NC 507 HOMELESS SYSTEM DESIGN INITIATIVE

Action Report & **Recommendations**

December 2022

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WAKE COUNTY
Continuum of Care - NC 507

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I. INTRODUCTION & BACKGROUND

In May 2020, the Raleigh Wake (NC 507) Continuum of Care (CoC) in collaboration with HUD Technical Assistance restructured the NC 507 CoC. The new structure was designed to (1) *promote a community-wide commitment* to the goal of ending homelessness; (2) *provide funding* for efforts by nonprofit providers, and State and local governments to quickly rehouse homeless individuals and families while minimizing the trauma and dislocation caused to individuals, families, and communities experiencing homelessness; (3) *promote access to and effect utilization of* mainstream programs by homeless individuals and families; (4) *optimize self-sufficiency* among individuals and families experiencing homelessness.

The NC 507 CoC recognized that most of the challenges facing our community today cannot be addressed by organizations working alone. Healthy, vibrant communities must be supported by a complex, interlocking web of efforts and systems. The CoC acknowledged that we can't move the needle on community change unless organizations coordinate their work. The threads that turn our patchwork of disparate efforts into a cohesive quilt are multi-faceted. Through the restructuring, the CoC recognizes *these efforts are demonstrated by the participation in:*

1. **Quality comprehensive data entry into the HMIS database**.
   Real-time data is used to monitor current conditions including a by-name list of people experiencing homelessness. The data collected drives the *community-wide* housing case conferencing, with an aim towards solutions. Measurement is integrated throughout the process to evaluate the effectiveness of interventions.

   Finally, measurement is used to track the sustainability of NC 507's success in ending homelessness, not simply whether we can get to zero, but whether we can sustain it in continually fluctuating conditions.

   In the fall of 2021, the NC 507 CoC decided to migrate to a new HMIS Database. In January 2022, Clarity by Bitfocus was selected because of its robust user-friendly interface, and real-time, comprehensive capabilities. The initial migration took place in July 2022, with the final steps of the full migration to be complete by the second quarter of 2023.

2. **Establishing a** "**centralized or coordinated assessment system**."
   HUD requires each CoC to establish and operate a centralized or coordinated assessment system (referred to as "coordinated entry" or "coordinated access") to increase the efficiency of local crisis response systems and improve fairness and ease of access to resources, including mainstream resources.

   In NC 507's vision, the **coordinated access system (CAS)** is our approach to coordination and management of our homeless crisis response system's resources that allow our homeless service providers (HSPs) to make consistent decisions from available information to efficiently and effectively connect people to interventions that will rapidly end their homelessness.

   The CAS is a consistent, streamlined process for accessing the resources available in the homeless crisis response system. Through coordinated entry, our CoC ensures that the highest need, most vulnerable households in the community are prioritized for services and that the HSPs in the system are used as efficiently and effectively as possible—from beginning to end—into a fully integrated crisis response system.

3. **Planning and governing of the NC 507 CoC**.
   The CoC is organized to carry out the responsibilities required by the United States Department of Housing and Urban Development (HUD). Member organizations and unaffiliated individuals are required to attend at least 75% of CoC Membership meetings annually. Members agree to know, understand, and adhere to HUD regulations & CoC Charter, Written Standards, and Policies & Procedures (CAS, HMIS, etc.).
   Membership is renewed annually.

In response to the 2021 NC 507 CoC's restructure, The Raleigh Wake Partnership, contracted with the *National Alliance to End Homelessness (NAEH)*, a national technical assistance provider and housing advocacy agency to assess the homeless response system, the need for supportive housing and other interventions, and estimate costs associated with system strengthening. Together they collected and analyzed a comprehensive set of data elements that describe our community's homeless population, the system's ability to move people to permanent housing quickly, and the system's cost-efficiency.

NAEH qualitatively analyzed our homeless crisis response system by surveying community leaders, providers including executive directors and front-line staff, and people experiencing homelessness. The qualitative analysis also involved reviewing planning and operation documents, and evaluation reports. Through training and consultation, starting with the Strategic System Design Clinic, NAEH will guide our community in creating action plans to achieve identified priorities and, following training and/or technical assistance, support implementation efforts.

Why restructure our system design now?
1. Across the country, states are recognizing the significant impact of the COVID-19 pandemic and systemic vulnerabilities on people experiencing homelessness.
2. The disproportionate impact of the COVID-19 pandemic against communities of color, those with disabilities, and those living in extreme poverty, has been made undeniably clear in congregate settings such as public nursing homes, jails, prisons and shelters.
3. Given the complex needs of people experiencing homelessness, collaboration, relationships, and connections across systems are needed now more than ever.

