

**County of Los Angeles
Chief Executive Office
Service Integration Branch**



**An Evaluation of the Los Angeles County
Housing Locators Services for Homeless
CalWORKs Welfare-to-Work Families**

Research and Evaluation Services

Manuel H. Moreno, Principal Investigator

Max Stevens, Principal Author

Halil Toros, Principal Author

Duc Doan

Nancy Salem

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County of Los Angeles, Department of Public Social Services

Project Officer: Michael Bono

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**County of Los Angeles
Chief Executive Office
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Preface

The Los Angeles County Board of Supervisors has become increasingly engaged in questions surrounding the County's homeless population and in the search for solutions to the problem of homelessness. The County's Homeless Prevention Initiative (HPI) is a product of the heightened urgency the issue of homelessness has taken on for the Board and the public more generally. The Department of Public Social Service's (DPSS) Housing Locators program for Welfare-to-Work participants is a component of the HPI, and the present evaluation report has been written to inform the Board about the program's functionality and its outcomes during the first 11 months after implementation. The report provides both quantitative analysis, based on DPSS' administrative data for the Housing Locator program, and qualitative analysis, based on interviews conducted with staff and management at both DPSS and the two organizations contracting with DPSS to provide Housing Locator Services for Welfare-to-Work participants (Del Richardson and Associates and Weingart Center Association). Based on the lessons learned from these two different but complementary levels of analysis, the report concludes with policy recommendations for DPSS and the Board to consider as efforts are made to enhance the program in the future.

Acknowledgements

This report would not have been possible without the support of the Department of Public Social Services. In particular, we would like to thank Phil Ansell and Charlotte Lee for their thoughtful feedback on an earlier draft of this report. We would also like to extend thanks to Gail Dershewitz and Dr. Michael Bono, both of whom ensured that we had the resources necessary to complete the evaluation and facilitated our communication with DPSS managers. Sara Mason organized and scheduled our interviews with DPSS' HCMs, and Jose Salgado gave generously of his time and answered our program and policy oriented questions. The HCMs who participated in focus group interviews and shared their daily work experiences with us are also deserving of thanks. Their perspectives enriched our analysis greatly. We also could not have completed this report without the cooperation of staff and management at Del Richardson and Associates and Weingart Center Association. Their willingness to sit with us for interviews and share their perspectives on the Housing Locator program contributed a great deal to the information presented in this report. Within the Chief Executive Office, Connie Sullivan provided valuable feedback on our analysis and gave useful suggestions on the presentation of information. Adrineh Melkonian proofread and formatted the report.

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Executive Summary

Background

The Department of Public Social Services' (DPSS) Housing Locator pilot is a component of Los Angeles County's ongoing Homeless Prevention Initiative. The pilot is designed to support homeless Welfare-to-Work participants in their efforts to find permanent housing. In August 2006, DPSS signed Housing Locator contracts with Del Richardson and Associates (DRA) and Weingart Center Association. While Weingart Center is a non-profit organization contracting to provide locator services for participants in Service Planning Area (SPA) 4, DRA is a private company contracting to provide locator services for participants in SPAs 1 through 3, and 5 through 8. Under the terms of the Housing Locator contracts, DRA and Weingart Center are to receive payment for each homeless Welfare-to-Work participant they place into permanent affordable rental housing.

Issues pertaining to homelessness and the effectiveness of programs under the Homeless Prevention Initiative have become major priorities for the Los Angeles County Board of Supervisors. The Board has therefore instructed DPSS to work with the Chief Executive Office (CEO) to conduct the present evaluation of the Housing Locator program. This report covers the period from September 2006 to July 2007, and presents both a quantitative analysis of administrative records (Part I), and the results of interviews the evaluation researchers conducted with personnel at DPSS, DRA and Weingart Center.¹

Key Findings from the Analysis of Administrative Records

The most significant findings from Part I of this evaluation include the following:

- The two Housing Locator agencies placed 176 of the 1,920 participants DPSS referred for their services over the program's first contract period, yielding an overall placement rate of 9 percent.
- The two Housing Locator agencies placed 94 of the 649 referrals made between September 2006 and January 2007, a placement rate of 15 percent.
- 79 of the 94 participants that the Housing Locators placed into housing between September 2006 and January 2007 remained in the same housing for six months or more. Put differently, 84 percent of the participants placed through the program moved into stable housing situations.
- Among the 555 unplaced participants referred to the Housing Locators between September 2006 and January 2007, 341 (61 percent) ultimately found housing on their own.

- Among the 649 participants referred to the Housing Locators between September 2006 and January 2007, 293 (45 percent) found housing for six months or more, either with the help of the Housing Locators or on their own.
- While the Weingart Center's placement rate for the period between September 2006 and July 2007 was 19 percent, DRA's placement rate was 9 percent. However, several DRA districts with below-average placement rates serve to pull down the agency's overall rate, and 10 DRA districts produced placement rates of over 10 percent during the study period for this report.
- Multivariate models suggest that few factors predict the placement of participants referred to the Housing Locator agencies. Demographic factors such as language, ethnicity and age were not shown to be significant predictors, nor were factors such as household size and type, marital status, number of children, time in welfare, and duration of homelessness, disability, or income. This suggests that process issues are more likely than person-level issues to affect placement performance.

What Difference does the Housing Locator Program Make?

The performance of the Housing Locators in terms of placement rates and the placement of participants into stable housing situations are compared in this report with outcomes for a comparison group of Welfare-to-Work participants who were homeless for at least one month between September 2005 and January 2006, a year before the Housing Locator program was implemented. This comparison provides a more thorough understanding of the relative impact of the program:

- Within the comparison group, 832 participants (39 percent) found housing and remained in the same unit for six months or more.
- 624 of the participants in the comparison group (29 percent) found housing but were not able to remain in the same unit for at least six months.
- The proportion of Housing Locator referrals who found stable housing (i.e. housing where they resided for at least six months) between September 2006 and January 2007 was 6 percent greater than the proportion of participants in the comparison group who found stable housing (45 percent versus 39 percent). A statistical test on these proportions shows that the difference between them is statistically significant.

Key Findings from Interviews

A total of eight group interviews were conducted for this evaluation: one with DPSS' managers for the Housing Locator program; three with Homeless Case Managers (HCMs) at DPSS; one each with managers at DRA and Weingart Center; and one each with Housing Locator staff at DRA and Weingart Center. The perspectives provided by each of these groups point to the programmatic issues upon which DPSS may wish to focus in attempting to enhance the Housing Locator program in the future. The key findings from the interviews include the following:

- Personnel at DRA and DPSS expressed differing perspectives on who ought to be referred for Housing Locator services. Disagreements in this area stem from differing points of view regarding the extent to which participants referred to the agency are ready to be placed into permanent housing situations:
 - Staff at DRA feel that the firm's placement rates have been negatively affected by the low potential of many of the participants DPSS refers for Housing Locator services in terms of their capacity to be housed permanently.
 - However, managers for the Housing Locator program at DPSS insist that, throughout the first contract period, DPSS' Homeless Case Managers have consistently referred participants that are, "complying with [DPSS'] GAIN program. They are employable or they are employed. They are going to school. They have less barriers [than homeless participants who are not referred to the program.]"
- In response to DRA's concerns about the types of participants DPSS refers for Housing Locator services, DPSS has issued Administrative Directives which adjust the referral criteria to be used by the Homeless Case Managers. Staff and management at DRA have noticed an improvement in the referrals since this action was taken, but some feel additional steps need to be taken to ensure that DPSS only refers participants that have potential to be placed into permanent housing.
- DPSS' HCMs and staff at the Housing Locator agencies identified problems with the way DPSS' move-in assistance funds and four-month rental subsidies are structured. They noted that participants often do not find work within the four-month window and cannot cover the rent shortfall after the subsidy period ends. Additionally, while move-in assistance includes security deposit plus last month's rent, landlords usually require first month's as opposed to last month's rent. The responsibility for the first month's rent therefore falls entirely on the participant.
- Interviews with staff and management at DPSS and the Housing Locator agencies revealed difficulties each organization has had in communicating with the other and in coordinating their joint efforts:

