familiarize family members with their new community.

Follow-Up Phone Contact after Six Months in Permanent Housing: At six months in permanent housing, formal case management activities were terminated for the majority of participants. After the six-month case management program had been completed, approximately 75% of families received monthly phone contact to monitor their continued transition to stability. Follow-up focused on timely payment of rent, other money management issues, additional assistance from Beyond Shelter through referrals for services/resources, and the provision of crisis intervention services. Issues that were addressed during this time included DCFS interventions, job loss, and undiagnosed or untreated mental health problems.

Closure & Termination of Services: At 12 months in permanent housing, all services were terminated and families "graduated" from the program. However, families could re-contact Beyond Shelter at any point after case closure for assistance.

Skid Row Families Demonstration Project

FLOW CHART



While in emergency housing, the family is further assessed for substance abuse and/or D/V or other special needs & crisis intervention services are provided. During this time, family is referred to the Housing First Program for the next steps.

Family remains in emergency housing during this time, with crisis case management provided.

Beyond Shelter provides home-based case management for 6 months after the move. 75% of families provided 6 months of follow-up phone monitoring & crisis services after that.

SECTION II: DESCRIPTION OF ENROLLED FAMILIES

During the intake process for the Demonstration Project, heads of household were asked a series of closed and open-ended questions about their histories in various domains, including housing, employment, and family violence, as well as current status regarding family composition, income, and physical and mental health. The results are presented in Table 1.

Table 1. Baseline Characteristics of Participating Families (295 Total)*	
Characteristic at Program Intake (Sample Size)	Indicator (Number of Families)
Single-Parent Household (n = 252)**	85.7% (216)
Transition Age Youth, 18-25 (n = 294)	23.1% (68)
Receiving CalWORKs (n = 295)	76.6% (226)
Worked in Last 2 Years (n = 295)	49.2% (145)
Average Length of Current Homelessness (n = 290)	8.32 Months
Previously Homeless As a Family (n = 295)	47% (139)
Two or More Prior Homeless Episodes (n = 295)	18.3% (54)
Housing Tenure In One Place Beyond 24 Months (n = 244)	58.0% (141)
Ever Been Evicted (n = 268)	24.3% (65)
Past Domestic Violence Victimization (n = 295)	39.0% (115)
Adult with Physical or Mental Disability (n = 295)	23.1% (68)
Adult with Chronic Health Condition (n = 295)	24.8% (73)
<p>* Some numbers in this report vary slightly from those reported in the Year One Evaluation Report due to additional data added from a small number of families excluded from prior calculations.</p> <p>** The number of households represented in each category (i.e., n = x) varies based on the completeness of information provided by families at program intake and/or staff ability to collect such information.</p>	

Enrollees consisted predominantly of single-parent, minority households who relied upon CalWORKs/TANF as their primary, and in many cases only, source of income. Seventy percent of families were African American, 21% Hispanic/Latino, 4% Caucasian, and 5% other, including bi-racial families. Limited and/or sporadic work histories prior to program enrollment appeared to

contribute to the high rate of welfare receipt reported at intake. Only about one in two parents had worked – in any capacity and for any length of time – two years prior to program entry.

The majority of families were long-time residents of Los Angeles County prior to enrollment in the program. One half of families had lived in the County for over 20 years, while one quarter had lived in the area for less than 2 years.

Based on residential histories provided in Section 8 applications, prior to becoming homeless, 19% of families had previously lived in the First Supervisorial District, 34% in the Second District, 4% in the Third and Fourth Districts, and 3% in the Fifth District (note: data not included in Table 1. but previously reported on in the Year One Evaluation Report). Eight percent of enrollees originated from a California city outside of L.A. County, 20% came from a city outside of the state, and 7% were from another country.

The lives of families leading up to program referral could be best described as highly unstable. This instability manifested itself prior to contact with Beyond Shelter in numerous ways, including residential mobility and recurrent homelessness.

Forty-two percent of adults had not lived in any one apartment or house with their children for more than 2 years. More than one quarter of families (28%) had never lived at the same address for more than 12 months, with 13% of families never having lived at one address continuously beyond 6 months.

Parent age, as one might expect, did not fully explain unstable residential histories: the average age of parents with 6 months or less of reported housing tenure was 29 years at program intake, and 32 years for households with no more than 12 months of past stability. The average age for all heads of household was only slightly higher at 33 years.

Given the prevalence of housing disruptions in the lives of these families, it is not surprising that 47% of parents (n=139) reported one or more prior episodes of homelessness with their children. Of these multiply homeless families, 61% had one previous episode, while 24% had 2-3 prior episodes.

At the point of enrollment, approximately 60% of families had been homeless less than 6 months, with 48% of all households reporting episodes lasting 3 months or less. Over a quarter of families were homeless anywhere from 6 months up to one year. Almost 15% of families had experienced homelessness for more than 1 year.

Half of families had spent less than 30 days homeless in Skid Row before enrollment in the Demonstration Project. The half that had spent more time in the area included 25% that had been homeless in that neighborhood for more than five months, based on parent self-report.

Nearly one quarter of households were headed by transition-age youth (ages 18-25). Twenty-nine of these 68 youth (43%) were 21 years of age or younger at the time of program enrollment.

Serious health issues among heads of household also affected a significant number of families. Over 23% of parents self-identified as having a somatic and/or psychiatric disorder. Based on Beyond Shelter's interactions and work over an extended period of time with enrollees, the agency believes

this statistic is actually an undercount of the actual prevalence of severe conditions, particularly mental health issues. This suspicion will be discussed in more detail later.

Close to one in four heads of household stated that they themselves, or another adult in the family, had a chronic health condition. Of particular note, only 27 of the 68 parents who self-identified as having a disability also identified themselves as having a chronic health condition. Collectively, this means that a total of 109 families (37% of interviewees, n = 295) had at least one adult with one or more serious health issues.

Consistent with the relatively high rates of health issues, a majority of adults – 52% (147 out of 283 assessed) – self-identified or presented as having special needs, defined as having one or more of the following characteristics:

- third-trimester pregnancy
- newborn child
- physical, mental, or developmental disability
- serious health condition not classified as a disability
- active substance abuse
- family with 5 or more children
- emancipated foster youth
- open DCFS case or recent history with DCFS (within the last year)
- single father with children
- less than 6 months recovery from substance abuse

The special needs of enrollees, including serious physical and mental health issues, point to the profound challenges participating families faced in overcoming their homelessness, which had already averaged nearly 8.5 months at program intake.

Finally, some families presented other housing barriers unique to their particular circumstances. One in ten heads-of-household had a felony record. Nearly 30% of families had 4 or more children and thus those households generally required larger, and more expensive, rental units. In addition, nearly 4 in 10 parents had experienced past domestic violence victimization. The difficulty of breaking the cycle of violence presents a formidable barrier to maintaining housing, once women who have experienced abuse, however recent, are rehoused.

Collectively, the families enrolled in the Demonstration Project exhibited multiple risk factors for housing instability and homelessness. Taken together, these factors provide a portrait of the myriad factors that potentially precipitated, or simply exacerbated, the economic problems the majority of families cited for their homelessness. They also represent the complex array of challenges that confronted Beyond Shelter in terms of, first, engaging and working with these families to re-house them, and second, ensuring that they remain housed.

SECTION III:

PROGRAM CHALLENGES IN SERVING FAMILIES AFTER ENROLLMENT

Unlike the demographic characteristics and basic needs of enrollees documented above, it is difficult to quantify the magnitude of the behavioral, psychological, inter-personal, and systemic challenges that Beyond Shelter faced in serving this high-risk, hard-to-serve target population. This section portrays these challenges, however anecdotal, to help provide a context for the findings discussed in the remainder of the report.

During the enrollment phase of the program, L.A. County staff assigned to the Demonstration Project and their supervisors met regularly with Beyond Shelter staff to discuss program referrals. Weekly meetings entailed case reviews and discussions regarding integration of services from the County Departments and Beyond Shelter. Services were discussed for each family and an initial plan was established to ensure timely interventions from DPSS, DMH, DPH, and/or DCFS. While many situations which otherwise would have been challenging were resolved – including issues such as DPSS being made aware that a family would be referred to apply for benefits, or that there was an interruption of a family’s benefits – other situations were not effectively resolved due to systemic barriers to collaboration.

Integration of services became challenging, for example, as issues about confidentiality became apparent and difficult to overcome. The DMH supervisor was steadfast in adhering to departmental confidentiality policy which disallowed DMH staff from revealing any diagnoses that adults had in the past or present. Beyond Shelter staff was unable to obtain pertinent information that, in many cases, would have indicated that a particular family should not have been enrolled in the program, and was not likely to be successful because of their diagnosis and non-compliance with their DMH case worker.

Following enrollment, issues emerged with these same families and other households as well. Many families entered the program in a state of trauma, with multiple and often serious crises that had not been addressed prior to their referral for enrollment. Adults with histories of domestic violence, substance abuse, child abuse, foster care, and/or mental health issues often arrived for intake in a highly agitated state. Those families often remained in this emotional state for extended periods of time. It was difficult to engage them, and begin to build trust and rapport with them.

Some families had such low self-esteem and were so emotionally distressed that they had become, for all practical purposes, immobilized and were unable to accomplish the most basic of tasks without the assistance of their Crisis Case Manager. It was often necessary to be physically present while families made phone calls for collateral assistance, or to transport them to appointments. It was difficult for these families, for instance, to schedule DPSS or Housing Authority appointments on their own, understand notices of action regarding public benefits, and endure long wait times in regional offices, which proved to be tiring, complicated, and overwhelming, even for Case Managers at times. Without the intensive and individualized support provided to these families, many would not have been able to follow through on important action steps and case management objectives.

A subgroup of families remained in a state of crisis following enrollment for a variety of reasons, resisting all efforts to assist them. In some situations, families were enrolled, placed immediately into a motel outside Skid Row, and then disappeared from the program, only to subsequently re-appear at some point. In other situations, participants were initially enrolled, but later on in the process were terminated for refusal to provide vital documents or for providing false information.

During the initial months, many families demonstrated poor interpersonal and social skills as manifested by their emotional outbursts and low tolerance for conflict or pressure of any sort. Repeated displays of anger and oppositional behavior often created the need for Beyond Shelter staff to relocate families several times from one motel to another, after parents engaged in altercations with their neighbors. Many of these same families had histories of being terminated from other shelter programs for non-compliant behavior.

Beyond Shelter enforced a high tolerance policy for such behaviors, based on the belief that these families would remain homeless long-term if they were terminated from the Demonstration Project and were not able to achieve affordable, permanent housing. Such a policy necessarily complicated services delivery, as various individualized strategies, often involving creativity, persistence, and trial and error, had to be employed to engage and work with those families. While those efforts proved successful for most of these households, a minority of them were eventually terminated from the program, or left of their own accord, prior to achieving permanent housing.

Among the hardest-to-serve who did remain in the program, consistent monitoring and support from staff led eventually to their engagement and cooperation despite initial resistance to services. Apprehension, fear of authority, and fear of consequences of disclosure were eventually overcome for the majority of the families. What had changed for many of them, in addition to new consistency in their lives, was the realization that the Case Manager was there to provide support and assistance, and that they might actually be able to move into permanent housing by actively participating in case management services being offered to them.

SECTION IV:

HOUSING BARRIERS AND FIRST-YEAR HOUSING OUTCOMES AMONG FAMILIES

One of the core services offered by Beyond Shelter through the Demonstration Project was housing relocation, specifically proactive assistance both in identifying neighborhoods conducive to meeting the diverse needs of vulnerable and at-risk families with children, and also outreaching and recruiting landlords willing to rent to the families in spite of their barriers. Due to the high cost of housing in Los Angeles and the low incomes of homeless households, central to relocation services was direct assistance in accessing move-in funds and rental subsidies.

With few exceptions, families were assisted in relocating to scattered-site rental housing in the private market, primarily in market-rate buildings made affordable to them through special tenant-based Section 8 vouchers allocated to the Demonstration Project (i.e., homeless “set-aside” vouchers). The approximately two dozen households that were ineligible for federal subsidies were assisted in moving into subsidized multi-family buildings – save for 3-4 households – and nearly all were given shallow rent subsidies, funded through the project, for up to one full year.

Although the Demonstration Project was allocated a sufficient quantity of Section 8 vouchers to meet the housing needs of eligible families, a voucher in and of itself did not guarantee success in renting a unit, particularly in an area like Los Angeles with typically expensive housing stock and low vacancy rates. Prior national research has documented the barriers low-income families face in utilizing vouchers, even when they receive assistance with landlord outreach and recruitment.⁵ At the local level, successful utilization of vouchers or certificates in the City of Los Angeles has averaged around 70%, based on past studies.⁶ Coupled with the housing barriers of families participating in the Demonstration Project, these findings provide a context for the housing placement rates for the program.

Housing Barriers of Participating Families

The two prior program evaluation reports discussed in detail the characteristics and needs of families enrolled in the Demonstration Project, highlighting the barriers families faced in exiting homelessness. As mentioned, prior analyses (November 2009 report/Appendix C) found almost no significant differences between the 241 families who achieved permanent housing and the 59 who did not have such success. Before presenting the housing outcomes for the larger cohort, it is important to understand the housing barriers faced by those families. The results are presented below and include barriers to both accessing and maintaining housing.

