

Adopting Rapid Re-Housing Statewide The Commonwealth of Virginia

July 2015

Introduction

From 2010 to 2014 the Commonwealth of Virginia reduced the number of families experiencing homelessness by 25 percent - from 1,181 family households in 2010 to 877 in 2014. One important factor in this success was that Virginia shifted from a shelter and transitional housing-based system to one based much more on the use of a rapid re-housing approach. In 2014, Virginia had the highest proportion (17.3 percent) of homelessness beds for rapid re-housing¹.

Rapid re-housing is an intervention designed to help individuals and families to quickly exit homelessness and return to permanent housing. Rapid re-housing assistance is offered without preconditions (such as employment, income, absence of criminal record, or sobriety) and the resources and services provided are typically tailored to the unique needs of the household².

This paper discusses the three year process by which Virginia re-tooled its approach to family homelessness to one centered upon rapid re-housing, and the project and partnership that supported this effort.

Background

In 2010, Virginia was still feeling the impact of the recession and the foreclosure crisis. To confront these issues, Governor Bob McDonnell signed Executive Order 10 calling for a housing policy framework which, among other things, would increase capacity to meet the needs of Virginians experiencing homelessness. The Governor's senior economic advisor, Robert Sledd, was very committed to ending homelessness and was an active board member of Richmond's homeless coordinating agency, Homeward. Mr. Sledd collaborated with Virginia's Secretary of Health and Human Resources, William A. Hazel, Jr., M.D., to establish an Advisory Committee which was tasked with developing a statewide plan to address homelessness.

¹ The State of Homelessness in America 2015, National Alliance to End Homelessness
<http://endhomelessness.org/library/entry/the-state-of-homelessness-in-america-2015>

² Core Components of Rapid Re-Housing: <http://www.endhomelessness.org/library/entry/rapid-re-housing2>

The Advisory Committee included stakeholders from state and local government, local homeless planning agencies, homeless services providers, and the Virginia Coalition to End Homelessness. In November 2010, the Advisory Committee published a report establishing the ambitious goal of reducing homelessness in Virginia by 15 percent in 3 years and identified 5 specific strategies to accomplish that goal.

One of these strategies was rapid re-housing, and the Advisory Committee's report called for increased flexibility of state funds to support it. State homelessness funding was heavily invested in emergency shelter operations and, based on its experience with the Homelessness Prevention and Rapid Re-Housing Program³ (HPRP) and rapid re-housing pilot projects, the Advisory Committee saw the potential to reduce homelessness through the rapid re-housing model. To support the shift, the Virginia Coalition to End Homelessness approached the Freddie Mac Foundation to fund a project that would build capacity to deliver rapid re-housing assistance and, in recognizing the impact of a public-private collaborative approach, brought the Commonwealth of Virginia and the National Alliance to End Homelessness to the table as project partners.

Project and Partners

The Freddie Mac Foundation funded a three-year, \$3 million dollar project to re-tool Virginia's family homelessness system. Three partners were involved, each with a different set of responsibilities. The project partners worked together very closely, and held weekly conference calls to coordinate activities throughout the three-year project.

- The **Commonwealth of Virginia** was responsible for changes to state funding and coordination of state agencies through the Governor's Coordinating Council on Homelessness. A dedicated State staff person was hired with Freddie Mac Foundation funding to support the Coordinating Council. Staff from the Department of Housing and Community Development was responsible for the shift in state funding to rapid re-housing.
- The **Virginia Coalition to End Homelessness** (VCEH) was responsible for working with local coordinating groups (Continuums of Care or CoCs) and private sector funders, and conducted advocacy work to increase awareness and funding for rapid re-housing in the state legislature.
- The **National Alliance to End Homelessness** (Alliance) was responsible for the training and technical assistance aspects of the project, including training nonprofits on rapid re-housing implementation, and data and systems changes initiatives. It also administered the Freddie Mac project.

Three-fourths of the resources went to these organizations. The final quarter was re-granted to CoCs and nonprofit service delivery organizations in Virginia.