- One of the most common programmatic problems staff and management at the Housing Locator agencies identified is that, under program regulations, they are prohibited from communicating directly with Eligibility Workers (EWs) at DPSS. This imposed separation from the EW means that the locators cannot directly advocate on behalf of the participants they are working with when EWs deny benefits, nor can the locators learn the reasons for denial directly from the EW.
 - DPSS HCMs interviewed for this report noted that the impact of the separation between the Housing Locators and the EWs is further complicated by the fact that, although HCMs are GAIN Services Workers in terms of their official departmental titles and pay scales, they are organizationally stationed under CalWORKs as opposed to GAIN. This makes them less inclined to act as advocates for participants in their caseloads because doing so can entail questioning decisions made by the EWs or the CalWORKs Deputies with whom they are stationed. Therefore, with the Housing Locators prohibited from communicating with EWs, and with the HCMs stationed under CalWORKs, participants are sometimes left with little in the way of advocacy and support when it comes to the issuance of funds.
- DPSS and the Housing Locators pointed to problems the two organizations have had in sharing participant information via the PHASE system. Staff at the Housing Locator agencies noted that their access to PHASE has been delayed.

Recommendations and Updates

Although the placement rate for the Housing Locator program was low for the first contract period, most placed participants were placed into stable housing situations (that is, housing situations lasting at least six months). Furthermore, the results produced by the Housing Locator program in terms of housing stability were significantly higher than the results for self-housed participants in the earlier comparison group.

The analysis also reveals that few personal factors or characteristics consistently predict placement. This suggests that placement performance for the Housing Locator agencies is largely a function of process issues. This report therefore concludes by offering a series of policy recommendations focused on addressing process oriented problems. The recommendations are designed to assist DPSS in the Department's future efforts to enhance the Housing Locator program. In addition, an epilogue has been added to this report, which provides an update on more recent enhancements DPSS has made to the Housing Locator program.

INTRODUCTION

Recent research on Los Angeles County's CalWORKs population has shown that housing instability and homelessness are among the most severe impediments to participant engagement in Welfare-to-Work activities. These barriers are especially pronounced due to the shortage of low-income housing available to disadvantaged families in Southern California. Data collected for 2007 by the Department of Housing and Urban Development (HUD) place the median monthly rent in Los Angeles County at \$1,094 for a one-bedroom apartment, \$1,371 for a two-bedroom apartment, and \$1,869 for a three-bedroom apartment. These figures should be considered against data available from DPSS' administrative records showing that the median monthly cash grant for a CalWORKs family referred to Housing Locator agencies in August 2007 was \$590, and the average monthly grant was \$560. Moreover, HUD and the U.S. Census Bureau have both published data indicating that the rental vacancy rate in the Los Angeles-Long Beach Metropolitan Area for 2006, which was the most recent vacancy data each Department had published at the time research was conducted for this report, was approximately 4 percent.²

The present study examines the Department of Public Social Service's (DPSS) Housing Locator program, which aims to find permanent housing for CalWORKs Welfare-to-Work families, and which has been implemented on a pilot basis as part of the Los Angeles County Homeless Prevention Initiative. In August 2006, DPSS signed pilot contracts with Del Richardson and Associates (DRA), a private company, and Weingart Center Association, a non-profit agency, for the purpose of placing homeless Welfare-to-Work families in affordable permanent rental housing. Weingart Center was contracted to provide Housing Locator services to families in SPA 4, while DRA contracted to provide the same services to participants in SPAs 1 through 3 and 5 through 8.³

Issues pertaining to homelessness have become a major priority within Los Angeles County, and the Board of Supervisors has taken a keen interest in the results produced by the Homeless Prevention Initiative. The Board has therefore instructed DPSS to work with the Research and Evaluation Services (RES) unit of the Chief Executive Office to conduct the present evaluation of the Housing Locator program. The results presented in this report cover the period between September 2006 and July 2007, and they are based on two types of analysis: (1) The first part of the report consists of an analysis of quantitative administrative records; (2) the second part provides qualitative analysis based on interviews RES conducted with management and staff at DPSS and the two agencies providing Housing Locator services to homeless Welfare-to-Work families. The report concludes with a series of policy recommendations based on the findings presented in Part I and Part II.

Questions Driving the Analysis

The following research questions guide the overall analysis provided in this report:

- What was the Housing Locator program's overall placement rate over its first contract period?
- What proportion of participants placed through the Housing Locator agencies remained in the same housing unit for at least six months?
- What proportion of unplaced referrals ended up finding housing on their own?
- How did outcomes for participants referred to the Housing Locators compare to those for a similar group of homeless GAIN participants from a year earlier, prior to the program's implementation?
- How do placement rates vary by SPA, district and contractor?
- Are there any points at which the Housing Locator program process tends to break down or become stalled? If so, what are some potential remedies for the problem?
- What are the challenges and barriers participants face in attempting to get placed into permanent housing? To what extent are the referred families ill-equipped to move into permanent housing? How do administrators and staff describe and characterize the screening process through which participants are selected for referral to the Housing Locator agencies?
- What is the nature and quality of the collaboration, coordination and communication between DPSS and the Housing Locator contractors? Are there ways in which this working relationship can be improved?

Part I

A SUMMARY OF PROGRAM DATA FOR THE HOUSING LOCATOR PROGRAM'S FIRST CONTRACT PERIOD

The first part of this evaluation summarizes RES' examination of administrative data for DPSS' Housing Locator program during the period between September 2006 and July 2007. Along with the program's overall placement rate for this period, RES examines housing stability and the extent to which referrals found housing on their own. Housing stability is analyzed by looking at all Welfare-to-Work participants who were referred to the Housing Locator agencies between September 2006 and January 2007, and then tracking these participants through the remainder of the contract period.⁴ In addition, outcomes for the referrals made between September 2006 and January 2007 are compared to outcomes for a comparison group of homeless GAIN participants one year earlier, before the Housing Locator pilot was in place. Furthermore, outcomes for DRA over the first contract period are compared with outcomes for Weingart Center. Finally, results from multivariate models are reported in order to show factors that contribute to the placement of referrals.

The Overall Placement Rate, the Stability of the Placements, and the Proportion of Self-movers

- The two Housing Locator agencies placed 176 of DPSS' 1,920 referrals between September 2006 and July 2007, yielding an overall placement rate of 9 percent for this 11-month study period.⁵

Figure 1. Monthly Placement Rates for the Housing Locator Program, September 2006 to July 2007