⁵ For example, Feins, J. D., McInnis, D., & Popkin, S.J. (1997). *Counseling in the Moving to Opportunity Program*. Washington, DC: U.S. Department of Housing and Urban Development.

⁶ California Institute for Mental Health. June 2009. *The CalWORKs Homeless Families Project: Long Term Success*. Sacramento: Author. Available at www.cimh.org

Table 2. Housing Barriers Among the Housed Cohort (241 total)*	
Housing Barrier (Sample Size)	Indicator (Number of Families)
CalWORKs is only source of income (n = 197)**	69% (136)
Current problems with CalWORKs sanctions (n = 187)	23% (43)
Unemployed, working age, and no GED or HS Diploma (n = 241)	43% (104)
No work at any point two years prior to program entry (n = 241)	52% (125)
At least one prior homeless episode (n = 241)	49% (117)
Two or more prior homeless episodes (n = 240)	18% (42)
Transition-Age Youth (n = 241)	22% (54)
Never held a lease agreement (n = 127)***	47% (60)
Large families (4 or more children) (n = 236)	14% (34)
Age 25 or older and 12 months or less housing tenure in any one residence (n = 161)***	30% (49)
Has at least one past eviction (n = 226)	24% (55)
Debt of \$1,000 or greater (n = 239)	23% (56)
One or more disabled adults – receiving SSI or SSDI (n = 241)	10% (24)
*Source of Information: Intake Interviews with families. **The number of families on welfare at program entry was 197, not 241. ***These sample sizes are significantly below the total number of housed families, 241, because many families did not provide complete information to all questions or were never asked certain questions.	

The numbers paint a picture of the challenges the families faced as a whole in exiting homelessness. Most families reported originally becoming homeless because of economic problems⁷, and not surprisingly, most reported at program intake facing one or more financial barriers to finding permanent housing, including welfare dependence, lack of (recent) work history or other work barriers, and household debt. Along with prior evictions, these are the types of barriers that negatively impact the credit scores of poor and homeless families and cause them to be at a competitive disadvantage in tight rental markets.

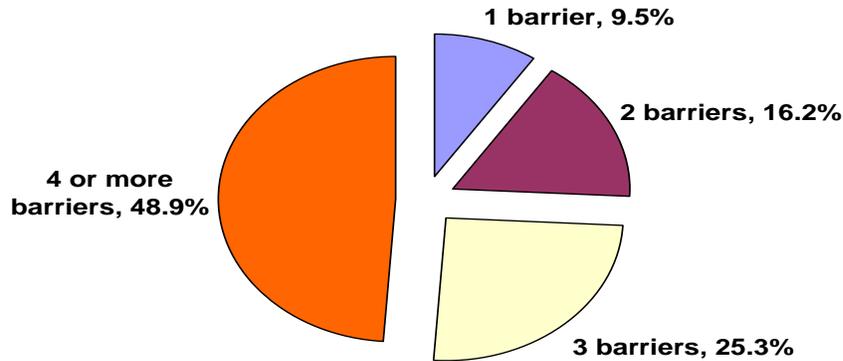
Beyond affordability, many households faced other barriers. These included no prior leasing experience, which was the case for *at least* one quarter of families; families with 4 or more children (14% of families); those with repeated homelessness (18%), and those that had never lived

⁷ See the Skid Row Families Demonstration Project Year One Report (April 2008) for an in-depth discussion. Available at www.beyondshelter.org/aaa_programs/demonstration_projects.shtml#Skid_Row

continuously in one apartment or house with their children for more than 12 months, regardless of whether they had controlled the lease in those residences (30%).

As the chart below shows, most families faced multiple, co-occurring barriers to housing. Nearly 75% of households had three or more barriers.

Chart I. Distribution of Family Housing Barriers



In addition to the housing barriers reflected in the chart and table, some families faced additional challenges. For instance, 10% (20 out of 204) had one or more undocumented adults. Substance abuse and major mental health issues, furthermore, affected a significant number of families, though the actual number is not known due to the limitations of self-reported information. Serious mental health issues in particular manifested themselves among a number of families after enrollment into the program. Combined with the cases of families with known clinical-level disorders at the time of program entry, Beyond Shelter previously calculated that a total of 25% of families (59 out of 241) who were eventually housed had either a formal DSM-IV diagnosis – discovered after program enrollment – or had symptoms and behavior sufficient in nature to warrant such a diagnosis.

In sum, these barriers provide a helpful backdrop for the housing outcomes presented below.

Short-Term and Intermediate Housing Outcomes of Enrollees

For the project, a successful short-term housing outcome was defined as achieving affordable, permanent housing in the community at-large. Furthermore, success was defined as having one’s own lease agreement. Of the original 300 families referred by the Skid Row Assessment Team to Beyond Shelter for program enrollment, 295 households participated in the program; the other five never completed their initial intake interview. Of the 295 participants, 241 achieved permanent housing, while 54 families were terminated from the program or voluntarily chose to leave the program without achieving permanent housing.

A successful intermediate housing outcome was operationalized as verifiable housing retention at the time of case closure, typically 12 months after housing placement. The following table shows the housing achievement and retention rates for the program, through case closure.

Table 3. Permanent Housing Outcomes and Indicators		
Outcome	Number	Percent
Permanent Housing Achievement	241 of 295 participants	81.7%*
Own Lease Agreements	238 of 241 housed families	98.7%
Section 8 Utilization Rate (successful lease up)	212 of 223 families issued vouchers	95.1%
Housing Retention at Follow-Up (Original unit)	223 of 241 housed families	92.5%
Families Rehoused After Losing or Leaving First Housing	11 of 18 families	61.1%
Permanent Housing Retention (Second unit)	11 of 11 families	100%
Overall Housing Retention At Case Closure	234 of 241 households	97.1%
* The percentage reported here differs from that reported in the November 2009 Outcomes Report because the five families that were referred to, and enrolled in, the program but never completed their intake interviews were excluded from the current calculation.		

Slightly more than 80% of enrollees achieved permanent housing through the assistance of Beyond Shelter. The vast majority of these families utilized tenant-based Section 8 vouchers - 88% of housed families in all. The success rate for voucher holders, that is, the percentage of families able to lease units using vouchers, was 95% (212 out of 223). As a point of comparison, the success rate of the other agencies in Los Angeles that served homeless households with “set-aside” vouchers during 2008, the year in which most families (67%) in the Demonstration Project were housed, was 79%, based on housing authority records.⁸

Another 8% – 20 families in all – achieved permanent housing with the assistance of a shallow rent subsidy. Such subsidies varied in amount and duration depending on the needs of each recipient, but generally were no more than \$600 per month and lasted no more than 12 months. Though these families would have benefitted from a deeper and longer term subsidy, they were ineligible for Section 8 due to various factors, including undocumented status of most or all household members, past criminal convictions, prior fraud against a public housing authority, past eviction from Section 8 housing, and/or outstanding debt owed to a housing authority. The remaining 4% of

⁸ Personal communication, Carlos VanNatter, Housing Authority, City of Los Angeles (November 4, 2009).

families (9 in all) moved into affordable housing projects without any form of tenant-based assistance, relocated to shared housing with relatives, or moved into market-rate housing (albeit just one family fell into that category).

Nearly 100% of housed families had their own lease agreements, with the exception of the 2-3 families in shared housing with family or friends. At least 25% of adults became leaseholders for the first time in their lives. The actual percentage is likely higher because 141 families did not answer, or were never asked, a question about their prior leasing experience. Of the 127 families who did respond, 59 (or 46.5 %) indicated that they had never had their name on a lease, neither individually nor jointly with another party.

Affordability of Housing

On average, household rent obligations were affordable, as shown below. This is significant given that the reasons families cited for becoming homeless were primarily economic in nature.

Table 4. Housing Affordability – Rent-to-Income Ratios At Move-In By Subsidy Type				
	Average Income at Move-in to Permanent Housing	Average Rent at Move-in	Average Tenant Rent Portion at Move-in	Rent as Share of Total Income
Section 8 Recipients (n = 212)	\$864 (n = 205)	\$1451 (n = 207)	\$212 (n = 211)	25%
Shallow Subsidy Recipients (n = 20)	\$1,050 (n = 20)	\$861 (n = 20)	\$387 (n = 20)	37%

Housing costs at move-in and during receipt of rental assistance were generally affordable for families. According to federal standards, housing is deemed affordable if costs do not exceed 30% of household income. Based on those standards, rents for Section 8 recipients were affordable, on average, while those for the small subgroup of families who received shallow, time-limited subsidies were slightly unaffordable, though certainly more affordable than the rents paid by many low-income families in the private market in Los Angeles.

Housing that families could afford contributed to high retention rates at follow-up. At the time of case closure, nearly 93% of households had retained their original housing. Eighteen families lost or had to leave their first apartment for various reasons, including eviction, conflicts with property owners, domestic violence, and foreclosure. Only four of these families, however, were actually evicted. Eleven of the 18 families were rehoused, and all 11 had retained their housing at follow-up, generally 12 months after initial housing placement. Including these second units, housing retention for all families was 97%.

Taking the housing attainment and retention data as a whole, the Demonstration Project ended 2,164 months of homelessness or just over 180 years, as measured at program intake, for the housed cohort of 241 families. Homelessness was ended for 595 minor children, including 235 children ages 0-5.

Where Families Relocated To

While the Demonstration Project was allocated 50 Section 8 vouchers from the Housing Authority, County of Los Angeles (HACoLA), many families were fearful of moving into new communities and preferred to live in more familiar surroundings in the City of Los Angeles. This reason, coupled with HACoLA’s more stringent screening criteria around criminal history, led most families who were eligible for Section 8 vouchers to apply for rental subsidies through the Housing Authority, City of Los Angeles (HACLA). Only a small handful of families pursued Housing Choice Vouchers through HACoLA. The following map illustrates the geographic distribution of addresses for the first 213 families that achieved permanent housing.

Map 1. Geographic Distribution of Permanent Housing Placements⁹



As the map illustrates, families were assisted in relocating primarily to neighborhoods in the City of Los Angeles, particularly in Service Planning Area 6, South Los Angeles, but also to areas in SPAs 2, 4,

⁹ Map created by Mark Silverbush, Policy & Planning Analyst, Los Angeles Homeless Services Authority (LAHSA), September 9, 2008.

5 and 8. These neighborhoods are generally consistent with where most families originated from prior to program enrollment. For instance, based on data provided in their Section 8 applications, prior to becoming homeless more than 50% of households had lived in rental housing in SPA 6 (Second Supervisorial District) or SPA 4 (First Supervisorial District).

Family Perceptions of Safety and Comfort of New Neighborhoods

Within the first month after families moved into permanent housing, Case Managers interviewed as many families as possible in order to ascertain an array of information about them, including their feelings about their respective residences and neighborhoods. At 6 months in housing, families were again asked their feelings about their neighborhoods. Prior research on permanent housing and service interventions for homeless families has found that families’ comfort in their new neighborhoods, in addition to the type of permanent housing received, were the strongest predictors of whether families would return to shelter.¹⁰

Table 5. Family Comfort with New Neighborhood						
	Yes		No		Somewhat	
	Month 1	Month 6	Month 1	Month 6	Month 1	Month 6
Are you happy with your neighborhood?	78% (146 families) (n = 187)	74% (154 families) (n = 209)	19% (35 families) (n = 187)	26% (55 families) (n = 209)	3% (6 families) (n = 187)	N/A
Do you feel safe in your neighborhood?	81% (146 families) (n = 180)	75% (156 families) (n = 209)	16% (families) (n = 180)	25% (53 families) (n = 209)	3% (5 families) (n = 180)	N/A

As the table shows, most families were satisfied with their neighborhoods and felt that their surroundings were safe. While there was a slight decrease in satisfaction at follow-up, the majority of families continued to feel safe and happy in their surroundings. Those who expressed dissatisfaction with their new neighborhoods often cited safety-related concerns, including gang activity, drug dealing, violent crime, and constant police activity.

Housing Stability During the First 12 Months

The outcomes data clearly indicate that once families achieved permanent housing, they were almost universally able maintain it to the point of case closure, typically at 12 months after placement. Housing retention, however, is just one measure of residential stability. Low-income families often struggle to make ends meet, including being able to pay rent. To gain a fuller understanding of how stably housed the families were, the program tracked families’ need for rent-to-prevent eviction and/or utility assistance, as well as receipt of eviction notices.

¹⁰ Beth C. Weitzman and Carolyn Berry. (1994). Formerly homeless families and the transition to permanent housing: High risk families and the role of intensive case management services. Final report to the Edna McConnell Clark Foundation. New York: New York University Robert F. Wagner Graduate School of Public Service Center for Health and Public Service Research.

While few families were actually evicted from their rental units during their first year in housing, as previously mentioned, a small subgroup of families struggled to maintain regular rent payments. Thirty-five families received at least one eviction notice during their first 6-12 months in housing. This number may be an undercount as Case Managers were not always informed by parents of such developments.