³ On February 17, 2009, President Obama signed the American Recovery and Reinvestment Act of 2009, which included \$1.5 billion for the Homelessness Prevention and Rapid Re-Housing Program (HPRP). HPRP served an estimated 1.4 million people nation-wide with prevention and rapid re-housing assistance over three years. The program ended on September 30, 2012.

Summary of Major Activities

Over three years, the project partners described above carried out a number of activities which are briefly described below. Some activities are described in further detail later in this paper.

Year One – Introduction of Rapid Re-Housing

During the first year, the partners focused on building the capacity of homeless service providers to deliver rapid re-housing. The Alliance launched a major training effort. The State expanded funding for rapid re-housing, from \$350,000 for 4 service providers, to \$1 million for 21 service providers.

Major Activities

- **Opening Events** (7) were held across the State to introduce the project and the increased focus on rapid re-housing to CoCs.
- **Rapid re-housing workshops** (11) were conducted by the Alliance throughout the state. 331 people from 172 organizations attended.
- **Small grants** (17) were awarded to homeless service providers to support the cost of shifting their approach to rapid re-housing.
- A **Homeless Outcomes Coordinator** was hired to staff the Governor’s Coordinating Council on Homelessness, the body responsible for directing the plan to reduce homelessness.
- DHCD added rapid re-housing and prevention as eligible activities for federal Emergency Solutions Grant (ESG) funding and shifted **\$1 million of State Shelter Grant funding to rapid re-housing**.
- VCEH built support among elected officials for the shift in resources from shelter to rapid re-housing as well as funding for the Virginia Housing Trust Fund (VHTF), which includes a 20 percent set aside for projects that reduced homelessness. More than **\$232,000 of the VHTF was allocated to rapid re-housing** in the first year.

Year Two – Building Capacity

In Year Two the State created funding incentives for communities to implement rapid re-housing best practices. An in-depth technical assistance project helped providers adopt these practices. To encourage providers to re-house all families experiencing homelessness, even those with high housing barriers, VCEH developed a pilot project that would encourage providers to serve these families, and advocated for increased state resources for rapid re-housing. VCEH worked with five private funders to secure new funding for rapid re-housing.

Major Activities

- **Rapid Re-Housing Learning Collaboratives** (7) were held to help providers change their organizational policies and practices to align with best practices. Learning Collaboratives brought together providers for an intensive, year-long training and information exchange process that helped participants re-house more families more quickly.

- In order to encourage communities to use their homeless resources more strategically, Continuums of Care (CoCs) were required to submit a five year “**Spending Plan**”⁴. The Spending Plan required CoCs to collect, many for the first time, budgets from all of the homelessness programs in their communities. This allowed Continuums to see resource investments more accurately, and encouraged them to develop a plan for better allocating resources in the future.
- A **rapid re-housing certification** was developed, and DHCD awarded extra points in its competitive funding application to communities with certified providers.
- DHCD rebranded the State Shelter Grant as the Homeless Solutions Grant (HSG). Out of the 69 service providers awarded HSG funding for that year, **62 received funding for rapid re-housing**, representing 60 percent of total HSG funding.
- Based on a competitive process, five **(5) sites were sub-granted \$344,000 of project** funds for pilot projects to serve families with moderate to high barriers to housing.
- Five (5) private funders and foundations committed a combined total of **\$116,500 in new funds to support rapid re-housing** and technical assistance for programs moving to a rapid re-housing approach.
- VCEH drafted **statewide performance measures** and held training and input sessions to solicit feedback. The Governor’s Coordinating Council on Homelessness adopted the measures.

Year Three – Moving to Rapid Re-Housing Systems

The first two years of the project significantly built provider capacity and buy-in of the rapid re-housing model, and increased state investment in the strategy. In Year Three the project supported this shift by focusing on community-level planning and support for rapid re-housing. The State changed its funding process from single organization-based applications to CoC-based applications. The project partners facilitated community level training and planning clinics called System Design Clinics. VCEH convened homeless service providers to explore opportunities for employment partnerships linked to rapid re-housing, and hosted tours of rapid re-housing programs for state legislators. The pilot project to re-house families with high barriers ended, and 92 of the 99 families housed with pilot funds remained in stable housing at the completion of the pilot.