Objectives:
1. Identify the goals of an effective homeless response system.
2. Discuss how to improve system performance across the CoC.
3. Recognize system flow and bottlenecks within the homeless response system.
4. Illustrate how to align interventions of the homeless response system.
5. Discuss the role of the CoC Governance Body in making homelessness rare, brief, and one-time.
6. Identify local priorities.

Early on, the Partnership and NAEH identified the following guiding principles and core components that would drive the efforts for the System Design Clinic and subsequent training and technical assistance.
1. Data-Driven and Accountable
2. Person-Centered
3. Design Grounded in Housing First
4. Move from "Models" to "Systems" with the right array of interventions
5. Addresses Race Equity

II. METHODOLOGY & TIMELINE   *"Building on the Past to Plan for the Future"*

To ensure broad-scale community input for the system design, NAEH used key stakeholder surveys, a full review of CoC documents, and information sharing through the Raleigh Wake Partnership. NAEH provided analysis and recommendations to the CoC Collaborative Applicant, CoC Governance Board, and community stakeholders on the implementation of best practices in crisis response systems, including reviewing core system components such as CoC Governance, Coordinated Entry, Outreach, Homelessness Prevention, Diversion, Emergency Shelter, Rapid Re-Housing, Permanent Supportive Housing and others, analyze data including System Performance Measures and key housing outcomes by program type, and develop recommendations on strategies, including the role of CoC governance and its critical role in coordinating this system, to address identified challenges to ensure homelessness is rare, brief, and one time.

This extended process of community engagement and review resulted in the creation of shared priorities and recommendations for restructuring the current system to address homelessness and housing instability at the local levels.

March 2020 — May 2021: NC 507 CoC Restructure
HUD TA - Whitney Patterson

February 25, 2021: Governance Onboarding Retreat
Defined the purpose of a CoC to end homelessness, and the roles and responsibilities of the CoC, Governing Board, and Lead Agency

May 10, 2021: 1st Raleigh Wake County CoC Membership Meeting
Understand system performance measures, using data to define outcomes and targets. Presented by HUD TA - Whitney Patterson

December 2021: Raleigh Wake Partnership contacts the Alliance for next steps of CoC growth

June 2022: Contract developed for National Alliance to End Homelessness Technical Assistance
System Design Clinic, Diversion and Problem-Solving Training, Best Practice Emergency Shelter Training, Best Practice Rapid Rehousing Training

July 2022 — November 2022: Data Gathering & Document Review for System Design Clinic
 • *Previous CoC Plans to End Homelessness*
 • *Scan of governmental organizations and non-profit service providers*
 • *Review of CoC governance structure*
 • *Review of ongoing Technical Assistance around Coordinated Entry.*
 • *Data requests to HMIS*

July — September 2020 - Stakeholder Interviews
 • *Structured meetings with 60+ stakeholders from a wide range of organizations, both governmental and private including shelter, housing and service providers*
 • *Questions centered around HMIS data, access to resources challenges, and improvement opportunities*

