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MONTEREY AND SAN BENITO COUNTIES SYSTEM PERFORMANCE ASSESSMENT

Prepared by Focus Strategies

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BACKGROUND AND PURPOSE

The Monterey and San Benito Counties CoC, through its lead agency, the Coalition of Homeless Services Providers (CHSP), has engaged Focus Strategies to assist in the development of an update to the Lead Me Home Plan – the community's 10-Year Game Plan for Housing Homeless People in Monterey and San Benito Counties. This is a four-phase project that will be completed in March 2021 with the completion of an updated Strategic Plan that is specific, action-oriented and includes realistic implementation steps.

In the first phase of the project, Focus Strategies conducted a qualitative Initial Observations Report, completed in July 2020. The Initial Observations Report identified strengths and challenges in the community's current response to homelessness and preliminary recommendations for system improvement.

In the second phase, Focus Strategies conducted a quantitative analysis designed to complement the qualitative analysis completed in Phase One by assessing project and system performance. This report presents our approach to the quantitative analysis, the methodology used, and the system performance results. We also provide further recommendations for system improvement that are informed by this data analysis and findings from the Initial Observations Report.

Taken together, these two reports produced in Phase One and Two provide a contextual and analytic foundation for the development of the Strategic Plan in Phase Three and Four. In Phase Three, Focus Strategies will conduct two additional quantitative analyses to inform the planning process: (1) predictive system modeling to estimate the impact of system changes on the populations of people experiencing unsheltered and sheltered homelessness over three years; and (2) an analysis of the local housing inventory, with a particular focus on housing for people with extremely low incomes.

APPROACH TO QUANTITATIVE ANALYSIS

To conduct this quantitative analysis, Focus Strategies used the Base Year Calculator (BYC) from our System-Wide Analytics and Projection (SWAP) tools, a joint project of Focus Strategies and the National Alliance to End Homelessness (NAEH). SWAP is designed to help communities use local data to understand what their current system is accomplishing and to plan and prioritize changes to bring about the greatest possible reduction in homelessness. The BYC also helps users assess whether their Homeless Management Information System

(HMIS) data is of sufficient quality and accuracy to support meaningful performance measurement. This report presents the results of the BYC analysis.

A. Base Year Calculator (BYC) Overview

The BYC produces an assessment of Homeless Management Information System (HMIS) data quality as well as an analysis of project and system performance. The data quality assessment generates an easy-to-digest analysis of data quality for each project in the system, allowing the CoC and community leadership to assess: (1) whether there are systemic data quality problems, such as a widespread level of incomplete data entry for particular data elements; and/or (2) data quality issues limited to particular projects or project types.

Current system performance is assessed at a project-by-project level, which is then summarized by project type. Five dimensions of project performance are produced: (1) the extent to which project resources (beds) are fully utilized; (2) the proportion of people entering homelessness response system projects who are literally homeless when they enroll; (3) the length of time people remain in each type of project; (4) the rate that people leave projects with stable housing; and (5) the estimated cost for projects to help people obtain stable housing.

Successful implementation of the BYC requires coordination across the system to access and understand the data necessary for the analysis. For this project, Focus Strategies coordinated with CHSP staff to collect the primary sources of information for the BYC:

- The community's inventory of emergency shelter, transitional housing, rapid rehousing, and permanent supportive housing beds and units as documented in the 2019 _Housing Inventory Count (HIC)_[1] submitted to HUD;
- Client data exported from the community's _Homeless Management Information System (HMIS)_ for the period from January 1, 2019 through December 31, 2019; and
- _Project budget data_ collected by CHSP staff directly from homeless program providers, including the total annual operating cost of each project, and amounts and sources of revenue (HUD CoC, HUD ESG, other public funds, private funds).

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[1] "The Housing Inventory Count (HIC) is a point-in-time inventory of provider programs within a Continuum of Care that provide beds and units dedicated to serve people experiencing homelessness (and, for permanent housing projects, where homeless at entry per the HUD homeless definition), categorized by five Program Types: Emergency Shelter; Transitional Housing; Rapid Rehousing; Safe Haven; and Permanent Supportive Housing." https://www.hudexchange.info/programs/hdx/pit-hic/.

B. Projects and Households Included in the BYC Analysis

The BYC analysis incorporates projects in Monterey and San Benito Counties that provide housing and shelter to people experiencing homelessness to better understand performance at the project and project type level. There are four project types analyzed: (1) emergency shelter (ES),[2] (2) transitional housing (TH), (3) rapid rehousing (RRH), and (4) permanent supportive housing (PSH). The scope of the analysis is limited only to these four project types and does not include homelessness prevention assistance for people at-risk of homelessness, or other types of safety net assistance or mainstream system services provided to people who are homeless. To be included in the BYC analysis, each project had to meet three criteria:

1. Be on the community's Housing Inventory Count (HIC);
2. Enter data in the Homeless Management Information System (HMIS); and
3. Have at least one full year of data available.

Appendix A provides a list of the projects included in this analysis.

The HMIS system gathers data on households that access beds in homelessness response system programs in the community. It does not include data on people who are experiencing homelessness but who do not enter shelter, transitional housing, rapid rehousing, or permanent supportive housing. HMIS data is therefore a much different type of data than the bi-annual Point-in-Time Count, which attempts to gather data on all people experiencing homelessness (whether or not they are currently accessing a homeless program) on a given day. The HMIS data provides rich information on the subset of people who access homelessness response system programs and is gathered on an ongoing basis. However, there are likely many households that experience homelessness whose information is not captured.

C. Methodology

HMIS, HIC, and budget data were uploaded into the Base Year Calculator (BYC), a customized web-based application developed by Focus Strategies. In August 2020, the CHSP staff and Focus Strategies jointly met virtually with each service provider who had a project included in the analysis to discuss the performance of their projects. The purpose of the individual meetings was to understand project operations and workflow, surface and answer provider questions about their data, and provide guidance useful for cleaning up data quality. For these meetings, Focus Strategies produced individual reports that presented

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[2] Annual shelters (ES-YR) are separated from seasonal shelters (ES-S).

results at the project level. Each project level report was accompanied by a series of graphs illustrating de-identified results of all projects of that same type. For example, each shelter saw their own performance as well as the performance of other shelters in the system, although they could not identify the other shelters.