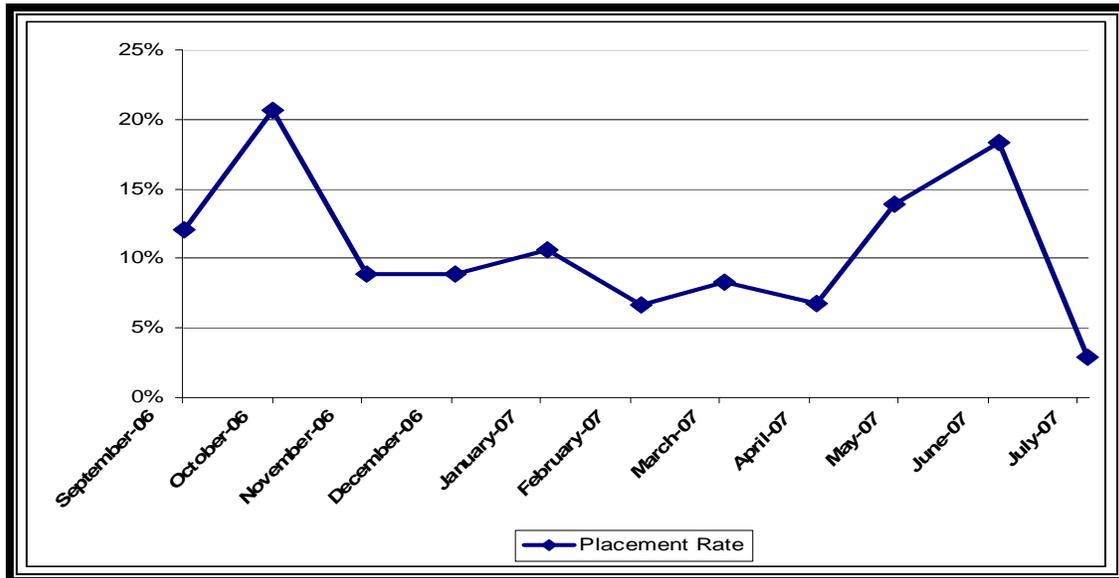


Figure 1 shows that the Housing Locator program's monthly placement rate for the first contract period varied significantly over time. The rate reached approximately 20 percent for the months of October 2006 and June 2007 and varied between 7 and 14 percent during the other months. No discernible overall trend in the placement rate was observed over time.

- The two Housing Locator agencies placed 94 of the 649 referrals made between September 2006 and January 2007, a rate of 15 percent.
- While 184 of the 649 referrals made between September 2006 and January 2007 (28 percent) remained homeless through July 2007, two-thirds of the unplaced referrals ultimately found housing on their own.
- 79 of the 94 placed referrals made between September 2006 and January 2007 (84 percent) remained in the same housing unit for six months or more.
- Among the 555 unplaced referrals made between September 2006 and January 2007, 341 (61 percent) ultimately found housing on their own.
- 214 of the 341 self-housed participants who were referred between September 2006 and January 2007 (63 percent) remained in the same housing unit for six months or more.
- Among the 649 referrals made between September 2006 and January 2007, 293 (45 percent) found stable housing, either with the help of the Housing Locators or on their own.
- 26 of the 184 placed participants who were referred to the contracting agencies between September 2006 and January 2007 (14 percent) became homeless again after their first move-in. The number drops to 17 (9 percent) in looking at participants who initially remained in the same housing unit for six months or more.
- Among placed participants who were referred between September 2006 and January 2007 and remained in the same housing unit for at least six months, the average length of their stay in the housing unit was 9 months.
- Among participants who were referred between September 2006 and January 2007 and who found housing lasting at least six months, the period of time it took to move in was shorter by more than two months for those who were placed by the Housing Locators when compared to those who found housing on their own (1.7 months versus 4 months).

How did Homeless Participants Fare prior to the Housing Locator Program?

While the overall placement rate for participants referred to the Housing Locators between September 2006 and January 2007 is 15 percent, 84 percent of the placements the agencies made were stable – i.e. they remained in the same housing unit for six months or more. However, a fairly high percentage of the self-housed referrals made over this period (63 percent) were also stable. The next logical question to pose, then, is how homeless families fared in terms of finding stable housing prior to the pilot implementation of the Housing Locator program. Addressing this question provides a more thorough understanding of the difference the program makes.

RES used DPSS administrative records to compare outcomes for the 649 referrals made between September 2006 and January 2007 with all participants who were homeless for at least one month between September 2005 and January 2006. The earlier comparison group was constructed by proxy. GAIN participants in the earlier period were considered to be homeless if the address provided in their DPSS administrative records during the months in question was either a DPSS District Office or a Homeless Shelter. RES standardized the comparison group by looking only at those with a monthly income during the months in question of more than \$500. These criteria yielded 2,123 participants.

- Among participants in the comparison group, 832 of them (39 percent) found housing and remained in the same unit for six months or more.
- 624 of the GAIN participants in the comparison group (29 percent) found housing but were not able to remain in the same unit for at least six months.
- 677 of the GAIN participants in the comparison group (32 percent) remained homeless throughout the observation period.
- Comparison group participants who found housing and remained in the same unit for at least six months remained in that unit for an average of 8 months. In addition, 6 percent of these participants became homeless again after they moved from the unit.
- Almost 30 percent of the comparison group participants who found housing but remained in the same unit for less than six months became homeless again after they moved from the housing unit.

The proportion of Housing Locator referrals who found stable housing (i.e. housing where they resided for at least six months) was 6 percent greater than the proportion of comparison group participants who found stable housing, 39 percent compared to 45 percent.⁶ A chi-square test on these proportions shows that the difference between the percentages is statistically significant.

Differences between Contractors, SPAs and Districts

Figure 2 compares DRA and Weingart Center in terms of each organization's placement rate for the Housing Locator Program's first contract period. While the Weingart Center's placement rate was 19 percent over this period, DRA's placement rate was 9 percent. Figure 3 shows the number of referrals and placements for each contractor. In comparing the two contractors, it is important to reemphasize that, while Weingart Center provides Housing Locator services to Welfare-to-Work participants in two districts within one SPA, DRA provides these services to participants in 22 districts within seven SPAs.