**November 30 — December 1, 2022: Strategic System Design Clinic**

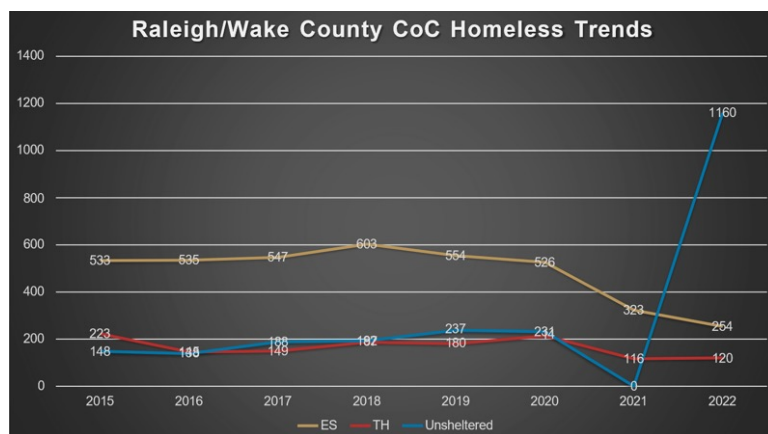## III. HOMELESS SYSTEM DATA OVERVIEW

Methodology
The NAEH assessment is a compilation of quantitative data on program and system levels, qualitative data consisting of beliefs about the homeless crisis response system (three surveys), system performance measures and racial equity data. The assessments draw on the best available data, attempting to be transparent and clear regarding how and where we are estimating needs. Data was pulled for the years 2015 - June 26, 2022. *Due to the current HMIS migration from WellSky ServicePoint to Bitfocus Clarity, all data was pulled from the WellSky database.*
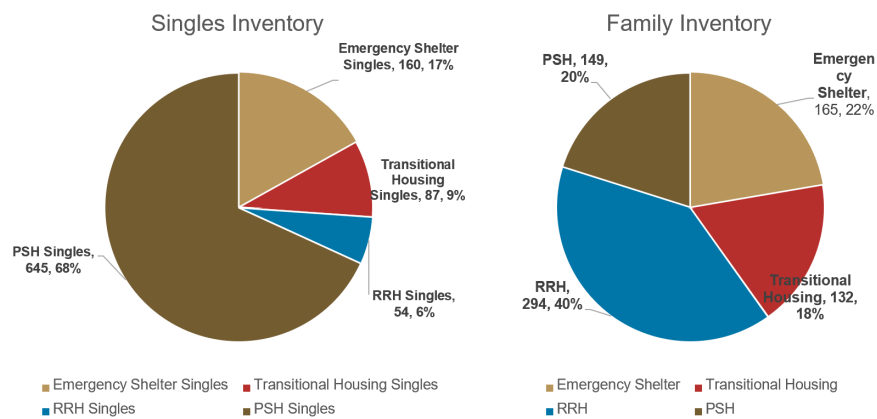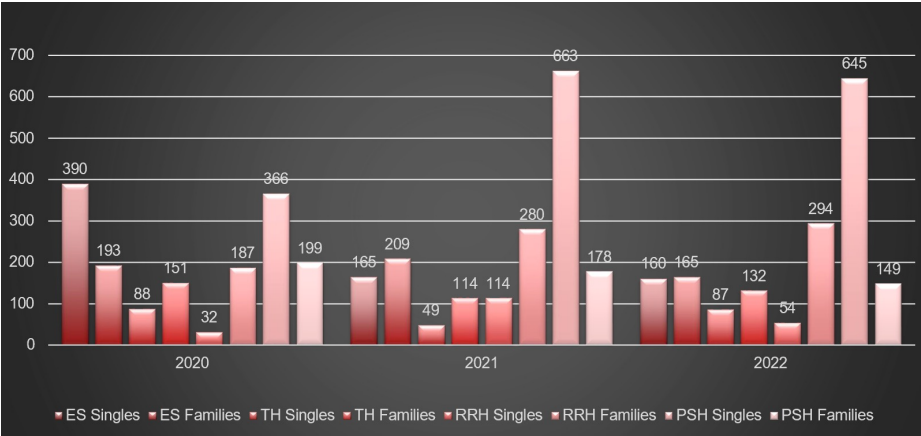
PIT COUNT: Families vs Singles, 2015-2022
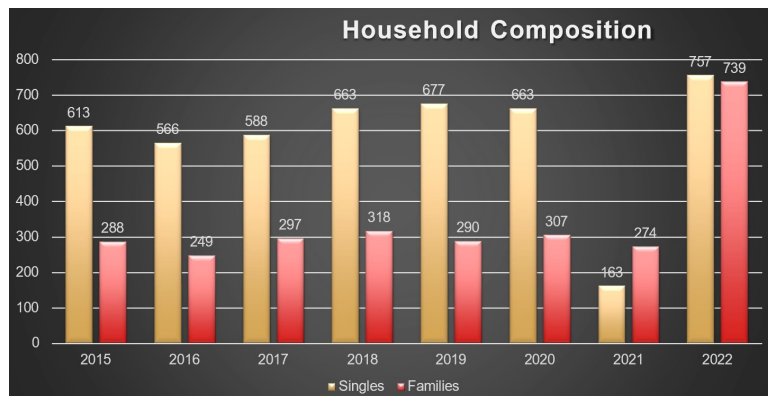
PIT COUNT TRENDS: 2021 *(not required)* 2022 *(unsheltered includes self-reported)*