During these meetings, providers and Focus Strategies staff identified concerns about data quality, including not enrolling all clients into programs (indicated by an insufficient number of active clients in HMIS), not exiting clients from HMIS after they leave the program (indicated by too many active clients in HMIS), and inaccurate data elements (particularly prior living situation and exit destination). Following these meetings, and prior to the final data extract, providers were given the opportunity to clean up their data and address identified data quality issues. Data was re-extracted from HMIS for Focus Strategies to analyze again at the end of September 2020. The results summarized in this report reflect our analysis of the data from the September data extract.

RESULTS

The sections below present the results of the BYC analysis of homelessness response system performance. We first address the HMIS data quality findings and then introduce the number of people served in homelessness response system programs between January 1, 2019 and December 31, 2019 to provide context and descriptive information about the system and the people who are accessing it. Following these two sections is a discussion of performance results by project type.

Table 1 shows a summary of projects on the 2019 HIC as well as the sum of the total annual operating budgets for that project type. Program participation in HMIS is good, with approximately 86% of programs participating; the proportion of beds/units participating in HMIS is low at 64%. In the coming year, the proportion of beds/units in HMIS will increase to approximately 83% because data from a large HUD-VASH PSH program (157 adult beds and 17 family units) will be incorporated using a methodology provided by HUD that will be available January 2021.

Table 1. Projects on the 2019 HIC

Projects Included in Analysis				
Project Type	**Total Projects**	**Total Adult Beds**	**Total Family Units**	**Operating Budget Reported by Provider**
Emergency Shelter - Seasonal	2	70	20	$1,033,200
Emergency Shelter - Annual	15	246	22	$ 3,404,254
Transitional Housing	13	155	78	$ 3,221,096
Rapid Rehousing	9	37	41	$ 2,629,622
Permanent Supportive Housing	5	217	19	$ 3,130,670
Total	44	725	180	$ 13,418,842

The analysis included a total of 31 unique projects comprised of 347 beds for single adults, 70 of which are seasonal beds, and 121 units for families, 20 of which are seasonal. An annual operating budget was collected for 30 of the total 31 projects in the analysis; one rapid rehousing project did not provide a budget. The total reported annual operating budget, for the 30 projects that provided a budget, is just under $10 million dollars. Table 2 shows a summary of projects from the 2019 HIC that were included in the analysis.

Table 2. Projects Included in the Analysis

Projects Included in Analysis				
Project Type	**Total Projects**	**Total Adult Beds**	**Total Family Units**	**Operating Budget Reported by Provider**
Emergency Shelter - Seasonal	2	70	20	$1,033,200
Emergency Shelter - Annual	9[3]	97	11	$2,242,465
Transitional Housing	8[4]	83	47	$2,437,648
Rapid Rehousing	8[5]	37	41	$2,533,359
Permanent Supportive Housing	4	60	2	$1,330,566
Total	31	347	121	$9,577,238

Thirteen projects on the 2019 HIC were not included in the analysis for the following reasons: 1) two domestic violence shelters do not have data in HMIS; 2) six other projects do not

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[3] Two annual emergency shelters did not provide operating budgets.
[4] One transitional housing project did not provide an operating budget.
[5] One rapid rehousing project did not provide an operating budget.

participate in HMIS; 3) two projects have closed; and 4) three projects do not have a years' worth of data due to transitioning project type.

A. HMIS Data Quality

A key precondition to a successful system performance assessment is the availability of high-quality data. In particular, it is important to have robust data for prior living situations and exit destinations for each household served in any homelessness response system project. The data element for prior living situation documents where the household was staying upon entry to a homeless project (e.g. outside, in a car, in their own apartment), while the data element for exit destination shows where the household went when they left a project (e.g. back to being unsheltered, to stay with friends, to a housing unit, etc.). Taken together these two data elements are crucial to understand how people enter and exit the homelessness response system and whether the system is effective at helping people secure housing.

The BYC produces assessments of data quality for each project type, including the amount of "missing" data and the amount of "unknown" data (see Table 3). Understanding the difference between "missing" and "unknown" data is key in supporting data quality improvement efforts. "Missing" data is information that is simply not recorded in HMIS, which usually means that project staff are not entering these elements into the data system. Our analysis found that there is **no** missing data for prior living or destination for the projects included in the analysis. This is an area of great strength in the system.

"Unknown" data, on the other hand, reflects the percent of entries and exits that are not meaningful or useful responses for assessing performance. Unknown data includes: "data not collected," "client doesn't know," "client refused," "no exit interview conducted," and "unknown." Higher percentages of unknown responses, therefore, suggest that data is not reflected in HMIS in a useful manner (i.e., responses are not useful for informing performance measurement and system improvement). The Monterey and San Benito Counties homelessness response system is showing extremely low rates of unknown prior living and destination data elements across all project types.

Unknown and missing data are a crucial part of data quality and measuring outcomes. While Table 3 shows a small percentage of unknown destination data for rapid rehousing projects, overall, all other project types appear to be collecting useful prior living and destination data.

Table 3. Missing and Unknown Prior Living and Exit Destination by Project Type

Missing/Unknown (% of all Households)						
Project Type	**Total Entries**	**% Missing Prior Living**	**% Unknown Prior Living**	**Total Exits**	**% Missing Destination**	**% Unknown Destination**
Shelter – Year-Round	2,001	0%	0%	2,004	0%	<1%
Shelter– Seasonal	2,032	0%	<1%	2,084	0%	<1%
Transitional Housing	111	0%	0%	111	0%	<1%
Rapid Rehousing	348	0%	0%	382	0%	4%
Permanent Supportive Housing	15	0%	0%	13	0%	0%
Total	4,507	0%	<1%	4,594	0%	<1%

B. Heads of Households Included in the Performance Analysis

Table 4 shows the total number of unduplicated heads of households served in projects included in the analysis between January 1, 2019 and December 31, 2019. Over the course of one year, the projects served 1,364 unique households. Of these heads of households, 91% were adults 25 and older and 9% were transition age youth (TAY) ages 18 to 24.