Consistent with the number of notices received, 31 families applied for and received back-rent assistance, either from the Department of Public Social Services (DPSS)¹¹ and/or through the Demonstration Project. Like eviction notices, the rent-to-prevent eviction assistance data covered approximately a six to twelve month period in housing. In addition to those who had trouble paying rent, forty-one families received assistance through the Demonstration Project with utility arrears. A very small number of households – 6 in all – received assistance, either for rent or utility payments, from both Beyond Shelter and DPSS; however, not during the same time period.

The flexible financial assistance provided by the Demonstration Project was crucial to stabilizing housing crises for at-risk households. While only a fraction of total families served needed such assistance, some may have lost their housing if not for the assistance. This is because an unknown number of families on welfare had already exhausted their once-in-a-lifetime benefits and/or had reached the assistance cap for rental assistance from the welfare department.

¹¹ Personal communication with Jose Salgado, Department of Public Social Services, August 4, 2009. Note that the DPSS data did not cover the entire program period, that is, through December 2009, but rather covered the period through June 2009.

SECTION V:

BEYOND THE NUMBERS: CHALLENGES IN ACHIEVING HOUSING STABILITY DURING THE FIRST YEAR

The housing success rates somewhat obscure the challenges many families faced in maintaining their housing. The high level of dysfunction and ongoing personal and familial challenges affected the stabilization process among a significant number of households.

Even though Case Managers worked closely with families on budgeting and money management, and monitored rent payments at the beginning of each month, many times dysfunctional clients made poor decisions during initial months with regards to prioritizing their rent payments over other ways to spend their money. Timely intervention and ongoing support and guidance from Case Managers helped in most cases to address spending habits and develop strategies to ensure rent was paid each month.

On the other hand, efforts by Case Managers to address problems did not always produce positive results for certain families. Some heads of household refused to engage with their Case Managers, often due in large part to mental health challenges, as exemplified by the following case vignette:

Beyond Shelter assisted Ms. M. and her two children to move into a 2-bedroom apartment with a Section 8 voucher in May 2008. During her first several months in permanent housing, Ms. M. had difficulty paying her bills, although she had sufficient income to cover her financial obligations. She was not willing to discuss with her Case Manager her struggles in paying her bills, despite repeated attempts to broach the topic.

Soon after moving into her new place, Ms. M. reported sadness and feelings of instability. In late June 2008, her Case Manager referred her to mental health counseling at a community mental health agency. However, Ms. M. did not attend her appointments. She continued to resist offers of assistance from her Case Manager, and often would not allow the Case Manager to enter the apartment. She would stand outside the front door to meet the Case Manager, and would always quickly shut the door behind her to prevent the Case Manager from seeing inside the unit. Ms. M. was very distant and paranoid, and would not report any issues to her Case Manager when asked how everything was going. At times, she became almost child-like in her defiance and stubbornness.

Eventually Ms. M. began having problems with her property owner. Unfortunately, she continued to refuse to actively work with her Case Manager, and also refused to work with the Housing Authority to have a voucher re-issued to enable her to move to another location. Ms. M.'s case was closed after 12 months in permanent housing, and at the time she had not followed through with the recommended steps to resolve her mental health and landlord problems. Though she remained housed, her housing stability was in serious jeopardy.

Other families also failed to consistently follow through on referrals, but they were at least willing to seek emotional support from their Case Managers. Those families credited the consistent presence and support of their Case Managers for enabling them to get through challenging periods that otherwise might have jeopardized their ability to maintain their housing. The following vignette illustrates the important role Case Managers played for such families:

In May 2008, Beyond Shelter assisted Ms. W. and her four children to move into permanent housing using a Section 8 voucher. Unfortunately, within the first month, Ms. W. was violently attacked in the apartment by her youngest daughter's father. The three youngest children were in the house at the time but did not see the assault. Ms. W.'s Case Manager provided the family with numerous domestic violence and family counseling referrals. Ms. W. started attending one of the programs but did not feel comfortable with her counselor and felt she could overcome her obstacles on her own. Subsequently, Ms. W. enrolled the whole family in counseling through the Victim - Witness Assistance Program but they did not ultimately follow through with that program either.

In Fall 2008, Ms. W. decided to enroll in school at Southwest Community College. However, the stress from school negatively impacted her mental health. Ms. W. went back and forth with counseling, often enrolling in a program and then not following through to completion.

Fortunately, she did utilize Beyond Shelter and her Case Manager as a support system, allowing her Case Manager to walk her through certain steps and tasks that seemed quite daunting but were important to the health, well-being, and stability of the family unit. In general, she relied on her Case Manager for emotional support and guidance.

After 12 months in housing, Ms. W.'s case was closed. Though the family never fully committed itself to out-of-home services, as had been recommended by their Case Manager, they did remain stably housed in the face of tremendous challenges. At the time of case closure, their Case Manager was able to link the family with an agency that provided in-home mental health services. The family began receiving services from that agency shortly after their case was closed.

There were other challenges that families and Case Managers faced after re-housing. For example, families who had received assistance from family or friends during prior periods of homelessness and/or housing instability often had to contend with those same individuals appearing at their new homes requesting to stay with them. In those instances, it was important for Case Managers to intervene to help the families to understand that however grateful or obligated they felt towards their friends and family, they could lose their housing if they allowed guests to remain for extended periods of time. In several instances, Case Managers had to directly confront guests to explain the reasons why they could not stay.

In spite of efforts to maintain close contact and interactions with families, Case Managers were not always informed or aware of family problems. Some families, for example, became involved with child protective services and had children removed from the home without Beyond Shelter's knowledge. The close communication and cooperation that had existed during the enrollment phase of the program between the public partners and Beyond Shelter largely ceased to exist once families were housed. If a child abuse investigation was initiated by DCFS for one of the families, DCFS did not alert Beyond Shelter about the investigation or the outcome, unless the child abuse report was originally made by a Beyond Shelter staff member. Therefore, Beyond Shelter remained entirely dependent on the families themselves to provide important information to their Case Managers. This lack of communication adversely impacted Beyond Shelter's ability to assist families in crisis with interventions that could help them remain stably housed.

SECTION VI:

TWO-YEAR HOUSING OUTCOMES OF THE PROGRAM

The program design included twelve months of services once families were housed, specifically six months of intensive, home-based case management followed by six months of monitoring and ongoing support primarily by phone. The time-limited support services is what distinguishes the Demonstration Project from other housing and service models targeted to homeless families with complex, co-occurring issues, most notably permanent supportive housing. Measuring the housing outcomes of families after services were terminated, specifically who retained housing and who did not, can shed light on the adequacy of this intervention for families served, including those with the most persistent and intensive needs.

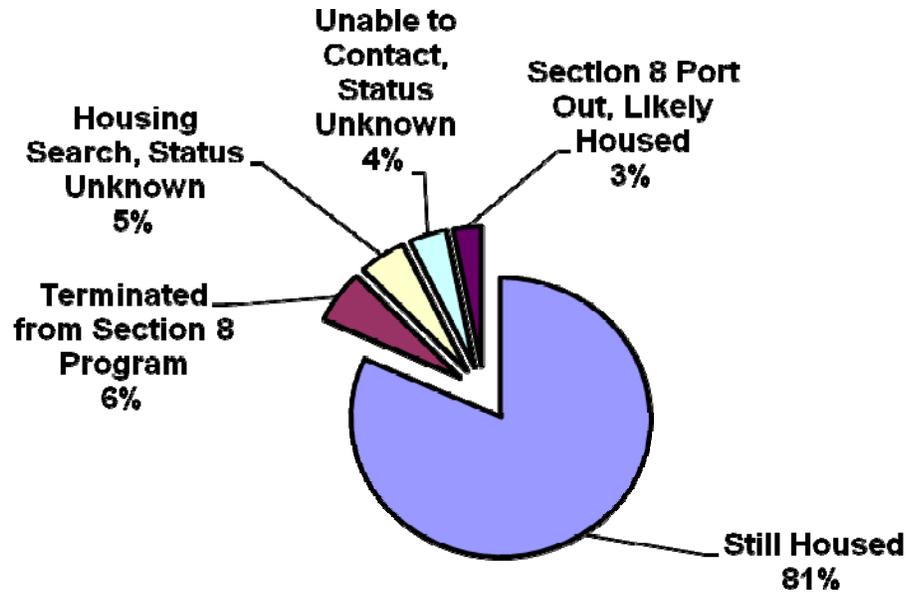
Follow-up data on housing retention among Section 8 households was provided by the Housing Authority, City of Los Angeles (HACLA). HACLA was able to provide verifiable data on 188 households through December 2009, the last contractual month of the Demonstration Project.

For the other 53 families, Beyond Shelter attempted to contact them directly by phone and, in some cases, home visits. When those efforts failed, staff called emergency contacts or the families' landlords. Contact was made with the families themselves, or an alternate source, in 43 out of the 53 cases, though the long-term housing outcomes of all those families was not able to be verified, as will be explained. These contacts were made in March and April 2010.

The combined HACLA and Beyond Shelter data represent follow-up information averaging 22 months post housing placement for all families and ranging anywhere from one to three years, depending on when families first moved into housing.

The following pie chart shows the results at roughly two-year follow-up for the 241 families.

Chart 2. Long-Term Housing Retention Among Families (n = 241)

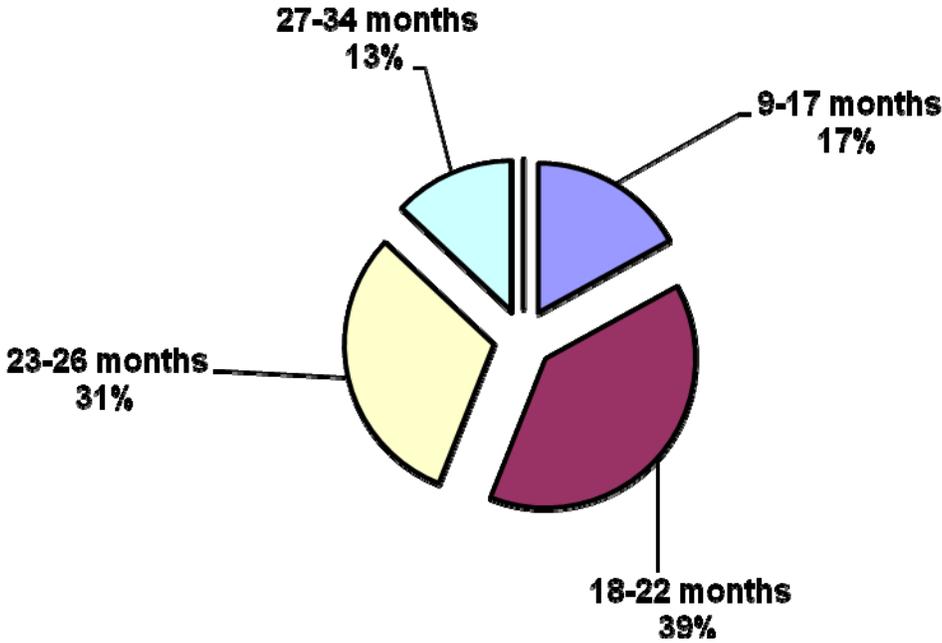


NOTE: Percentages total slightly more than 100% due to rounding.

More than eight in ten households – 194 or 81% total – had retained permanent housing at two-year follow-up, with the vast majority remaining in their original units. Another 3% were likely housed, as they had recently transferred their vouchers to another housing authority. Six percent of all housed families – and 7% of Section 8 recipients – lost their Section 8 eligibility due to various reasons, including abandoning units, drug-related criminal offenses, and other program rule violations. Another 5% of households had been or were actively searching for alternative housing, either after deciding that they needed a larger unit or a more affordable unit, or following an eviction. There were 4 confirmed cases of families re-experiencing homelessness, including at least two families that returned to a Skid Row mission. Beyond Shelter has received anecdotal reports from various sources that the number of families from the project that returned to Skid Row is higher, but those reports cannot be corroborated at this time.