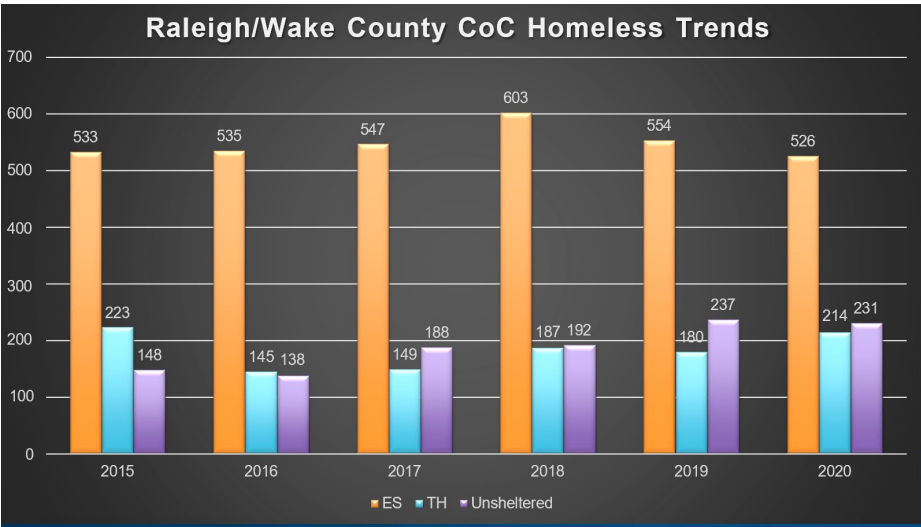## BED COUNT: 2022
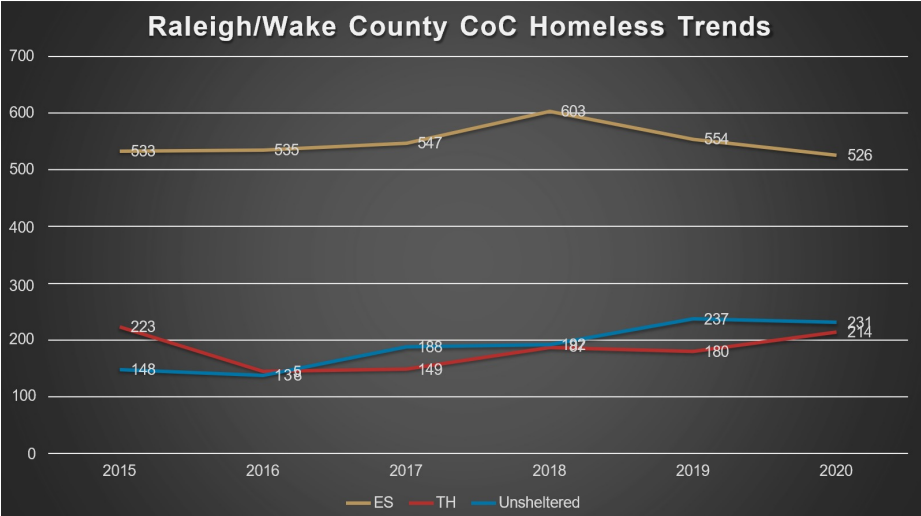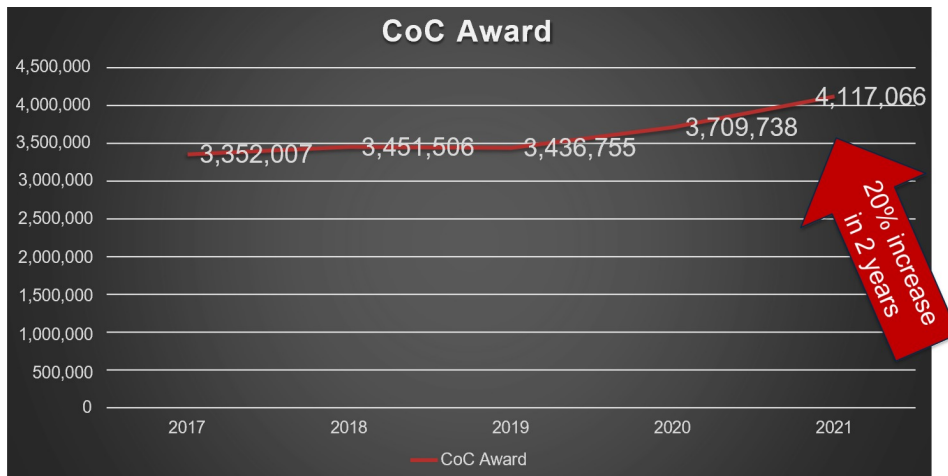
HOUSING INVENTORY CHARTS: 2020-2022