Figure 2. Placement Rates by Contractors, September 2006 to July 2007

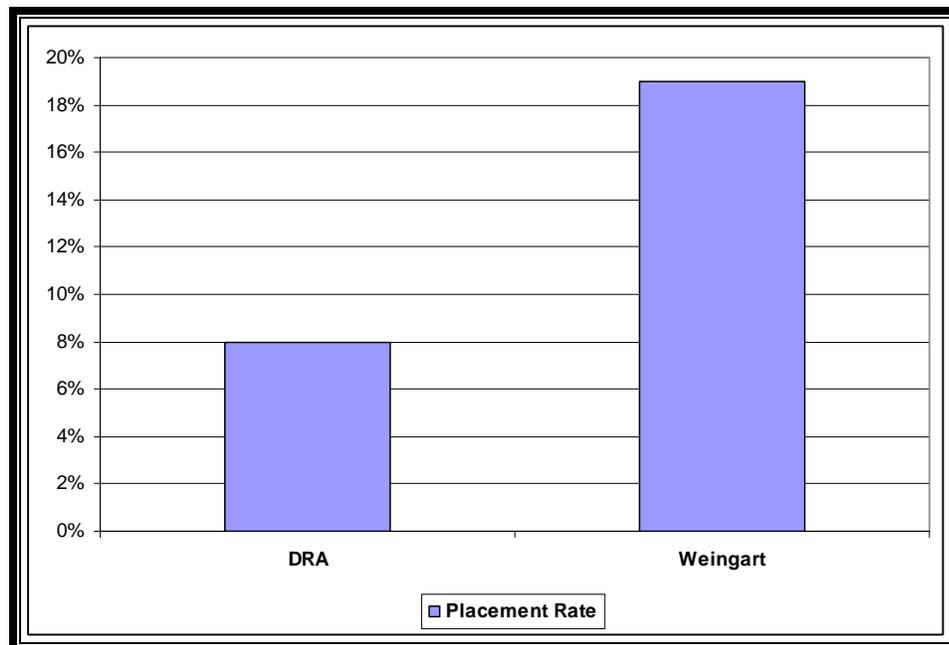
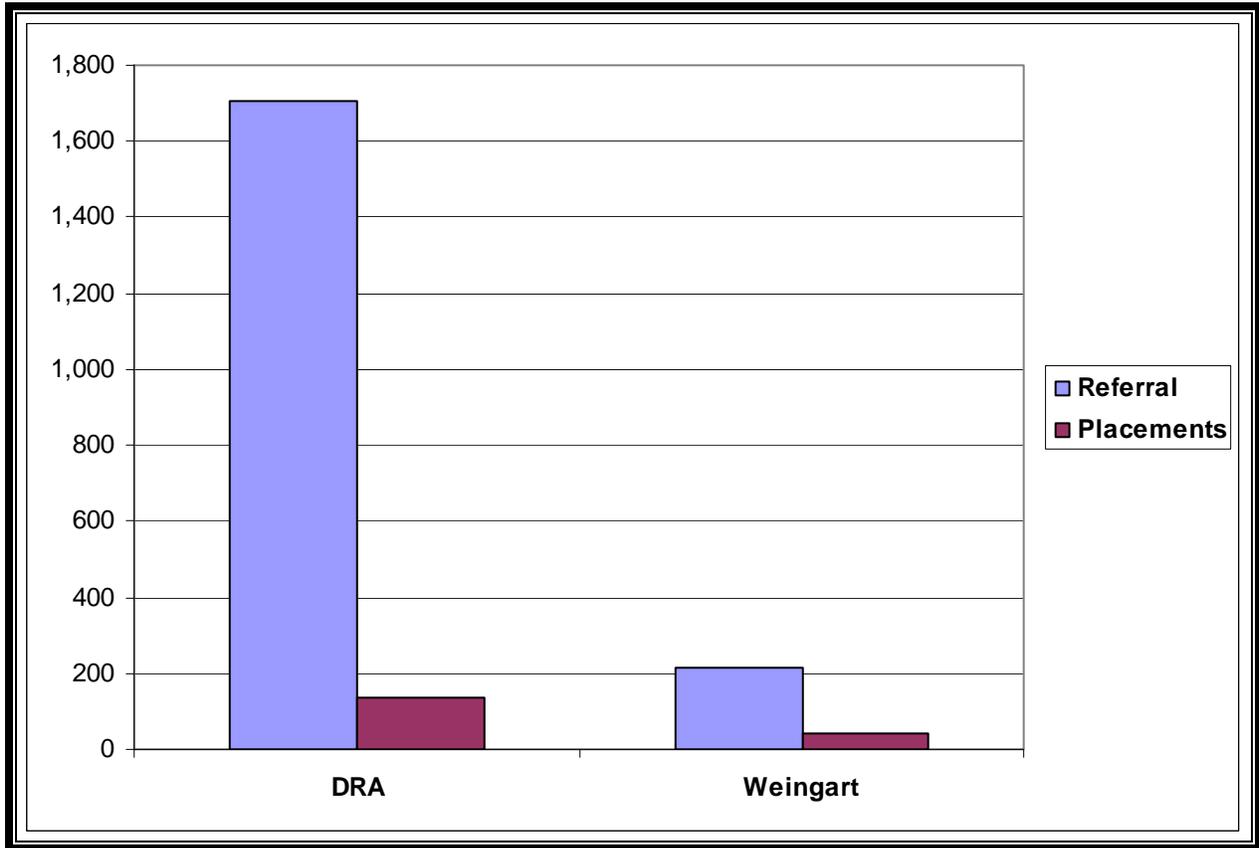


Figure 3. Referrals and Placements by Contractors, September 2006 to July 2007



While the difference in the overall placement rate for each contractor is substantial, Figure 4 shows significant differences by SPA, and Figure 5 shows the number of referrals made in each SPA during the first contract period.

Figure 4. Housing Locator Placement rate by SPA, September 2006 to July 2007

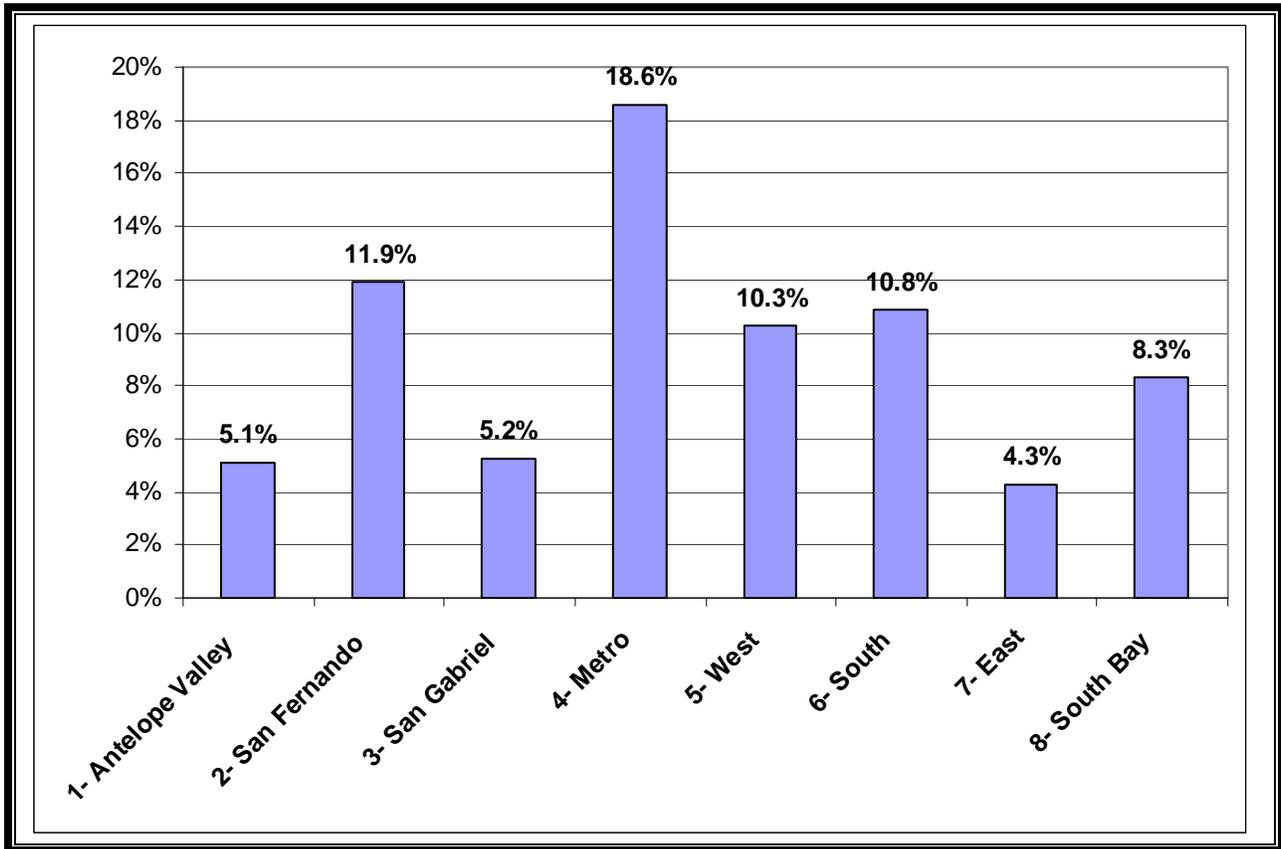


Figure 5. Number of Referrals to Housing Locators and Number of Placements, by SPA, September 2006 to July 2007