Table 4. Unduplicated Heads of Households Included in the Performance Analysis

Total Unduplicated Heads of Households		1,364	
		#	%
Age	Adults 25+	1,241	91
	TAY 18 - 24	123	9

Table 5 shows the unduplicated number of head of households served in the same timeframe by project type. Households who received services from more than one project type are reflected more than once (i.e., in each of the service types they received). Project types with short lengths of stay tend to serve a larger number of households than those with longer or unlimited lengths of stay, which explains why the majority of the people served were in emergency shelter.

Table 5. Unduplicated Heads of Households Included in the Performance Analysis of ES, TH, RRH, and PSH

		ES		TH		RRH		PSH	
Total Unduplicated Heads of Households		770		220		398		74	
		#	%	#	%	#	%	#	%
Age	Adults 25+	696	90	203	92	359	90	74	100
	TAY 18 - 24	74	10	17	8	39	10	0	0

C. System Performance

The primary output of the BYC is an assessment of project and system performance on a series of measures that are designed to help communities understand how effectively they are assisting people experiencing homelessness to secure housing. The goal is to identify areas of strong performance as well as areas where targeted improvement is needed.

Over the last decade or so, federal homelessness policy has shifted to look at how well communities are performing in their efforts to reduce homelessness. To further these objectives, HUD has strongly encouraged communities to evaluate the effectiveness both of individual projects, as well as the overall system, in meeting specific performance measures. Focus Strategies utilizes a set of performance metrics that build upon HUD's system performance measures and policies as articulated in the HEARTH Act and Home, Together: The Federal Strategic Plan to End Homelessness. While the measures we use are aligned with HUD's goals and system performance measures, we also incorporate cost effectiveness so that communities can understand performance in relation to the level of investment.

This section presents our analysis of the Monterey and San Benito Counties homelessness response system performance on five measures:

1. Bed and Unit Utilization Rate (UR)
2. Project Entries from Homelessness
3. Lengths of Stay in Projects
4. Rate of Exit to Permanent Housing
5. Cost per Permanent Housing Exit

Performance measure results are often presented by population (i.e., single adults, families, transition aged youth) to understand differing dynamics of homelessness response system use seen in the populations. For example, transition aged youth often have longer lengths of stay in projects than single adults due to their stage of development and resources needed

for housing stability. Combining data across populations may mask dynamics important for interpretation of findings.

The results presented in this section are provided at the project-type level and do not differentiate projects serving different populations. Population specific results are not presented because depending on specific project type, too few projects served each population, making it difficult to protect anonymity of individual projects when presenting data at the population level. Although separating the population types is the preferred method, analyzing the data across population types nonetheless provides valuable insight into system performance.

1. Bed and Unit Utilization Rate (UR)

This metric uses HMIS data to assess the average daily occupancy of projects in the system. Maximizing the use of available bed capacity is essential to ensuring that system resources are being put to their best use and as many people experiencing homelessness as possible are being served with the existing inventory. Figure 1 presents the utilization rate (UR) for emergency shelter, transitional housing, permanent supportive housing, and other permanent housing.[6] The measure uses bed utilization for single adult projects and unit utilization for family projects (sometimes a unit in a family project might have unfilled beds simply due to housing a smaller sized family than the unit is designed to accommodate).[7]

The data indicate that the UR for seasonal emergency shelters, transitional housing, and permanent supportive housing is high and shows that the system is utilizing these resources to their fullest capacity. However, UR for year-round emergency shelter is 71%, which is relatively low; typically, UR of more than 90% is desired.

The HMIS data show a large range of utilization rates for year-round emergency shelters with the lowest utilization rate at 13% and the highest at 81%. Two of the nine shelters are severely under-utilized because they serve special populations, including youth and those requiring medical respite. Provider staff from a different shelter reported that a change in how they record clients stays in shelter as well as significant staff turnover likely impacted utilization

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[6] Note: Emergency shelter motel voucher projects, rapid rehousing, and permanent supportive housing scattered site projects are not included in this analysis because the project types do not have a fixed bed capacity; the methodology applied to the other project types does not generate a comparable result.

[7] The formula used for calculating Utilization Rate (UR), for annual projects, is: number of beds nights used in HMIS data/number of bed nights available per HIC capacity ((beds for single adults + units for families) x 365); for seasonal projects, 365 is replaced with the number of days in a year the project operates.

rates. While low utilization rates can often reflect significant entry barriers to shelter, this does not appear to be the case in Monterey and San Benito counties; the data suggest that the largest proportion of households enrolling in shelter have been living in literally homeless situations (see next section Project Entries from Homelessness). CHSP staff should investigate the factors associated with low emergency shelter utilization (i.e., are shelter stays not being recorded in HMIS or is something else impacting actual utilization) to determine and ameliorate the causes.

Figure 1. Utilization Rate by Project Type

Project Type Performance - Utilization Rate in Analysis Year
(January 2019 - December 2019)
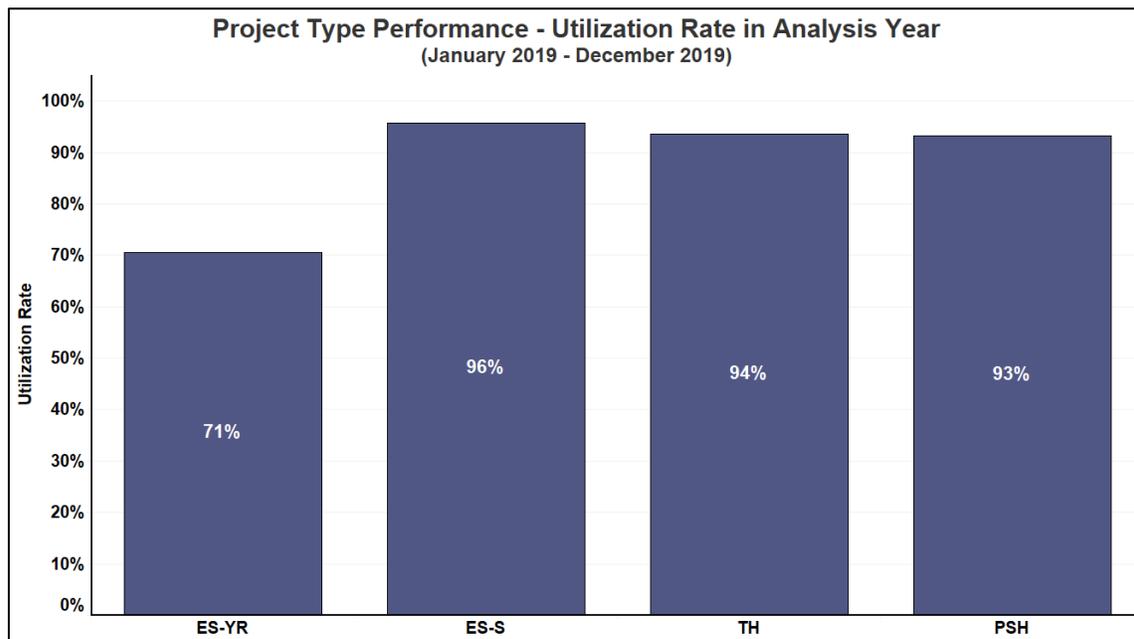
2. Project Entries from Homelessness