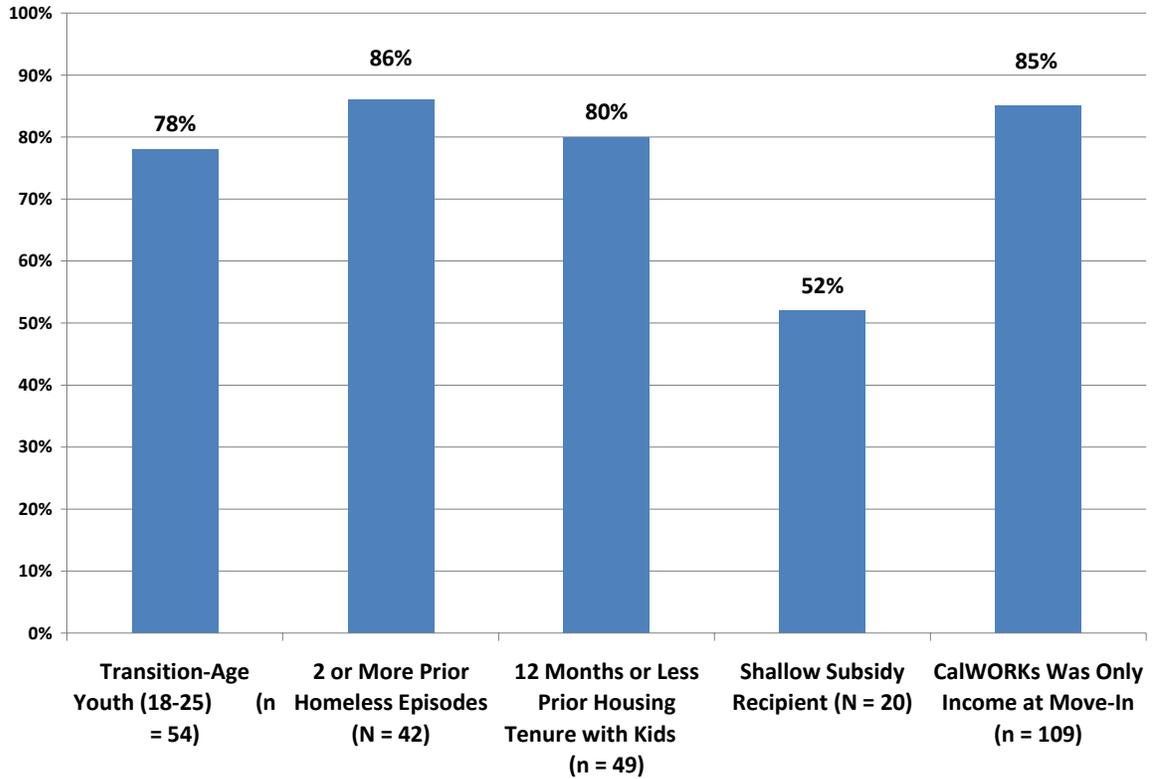
Compared to outcomes measured during the first year in housing, the longer term data indicate still high retention but also increased housing loss (or departures), and potentially, returns to homelessness. As reported earlier, follow up between approximately 6 and 12 months in housing revealed a 97% retention rate at the time of case closure, typically 12 months after housing placement. Although the longer term retention rate is unclear due to the number of cases (16%-19%) with unknown outcomes, it is safe to say that housing retention for the group at-large had begun to decline, if only slightly, during the second year in housing.

Chart 3. Current Housing Tenure by Months and Household (n = 194)



Of the 194 confirmed cases of housing retention at follow-up, all but 17% of families had sustained housing for at least a year and a half. Seventy families (26%) had documented housing retention of two or more years.

Chart 4. Confirmed Housing Retention Among High-Risk Subgroups



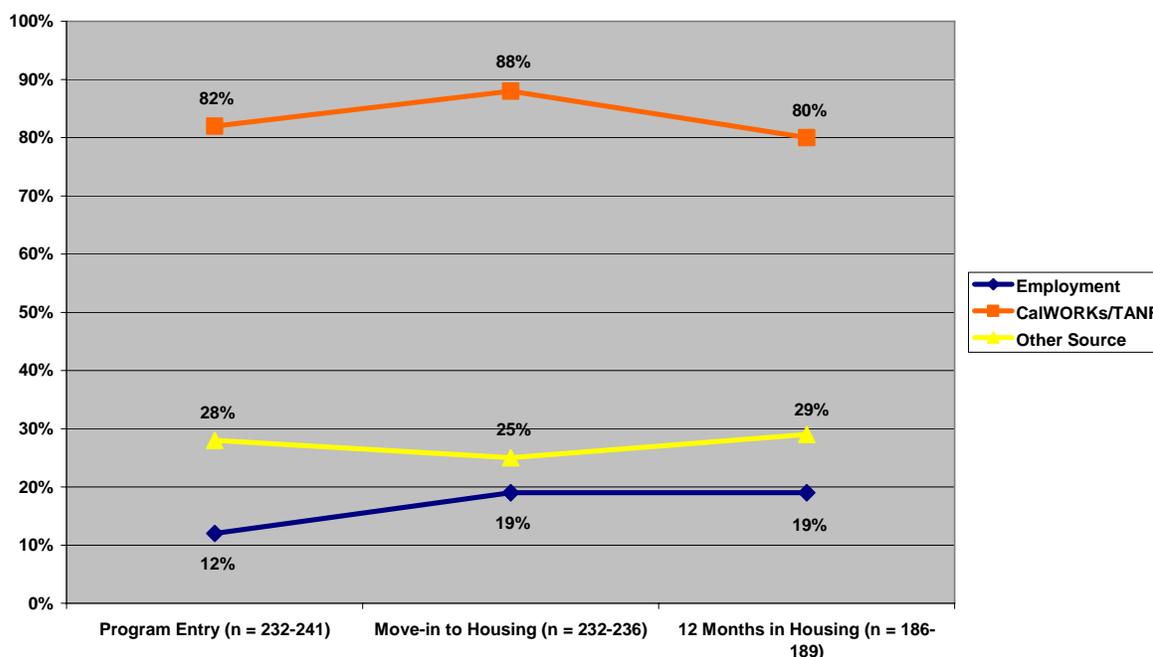
In the absence of formal case management services, at least those previously provided by Beyond Shelter, the vast majority of families that fell into one or more high-risk subgroups continued to retain their housing. The notable exception was the group of families who had been ineligible for the Section 8 Program and who had received shallow, time-limited rental assistance through the Demonstration Project. This intervention was sufficient in the short and intermediate term for nearly all of those households. However, once the subsidy expired and families assumed full responsibility for rent payments, many families began to experience housing problems – sooner or later. Even among those who were still housed at follow-up, several expressed concerns to staff about their ability to maintain housing due to various challenges, including recent job loss and extremely high rent burden.

SECTION VII:

ECONOMIC WELL-BEING OF HOUSEHOLDS

Housing costs often comprise the largest share of household expenses in this country, particularly among low-income families living in expensive rental markets like Los Angeles. Low wages and high housing costs make housing unaffordable for many renters in the United States. Presently, there is not a single county in the nation in which a worker earning the federal minimum wage (\$7.25/hour) can afford a one-bedroom apartment at Fair Market Rent.¹² Receipt of housing assistance, particularly deep subsidies like Section 8, should therefore provide opportunity for improved economic and social well-being among financially vulnerable families, as household resources are freed up to meet other basic needs that might otherwise go unmet. This section describes how despite most families receiving rental vouchers and achieving housing stability, on average families did not advance economically and, in fact, struggled to make ends meet.

Chart 5. Changes in Household Income Sources from Program Entry to Exit



*The range of n-values (e.g., 232-241) is due to a slightly different number of families providing information on questions related to employment, welfare receipt, and other income source(s) at each time point.

While it is difficult to draw definitive conclusions from the data due to lower response rates at twelve-month follow-up, the line graph does suggest some powerful trends. Generally speaking, changes in household income sources were rather modest or flat. Throughout the program, the

¹² DeCrappeo, M., Pelletiere, D., Crowley, S., & Teater, E. (April 2010). Out of Reach 2010. Washington, DC: National Low Income Housing Coalition. Available at www.nlihc.org

percentage of families receiving welfare remained high, with observed changes more indicative of families joining the rolls than leaving them. The uptick in welfare receipt from program entry to housing placement should be viewed as positive, particularly because a small number of households entered the program with no income, and were able to access CalWORKs benefits after enrollment.

Adult employment rates did increase during the program, though work participation was limited to one in five heads of household at both follow-up points. Though not featured in the graph, employment participation peaked at 6 months in housing, with 27% of households (58 out of 212 respondents) containing at least one working adult.

Less than one third of families at entry and at follow-up reported a source of income other than welfare or work, such as SSI (adult or child) or child support. Not only were the percentages of families in this category consistent over time, the pool of families changed little as well.

The three time points in the line graph reflect a period of approximately two to three years in the lives of the families, depending on how long the re-housing process took. Taken together, the data indicate some movement of families into (and out of) the workforce, but few changes in public benefits receipt over time. Of the welfare recipients who remained unemployed during program participation, few were able to acquire an additional income source or to transition to more stable and higher paying public benefits programs, such as SSI, as will be discussed in more detail later.

Table 5. Change in Mean Monthly Earnings and Income from Program Entry to Exit			
	Entry/Intake	Move-in to Permanent Housing	12 Months in Housing
Employment (FT or PT)	\$ Unknown (n = 25)	\$878 (n = 43)	\$982 (n = 32)
CalWORKs Cash Aid	\$549 (n = 197)	\$564 (n = 203)	\$448 (n = 152)
Other Income Source*	\$848 (n = 63)	\$880 (n = 59)	\$858 (n = 54)
Total Income**	\$838 (n = 225)	\$894 (n = 232)	\$894 (n = 185)
*Excludes Food Stamps.			
**Excludes Food Stamps and a small handful of zero income families.			

Although it is difficult to draw definitive conclusions from the data due to lower response rates at twelve-month follow-up, changes in monthly household income were rather modest or flat, on the whole. Families receiving welfare alone were forced to survive on significantly lower incomes than households that had other, or additional, income sources, whether from work or another source. To illustrate this point, the average Section 8 tenant rent portion at move-in (\$212) represented 38% of the mean welfare check, whereas that same rent represented 24% of the mean monthly wages and income from other sources. The disparity is even greater when one considers that many, if not most, households reporting wages or other sources of income usually had multiple income sources unlike many of their counterparts on CalWORKs.

Employed households had higher monthly income than unemployed families, as those households often were able to combine jobs and public benefits of some sort. Average earnings from work, however, were modest. Hourly wages averaged \$9 at move-in to housing (range \$7 - \$15), \$10.05 at 6 months in housing (range \$7 - \$25), and \$10.21 at 12 months in housing (range \$7 - \$25). Though the mean hourly rates reported are somewhat unreliable in that many employed households did not report their hourly earnings, they do suggest the prevalence of low-wage work among these households, consistent with findings generally for welfare recipients in the workforce.

Entrenched Poverty among Households

On average, families entered the program poor, or extremely poor, and exited the program in much the same condition. The key difference of course is that they were no longer homeless, except in a few cases in which housing was lost and the families were unable to be re-housed. Mean monthly income increased only slightly from program entry to exit, due most likely to higher overall employment rates at follow-up.

De-aggregating household income, as illustrated in the table below, shows the extent of family economic deprivation relative to the Federal Poverty Guidelines, as well as the limited ability of families to move up the economic ladder during program participation. The figures are based upon the 2009 Federal Poverty Guidelines, which were \$18,310 for a family of three, or \$1526 per month.¹³

¹³ U.S. Department of Health and Human Services. 2009 Federal Poverty Guidelines. Accessed April 26, 2010 from, <http://aspe.hhs.gov/poverty/09poverty.shtml>

Table 6. Monthly Household Income Relative to the Federal Poverty Level (FPL)*		
	Percent of Families (n =184)	
	Monthly Income at Program Entry Percent (Number of Families)	Monthly Income at Program Exit Percent (Number of Families)
Below 25% of FPL (Less than \$382)	22% (40)	17% (31)
25% - 50% of FPL (\$382 - \$770)	45% (83)	41% (75)
51% - 75% of FPL (\$771 - \$1151)	12% (22)	16% (29)
76% - 100% of FPL (\$1152 - \$1533)	12% (22)	15% (28)
101% - 125% of FPL (\$1534 - \$1914)	5% (10)	7% (13)
Above 126% of FPL (More than \$1915)	4% (7)	4% (8)
TOTAL BELOW FPL	91% (167)	89% (163)
TOTAL ABOVE FPL	9% (17)	11% (21)

*The Federal Poverty Guidelines vary by household size. Table calculations did not take into account family size, but rather assumed a household with a parent and two children – which represented the typical family size in the project.

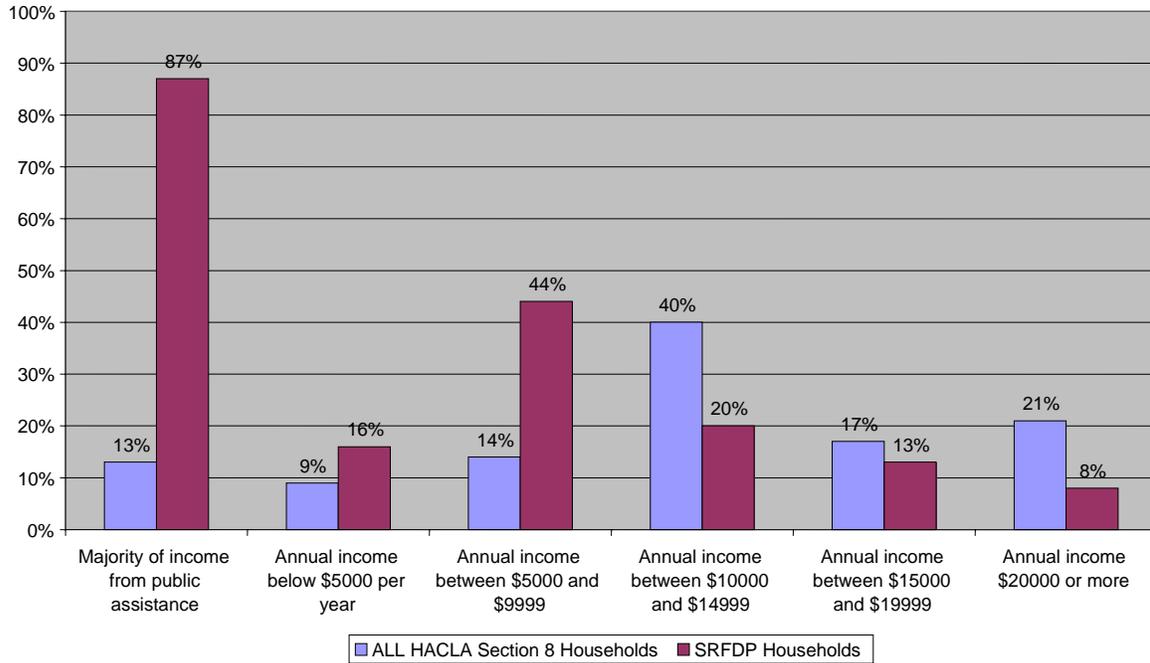
Drawing from the 184 families who provided complete income information at program entry and exit (typically 12 months in housing), the table shows that there was some modest improvement in household income overall, with a minority of households able to move from one income group to another. This improvement included the rate of families in severe poverty – defined as falling at or below 50% of Federal Poverty Guidelines – which changed from 67% of households at entry to 58% at exit. Despite these improvements, the preponderance of families remained below the poverty line at follow-up, meaning that earned and unearned income, excluding food stamps, did not exceed \$1526 per month.