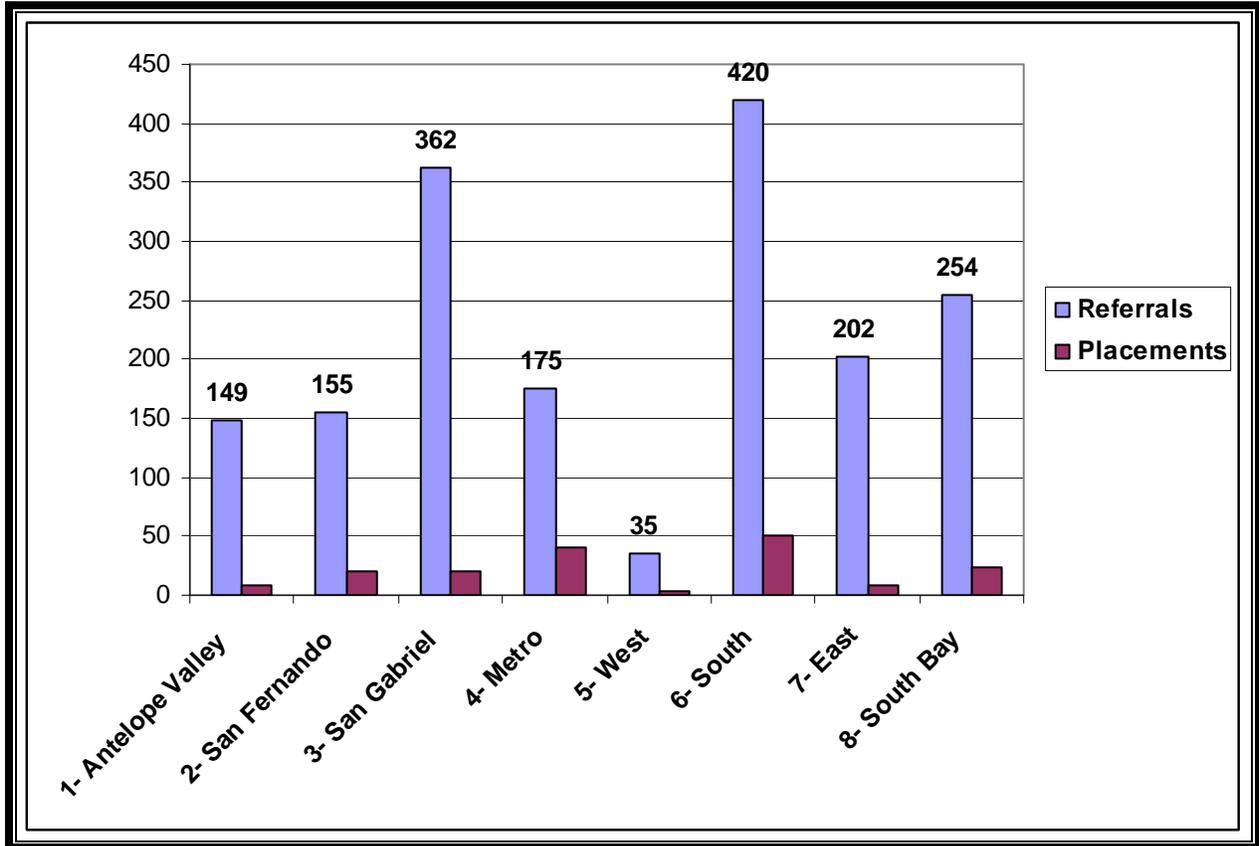
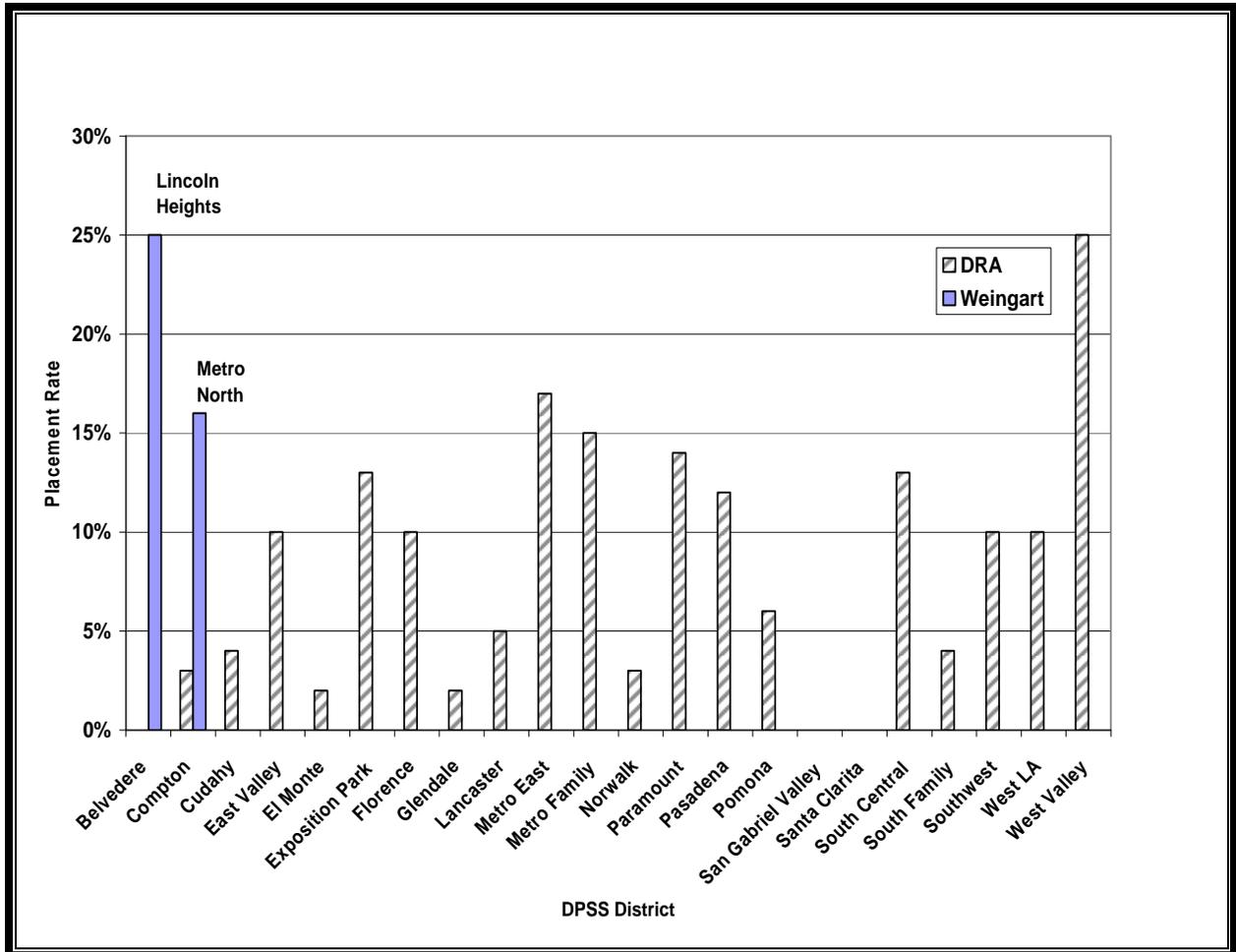


Figure 6 shows that significant placement rate differences also exist between the DPSS districts within each SPA. For example, while 11 DRA districts produced placement rates of under 5 percent over the study period, 10 DRA districts produced placement rates above 10 percent over the same period, including West Valley (25 percent), Metro Family (15.4 percent), and Paramount (13.3 percent).⁷

Figure 6. Placement Rate by DPSS Districts, September 2006 to July 2007



Few Factors Predict Placement

The multivariate models RES constructed for this report suggest that few factors predict the placement of Housing Locator referrals. The models were applied to all participants referred over the contract period, but demographic factors such as language, ethnicity and age were not shown to be significant predictors, nor were factors such as household size, aid type, marital status, numbers of children, and time in welfare, duration of homelessness, disability, or income. These findings suggest that placement performance is more likely affected by process issues than person-level factors.