This measure assesses the degree to which projects are serving people with the most acute housing needs, namely those who are literally homeless (i.e., are living outdoors, in a vehicle, or in an emergency shelter). While certain funding sources (local, state, federal) may allow projects to serve people who are living in other situations (i.e., those at risk of homelessness), successfully reducing homelessness depends on prioritizing those with the highest need for available units. This measure reflects the federal policy goals of ending chronic homelessness and prioritizing literally homeless people for permanent housing. To create a "right sized" system in which there is an appropriate housing intervention for each household

experiencing homelessness, those who are not literally homeless should be diverted[8] from entering the homelessness response system to begin with, thereby making resources available for those with nowhere to live while preventing additional homelessness from occurring.

Figure 2 shows the prior living situations of households entering emergency shelter, transitional housing, rapid rehousing, and permanent supportive housing between January 2019 and December 2019 (Appendix B provides the specific HMIS categories that comprise each of the prior living situations reflected in the graph). Emergency shelters are taking the vast majority of households from literal homeless situations. On the other hand, the transitional, rapid rehousing, and permanent supportive housing data indicate a significant number of households are entering from non-homeless situations. Transitional housing and rapid rehousing admitted households from housed locations at a higher rate than is recommended (11% and 13% respectively). Although benchmarks for the proportion of housed households entering the system should reflect local context as well as national best practices, one goal Focus Strategies recommends is to reduce the proportion to fewer than 10%. The Initial Observations Report indicated the community is lacking problem solving or diversion which, if properly implemented, could further decrease entries into programs by people who are still housed but at-risk of becoming homeless.

Transitional housing programs had 17% of households entering from institutional settings, which reflects partnerships that some transitional housing programs have developed with local hospitals to provide beds for people being discharged who do not identify a stable housing option. While this is a common practice in many places, a potentially more effective alternative would be to support these "upstream" systems to implement diversion/problem solving practices to help individuals identify a housing solution prior to discharge. Reducing institutional discharge into emergency shelter could improve the ability of the system to prioritize beds for people who are living outside.

Rapid rehousing and permanent supportive housing are taking a high percentage of households from transitional housing projects. Rapid rehousing enrolled 11% of households

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[8] Diversion includes problem solving conversations with a trained Diversion Specialist or Case Manager to collaboratively brainstorm and consider housing solutions outside of the homelessness response system and within the client's natural pool of resources and/or social network. To assist households in achieving an alternative housing solution, diversion assistance may include conflict resolution or mediation with landlords or friends/family members; help accessing mainstream benefits; and light-touch financial assistance to keep a client in their existing housing situation or pay for utilities or move in costs.

from a transitional housing project while 40% of the 15 households entering PSH previously lived in transitional housing. In the Initial Observations Report, we noted that the CoC has undertaken recent efforts to reallocate funds from transitional housing towards more permanent forms of housing; these data may reflect households moving from one project to another as a result of re-allocation. This is another area where further investigation is needed to determine cause.

Figure 2. Project Entries from Homelessness

Project Type Performance - Household Entries in Analysis Year
(January 2019 - December 2019)
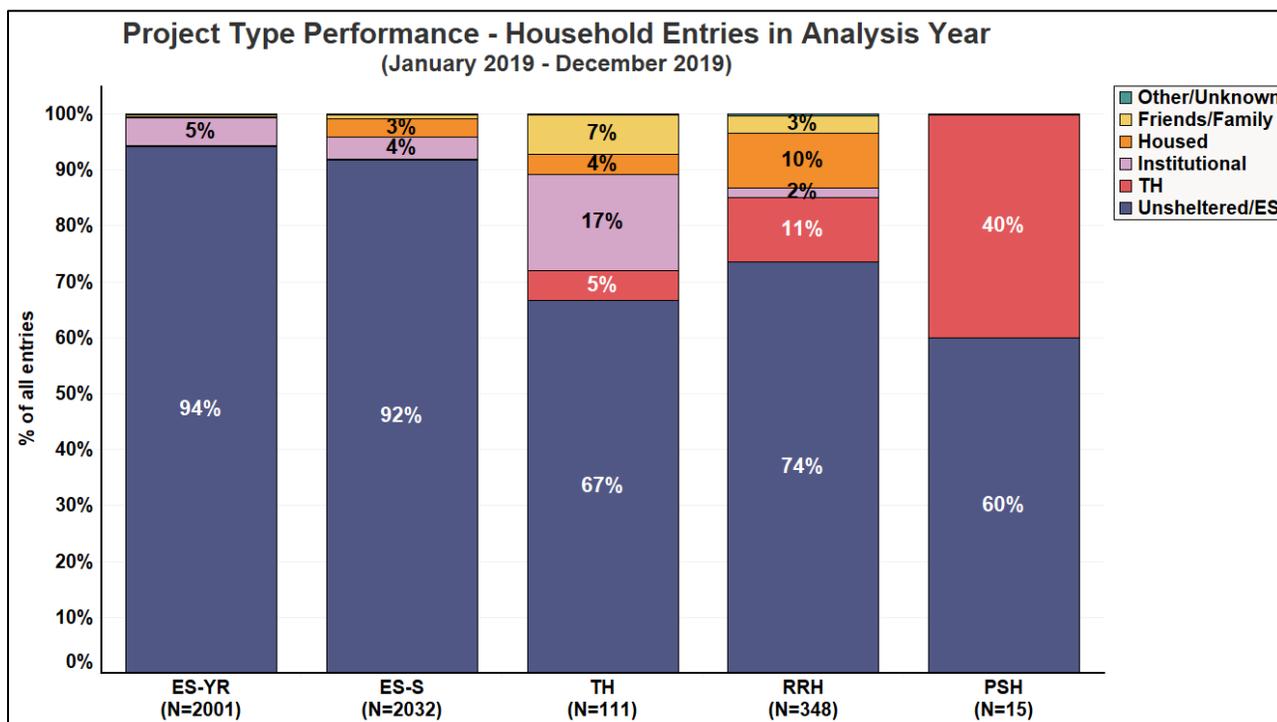
3. Lengths of Stay in Projects