While it is useful to measure the incomes of families in the Demonstration Project relative to the Federal Poverty Guidelines, such analysis is somewhat misleading as the national standard is not indexed for cost of living and, moreover, its calculation is based on a 1960s formula that assumes food costs are a household’s largest expense.¹⁴ (This is one reason why the federal government recently announced plans to utilize a supplemental measure to track poverty rates nationally.)

¹⁴ For an informative review of the limitations of the Federal Poverty Guidelines and explanation of an alternative measure for California, see Insight Center for Community Economic Development. May 2009. Moving Toward Economic Security: Best Practices and Challenges in Using the California Economic Self-Sufficiency Standard and Online Calculator.

Given the high cost of living in Los Angeles, it is useful to compare the poverty status of Demonstration Project households, the majority of whom participated in the City of Los Angeles’ Section 8 Program, with the entire pool of Housing Choice Voucher holders in Los Angeles (all households – individuals and families), as shown below.

Chart 6. Income Comparison Between Demonstration Project Households and All Section 8 Voucher Holders in Los Angeles (2008)



The chart illustrates the severe economic disadvantage of Demonstration Project families compared to the pool of Section 8 recipients in the City of Los Angeles, according to the most recent available data.¹⁵ For the comparison, monthly income reported by Demonstration Project families at 6 and 12 months in housing (mean = \$894 for both time points) was annualized and compared with the actual annual incomes of all HACLA Housing Choice Voucher holders in 2008.

While it is expected that the general population of voucher holders would on the whole be better off financially than homeless voucher holders – federal regulations permit as many as one quarter of Section 8 vouchers to be allocated to households with incomes above 30% of Area Median Income – the majority of program participants are still low-income, with many considered poor based on federal standards. It is also important to note that the Housing Authority of Los Angeles has dedicated substantial numbers of vouchers in recent years to homeless households, typically 10% of their allotment, which resulted, for example, in 4,000 such vouchers in 2009. Therefore, the general population of voucher holders provides a useful comparison point.

¹⁵ HUD Office of Policy Development and Research. (2010). The Picture of Subsidized Households 2008. Washington, DC: Author. Available <http://www.huduser.org/portal/picture2008/index.html>

What is most striking about the data is the disproportionate dependence of Demonstration Project households upon public assistance as well as the greater degree of poverty among those families. While only 13% of the general pool of voucher holders derived the majority of their income from one or more federal welfare programs, nearly nine in ten Demonstration Project families reported welfare as their primary, and in most cases only, source of income. For example, at twelve-month follow-up, 56% (n=184) of households reported CalWORKs as their only source of income. Another striking contrast between the two groups is that 54% of Demonstration Project households had annualized income less than \$10,000 compared to only 23% of voucher holders at-large. Furthermore, only 41% of Demonstration Project families had annual income greater than or equal to \$10,000, whereas 78% of households in the general population reported income in that range.

Impact of Poverty on Household Basic Needs

While families participating in the Demonstration Project had affordable rents, on average, and most were able to maintain housing over the two-year follow-up period, the very high rates of poverty suggest that families may have faced barriers to meeting their basic needs beyond housing. Analyses indicated that such barriers were prevalent among families, including in the area of food security as illustrated below.

Table 7. Family Food Security Over Last 30 Days				
	Never True % (n)	Sometimes True % (n)	Often True % (n)	Mean*
I worried about whether our food would run out before we got money to buy more	28% (53)	40% (76)	31% (59)	2.03
The food that we bought just didn't last and we didn't have money to get any more	30% (57)	52% (97)	18% (34)	1.88
We had to cut the size of our meals or skip meals because there wasn't enough money for food	63% (119)	28% (53)	9% (16)	1.45
*The mean (average) is based on a scale of 1 to 3, where 1 = Never True, 2 = Sometimes True, and 3 = Often True.				

The three food security questions were asked of parents during their first month in permanent housing. The questions come from a nationally validated food security scale used in various surveys, including the National Survey of American Families (NSAF). In the NSAF, families are characterized as having a food hardship if they answer “sometimes” or “often” to at least one of the questions.

The results show that the majority of families experienced food insecurity, with parents more likely to report anxiety about the adequacy of their food supply and/or actually running out of food than having to ration food to make it through the month. While 88% (212 out of 241) of households were receiving food stamps upon move-in to permanent housing, the findings indicate that the level of assistance was inadequate. The average monthly food stamp benefit of \$297 appears to have been sufficient insofar as more than six in ten families didn't have to cut meal sizes, but insufficient insofar as families experienced other food hardships. Overall, the findings are similar to comparable surveys of homeless families with complex, co-occurring issues, including those in permanent supportive housing.¹⁶ They also replicate findings from more rigorous studies showing that receipt of housing vouchers among welfare families does not affect family food security.¹⁷

On the positive side, the findings show that most households did not have to cut meal sizes in order to feed themselves during their first month in permanent housing. At 6 months in housing, food quantity still did not appear to be a problem. When asked, families reported that household food for 2 meals a day was usually adequate or almost always adequate for 92% of respondents (n = 152). While this is encouraging, studies show that households often compromise the quality of food consumed before the quantity;¹⁸ lack of access to nutritious, quality food is linked to various health problems including diabetes, obesity, and heart disease.

In terms of other basic needs, parents reported additional struggles in some areas, as shown below.

¹⁶ Nolan, C., Magee, M., & Burt, M.R. (May 2004). The Family Permanent Supportive Housing Initiative: Preliminary Findings Report. Washington, DC and San Francisco, CA: Urban Institute and Harder+Company Community Research.

¹⁷ Feins, J., Gubits, D. et al. (September 2006). Effects of Housing Choice Vouchers on Welfare Families. Washington, DC: U.S. Department of Housing and Urban Development. Available: <http://www.huduser.org/portal/publications/commdev/hsgvouchers.html>

¹⁸ Radimer, K.L., Olson, C.M., Greene, J.C., Campbell, C.C., & Habicht, J. (1992). Understanding hunger and developing indicators to assess it in women and children. *Journal of Nutrition Education*, 24, 36S-45S, as cited in LA County Department of Health Services. Food Insecurity. (March 2004). Available at http://publichealth.lacounty.gov/wwwfiles/ph/hae/ha/lahealthfoodinsec_0304.pdf

Table 8. Family Economic Security During First Month in Permanent Housing

To what extent are the following resources adequate:	Not at All Adequate % (n)	Seldom Adequate % (n)	Sometimes Adequate % (n)	Usually Adequate % (n)	Almost Always Adequate % (n)	Mean***
Money to buy necessities (n = 156)*	9% (14)	7% (11)	31% (48)	22% (35)	31% (48)	3.59
Money to pay monthly bills (n = 154)*	3% (4)	6% (9)	12% (18)	26% (40)	54% (83)	4.17
Enough clothes for your family (n = 156)*	8% (12)	6% (10)	17% (27)	21% (32)	48% (75)	3.95
Money to buy things for yourself (n = 154)*	30% (47)	18% (28)	25% (38)	8% (13)	18% (28)	2.62
Money to save (n = 150)*	57% (86)	11% (16)	17% (26)	4% (6)	11% (16)	1.92

*The total represents the number of completed assessments, minus a handful of assessments excluded from the analysis due to not having been completed during the target timeframe.

**The total varies based on missing or multiple answers or “does not apply” answers.

***The mean (average) is based on a scale of 1 to 5, where 1 = Not at All Adequate and 5 = Almost Always Adequate.

Within families’ first 30 days in permanent housing, Case Managers interviewed parents about the adequacy of family resources using the Family Resources Scale, a validated thirty-one item scale that measures the adequacy of various physical and human resources in households.¹⁹ It has been widely used in research on homeless and low-income families. The table shows where families rated themselves with regards to five items taken from the scale.

Heads of household were administered the same scale after six months in housing, give or take 30 days, depending on when Case Managers were able to complete the assessment. Results from the follow-up assessment are presented below.

¹⁹ Dunst, C., Trivette, C., & Deal, A. 1988. *Enabling & Empowering Families: Principles & Guidelines for Practice*. Cambridge: Brookline Books. Inc.

Table 9. Family Economic Security At Six Months in Permanent Housing*

To what extent are the following resources adequate:	Not at All Adequate % (n)	Seldom Adequate % (n)	Sometimes Adequate % (n)	Usually Adequate % (n)	Almost Always Adequate % (n)	Mean***
Money to buy necessities (n = 151)**	4% (6)	9% (14)	31% (47)	23% (35)	33% (49)	3.71
Money to pay monthly bills (n = 151)**	5% (7)	4% (6)	15% (23)	19% (29)	57% (86)	4.17
Enough clothes for your family (n = 152)**	5% (8)	7% (10)	13% (19)	19% (29)	57% (86)	4.15
Money to buy things for yourself (n = 149)**	25% (37)	14% (21)	34% (51)	8% (12)	19% (28)	2.78
Money to save (n = 146)**	64% (94)	14% (20)	13% (19)	2% (3)	7% (10)	1.66

*The total represents the number of completed assessments, minus a handful of assessments excluded from the analysis due to not having been completed during the target timeframe.

**The total varies based on missing or multiple answers or “does not apply” answers.

***The mean (average) is based on a scale of 1 to 5, where 1 = Not at All Adequate and 5 = Almost Always Adequate.

Generally speaking, there were few changes among the adequacy of family resources based on a comparison of mean responses at the two assessment points. At each point family resources were inadequate for significant numbers of families. Even though rent-to-income ratios were on average below or near federal standards for affordability, as previously discussed, the majority of families reported problems, to a greater or lesser extent, with buying basic necessities. More than 40% of households, furthermore, reported challenges in paying their monthly bills. Not surprisingly, very few families reported at either time point that financial resources were adequate to allow for savings. The picture that emerges is one of families struggling to meet basic needs and keep a roof over their heads.

SECTION VIII: EMPLOYMENT PARTICIPATION AND PROSPECTS

Given the work-first orientation and time limits of the federal TANF program, it is imperative for welfare recipients to boost their participation in the labor force in order to maintain benefits eligibility and prepare to transition off of aid. Federal work requirements and time limits impacted the majority of households in the project. As a re-housing program, however, employment services and participation were not central program features or expectations. The exception was for households who were found to be ineligible for Section 8 and thus who needed to work in order to sustain housing once short-term rental assistance was terminated. Those households were prioritized for enrollment in Beyond Shelter’s Employment Program, or similar programs in the community at-large. While employment services were not a core program component for most families, Case Managers generally did seek to connect heads of household with job training and placement programs through referrals. Many families continually refused to follow through on such referrals, however, while others had service needs so great that they were unable to focus on job search. These statements provide a backdrop for the findings discussed in this section.

The following table shows employment rates for TANF and non-TANF households before and during program participation. The pre-enrollment data cover a continuous period of two years leading up to program entry, while the other data represent point-in-time snapshots of paid work participation.

	Two Years Prior to Entry*	Program Entry	Move-in to Housing	Six Months in Housing	Twelve Months in Housing	Job At Any Point in Housing
Employed & TANF Receipt	46% (90) (n = 197)	9% (17) (n = 197)	15% (31) (n = 203)	24% (44) (n = 183)	7% (10) (n = 137)	30% (61)
Unemployed & TANF Receipt	54% (107)	91% (180)	85% (172)	76% (139)	93% (127)	70% (142)
Employed & No TANF	59% (26) (n = 44)	25% (11) (n = 44)	45% (13) (n = 29)	54% (13) (n = 24)	27% (7) (n = 26)	52% (15)
Unemployed & No TANF	41% (18)	75% (33)	55% (16)	46% (11)	73% (19)	48% (14)
TOTAL EMPLOYED	48% (116) (n = 241)	12% (28) (n = 241)	19% (44) (n = 232)	27% (58) (n = 212)	10% (17) (n = 163)	33% (76) (n = 232)
TOTAL UNEMPLOYED	52% (125)	88% (213)	81% (188)	73% (154)	90% (146)	67% (156)

*Since welfare status prior to program entry was not known, welfare receipt at program intake was used as a proxy variable.