Multivariate analysis shows that income is not a factor contributing to the likelihood of placement. The median income for referrals who found housing on their own (\$810) is only approximately 10 percent lower than the median income for placed referrals.⁸

One final noteworthy finding is that the median rent paid during the contract period was higher for referrals who found housing through the contracting agencies (\$700) than it was for referrals who found housing on their own (\$500). The median rent for homeless participants placed directly by DPSS during the contract period was higher still (\$900). This might indicate that referrals placed through the Housing Locator agencies are associated with the ability to pay higher rent, but the difference is not reflected in income level differences.

Low Placement Rates, but Stability for the Participants who were Housed

The overall placement rate for the Housing Locator program during the period between September 2006 and July 2007 was 9 percent. However, 84 percent of the placements who were referred during the first five months of the program were placed into stable housing situations (i.e. housing situations lasting at least six months). Moreover, 45 percent of the referrals made during this five-month period found stable housing, either through the Housing Locators or on their own. This compares favorably to the 39 percent of self-housed participants in the comparison group who found stable housing and constitutes a difference that is statistically significant. The comparison suggests that participants may reap benefits from their encounters with the Housing Locators even when these agencies are not directly responsible for placing them.

Weingart Center produced a stronger overall placement rate than DRA. Part of the explanation for this may be that, while DRA provides Housing Locator services in 22 districts spread over seven SPAs, Weingart Center provides these services in only two districts within one SPA. It should also be emphasized that there are significant differences between districts. A number of districts with significantly below-average placement rates serve to pull down DRA's overall rate, but 10 DRA districts have placement rates above 10 percent.

The next part of this evaluation provides an analysis of interviews RES conducted with personnel at DPSS and the contracting agencies about the Housing Locator program.

The interviews touch on a range of issues that help frame the quantitative results the program generated during its first contract period.

Part II

MANAGEMENT AND STAFF AT DPSS AND THE CONTRACTING AGENCIES TALK ABOUT THE HOUSING LOCATOR PROGRAM

The second part of this evaluation reports the results of interviews RES conducted with management and staff at DPSS and the two Housing Locator agencies contracting with DPSS. RES conducted a total of eight group interviews: one with DPSS' managers for the Housing Locator program; three with Homeless Case Managers at DPSS; one each with managers at DRA and Weingart Center; and one each with Housing Locator staff at DRA and Weingart Center. The questions guiding these interviews are provided in Appendix A.

Different interview groups and members within each of these groups often expressed divergent opinions regarding the functionality of the Housing Locator program and the factors that enable and impede successful program results. In reporting the opinions expressed by the interviewees, RES has attempted to give each group its proper say. None of the reported opinions given in these interviews represent the absolute truth. Nevertheless, the points of view recounted in this part of the evaluation reveal the everyday experiences of the men and women working directly with the Housing Locator program. An effort has been made to categorize their statements thematically. Taken together, and in combination with the results presented in Part I of this report, the varying perspectives point to the programmatic issues upon which DPSS may wish to focus in attempting to enhance future efforts to locate permanent housing for homeless GAIN participants.

The interview results are divided into two general sections. Section (A) provides a brief overview of how staffs at DPSS and the Housing Locator agencies describe the pre-existing challenges involved in attempting to find long-term housing for homeless GAIN participants. This discussion briefly touches on the personal barriers participants bring to the program, as well as the conditions currently existing in Los Angeles County's rental markets. Section (B) looks at programmatic problems and difficulties identified by DPSS and the Housing Locator agencies, as well as the varying opinions expressed on the causes of, and solutions to, these problems.

A. The Pre-existing Challenges Involved in Placing Homeless Welfare-to-Work Participants into Permanent Housing

The placement results that the Housing Locator program produced over the 11-month evaluation period need to be framed within the context of the barriers participants bring to the program. As one Housing Locator staff member noted, "all these families come with complications. There is not a perfect family that is easy to place in housing. They have a lot of factors that got them into the homeless situation." Another staff member added the following:

It's rare for us that the referrals we receive don't initially ring as a challenge. Some [participants] come with what they need, but overall most of them are a financial challenge because of the lack of a job, or someone working in the family. And then second to that is the large size of some of the families, 5 or 6, sometimes even more people in the family unit.

At the same time, the program's successes and failures cannot be properly assessed without considering the current rental market conditions that the Housing Locators must negotiate in attempting to find permanent housing for a low-income population. This section briefly provides the context necessary to interpret the results provided in Part I of this report. In doing so, emphasis is placed on the contextual factors that interviewees identified as the barriers impinging most directly on their efforts to locate housing for homeless GAIN participants.

Sporadic Employment, Low Income, Poor Credit History and Evictions

On the most basic level, all interview groups from both DPSS and the Housing Locator agencies underscored the economic barriers facing the participants they serve. These participants tend to be sporadically employed if not chronically unemployed. Moreover, to the extent that these participants are working, their jobs are concentrated in the low-wage services sector of the labor market. As one Homeless Case Manager (HCM) put things:

[P]articipants are homeless more often than not because of their financial situations. You may have a family of two or three that has a sanction, or has been time limited. The money went down; they could not afford to pay the high rent. They become homeless. And if we are assisting participants to place them in a home, and their income is limited, they're being excluded.

Likewise, a staff member at one of the Housing Locator agencies added the following:

[Participants have] income barriers. We have a lot of participants who moved to LA from other states. They were not anticipating the high rents and the high unemployment. So then we have a lot of families who have fallen into that profile. Then the other percent is a lot of families with low education or haven't met their education as far as high school, in order for them to get employment and to get functioning in society. So a lot of them need to go back and finish their high school diploma. Education is a big problem with the homeless population that we work with.

Another agency staff member noted that severe income constraints often force the Housing Locators to place participants in temporary housing situations as opposed to ones that are permanent. "If you have five children and one adult," the staff member said, "and your welfare grant is only \$400, and we can only use 80 percent of that, it's hard to find housing for someone in that situation. Usually they might need a shelter or something."

Low incomes and the continually looming threat of significant periods of unemployment place severe limitations on the capacity participants have to enter into long-term lease agreements. A DPSS HCM noted that participants "not only [have] low income, but they have poor credit. A lot of them have evictions. And those are hard placements, to get a

landlord to take someone who had evictions.” Similarly, a manager at one of the Housing Locator agencies said that the agency handles “a lot of families in crisis. We also see a lot of mothers, and the unemployment rate is really high. Unemployment I would say is one of the top barriers that we have. Other barriers [are] previous evictions or bad rental history, or credit history.”

The Difficulty of Trying to Communicate with an Itinerant Population

Along with the economic barriers participants bring to the Housing Locator program, the duties HCMs and Housing Locator staff perform are complicated by difficulties they often have in attempting to communicate with participants who, by definition, lack a permanent place where they can be contacted. One of the Housing Locator workers noted the following:

It is really frustrating when we spend probably 14 hours working with [a] person and they disappear off of the map. They stop returning our phone calls. We [send] out letters to the one address that we have for them, and now we need to close the case because there hasn't been any communication from the participant.

This type of problem was echoed repeatedly in interviews with both staff at the Housing Locator agencies and the HCMs at DPSS. One HCM described the difficulties as follows:

Our participants don't have phone numbers. So [if] one of them gets lost...you lose them from your caseload after the initial interview. ... You are calling them within five days because you want to keep in contact, five days later that number is not working. And so, you can send letters out. Most of them, their address is supposed to be the District Office, so you're hoping that they will pick up their mail.