NC 507 FIVE-YEAR TRENDS: 2015-2022

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CoC FUNDING TRENDS: 2017-2021

CoC Award

Year	CoC Award
2017	3,352,007
2018	3,451,506
2019	3,436,755
2020	3,709,738
2021	4,117,066

20% increase in 2 years

— CoC Award

RACIAL DISPARITIES: May 30, 2020-June 1, 2022

	Homeless People	Percentage	General Population
Total Homeless	4,009	100%	
Black/African American	**3,022**	**75%**	**21%**
White	884	22%	67%
Asian	26	.6%	8.3%
American Indian/Alaska Native	**50**	**1.2%**	0.8%
Native Hawaiian/ Pacific Islander	**16**	**0.3%**	0.1%
Other	23	.57%	

IV. ASSESSING SYSTEM FLOW & SYSTEM PERFORMANCE

Recognizing that system performance is a key indicator of a strong response to homelessness, a review of the CoC system interventions and programs was conducted. This analysis was aimed to examine the homeless system metrics and interventions used in our CoC to ensure that homelessness is rare, brief, and one-time, and to evaluate needs, gaps, and costs across the system.

**Performance Metrics**: *Homelessness should be rare...brief...one time*
- Reduce in-flow into homelessness.
- Increase exits to permanent housing.
- Decrease the average length of homelessness.
- Decrease returns to homelessness.

Effective crisis response systems should adhere to four main standards: (1) an episode of homelessness is rare, brief, and non-recurring; (2) the system is housing-focused; (3) it is right-sized with the appropriate mix of interventions for those in need; (4) is easy to navigate. When we, as a

Continuum of Care (CoC), take a moment to think about these standards, do we have what we need to meet or exceed them? The foundation of that answer comes from careful analysis of data and then setting system-wide measures (System Performance Measures) that the CoC and other community stakeholders review regularly.

The purpose of the System Performance Measures is to help CoCs gauge their progress in preventing and ending homelessness, provide a more complete picture of how well a community is achieving this goal, and if they have deployed the right combination of strategies and resources. Coordinated Entry (CE) is a Continuum of Care (CoC)-established system-wide process to coordinate the access, assessment, prioritization, and referrals quickly and equitably to housing and services for people experiencing or at imminent risk of homelessness.

To know if all these efforts are working, the CoC will need to actively monitor the data that informs every aspect of the crisis response system from coordinated entry through exits to permanent housing. System analysis must be done for those who are experiencing homelessness now; considering what existing systems are accomplishing and identifying what's working and what needs improvement. This also includes determining how much of the available interventions need to change. The most critical crisis response system performance measures are system capacity relative to the need, bed/unit utilization rates, where people came from when entering the system, how long people are homeless, rates of exit to permanent housing from all project types, and the cost-effectiveness of the program. The cost per permanent housing exit is key, not the cost per unit or bed. The breakdown should happen in a standardized way and include all funding sources for a project, including donor dollars.
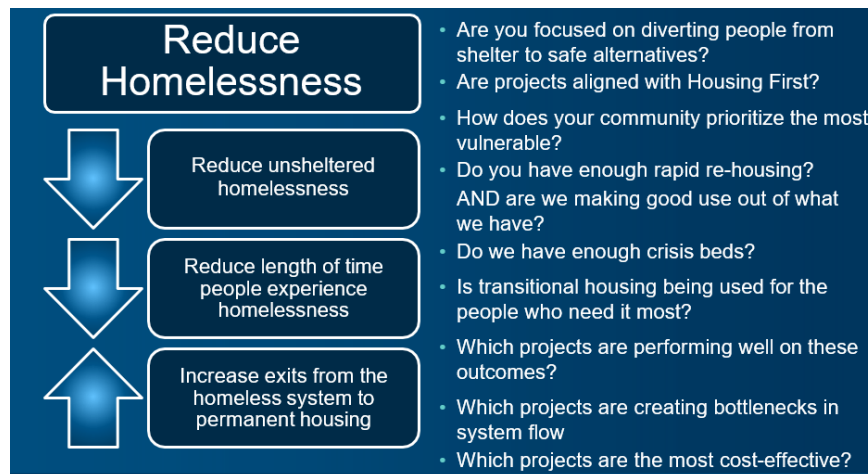
Communities should monitor their system continuously and document performance results. The data should drive decision-making, not just learning. There should be a clear feedback mechanism across the system.