During program implementation, employment participation, whether full-time or part-time, among parents was modest. The percent of employed households ranged from 12% at program entry to a high of 27% at six months after relocation to permanent housing. Among TANF recipients, work rates ranged from a low of 9% to a high of 24%. Seventy percent of TANF recipients did not report employment earnings at any of the three assessment points following program admission. This means that while there was some fluctuation in work rates at or following housing placement, with some families obtaining and then leaving or losing paid positions, the total pool of welfare recipients engaged in paid work at follow-up represented just a fraction of those households, 30% in all. This is not to say that some of those households may not have moved in and out of the workforce themselves at some point. However, the low rate of employed welfare families prior to program entry – less than 1 in 2 heads of household – suggests that many, if not most, likely remained unemployed during program participation.

The work rates of TANF recipients are comparable to findings from prior evaluations of housing programs for similarly hard-to-serve, homeless welfare recipients in L.A. County. For example, participants in the CalWORKs Homeless Families Project – a housing and services intervention targeted to homeless welfare recipients in which the head of household has significant, diagnosable mental health challenges – had a work participation rate no greater than 20% in any single month during the four-year study period.²⁰ A total of 48% of parents worked at some point during the study period. These findings provide a good reference point given the similar challenges faced by families in the two projects, as well as the fact that the study periods for the projects roughly overlapped, thus “controlling” somewhat for the influence of the severe economic recession and other external factors on work outcomes.

Among non-welfare households in the Demonstration Project, work participation rates were higher both before and during the program. One quarter of such families reported working at program entry. Work rates for this group peaked at 54% at six months in housing. More than one out of two families reported employment earnings at one or more observation points, consistent with pre-enrollment numbers.

While sample sizes may account for some of the fluctuation in numbers at follow-up, as respondents may have differed in significant ways from non-respondents, employment rates for non-welfare families were much higher than their cash aided counterparts. The reasons for higher work rates are unclear, though anecdotally, a lack of cash grants and other types of public assistance (e.g., SSI) would seem to explain some of the differences. Type of rental assistance received also factored into this relationship, as will be discussed below.

Likelihood of Employment Participation

As work history is generally considered a good predictor of future employment, chi square analyses were performed to determine whether households that reported work income at any point two years prior to program entry and/or at entry were more likely to be employed at follow-up. Analyses were also performed to determine whether there was a relationship between subsidy type and employment outcomes. Given the short-term nature of the shallow subsidies received by families who did not qualify for Section 8, and the corresponding emphasis placed by Beyond Shelter

²⁰ California Institute for Mental Health. June 2009. The CalWORKs Homeless Families Project: Long Term Success. Sacramento: Author. Available at www.cimh.org.

on moving those families into paid positions, it was expected that those households would have higher work participation rates.

The table below shows the results from the analyses, with significant differences at the 5% level ($p < .05$) presented in bold, meaning that observed differences had less than a 5 in 100 chance of occurring randomly or by chance.

Table 11. Likelihood of Employment Participation by Household Subgroups					
		Job at Move-in to Housing	Job at 6 Months in Housing	Job at 12 Months in Housing	Job at Any Point in Housing
Employed 2 Years Prior to Program Entry	Yes	More Likely (p = .017)	More Likely (p = .071)	More Likely (p = .001)	More Likely (p = .028)
	No	Less Likely	Less Likely	Less Likely	Less Likely
Employed at Program Entry	Yes	More Likely (p = .002)	More Likely (p = .005)	More Likely (p = .012)	More Likely (p = .002)
	No	Less Likely	Less Likely	Less Likely	Less Likely
Subsidy Type	Section 8	Less Likely (p = .001)	Less Likely (p = .005)	Less Likely (p = .087)	Less Likely (p = .008)
	One-Year, Shallow	More Likely	More Likely	More Likely	More Likely

While the families in the Demonstration Project had low work rates on the whole, the likelihood of holding employment varied among the families served. Heads of household who had worked at some point two years prior to program entry were more likely to work in general and at each of the follow-up points, with the exception of 6 months in housing. The same was true for those parents who reported working at program entry. As expected, families that received shallow subsidies were more likely to be working in general and at follow-up than their counterparts on Section 8, with the lone exception at 12 months in housing.

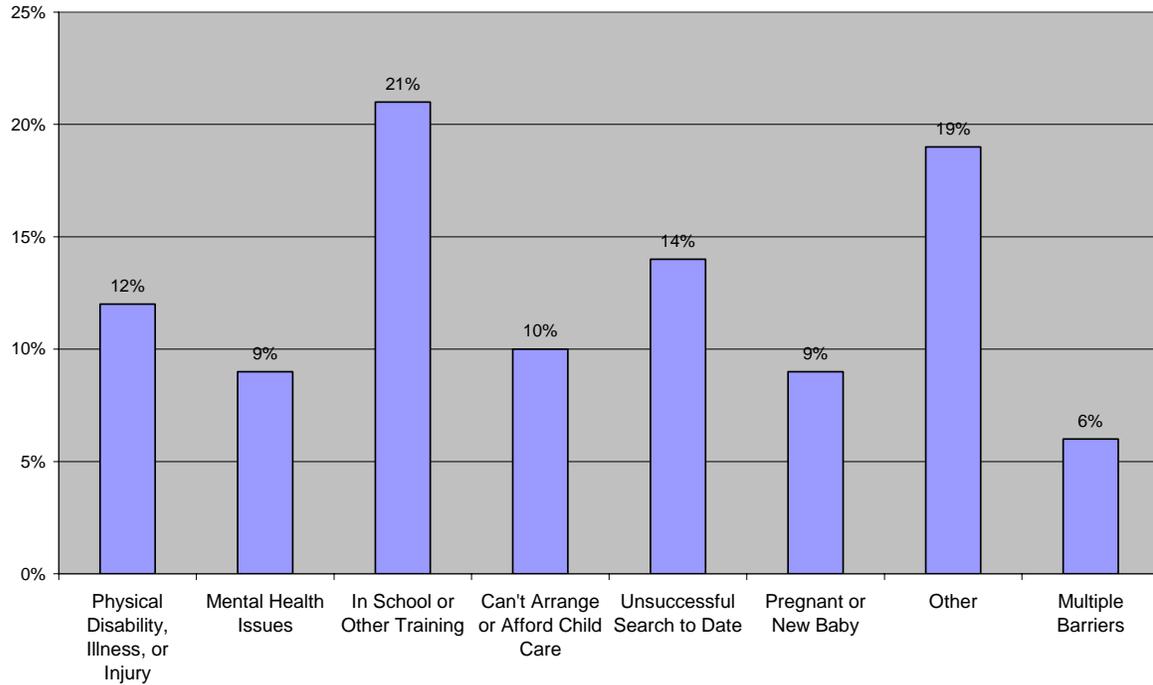
While it is true that there was more emphasis placed on moving non-Section 8 households into paid positions to promote housing retention, the findings on lower work rates for Section 8 voucher holders is consistent with national research. One prominent national study, for example, found that receipt of a Section 8 voucher by poor families on welfare had no impact on household employment, nor on earnings, as measured some three and a half years after voucher receipt.²¹

²¹ Feins, J., Gubits, D. et al. (September 2006). Effects of Housing Choice Vouchers on Welfare Families. Washington, DC: U.S. Department of Housing and Urban Development. Available: <http://www.huduser.org/portal/publications/commdev/hsgvouchers.html>

Household Barriers to Employment

The relatively low level of employment participation among families post housing placement suggests that parents faced barriers to work. The chart below illustrates these barriers, as reported by heads of household at six months in permanent housing.

Chart 7. Self-Reported Barriers to Work at 6 Months in Housing



Six months in housing was deemed an appropriate juncture at which to measure job barriers because families were generally expected to have settled into housing by then, as opposed to the transitional first few months, and thus be in a better position to contemplate employment. Six months was also considered a better measurement point than twelve months because it was anticipated that twelve-month follow-up would have included a smaller number of families due to program attrition.

The table shows that most unemployed households (n = 139 respondents) identified a single barrier to work. A little more than one in five parents cited participation in an education or training program as the primary reason for not working. The same percentage referenced either physical or mental health issues for their inability to work. Fourteen percent wanted to work but were having trouble finding jobs or were completely deterred from looking by the severe economic recession. Nearly one in ten mothers were pregnant or had recently given birth. Another 10% of parents cited child care as a work barrier. Other barriers cited by parents (19% of respondents) included, but were not limited to, adult legal status, child illness or disability, and a lack of required skill or training.

Though not stated by parents, another barrier for nearly half would likely have been a lack of recent work history. Forty-nine percent of parents who were unemployed at six months in housing (68 out

of 139) did not report working two years prior to program entry, nor at program entry, nor within the first month in permanent housing. Assuming those adults did not work at some point after program entry and before housing placement, that translates into roughly a 3.5 year period of unemployment for them, if not longer, depending on when they last worked, if ever.

SECTION IX:

REFLECTIONS ON LONG-TERM HOUSING PROSPECTS

There is a fairly substantial body of evidence showing that Section 8 subsidies are an effective means of ending family homelessness.²² Evidence from the Demonstration Project on two-year housing outcomes is consistent with these findings. It is important to note, however, that many of the studies often cited to demonstrate the efficacy of Section 8 vouchers either pre-date welfare reform and/or do not have long-term follow-up and thus do not account for the increasing phenomenon of families hitting their lifetime limits on cash aid. Some of these same studies, moreover, were conducted on first-time homeless families, whose needs and characteristics are likely different from multiply homeless families and those experiencing ongoing, chronic housing instability.^{23 24}

There was a significant subgroup of families in the Demonstration Project who were not experiencing first-time homelessness and who had experienced repeated housing problems prior to program enrollment. Despite receipt of a Section 8 voucher and demonstrated housing retention at two-year follow-up among most of these households, the severe poverty experienced by a substantial number of them, particularly those completely dependent on CalWORKs, poses a challenge to their long-term housing stability and retention. The income and work findings for the program as a whole and for this subgroup in particular are significant in this regard for a couple of reasons.

First, the majority of families in the program were CalWORKs recipients and thus were mandated to participate in work activities (though some families may have been exempt, either temporarily or longer term, from such requirements due to disabilities, having a very young child to care for, or other reasons). While the families may have participated in other types of eligible welfare-to-work activities not tracked by the program (e.g., education, job skills training, vocational training, job search, etc.), few engaged in paid employment, at least as measured at various follow-up points. Meanwhile, family time clocks continued to approach the lifetime, 60-month benefits limit. While the information collected on time remaining on aid among households was considered unreliable and thus is not reported here, it is concerning that some, perhaps many, unemployed families were nearing exhaustion of the adult portion of their cash grants. Most families had likely been on welfare for some time prior to program entry, and spent another two to three years on aid while participating in the program.

Second, CalWORKs was the only reported source of income at intake for 69% (n = 136 out of 197) of welfare families, thus increasing the need, albeit not necessarily immediate, for alternative income, such as employment. Such a need, however, did not appear sufficient to motivate families towards work. Among welfare recipients, and program participants as a whole, those most likely to work

²² For a summary of this literature, see Khadduri, J. (January 2008). *Housing Vouchers Are Critical for Ending Family Homelessness*. Washington, DC: National Alliance to End Homelessness. <http://www.endhomelessness.org/content/article/detail/1875>

²³ The landmark study often cited in this regard is Shinn, M., Weitzman, B.C., Stojanovic, D., Knickman, J.R., Jimenez, L., Duchon, L., James, S., & Krantz, D.H.. (1998). Predictors of Homelessness among Families in New York City: From Shelter Request to Housing Stability. *American Journal of Public Health*, 88(11): 1651-1657. This study pre-dated welfare reform and examined the impact of vouchers on first-time homeless families.

²⁴ While there are some studies that have examined the impact of Section 8 vouchers on high-risk, multiply homeless families, follow-up post housing placement has been limited, such as to 18 months in the following commonly cited study: Rog, D.J. & Gutman, M., (1997). "The Homeless Families Program: A Summary Report of Key Findings," in Stephen L. Isaacs and James R. Knickman, eds., *The Robert Wood Johnson Anthology: To Improve Health and Health Care*. San Francisco: Jossey-Bass.

after re-housing were parents who had worked in some capacity during the two years leading up to and including program enrollment. If not replaced by employment earnings, then TANF income has to be replaced – sooner or later – by other income sources (e.g., SSI) if housing is to be retained. At six months in housing, however, approximately 18 months after intake, on average, 59% of welfare recipients (n = 109 of 184) still reported CalWORKs as their only source of income.

Ongoing welfare dependence, while challenging families' ability to make ends meet, had little effect on housing retention during the first 12 months. Housing retention remained high through 24 months, though it is not known whether those families were able to obtain other income, through work or another source, after their first year in housing, or if they continued to depend entirely on their meager welfare checks. Income information was not tracked after families were exited from the program at 12 months in housing. Nonetheless, it is significant that after the first year in housing, the housing retention rate for families began to decline, though just how much, and for exactly which reasons, remains unclear.

Given that few families who entered the program with CalWORKs as their sole income source were able to replace or supplement their welfare checks with additional income after housing placement and, notably, while they were still receiving dedicated case management services, it is conceivable that welfare remained, and continues to remain, their only income source. The concern here is that heads of household will sooner or later lose their benefits, their families will join the growing ranks of timed-out, child-only CalWORKs cases in L.A. County,²⁵ and they will thus be at imminent risk of housing loss and homelessness.