Major Activities

- **System Design Clinics** (7) helped communities shift the orientation of their homeless assistance systems from a shelter-focused model to a crisis response system that re-houses households quickly.
- Approximately **\$15.4 million in annual state and federal homelessness funding**, including ESG and HSG, **were combined to create the Virginia Homeless Solutions Program (VHSP)**. The application process was community-level, strengthening community planning efforts. It emphasized a community response to homelessness that included rapid re-housing as well as a safety net of emergency shelter. Performance outcomes included reduction in length of shelter stays and returns to homelessness.

⁴ Continuum of Care Spending Plan Template: <http://www.endhomelessness.org/library/entry/the-continuum-of-care-spending-plan-templates>

- VCEH outlined four (4) **promising initiatives linking rapid re-housing and employment** in Virginia.
- VCEH coordinated **tours of rapid re-housing programs** (5) for state legislators to build support for the model.
- At the conclusion of the pilot project to re-house high barrier families, **92 percent of families** remained in stable housing.

Challenges

While the project was successful in reducing family homelessness and overall homelessness during these three years, project partners also grappled with challenges. Three initiatives in particular were less impactful than anticipated.

Measuring and Reporting Performance

Performance measurement at the community and program levels can be used to improve practice and outcomes. At the start of the project communities in Virginia rarely used data to make strategic decisions. In response, the project partners developed system-level performance measures. The performance measures included outcomes such as decreasing the number of people experiencing homelessness, reducing the length of time people experienced homelessness, and reducing the number of families that returned to the homelessness system. The measures were endorsed by the Coordinating Council, and were distributed to community leaders and discussed during trainings and events.

Unfortunately, the performance measures were not adopted by most communities. CoCs are the body responsible for collecting data and submitting reports to U.S. Department of Housing and Urban Development (HUD) on a regular basis. In some communities CoCs had limited resources to spend on strategic planning or data analysis, and simply were unable to expand their activities to monitoring system-level performance.

Another barrier to adoption was the delay in HUD's release of guidance on performance measures. Some communities opted to wait for HUD's guidance before investing in adopting the measures. In July 2014, HUD released performance measures⁵. The Virginia performance measures and HUD's guidance were well aligned because both were guided by the performance measures outlined in the HEARTH Act⁶.

⁵ System Performance Measures Introductory Guide: <https://www.hudexchange.info/resource/3894/system-performance-measures-introductory-guide/>

⁶ The McKinney-Vento Homeless Assistance Act As Amended by S.896 HEARTH Act of 2009 describes five key performance measures: the length of time individuals and families remain homeless; the extent to which individuals and families who leave homelessness experience additional spells of homelessness; the thoroughness of grantees in the geographic area in reaching homeless individuals and families; overall reduction in the number of homeless individuals and families; jobs and income growth for homeless individuals and families; and success at reducing the number of individuals and families who become homeless.

Engaging Private Funders

Private funders, including foundations and business philanthropy, have an important role to play in ending homelessness. The project partners hoped to encourage funders to accomplish three goals: align private funding with the shift to rapid re-housing; utilize common performance measures; and communicate the focus on housing as the solution to homelessness. While in Year Two of the project private funders committed \$116,500 in new funds to support rapid re-housing, it was challenging to get the philanthropic sector to adopt the performance measures or engage more deeply in the project.

However, frequent and consistent communication increased provider capacity to communicate about rapid re-housing to their funders and helped to allay fears of decreased funding due to the major shift in policy from shelter to rapid re-housing. Organizations participating in the pilot project to serve higher barrier families reported no major losses in private funding.