As a rule, change is difficult and slow. Our systems were designed to operate as individual programs focused on individual results. The focus is now on the community's ability to prevent and end homelessness. By applying the best practices in an effective crisis response system, we ensure that we have all the right players at the table – instead of operating in silos, we need to work together. The best practices identified include:

1. Set system performance benchmarks for each intervention: The first step in solving homelessness is having a shared definition. Establishing common metrics allows the community to see whether we are measurably reducing homelessness in real time.

   Collaborate with a cross-section of community leaders and stakeholders to set short and

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long-term goals for system improvement. Consider local factors, such as a new infusion of resources, a shift in local government priorities, or a change in the homeless population to help prioritize the top one or two goals. Set local performance benchmarks to ensure everyone knows what is expected of them. Reflect on local changes in performance, priorities for system change, and national benchmarks to identify the right indicators of success.

2. Measure and reward project performance and reallocate from low-performing strategies to effective strategies. Single programs will not get our community to achieve the goal of ending homelessness – whole communities do. Develop a comprehensive performance management plan which includes performance goals, baseline data, benchmarks, improvement strategies, and timelines. Include roles, responsibilities, and the process by which this group will review performance data and develop performance improvement plans.

   Use the performance monitoring process to identify providers that are exceeding performance expectations and learn more about their successful practices. Determine which providers are struggling to meet performance targets and respond to technical assistance or capacity-building needs. Consider developing an annual training calendar and implementing peer-to-peer learning opportunities, such as learning circles or Communities of Practice, to support the replication of best practices.

3. Engage all funders in the strategy and create a funders collaborative: Thinking systemically means recognizing the connections between housing, homelessness, and everything else. The affordable housing crisis stems from supply shortages and rents increasing at a much faster clip than incomes but also inflation and the skyrocketing cost of living. Homelessness and affordable housing are not just coastal, urban, or blue/red-state problems; more Americans are experiencing housing insecurity in more parts of the country where affordable housing was once thought plentiful. This interconnectedness gives all funders a reason to collaborate on investments to address homelessness and housing affordability, whether they are explicit "housing" or "homelessness" funders. Each area of work complements the others by bringing a different set of partners, networks, strategies, and resources to the collective table.

4. Measure and adjust: Analyze performance on a quarterly or biannual basis to assess the degree to which the CoC is making progress on goals and benchmarks, and if the performance improvement strategies are having the intended impact. Meet often to discuss findings and revise strategies where required. Communicate performance at regular intervals to allow providers to use the results to inform practice and to showcase results to funders and community stakeholders.

It is also important to remember that all outcomes are useful: positive, negative, and unexpected. Focusing just on the positive exits causes some projects to selectively enroll clients who will succeed, which is antithetical to an effective crisis response system. Negative outcomes also provide valuable information in that they inform what we need to be doing differently.

V. ACTION STEPS FOR OUR COC HOMELESS SYSTEM DESIGN & IMPLEMENTATION

Based on findings from both the quantitative and qualitative NAEH analysis, along with learnings from the two-day System Design Clinic, identified the overall need for a reimagining of our current housing and service interventions such as diversion, rapid rehousing, and supportive housing as well as training, capacity, and infrastructure recommendations (Coordinated Entry) to support the system for the long term.

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What NC 507 Can Do Within Our Current Interventions to Improve System Flow
(in order of priority)
    1. Invest in diversion/problem solving across the system
    2. Reimagine the Coordinated Entry System to engage in effective diversion and prioritize people for shelter, RRH and PSH
    3. Scale up and improve Rapid Rehousing (RRH)

Additional strategies to Improve System Flow (in order of priority)
    1. Improve data collection, data quality, and data-driven decision making
    2. Make funding decisions across ALL funding resources using System Performance Standards to support strategies/projects with system flow outcomes to determine new funding or reallocations
    3. Improve and Right Size Crisis Housing (ES and TH)
    4. Ensure Permanent Supportive Housing (PSH) is prioritized for those with the highest barriers and includes move-on strategies

Identified Action Items:
    Finalize Governance Charter (December 31, 2022)

    Establish the 2023-2024 Governance Board (January 1, 2023)

    Full System Level Data Report (March 31, 2023)

    Set Benchmarks for Each System Level (April 2023)
        ☐ Reducing in-flow into homelessness
        ☐ Increasing exits to permanent housing
        ☐ Decreasing average length of homelessness
        ☐ Decreasing returns to homelessness

    Set Benchmarks for Each Intervention (April 2023)
        ☐ Emergency Shelter
        ☐ Transitional Housing
        ☐ RRH
        ☐ PSH

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