Achieving relatively short lengths of stay in emergency shelter, transitional housing, and rapid rehousing projects is essential to ending homelessness. Every day a person is homeless has an associated cost and reducing lengths of stay results in a higher rate of exit and a lower cost per exit, which in turn allows more people to be served. The HEARTH Act established a goal that no one be homeless longer than 30 days. While this aspiration has not been codified in any HUD requirements, the required HUD performance metrics are intended to drive the length of time people experience homelessness down. To increase effectiveness and reduce homelessness, the entire system must strive for the shortest stays needed to successfully assist people to secure permanent housing.

Length of stay in Monterey and San Benito Counties homelessness system response projects was calculated based on the entry and exit dates for each project stay recorded in HMIS. Data in Figure 3 show that emergency shelters have an average length of stay of eight days for year-round shelters and 12 days for seasonal shelters. These lengths of stay are extremely short and are likely a reflection of the way the data is captured in HMIS. Two of the largest shelters use the night-by-night method for tracking client stays which, even when consecutive nights are collapsed into longer stays, result in much shorter stays than the entry/exit method.[9] While these lengths of stay are well below the HUD recommended 30 days, this measure should be considered alongside other measures such as where households are entering from and where they are exiting to. Increasing permanent housing exits may result in slightly longer lengths of stay but will also help successfully house more households experiencing homelessness and make the best use of shelter resources.

Transitional housing and rapid rehousing stays are 328 and 148 days, respectively. For transitional housing, the long stays are concerning when considered in relation to their low rate of exit to permanent housing (see section below). While the transitional housing model usually allows for stays up to two years, Focus Strategies typically recommends stays less than 180 days for communities striving to operate a high performing system. While rapid rehousing length of stay at 148 days in and of itself is not concerning, considering exit destinations alongside length of stay might indicate the need to keep households enrolled in the project longer for continued support (see next section on Rates of Exit to Permanent Housing).

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[9] In the night-by-night method, the project records every discrete date or series of dates that the client utilizes a bed. In the entry/exit method, a client might be absent from the shelter for a night or two although still enrolled in the program, and still considered to be staying at the shelter and receiving associated services.

Figure 3. Length of Stay in Projects
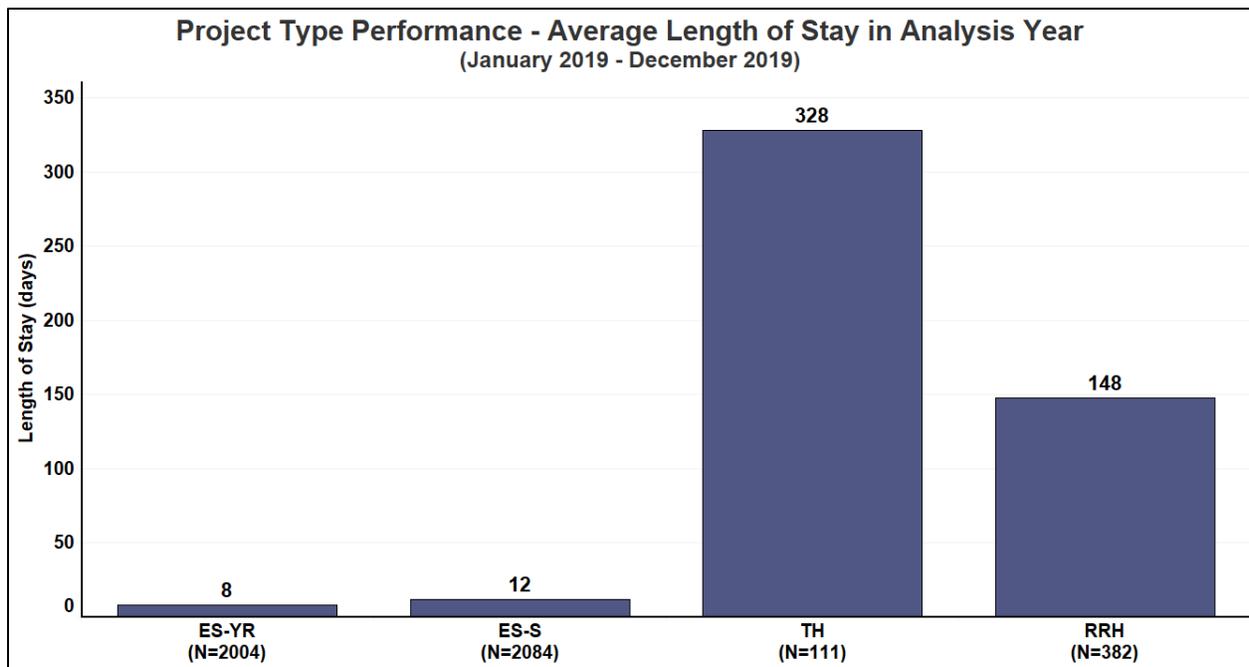
4. Rate of Exit to Permanent Housing

While helping households exit shelter and transitional housing quickly is a key strategy to end homelessness, it also important to establish that they exit to stable, permanent housing rather than back to homelessness. The rate of exit to permanent housing is a very important metric and one that HUD has asked communities to report on for several years. The rate of exit to permanent housing measures the percentage of clients the project successfully moves to a stably housed situation.