A Tight and Prohibitive Rental Market

The personal barriers discussed above present serious impediments to efforts to place homeless GAIN participants in long-term housing. However, as noted in the introductory section of this report, once participants request Housing Locator services, they enter into a situation in which rental market conditions make the prospects for permanent housing even more challenging. The Housing Locator staff and HCMs interviewed for this evaluation are acutely aware of the difficulties current market conditions pose with respect to the duties they perform and the objectives of their work. One HCM said that,

[U]nless you are able to provide immediately for [the participants], 'here is a low-cost apartment', it is hard to contact them because they want instant resolution to the plight of homelessness. And one of the things is finding affordable housing. That's the number one barrier. Trying to find an apartment at the rate of their income, or the rate of their grant, and that is if they have a job.

Several staff members at the Housing Locator agencies indicated that market conditions often compel them to suggest that participants move to unfamiliar areas in the County where rents are lower:

I talk to the people I work with and tell them, ‘what area do you want to live in?’ Usually because they have children that go to school they want to stay in that geographic area. I try not to take them too far from that area, but if they can’t afford the rent, let’s say in Pasadena, they have to move somewhere else where they can afford the rent. Sometimes these families are uprooted and they establish their roots somewhere else... I’ve had a person who has a felony and her income is 400 and some dollars; 80 percent of that is 320 some dollars. I am trying to get [them] into a back house in Watts...It is a real challenge finding housing, because some of those people don’t have any income. Or they don’t have any work history, or they don’t have any savings. They never established credit or their credit is really, really bad. You have to do a lot of negotiation. You have to talk to the landlords and convince them to rent to our people.

Staff members at the agencies also noted that shared housing can be another solution to prohibitive rents for participants availing themselves of the Housing Locator program:

For those families with very low income, we like to provide them with options as well. We let them know that they can go into shared housing, if possible. They can also go into a move-in situation with a family member or a friend, because they will not be able to rent on their own. We also educate them as to what the rental market is like so they can get a general idea. Some people have no clue as to what the rental market is like, and they may insist on living somewhere where we know it’s not possible. So we teach them how to look for themselves so they can see that it is not possible to live in Beverly Hills for \$525. So once they see that, they move to other options as we point them out.

B. Programmatic Issues in Need of Attention

The four general groups interviewed for this report – DPSS program managers, DPSS HCMs, managers at the contracted Housing Locator agencies, and staff at the Housing Locator agencies – together identified three major programmatic areas they felt need to be addressed in order to enhance and improve the Housing Locator program: (i) The criteria HCMs use in referring homeless GAIN participants to the Housing Locators; (ii) the structure of DPSS’ rental subsidy and move-in assistance; and (iii) the communication and collaboration between DPSS and the contractors. This section examines the perspectives interviewees provided on each of these issues.

(i) Referral Criteria

The Potential Participants have to be placed into Permanent Housing

The criteria HCMs use in determining whether to refer homeless GAIN participants to the Housing Locator agencies has been a source of disagreements between DRA and DPSS since the Housing Locator contract first went into effect. The disagreements in this area stem from the extent to which participants referred to the agency are ready to be placed in permanent housing situations. Put another way, DRA and DPSS have differing perspectives on who ought to be referred to the agency for services in terms of their potential to be placed into long-term housing arrangements. Managers and staff at DRA feel that their placement rates, as well as the degree to which placed participants remain in the same rental units for at least six months, have been negatively affected by

the potential of the participants DPSS refers for services. A Housing Locator staff member at DRA expressed the following opinion:

[W]hat they [DPSS] did, when the program first started, going back to those numbers, we were given the absolute non house-able people. Multiple evictions, criminal background...extremely large families, people who you couldn't even contact, no contact numbers, people who are in immediate need of housing, in crisis, out of their 120 days at the shelter. So initially we were very unsuccessful.

The same staff member added his opinion that, when the contract was first implemented, placement numbers were low because DPSS referred some participants who had no intention of participating in the Housing Locator program:

So when we first started, when you use those numbers, they're very skewed... We were given people with no intention of participating in the program. They do not want our services, but what they [DPSS] told them was that in order to get their temporary housing, they had to sign the Housing Locator. We had probably 3 or 400 clients had no intention of participating, but they were given to us as referrals. So after we received them, they signed up, come to the intake, and after that then they would be issued their money. After that we never saw those clients again.⁹

Adjusting the Referral Criteria

In response to concerns about the types of participants referred to the Housing Locator agencies, DPSS has issued Administrative Directives which adjust the referral criteria to be used by HCMs. Initially participants willing to avail themselves of the services offered through the Housing Locator program were to be referred to the agencies if they had been either living in an emergency shelter for at least 60 days, living in transitional housing for at least 60 days, or living with friends or relatives on a temporary basis. Participants could be referred with or without earned income, but they had to be employed or enrolled in GAIN and participating in a Welfare-to-Work activity unless they were exempt. Exempt or timed out participants could be referred if they volunteered to participate in GAIN or in post-time limited services. In April of 2007, DPSS altered the referral criteria. The Department directed HCMs not to refer participants unless they had either a Total Monthly Household Income of at least \$600 or a Section 8 Voucher. In addition, HCMs were asked to refer only those participants with current homeless episodes of between two and six months. Moreover, referrals were to be experiencing no major non-financial barriers that would hinder their capacity to work with the Housing Locators.

A staff member at DRA said that the agency has recently noticed an improvement in the referrals HCMs are making in terms of their potential to be placed in permanent housing. "It's getting better," the staff member said. "It's definitely getting better. We've housed more people this month, with a lower number of referrals, because they [DPSS] streamlined the referral process." One of the managers at the agency was a bit more guarded in assessing the changes: "I am not sure that this is resolved today. The criteria for referrals have been changed, to some degree. It seems that we are getting better referrals, but I think that we are not quite there yet."

Are the Housing Locators working with the Homeless Participants who have the best chance of Placement into Permanent Housing?

Although policymakers at DPSS have been responsive to contractor requests for adjustments in the referral criteria, the Department's managers for the Housing Locator program insist that, throughout the contract period, HCMs have primarily referred homeless participants with the best chance of being placed into permanent housing. Asked to describe the difference between participants referred to the Housing Locators and participants for whom DPSS provides housing location support directly, one manager said,

The participants that are referred to the Housing Locators are Welfare-to-Work participants. These are participants that are complying with our GAIN program. They are employable or they are employed. They are going to school. They have less barriers. The participants that are not eligible to go to the Housing Locators – that have to go with our HCMs – are families that are not participating in GAIN, they're probably sanctioned, they probably have penalties, their cash grant is less, they have more barriers, they're undocumented, they're families where only the children are getting aid but the parents are not. So there's a big difference.

The program managers at DPSS feel that personnel at DRA initially approached their duties without an adequate understanding of the severe challenges faced by difficult-to-serve homeless GAIN participants. Asked to respond to remarks from Housing Locators holding that HCMs had been referring participants who could not be placed, one program manager said the following:

My question would be, are they not place-able, or are they just *difficult* to place? And, we know they're difficult to place. That's the whole reason why we contracted with an agency we felt had an expertise in working with this population as far as finding permanent housing. Now, the difficult part is not necessarily targeted on the Housing Locator, or even on the family. The reality is, with the limited amount of income that the population has, and you're looking at what the fair market rate is, I mean we're having this problem across the board with all of our homeless families. Lack of shelter and the fair market rate is sky high.

How do the HCMs use the Referral Criteria?