It is entirely possible that without intervention, housing retention rates among these families will continue to trend downwards, and perhaps have already begun doing so, as more parents time off cash aid and families are increasingly evicted for non-payment of rent. Just as housing did not magically happen for these families without specialized intervention, the transition to employment and/or other benefit programs like SSI may not happen without dedicated services targeted to these high-risk households.

²⁵ Moreno, M.H., Stevens, M., Toros, H., Mehrtash, F., Joshi, V., & Dale, L.V. (November 2005). CalWORKs Children in the County of Los Angeles. Los Angeles: Chief Administrative Office, Service Integration Branch, County of Los Angeles. Available at [http://ceo.lacounty.gov/sib/pdf/UR/Children Report all 07 05 Fin.pdf](http://ceo.lacounty.gov/sib/pdf/UR/Children%20Report%20all%2007%2005%20Fin.pdf)

SECTION X: POLICY AND PRACTICE RECOMMENDATIONS

Based on the evaluation findings and Beyond Shelter's experience in implementing the Demonstration Project, the following are policy and practice recommendations:

Expand emergency shelter capacity in L.A. County through master-leased apartments used as shelter: Because the family shelter system in L.A. County is at or near capacity, and not likely to improve with recession-induced family homelessness still on the rise, the master leasing of apartments used as emergency shelter should be considered, particularly as an alternative to expensive and often unsafe and unhealthy motels. Policy makers and local continuum of care officials should consider shifting or reallocating funds presently used for hotel vouchers to this purpose. The use of non-traditional monies, such as from the Temporary Assistance for Needy Families (TANF) program, city or county general funds, and private foundations should also be explored.

Budget appropriately for shelter costs in future pilot projects: Program budgets for medium to large scale demonstration/pilot projects in the future must be sufficient in size to accommodate lengthy emergency shelter placements (minimum of 6-8 months), while Section 8 applications are being processed. As long as L.A. County continues to experience a crisis in family homelessness, the emergency shelter system will not have adequate capacity to meet demand from new or expanded projects and funds will need to be available to provide for alternative emergency shelter options.

Include flexible funding in project budgets: Flexible funding is recommended to provide individualized rental subsidies to households that may be ineligible for other subsidy programs (e.g., Section 8), as well as to address rent and utility payment issues that could lead to housing loss, particularly during the initial transitional months in permanent housing. Such funding becomes essential when serving households that may have exhausted, or at least have previously used a portion of, welfare benefits that cover move-in costs and/or back rent and utility assistance. Funds for time-limited subsidies should be flexible to allow for rental assistance beyond twelve months, where necessary, to respond to job loss and other life events that could jeopardize housing retention.

Formalize inter-agency collaboration in Memoranda of Understanding (MOUs): Future public and nonprofit collaborations serving homeless families or individuals, regardless of the catchment area, should formalize roles and responsibilities among partner agencies. The close collaboration that existed between the Skid Row Assessment Team and Beyond Shelter during the enrollment phase of the Demonstration Project was indispensable to being able to identify and properly plan for the special needs of enrolled households. This team decision-making model brought together multiple partners to effectively navigate service systems and coordinate services delivery. The group conferencing, however, was not part of the original MOU. Unfortunately, this level of collaboration largely dissipated after the enrollment phase of the program, but would have been useful to address issues and challenges leading up to, and after, housing placement.

Develop standards of care and condition funding on those standards to promote services integration for homeless children. Many of the families enrolled in the Demonstration Project had “fallen through the cracks” of various systems. To facilitate cross-systems linkages, more rigorous standards of care should be developed for family shelter providers, including standards pertaining to children’s services. The National Health Care for the Homeless Council Pediatric Working Group has developed care guidelines for its network of providers, and such guidelines could serve as a model. The lead agencies that administer McKinney-Vento funds for local continuums of care should spearhead the development of such standards, and tie funding to the provision of adequate care for homeless children. Requests for proposals, for instance, could ask service providers to demonstrate how they incorporate the special needs of homeless children into program planning and services delivery. Application points could be awarded based on the quality of documented planning to link children to, and coordinate services with, Regional Centers, schools, Head Start programs, and the like. Mainstream funders at all levels of government should do the same, requiring grantees serving poor families to demonstrate how they identify, engage, and serve homeless children and their families.

Create enhanced diversion protocols in Skid Row to divert families from the area: New protocols should be developed between L.A. County and community-based nonprofit agencies serving low-income and homeless families in order to divert homeless families from the Skid Row area. Such protocols would include: 1) prohibiting 2-1-1, DPSS Homeless Case Managers, and other current and/or potential referral sources from referring families to Skid Row missions when there are no obvious alternatives for shelter; 2) enabling the Skid Row Assessment Team (SRAT) to outreach to and engage families staying at the missions, rather than having to wait for the families to reach out to the SRAT, as seems to be current shelter protocols; 3) assisting more stable families to exit the shelter system and target instead homeless families with multiple and/or special needs for shelter programs – these families are highly represented among families who are denied entry or refuse to enter, or who are terminated from, shelter and transitional housing in the community at-large and who often instead seek shelter in Skid Row missions; and 4) developing and targeting specialized, high tolerance programs within the LA Continuum of Care to meet the needs of harder to serve homeless families, just as shelter models catering to the special needs of chronically homeless individuals have been created (e.g., Safe Havens). In addition, a "Homeless Families Access Center" should be sited in Downtown L.A. or adjacent Central City West, to divert homeless families from seeking shelter in Skid Row.

Plan staffing ratios and patterns that are responsive to individual needs: Though case management in the program was highly individualized, caseload sizes tended to average 25 families, and more during staffing changes. Smaller caseloads of 10-15 families per Case Manager are recommended for any program serving a similar homeless family population with high intensity service needs. In addition, Case Managers with specialized skills, such as serving families with serious mental health challenges, are recommended so that families with particular needs are matched appropriately with Case Managers equipped to address their specialized needs. An alternative option would be to have a Psychiatric Social Worker on staff, who would be available for special cases, and who would work closely with Case Managers. If the program model is replicated, or adapted in some manner, other recommended staffing protocols include one Supervising Social Worker per five Case Managers and one Children’s Services Specialist per 50 families.

Build flexibility into the services model and budget for longer-term case management targeted to households at greatest risk of housing loss: The Demonstration Project program design limited the delivery of home-based case management to six months, in order to serve more total families, with the frequency and duration of home visits dependent upon the family's level of service need. While the 6 months of case management and 6 months of follow-up may have been sufficient for many families, a substantial number of other families repeatedly experienced crises and instability while, and despite, receiving intensive services, and some of them lost their housing, or remained precariously housed, during the year after services were terminated. While permanent supportive housing may have been a more appropriate housing option for some of them, the shortage of such housing placements in Los Angeles speaks to the need for an alternative housing model with longer-term services, but still time-limited – for example, 18-24 months – for these high-risk households. The Washington Families Fund in Washington State is an example of an innovative funding model that provides longer-term service dollars to enable providers to adequately serve families with greater, more complex needs. The same is true for the Family Homelessness Prevention and Assistance Program in the state of Minnesota.

Expand the availability of housing vouchers targeted to homeless households: The findings from this evaluation report are consistent with findings from previous evaluations and research on the efficacy of housing subsidies for homeless families. Due to severe cuts in local Section 8 set-aside programs, particularly at the Housing Authority, City of Los Angeles (HACLA), housing authorities should look to alternative federal housing programs, including the Family Unification Program and the proposed new TANF-schools-HUD voucher program. In addition, alternative funding sources at the state and local level should be explored. Tenant-based vouchers are not only effective, but they have been found to be the least expensive way of assisting equally poor households, for most types of households and for most of the time (U.S. General Accounting Office, Federal Housing Assistance: Comparing the Characteristics and Costs of Housing Programs, GAO-02-76, 2002).

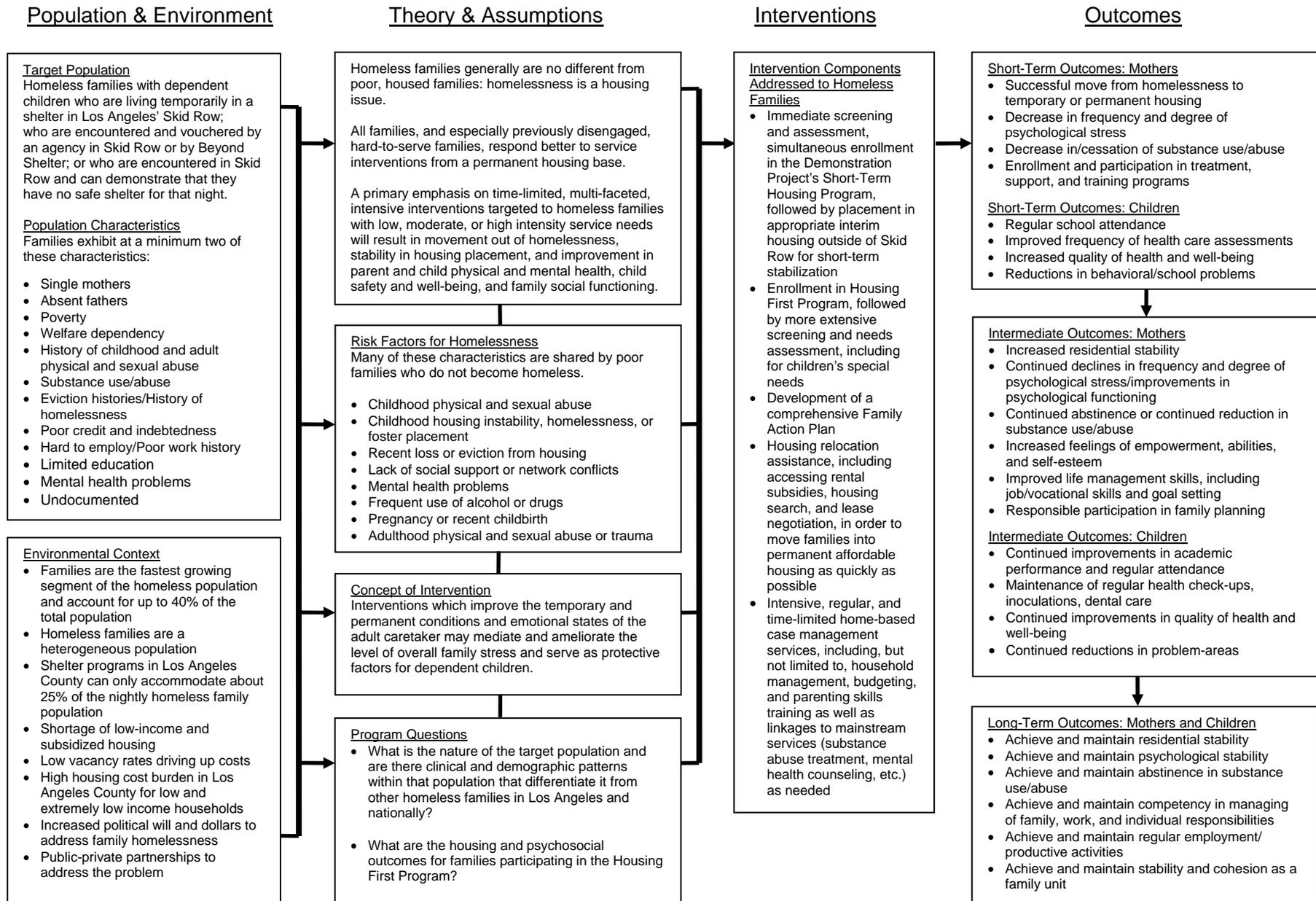
Adopt an earned-income disregard policy targeted to non-disabled, welfare families on Section 8 who are timing off of cash aid: Earned income disregards incentivize work by exempting a certain portion of household earnings from rent calculations. While the U.S. Department of Housing and Urban Development does permit such disregards, and HACLA does have a policy in place, the policy only applies to households that meet three conditions: 1) previously unemployed one or more years prior to employment; 2) current income is increasing due to new (or enhanced) employment; *and* 3) the wage earner has a disability. HACLA and other housing authorities should seek to pilot programs providing income disallowances targeted to those parents who are non-disabled, timing off TANF, are hardest to employ, and are at greatest risk of housing loss; and pursue the necessary steps (e.g., administrative waivers; legislative advocacy; etc.) to bring such programs to fruition.

Expand outreach for the Earned Income Tax Credit (EITC) among assisted housing residents: The economic hardships and deep poverty faced by families in the Demonstration Project, even among those who were employed, speak to the need to maximize household incomes, including through improved access to the EITC. Despite being widely considered the nation's most effective anti-poverty program, millions of eligible households do not claim this benefit. In California, for example, a recent report estimated that approximately 1 in 5 eligible households would fail to claim the credit in 2009 (New America Foundation, Left on the Table, March 2010). To the extent that current outreach efforts are lacking or non-existent, local housing authorities and the welfare department should include information on the EITC when corresponding with program participants who are employed. For example, HACLA could include literature on the EITC, as well as free tax filing options,

when mailing recertification paperwork to Section 8 tenants. Such information should explain the availability of the advance EITC, which allows eligible households to claim benefits during, rather than after, a given tax year, and thus could help to prevent homelessness among households experiencing job loss or income reductions.