State Level Data Analysis

The Advisory Committee, which established the goal of reducing family homelessness in Virginia by 15 percent in 3 years, recommended developing statewide homelessness data collection and analysis capability to help achieve this goal. While this capability could have led to more efficient and targeted use of State funds, it proved a challenging goal to achieve. All local agencies receiving homelessness funds from the State are required to submit data into a Homeless Management Information System (HMIS) system (except for domestic violence organizations, which use a comparable but different database). However, communities utilize different HMIS vendors making data difficult to collect and analyze at the state level.

Funds from the Freddie Mac Foundation were used to develop a state-level data collection tool prototype, the Virginia Homeless Data eXchange (VHDX). However, necessary additional funds to implement the prototype were not approved by the General Assembly in the state budget. The State continues to explore alternative funding sources for VHDX, as well as the feasibility of establishing a statewide HMIS.

Key Lessons

The project's success was due to its two-pronged approach of realigning funding and policy to support rapid re-housing, while building provider capacity to effectively implement it. To accomplish this, the project partners generated buy-in from influential leaders, changed funding incentives, released clear performance standards, communicated early and often, offered a variety of training opportunities, and helped communities analyze their resource investments.

Encourage buy-in and commitment from influential leadership

To shift to rapid re-housing as a statewide intervention, a large scale realignment of resources was necessary. This could not have been achieved without buy-in from political leaders, funders, and practitioners. In Virginia, the Governor and his advisor's support for rapid re-housing were critical to

getting the project off the ground. The commitment of a small number of key leaders influenced other stakeholders and provided much needed visibility to the movement.

A committee designated by the Governor to lead the shift to rapid re-housing – the Governor’s Coordinating Council on Homelessness -- built and sustained this momentum across various state agencies. The Coordinating Council was charged with: developing a plan to leverage state resources more effectively; maximizing the effectiveness of state services and resources for homelessness; and realizing efficiencies through enhanced coordination and shared resources among state agencies.

An interagency coordinator with access to leadership improved communication and follow through. Utilizing project funds, the Commonwealth hired a Homeless Outcomes Coordinator who was housed in the Governor’s Office and was responsible for convening the Coordinating Council and implementing its plan. The Homeless Outcomes Coordinator also served as a point person within the state government, leading to increased communication and support from the Administration and various state agencies. The Coordinator increased the project’s visibility, expedited communication between agencies, and developed new partnerships among government agencies.

The Coordinating Council was effective because it had authority and could stay focused and accountable due to dedicated staffing by a full-time employee. The Coordinating Council continues to meet quarterly and guide policy to expand rapid re-housing. It is comprised of representatives of state secretariats and agencies, VCEH, the service provider community, and CoCs.

Create financial incentives for shifting to rapid re-housing

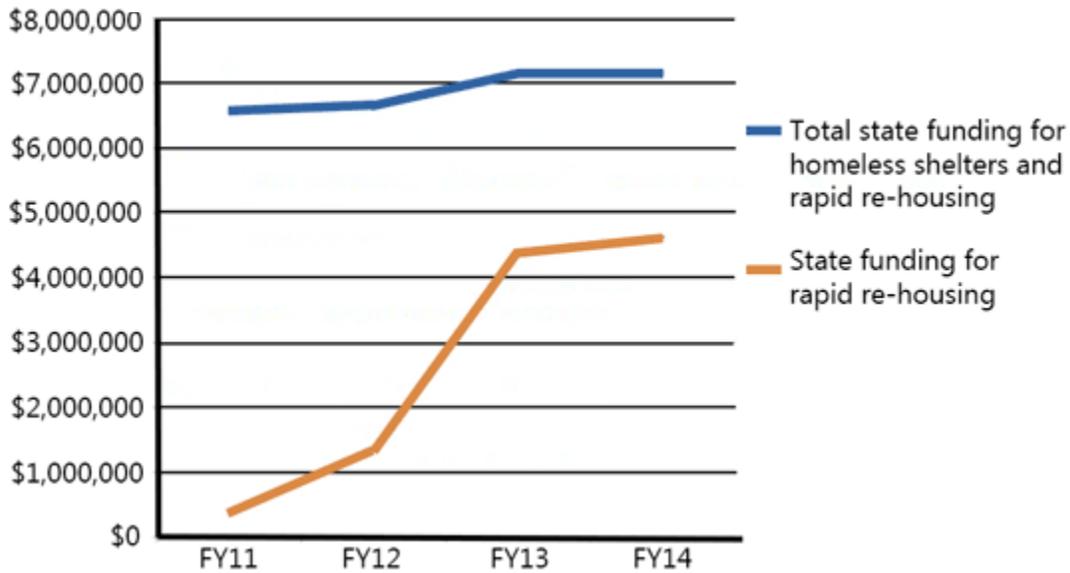
Both “carrots and sticks” helped with the adoption of a new approach. As DHCD changed its funding conditions to encourage communities to shift to rapid re-housing, the project also provided small, flexible grants to help providers experiment with and test the intervention.