Figure 4 shows the rate of exit to permanent housing in the Monterey and San Benito Counties homelessness response system.[10] For this measure, "permanent housing" includes any housed situation that is not time-limited, such as a market rate apartment, a subsidized housing unit, shared housing with a roommate, or staying permanently with family or friends (Appendix C provides the specific HMIS categories that comprise each of the exit destinations reflected in the graph). The graph shows that the rate of exit to permanent housing for year-round emergency shelters is 2%, which reflects poor performance. Although emergency shelters are entering the vast majority of households from literal homelessness, they appear to be exiting the same proportion back to literal homelessness. Improving the

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[10] We do not include permanent supportive housing projects in this measure, since PSH is not intended as a time-limited intervention and is designed for people to stay as long as they require support.

performance of the shelter system on this measure will be critical if the community is to realize a reduction in homelessness. In a high performing system, shelters are a steppingstone to housing rather than just a place where people stay a few days and then return to homelessness.

The rate of exits to permanent housing for transitional housing is much higher than that of shelters, as expected; however, the 59% exit rate to permanent housing is still well below what would be expected in a high performing system or in relation to the 80% benchmark established by HUD. This performance should be considered in relation to the extremely long length of stay and raises questions about why participants stay so long in transitional housing without exiting to stable housing. This data supports feedback from stakeholders, included in the Initial Observations report, reporting that shelters and transitional housing programs do not have strong results in exiting participants to permanent housing.

Rapid rehousing projects are also performing poorly at 53%, which is much lower than the NAEH's suggested target of 80% to 85% permanent housing exit rate. This, along with relatively short length of stay, is consistent with the finding in the Initial Observations Report that many stakeholders have concerns about the effectiveness of the rapid rehousing programs operating in the community. These data suggest that rapid rehousing providers could benefit from support to improve their understanding of and alignment with best practices and operating standards for this program type.

Figure 4. Rate of Exit to Permanent Housing

Project Type Performance - Household Exits in Analysis Year
(January 2019 - December 2019)
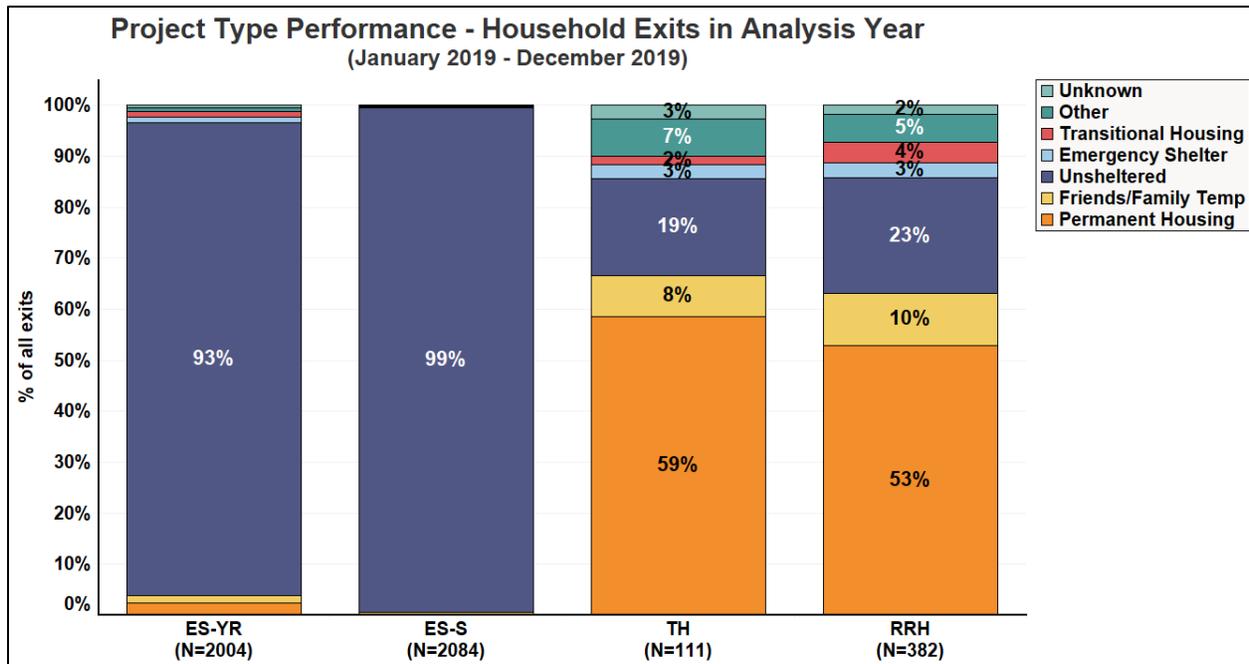
5. Cost Per Permanent Housing Exit

To create a more effective system, it is essential that investments are aligned with the strategies and outcomes that are shown to meet the objective of ending homelessness. Cost per permanent housing exit is a key performance measure because it assesses whether a project is successful in helping clients move to permanent housing in a way that maximizes the number of households housed with the resources available. As funds are shifted from expensive projects (that are not achieving the same rate of exits to permanent housing as more efficient programs) to those that are more cost effective per household served, system capacity will increase and the numbers of people who will re-gain stable housing will increase.

Figure 5 shows the average cost per permanent housing exit for all project types. These calculations use the total project cost, utilization of beds/units, and household length of stay.[11] For all project types, the average cost per permanent housing exit is in line with other communities where Focus Strategies has conducted SWAP analysis and with national information on program costs.

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[11] The formula used to calculate Cost Per PH Exit is: (1) Calculate cost per bed night = total budget divided by number of bed nights used in HMIS data; (2) Multiply cost per bed night and length of stay to get household stay cost; (3) Average household stay cost for all households that exited to permanent housing.