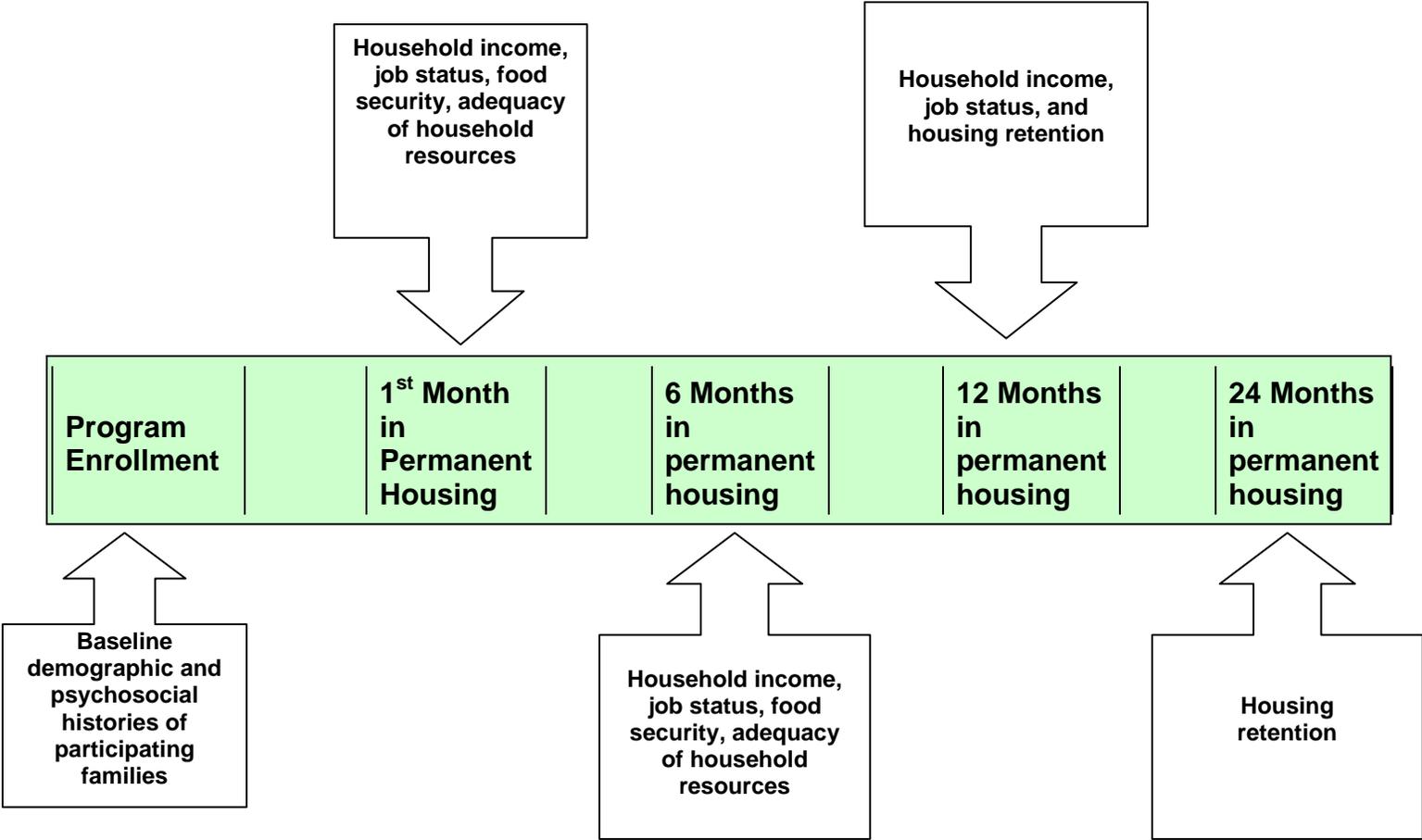
Appendix A. Skid Row Families Demonstration Project Logic Model

Adaptation of SAMHSA Program Logic Model for Homeless Mothers with Children



Appendix B. Evaluation Timeline

Interview Points with Family Heads*



Note: The majority of data collected on family stability and well-being came from periodic interviews with heads of households during program participation, with two exceptions. Housing retention data beyond 12 months came primarily from Housing Authority records provided by HACLA.

Appendix C. How Families Who Attained Permanent Housing Compared to Their Counterparts

One of the implicit goals of the Demonstration Project was to serve alienated, hard-to-engage households who possessed multiple problems and who had been “failed” by, terminated from, and/or refused to participate in other homeless programs and/or systems of care. Retention of such households and placement in permanent housing are considered key indicators of program success. Given the high success rate among program participants and the lack of a comparison group in the evaluation design, it is important to determine if there were key differences between the households that achieved success and those that did not fare as well. Non-random, statistically significant differences between successful program participants and unsuccessful participants could account at least in part for observed program performance.

In the table below, statistically significant differences at the 5% level ($p < .05$) between housed and non-housed families are presented in bold.

Table 12. Characteristics of Housed and Non-Housed Families at Intake		
Baseline Characteristic*	Housed (N = 241)**	Non-Housed (N = 59)**
Average Age Head of Household (HOH)	33 years	33 years
Transition-Age Youth (18-25 years old)	22.4%	26.4%
HOH with Learning Disability	10.8%	12.7%
HOH with Physical or Mental Disability	22.9%	23.6%
HOH with Chronic Health Condition	25.8%	20.0%
Average Length of Current Homelessness	8.60 Months	5.93 Months
Prior Homelessness	48.8%	41.8%
Average Number of Prior Homeless Episodes	1.55	1.59
Past Involvement of Any Kind with DCFS	28.3%	20.0%
History of Domestic Violence	36.5%	49.1%
High School Diploma or GED	52.7%	56.4%
Worked in Last Two Years	48.1%	52.7%
Receiving CalWORKs	77.5%	58.2%
One or More Undocumented Family Members	9.8%	25.6%
HOH with Serious Mental Health Issues or Diagnosis	21.9%	10.2%
<p>* Self-reported information by head of household during program intake, except for mental health issues or diagnoses which were documented by DMH prior to program enrollment, documented and/or suspected by Beyond Shelter during program implementation, or self-reported by parent at intake.</p> <p>** Totals for nearly all characteristics are close to but not out of 241 or 59 – the total number of families in the respective groups – due to missing answers and/or respondents refusing or being unable to answer certain questions.</p>		

As the table reveals, housed and non-housed families had similar characteristics, and on most accounts, did not differ significantly. To the extent that this is true, it appears that there was not a program selection effect, meaning that the program showed better outcomes with those families who possessed fewer barriers and challenges to being successful in the program. In fact, the successful outcomes demonstrated by families with serious mental health challenges provides strong evidence to refute the conclusion that “program stayers” were on the whole easier to serve.

That said, however, the two groups did differ significantly in two other, important respects. Families who were not receiving welfare benefits at program enrollment were more likely to be terminated from the program, or to voluntarily leave on their own. The same was true for families who had at least one undocumented member. While the reasons for these outcomes are unclear, the findings do indicate the importance for future programs to identify households with these risk factors and to take measures to ensure that such households are actively engaged and retained in programs.

Appendix D. Shelter Cost Analysis in Project

The original design of the crisis intervention and emergency shelter phase of the Demonstration Project depended on the use of the existing McKinney-Vento funded shelter programs in Los Angeles. Beyond Shelter's Housing First Program for Homeless Families has worked with those programs since its inception in the late 1980s. In planning the Demonstration Project, the agency anticipated that most families would be able to access shelter through the Los Angeles Continuum of Care, while agency staff worked to rehouse the families as quickly as possible. It further anticipated that a small number of families would need alternative shelter due to their special needs and/or not meeting the eligibility criteria for facility-based programs. In those cases, the agency had planned to lease 50 scattered-site apartments to serve as emergency shelter.

Soon after enrolling the first several dozen families into the program, however, the agency found that the shelter system in Los Angeles was "grid locked" and another plan was needed. Rather than utilizing motels as the primary form of shelter, the agency decided to master lease a large number of apartments in the private market.²⁶ Overall, the agency ended up leasing 146 units and was able to shelter more than 200 families in them, with each unit providing shelter to one family at a time. A small number of families, approximately 20, were able to transition in place, meaning that once Section 8 subsidies were secured, the families took on the leases and the units converted to permanent housing.

In implementing what became a pilot, albeit unexpected, of an alternative shelter model, Beyond Shelter was interested in evaluating the cost effectiveness of the shelter units compared to conventional shelter arrangements. Given increasing reports that family homelessness was on the rise nationally due the economic recession, it was believed that the problem of shelter system capacity and the findings from the cost analysis would appeal to service providers and program planners in communities across the country.

Costs of Master-Leased Apartments and Conventional Shelter Models

Between January 2007 and December 2008, Beyond Shelter rented 146 apartments, varying in size from one to five bedrooms. The average monthly rent was \$1,218, or \$40 per day. Two- and three-bedroom units, the most common arrangements, had average monthly rents of \$1,222 (\$41/day) and \$1,430 (\$48/day), respectively. The average leasing period was 12.6 months, which should not be confused with the mean length of stay; shelter stays were shorter on the whole because as individual units often served as shelter for multiple families during a leasing period. The average up-front cost for furnishings and basic household goods was \$1,286 for all units (\$102 per month). The average monthly costs for repairs and utilities were \$164 and \$150, respectively. When taken together, the average monthly cost for all leased units was \$1,634 (\$54 per day).

As there are no reliable shelter cost data for Los Angeles, the costs of master-leased apartments are compared with shelter costs and local Fair Market Rents in other jurisdictions (Table 13). While there are no reliable national shelter cost figures either, recent research provides estimates of shelter costs for homeless families in several jurisdictions across the country. For example, a recent study of New York City, Philadelphia, Columbus, OH, and Massachusetts found that shelter costs,

²⁶ For a more thorough description of the implementation of this model, see "Alternative Shelter Models to Address Rapidly Rising Family Homelessness" which can be accessed at http://www.beyondshelter.org/aaa_the_institute/research.shtml

primarily of facility-based programs, ranged from \$94-\$116 per night.²⁷ Motels have also been found to be expensive, though reliable data on such costs are also unavailable. For comparison's sake, however, motel vouchers in Massachusetts, for instance, cost nearly \$100 per night. Due to the impact of the recession and system capacity issues, the state is a well-known example of a jurisdiction that has been forced to expand its use of motels as overflow shelter. The resulting cost has been astronomical with the state and its taxpayers spending \$2.8 million a month to "house" 1,000 homeless families in motels.²⁸

The cost of the master-leased apartments used in the Demonstration Project, even inclusive of start-up furnishing, appliance, repair, and utilities expenses, is substantially less than that of shelters and motels in the selected jurisdictions. As evidenced by the table below, a similar program would appear to be cost effective in the comparison communities, even adding utilities and other expenses to fair market rents.

Table 13. Costs of Conventional Shelters and Fair Market Rents			
	Monthly shelter cost	Two-bedroom FMR²⁹	Percent difference
Massachusetts	\$3300	\$1,098	-67%
New York City	\$3000	\$1,313	-56%
Philadelphia	\$2827	\$1,005	-64%
Columbus, OH	\$3480	\$740	-79%

While this may not appear to be an "apples to apples" comparison, the comparative data from the four localities is based upon calculations using jurisdictional reimbursement rates, which exclude other private and public contracts normally procured by shelters to provide services to residents and thus likely under-estimate the true cost of providing shelter.³⁰ Not providing the cost of services in the master-leased units in Los Angeles does not therefore necessarily create an unfair comparison. To the extent that this is true, the cost difference between the alternative shelter approach and conventional models could very well widen in communities with less expensive rental housing. The cost difference between conventional shelter arrangements and two-bedroom apartments at Fair Market Rent demonstrates the potentially significant cost savings of the alternative model in other jurisdictions. The cost savings of the leased apartment model over conventional shelter may also increase in communities like Los Angeles where families often experience prolonged shelter stays due to limited housing options.

²⁷ Culhane, D., Metraux, S., Park, J.M., Schretzman, M., & Valente, J. 2007. Testing a typology of family homelessness based on patterns of public shelter utilization in four U.S. jurisdictions: Implications for policy and program planning. *Housing Policy Debate*, 18(1), 1-28.

²⁸ Jenifer B. McKim. September 16, 2009. Homeless use of motels still on rise. *Business Section. The Boston Globe*.

²⁹ Federal Register, 2009 (<http://www.huduser.org/datasets/fmr.html>)

³⁰ Culhane, D., Metraux, S., Park, J.M., Schretzman, M., & Valente, J. 2007. Testing a typology of family homelessness based on patterns of public shelter utilization in four U.S. jurisdictions: Implications for policy and program planning. *Housing Policy Debate*, 18(1), 1-28.

Due to the success of this alternative model in Los Angeles, Beyond Shelter is now experimenting with a second pilot, though on a much smaller scale, master leasing 15 units as shelter for up to 120 days per family. Federal TANF dollars that had previously been used for motel vouchers have been reallocated for this purpose. The model, therefore, does not necessarily require new funding to be implemented; furthermore, any cost savings could potentially be used to serve a greater number of families than otherwise might receive assistance from traditional programs.

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