State and Federal Funding Shift

DHCD changed the stated goal of its homeless funding and expected outcomes. In the 2011/2012 program year the funding application’s stated goal was, “...to assist homeless families and individuals...through the operation of emergency shelters and transitional housing facilities in Virginia.” In the 2012/2013 program year, the goal became “...to provide effective and efficient assistance to reduce the length of time households experience homelessness and to reduce the number of households returning to homelessness.”

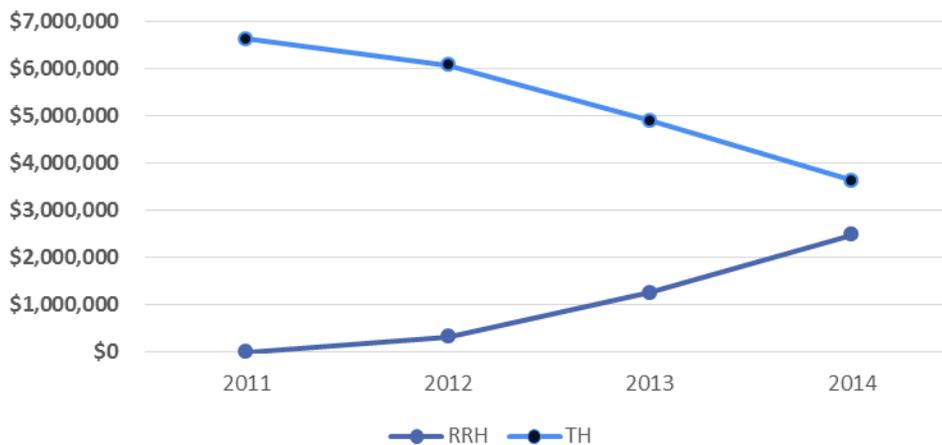
Changing the program goals resulted in a reallocation of funds gradually over four years. This shift began in the 2010/2011 program year. By the 2012/2013 program year, 62 out of 69 homeless service providers chose to apply for rapid re-housing funds. In Fiscal Year 2014, 60 percent of state homeless services funding (approximately \$4.5 million) was awarded for rapid re-housing activities.

Figure 1: Change in state funding for homeless services



Additionally, CoCs and local homeless service providers were better positioned to secure new federal funding and reallocate existing federal funding to rapid re-housing projects within the HUD CoC Program. Federal CoC program resources for rapid re-housing in Virginia went from \$328,179 in the 2012 competition (the first competition where rapid re-housing was an eligible activity) to nearly \$2.5 million in the 2014 CoC competition. Additionally, over this same period, funding for transitional housing was reduced by 45 percent.