Emergency shelter costs are lower than the other projects types as they are usually associated with the shortest length of stay and least intensive services. Although the cost associated with emergency shelters in Monterey and San Benito Counties is relatively low, permanent housing exit rates are also extremely low. These findings suggest that this investment of resources, while providing shelter to those who might otherwise be living in places not meant for human habitation, is not successfully impacting the number of households experiencing homelessness in the community.

Transitional housing costs are the highest, as is expected with the long lengths of stay and more intensive services model associated with the project type. Furthermore, permanent housing exits from transitional housing ($20,501) cost significantly more than rapid rehousing ($9,062). This difference is consistent with national averages, where RRH typically is significantly less expensive per housing exit than transitional housing due to RRH's less intensive and shorter service model. The high cost of transitional housing paired with low exit rate to permanent housing supports the CoC's recent efforts to reallocate transitional housing funds towards more permanent forms of housing.

Figure 5. Cost Per Permanent Housing Exit
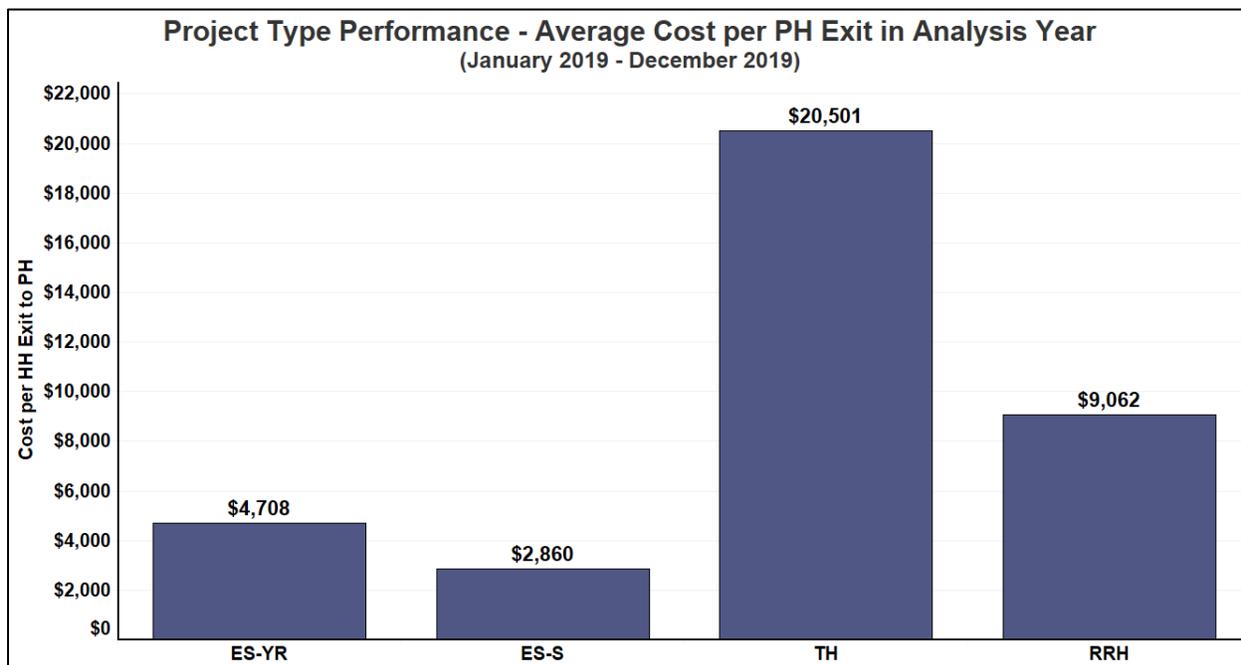
SUMMARY AND RECOMMENDATIONS

This report summarizes the quantitative analysis Focus Strategies has conducted of Monterey and San Benito Counties' response to homelessness by analyzing project and system performance. Below we summarize the main findings and, where relevant, how they relate to the conclusions in our Initial Observations Report.

- Data Quality: Our examination of HMIS data found excellent data quality across all program types. There are extremely low rates of unknown data, and no missing data, for critical data elements in shelter, transitional housing, rapid rehousing, and permanent supportive housing programs; including data for prior living situation and exit destination.

- Program Accessibility and Prioritizing Households that Are Unsheltered: The BYC analysis revealed that emergency shelters are primarily serving households who have been experiencing unsheltered homelessness, although the shelters also appear to have low bed utilization rates; we recommend that the factors related to the low utilization rates be identified and addressed. In contrast, transitional housing, rapid rehousing, and permanent supportive housing have lower proportions of previously literally homeless households enrolling than would be expected. We noted a large percentage of people in transitional housing come from institutional settings. Working with these "upstream" systems to explore implementation of diversion/problem solving to help people identify a housing solution prior to discharge is an alternative that could be explored and might help free up beds for people who are living outside. We also noted large proportions of households enter rapid rehousing and permanent supportive housing from transitional housing. This may be related to some programs being converted from transitional to rapid rehousing or permanent housing. However, further investigation of these trends is recommended to ensure that these program types are being prioritized for people who are unsheltered or living in shelters.

- Effectiveness of Programs in Supporting Exits to Permanent Housing: Another important finding from the BYC analysis is that all project types are underperforming on the rate of exit to permanent housing. Achievement of a measurable and sustained reduction in homelessness will require that all the interventions in the system, and particularly temporary housing programs, are strongly oriented towards helping all households experiencing homelessness to secure a housing solution. Improvements in permanent

housing exit rates can be made through more robust housing-focused services and supports in all projects, providing flexible financial assistance to shelter residents to help them secure housing solutions, and scaling up short- and medium-term rental subsidies (e.g. rapid rehousing) targeted to people staying in shelters. Over the next year, the shelter system will be expanding significantly with the opening of the Salinas SHARE Center, a new shelter in Seaside, and the acquisition of the Good Nite Inn in Salinas through the State's Project Homekey program. It will be essential that as the shelter inventory grows, these programs operate with a strong housing-focused orientation and performance expectations. Providing technical assistance and support to providers to improve adoption and implementation of Housing First principles across all program types was also noted as a recommendation in the Initial Observations Report.