Figure 2: 2011-2014 HUD CoC Program Awards for Rapid Re-Housing (RRH) and Transitional Housing (TH)



Flexible Grants

Flexible funds allowed organizations to test and experiment with rapid re-housing. There were costs associated with shifting program models and they could be a barrier to adoption. Organizations had staff with specific skills and qualifications suited to their current model, owned buildings, and/or often had a donor base and board members that believed in the current model of services. To encourage organizations to try rapid re-housing, small, flexible grants in amounts between \$5,000 and \$25,000 were awarded to 17 organizations. Some of the activities funded by these grants included:

- Rapidly re-housing high barrier families, families escaping domestic violence, and large families;
- Restructuring transitional housing programs into rapid re-housing programs;
- Creating a coordinated entry process;
- Developing landlord networks, databases, and increasing landlord outreach; and
- Creating damage insurance funds to provide incentives to landlords to rent to high barrier families.

Larger grants incentivized communities to serve populations traditionally not served with rapid re-housing. Early in the project, there was considerable reluctance to rapidly re-house families with high barriers to housing stability, such as having no income or having substance abuse or mental health issues. To encourage providers to serve these families, five communities were provided funds to pilot efforts to re-house moderate to high-barrier families. Participating organizations served 99 families with these funds, placing 92 percent of them in housing. Of the 92 families housed through the pilot, all were stably housed as of October 2014.

Define and Reward High Performance

Certification was seen as a way to help raise the performance level, but was difficult for new adopters to achieve. A rapid re-housing certification⁷, developed by the Alliance, provided clear and quantifiable standards; ensured fidelity to good practice; and allowed providers, funders, and other stakeholders to identify which programs had adopted rapid re-housing best practices. As an incentive to be certified, DHCD awarded extra points on funding applications to communities with certified rapid re-housing providers.

While rapid re-housing certification encouraged fidelity to best practices, only a handful of Virginia providers received it. The certification required that service providers have a threshold level of data coverage over time and could use it to show outcomes. Newer rapid re-housing providers reported they were waiting to meet these data requirements before applying. Additionally, the outcomes required for certification were high, and some providers reported they were working toward, but had not yet reached, the cost effectiveness and average length of stay results that were required to receive certification.

⁷ Rapid Re-Housing Certification: <http://www.endhomelessness.org/library/entry/rapid-re-housing-certification>

However, the certification standards provided a benchmark for rapid re-housing providers to work towards. Common standards greatly improved the consistency in the messaging about rapid re-housing in Virginia by clearly indicating what best practice looked like.

Create an environment of transparency, openness, and trust by communicating with stakeholders early and often

Early and frequent communication improved buy-in that led to system change. The change in approach required persuading a critical mass of stakeholders that rapid re-housing was effective. It was important to explain to people what was going to happen, ensure they had the opportunity to prepare for the change, and could communicate their concerns and needs. A robust communications strategy was used to educate state and local officials, nonprofit organizations, and community leaders on the process and assure them that sufficient training and assistance would be available.

“Opening Events” were held to announce the shift to rapid re-housing and proved particularly useful in preparing service providers for the change in funding. The Opening Events were a key reason that, when the funding changes were eventually made, organizations were prepared to apply for rapid re-housing funding.

Support providers shifting to rapid re-housing by creating a variety of learning opportunities and building capacity

Training not only built understanding of rapid re-housing, but also increased buy-in. A variety of different training opportunities were created for different audiences, including homeless service providers, domestic violence agencies, organizational directors, and community leaders.

Rapid Re-Housing Workshops

Service providers were anxious to receive training and learn more about the new focus on rapid re-housing. Because service providers learned at the Opening Events that the State was emphasizing rapid re-housing, trainings were very well attended. Small grants were made available to homeless service organizations to offset the cost of attending the workshops, but ultimately these grants proved unnecessary because of the level of interest.

Trainings were responsive to the concerns of service providers. At the start of the project, few service providers served families with high barriers to housing. In response, the trainings placed special emphasis on strategies and data supporting rapid re-housing for such families. Additionally, domestic violence providers were wary of rapid re-housing for a variety of reasons, including safety concerns and the need to address trauma, and were slow to adopt it. To ensure domestic violence survivors were not left behind, an expert who had shifted from a traditional domestic violence shelter model to rapid re-housing provided four trainings throughout Virginia. These trainings by a peer were well received.

Rapid Re-Housing Learning Collaboratives

Hands-on technical assistance and peer support helped homeless service providers make fundamental and not just surface changes. By the second year of the project, many homeless service providers were receiving rapid re-housing funding but had not changed their organization's practices and policies to align with best practices. The rapid re-housing Learning Collaborative was developed to help providers make changes in the way they operated, while being supported by their peers and by experts. The goal was to assist organizations with bridging the gap between knowledge of rapid re-housing and the operations and practices of their organizations.

The Learning Collaborative involved in-person and virtual interaction. Two meetings were held for each of seven regional Learning Collaboratives. In the first meeting, participants learned about standards for a best practice rapid re-housing program, set goals for improving their programs, and created a plan for meeting these goals. During the following six months, teams worked to enact these performance improvement plans while participating in monthly conference calls, webinars, and other opportunities to share their experiences and help each other overcome challenges.

The Learning Collaboratives culminated in the Rapid Re-Housing 100-Day Challenge. During the second Learning Collaborative meeting, each organization set an ambitious goal for the number of families it would rapidly re-house over the next 100 days. The Challenge presented Learning Collaborative members with an opportunity to test their new and improved operations and encouraged them to quickly resolve issues and overcome roadblocks. During the Challenge, participating organizations re-housed 545 families in 100 days, representing a 52 percent increase in the rate of re-housing among these organizations.

System Design Clinics

For rapid re-housing to be most effective, it must be adopted as part of a community-wide strategy. The System Design Clinic was developed to help communities struggling to shift the orientation of their homeless assistance systems from a shelter-focused model to a rapid re-housing model. The clinic helped communities develop a shared vision for ending homelessness, clear outcome measures that defined high performance for rapid re-housing and other interventions, and a strong governance structure that provided direction and feedback on provider performance.

As part of the clinic, participating communities received assistance completing the Homeless System Evaluator tool⁸. This tool helped determine whether a community's homeless assistance system moved people into permanent housing quickly, helped people remain in housing, and generated these and other positive outcomes cost-effectiveness.

⁸ Homeless System Evaluator Tool: <http://www.endhomelessness.org/library/entry/homeless-system-evaluator-tool>

Help communities analyze their resource investments

Many communities did not routinely collect, aggregate, and analyze their data on a system-wide level to measure outcomes and determine the best way to allocate resources. To encourage strategic planning and help communities analyze how they allocated their resources, whether they should re-allocate any of these resources, and where they should allocate any new resources, the project partners developed a Spending Plan Template. An instructional webinar assisted CoCs to complete the Spending Plan, and also communicated that reallocating resources to rapid re-housing would improve community performance on key outcomes. In 2013, DHCD began requiring CoCs to submit a Spending Plan with their funding applications. CoCs that utilized the Spending Plan reported finding it useful in setting funding priorities and making reallocation decisions.

While the Spending Plan was useful, to be truly effective it had to include all funds spent on homelessness in a community, including private donations and foundation grants. Few service providers submitted their entire budgets to the CoC, which made it difficult to get an accurate picture of where resources were spent. DHCD continues to communicate the importance of understanding the true cost effectiveness of different programs and interventions in communities, and works with CoCs to collect more complete budget information.

Conclusion

Rapid re-housing is an intervention that appears to be at least as effective as much more costly interventions in getting homeless families back into housing and keeping them there – ending their homelessness. This is important because a less costly, equally effective intervention like rapid re-housing means that homelessness can be ended for many more Virginia families. This should, in turn, bring down the number of homeless families in the Commonwealth.

This Virginia rapid re-housing project showed that with a relatively small investment over a 3-year period, a state can re-tool its family homelessness system and improve its effectiveness, resulting in significantly reduced family homelessness. By shifting to rapid re-housing a state can improve its outcomes, and reduce homelessness. The key was the project's two-pronged approach of realigning funding and policy, plus building provider capacity. To end family homelessness, states and communities should take steps to adopt rapid re-housing as the primary intervention for families experiencing homelessness.