- Rapid Rehousing: Findings from the BYC analysis suggest that rapid rehousing is in need of significant improvement in terms of who is served, how they are served, and the outcomes of service. The data show that the households served are less likely than expected to have been literally homeless upon program entry and less likely than expected to leave the program in stable housing. These findings are in line with the Initial Observations Report about how this program type is being implemented in the community and the suggestion to explore improved alignment with best practices and operating standards.

APPENDIX A: PROJECTS INCLUDED IN THE PERFORMANCE ANALYSIS

Table 1 shows all projects included in the analysis with their organization name and project type as represented on the 2019 HIC.

Appendix A Table 1. Projects Included in the Performance Analysis

Organization Name	Project Name (from HIC)	Project Type
Central Coast Center for Independent Living (CCCIL)	CCCIL State ESG 2017-2018 RRH	Rapid Rehousing
	CCCIL State ESG FY17-18/18-19	Rapid Rehousing
	Housing Disability & Advocacy Program (HDAP)	Rapid Rehousing
Community Homeless Solutions	H.O.M.E. Resource Center	Emergency Shelter
	Hamilton	Emergency Shelter
	Homeless Medical Respite	Emergency Shelter
	Natividad	Emergency Shelter
	Salinas Warming Shelter	Emergency Shelter
Community Human Services	Safe Place	Emergency Shelter
	Safe Passage	Transitional Housing
County of San Benito	Homeless Winter Shelter for Families	Emergency Shelter
	COSB ESG RRH	Rapid Rehousing
	Helping Hands Program	Permanent Supportive Housing
	Housing Support Program (HSP-SB)	Rapid Rehousing
Franciscan Workers	House of Peace	Transitional Housing
Housing Authority	Pueblo Del Mar	Transitional Housing
Housing Resource Center	Family Stabilization Program	Rapid Rehousing
	Housing Support Program	Rapid Rehousing
Interim Inc.	MCHOME- Monterey	Emergency Shelter
	McHOME- Salinas	Emergency Shelter
	S+C II	Permanent Supportive Housing
	MCHOPE	Permanent Supportive Housing
	Sandy Shores	Permanent Supportive Housing
Nation's Finest	SSVF-P1	Rapid Rehousing
Salvation Army	Casa de las Palmas	Transitional Housing
	Frederikson House	Emergency Shelter
	Phase II	Transitional Housing
Veterans Transition Center	GPD- Bridge	Transitional Housing
	ERS	Emergency Shelter
	GPD- Clinical	Transitional Housing
	GPD- Service Intensive Transitional Housing	Transitional Housing

Collapsed Values for Prior Living

Prior Living	
HMIS Value	Collapsed Value
Emergency shelter, including hotel or motel paid for with emergency shelter voucher	ES
Interim Housing	ES
Transitional housing for homeless persons (including homeless youth)	TH
Host Home (non-crisis)	TH
Place not meant for habitation (e.g., a vehicle, an abandoned building, bus/train/subway station/airport or anywhere outside)	Unsheltered
Foster care home or foster care group home	Institutional
Hospital or other residential non-psychiatric medical facility	Institutional
Jail, prison or juvenile detention facility	Institutional
Long-term care facility or nursing home	Institutional
Psychiatric hospital or other psychiatric facility	Institutional
Residential project or halfway house with no homeless criteria	Institutional
Substance abuse treatment facility or detox center	Institutional
Hotel or motel paid for without emergency shelter voucher	Housing
Owned by client, no ongoing housing subsidy	Housing
Owned by client, with ongoing housing subsidy	Housing
Permanent housing (other than RRH) for formerly homeless persons	Housing
Rental by client, no ongoing housing subsidy	Housing
Rental by client, with VASH subsidy	Housing
Rental by client, with GPD TIP subsidy	Housing
Rental by client, with HCV voucher (tenant or project based)	Housing
Rental by client in a public housing unit	Housing
Rental by client, with other housing subsidy (including RRH)	Housing
Staying or living in a family member's room, apartment or house	Friends/Family
Staying or living in a friend's room, apartment or house	Friends/Family
Safe Haven	Other
Other	Unknown
Client doesn't know	Unknown
Client refused	Unknown
Data not collected	Unknown

Collapsed Values for Destination

Destination	
HMIS Value	**Collapsed Value**
Emergency shelter, including hotel or motel paid for with emergency shelter voucher	ES
Transitional housing for homeless persons (including homeless youth)	TH
Moved from one HOPWA funded project to HOPWA TH	TH
Place not meant for habitation (e.g., a vehicle, an abandoned building, bus/train/subway station/airport or anywhere outside)	Unsheltered
Permanent housing (other than RRH) for formerly homeless persons	Permanent Housing
Moved from one HOPWA funded project to HOPWA PH	Permanent Housing
Owned by client, no ongoing housing subsidy	Permanent Housing
Owned by client, with ongoing housing subsidy	Permanent Housing
Rental by client, no ongoing housing subsidy	Permanent Housing
Rental by client, with VASH housing subsidy	Permanent Housing
Rental by client, with GPD TIP housing subsidy	Permanent Housing
Rental by client, with other ongoing housing subsidy	Permanent Housing
Rental by client, with RRH or equivalent subsidy	Permanent Housing
Rental by client, with HCV voucher (tenant or project based)	Permanent Housing
Rental by client in a public housing unit	Permanent Housing
Staying or living with family, permanent tenure	Permanent Housing
Staying or living with friends, permanent tenure	Permanent Housing
Staying or living with family, temporary tenure (e.g., room, apartment or house)	Friends/Family Temp
Staying or living with friends, temporary tenure (e.g., room, apartment or house)	Friends/Family Temp
Deceased	Other
Foster care home or foster care group home	Other
Hospital or other residential non-psychiatric medical facility	Other
Jail, prison or juvenile detention facility	Other
Long-term care facility or nursing home	Other
Psychiatric hospital or other psychiatric facility	Other
Residential project or halfway house with no homeless criteria	Other
Substance abuse treatment facility or detox center	Other
Hotel or motel paid for without emergency shelter voucher	Other
Safe Haven	Other
Other	Other
No exit interview completed	Unknown
Client doesn't know	Unknown
Client refused	Unknown
Data not collected	Unknown