The DPSS staff interviewed for this report pointed out that management has told them to use the referral criteria as a general set of guidelines as opposed to a list of hard requirements for referral. "The [criteria] information that was given to us," one supervisor said, "was to be used as a guideline, not necessarily criteria. One of the things that I saw is that my staff, they misunderstood that and were using it as strict criteria. I had to remind them this is just a guideline. If someone doesn't meet all these things doesn't mean that you cannot refer them to the Housing Locator." Another HCM's remarks suggest that disagreements between HCMs and staff at the Housing Locator agencies have led to additional informal changes in the referral criteria:

We saw the problem because the Housing Locator was saying, 'how do you guys expect me to work with a family of seven where they only get aid for two people, which is under \$600?' So I think that they were complaining about the quality of people that we were sending them. Then they [DPSS] came up with

these criteria, and this form that we needed to complete... Then we were complaining, the HCMs, how we didn't like the criteria and then the numbers dropped of our referrals, because they [the Housing Locators] didn't want families with barriers, like domestic violence, and that's most of our caseload...[The Housing Locators] wanted us to send these ideal participants to them, with no barriers, with income of \$700 and above, so the referrals dropped dramatically.

Other HCMs further discussed recent informal changes in the referral criteria and their approach to the criteria as a general set of guidelines. One HCM touched on these issues but also noted that s/he has had success working with DRA because s/he tends to refer the most equipped participants in their caseload to the agency for Housing Locator services:

[R]ecently, [in] the last few months, they [DPSS] said we have the criteria but you can refer anyone. We have the criteria in place, but if you must you can refer anyone...The [participants] that have employment or sufficient income are the ones I refer to the Housing Locator because it gives the Housing Locator something more than just the grant to work on. And I know when I do that, they usually have better results...I pick more reliable, so to speak, more dependable people with outside income to work with the Housing Locators...I've had success with the participants that I referred to the Housing Locators. I have had success in getting housing. The success, the rate is much higher if they had outside income.

(ii) The Structure of DPSS' Rental Subsidy and Move-in Assistance

A Temporary Inflation in Participant Income

Homeless GAIN participants have access to move-in assistance funds and a four-month rental subsidy. The rationale for these benefits is that they provide participants with a four-month period in which to find employment. An HCM interviewed for this report explained that, "the logic is that rental subsidy for four months will assist those [participants] during that transition period so that they can focus on something else. They should be able to focus on becoming self-sufficient." This rationale is based on the assumption that once participants are employed, they will have earnings to pay the difference previously covered through the subsidy. However, HCMs and staff at the Housing Locator agencies identified problems with respect to the way the subsidy and move-in assistance are structured. The amount of the current rental subsidy - \$200 for a family of one or two; \$250 for a family of three; \$300 for a family of four or more - is added to the family's Total Monthly Household Income in calculating the total amount of rent DPSS will allow participants to pay under the rental subsidy program. For example, if a family of two receives \$584 in monthly cash aid, has no other income from employment, and is entitled to a \$250 rental subsidy, the rental subsidy program will allow the participant to rent an apartment in the amount of \$667 per month.¹⁰ But staff at DPSS pointed out that participants often do not find work within the four month window and cannot cover the shortfall after the subsidy period ends. The subsidy therefore frequently has the effect of temporarily inflating the income basis used to calculate allowable rental amounts. At the conclusion of the four-month subsidy period, some participants are not working, do not have the additional funds that were provided through the subsidy, and they run the risk of falling behind on rent. One HCM said that, "It's like you're setting them up to fail. They're fine for a few months, but then what

happens after that?" Another HCM expressed similar concerns in the following remarks:

There's a program called rental subsidy to where the County will subsidize them for four months in terms of paying their rent after they find permanent housing. We're utilizing, let's say \$250 we are gonna subsidize them, and let's say they have \$500 from CalWORKs, we'll add the \$250 to the \$500 to say that their monthly income is \$750. When in fact it will only be \$750 for four months...It's like a false income, because it's only gonna happen for four months. And after the 4 months, that money is gone. That program is a four-month program basically.

Move-in Assistance

Staff at the Housing Locator agencies also expressed concerns about the way move-in assistance is structured. One problem mentioned is that the move-in assistance includes security deposit plus the last month's rent. More often than not, however, landlords require the *first* month's rent as opposed to the last month's rent as part of the move-in costs for their properties. The responsibility for the first month's rent therefore falls entirely on the participant. The following conversation between two Housing Locator staff members is instructive:

HL I: Security and last months rent. Which is another problem, because the majority of the landlords want security [deposit] and first month's rent. And not the last month's rent. So we asked if they [DPSS] would make it optional, so that the client has the ability to move in, and if they allow them to utilize the first month and a security deposit.

HL II: But the answer that we found out from DPSS is no. That the client is supposed to have enough money saved up for the first month's rent. But if they're homeless and they're trying to feed their children, they're paying for a hotel, it's just almost impossible.

(iii) Communication and Collaboration between DPSS and the Contractors

The Effectiveness of the Housing Locator program depends on communication and collaboration between DPSS' HCMs, staff at the contracting agencies, and the program's participants. Interviews with staff and management at DPSS and the Housing Locator agencies revealed some of the difficulties each organization has had in communicating with the other and in coordinating their joint efforts.

The Housing Locator Agencies are Prohibited from Communicating directly with Eligibility Workers at DPSS

One of the most common complaints staff and management at the Housing Locator agencies expressed in the area of collaboration and communication is that, under program regulations, they are prohibited from communicating directly with Eligibility Workers at DPSS. This is problematic because the EWs make the final determination with respect to eligibility for rental subsidies and move-in assistance funds. As one Housing Locator staff member said, "[H]ere is the problem: We work through the HCM

to this final conclusion to housing somebody. Then a person [the EW], who has no knowledge of the negotiation, has no history with you, makes the final determination whether this person that you've been working with gets into housing. And we're excluded from the process." This imposed separation between the Housing Locator and the DPSS EW means that the locators cannot directly advocate on behalf of the participants they are working with when EWs deny benefits, nor can the locators learn the reasons for the denial directly from the EW:

I really want to know why is there a barrier? That we cannot speak to the EW? Once you break down the lines of communication, like the client is out and you have the HCMs sitting out too, because the EW denied for some reason. If it's something that the client has done, then we need to know that. If it's something that the landlord has done, we need to know that. If it's something that we've done, we need to know that. If the landlord said or did something, we need to know that so we don't send more clients over there. But if you just do a flat denial, and then we can't even speak to you, on your judgment, well, what were your criteria for this denial, so we can have that in our files?¹¹

The dimensions of this problem are further complicated by the fact that, although HCMs are GAIN Services Workers in terms of their official departmental titles and pay scales, they are organizationally stationed under CalWORKs as opposed to GAIN. A number of HCMs pointed out that this makes them less inclined to act as advocates for participants in their caseloads because doing so can entail questioning decisions made by the EWs or the CalWORKs Deputies. Therefore, with the Housing Locator prohibited from communicating with the EW and the HCM stationed under CalWORKs, the participants are sometimes left with little in the way of advocacy and support when it comes to the issuance of funds. One HCM interviewed for this report explained the problem as follows:

[W]hen we first came to the program, and if you read the guidelines too, we served as advocates for the participants. If there is a problem with the CalWORKs issuance, we have to step in and help the participant. So when we first came in and we had these problems with the Eligibility Worker not wanting to issue... just problems with issuance, if I had a problem, I would go to my supervisor, then we would go to our Deputy from GAIN, and things would be resolved. Now if I have a problem, I am not gonna speak out for my participants, I am not gonna advocate, because why am I gonna go against my boss? If they say this is it, this is what's gonna happen, okay. They are denying services. Whatever they say, I cannot advocate because I would like to keep my job. I am not able to perform the job that I was supposed to do originally, or what I was doing before when we were under the GAIN administration. Whatever the CalWORKs says, that's it. I don't question them. I don't challenge them. My job ends there. They have the final word, where before if the participants had any issues with the eligibility staff, I would go to the GAIN, through my Supervisor and GAIN Deputy. And most of the time, we were right, because we were advocating for them. But I won't do that anymore.

Another HCM added that HCMs, "need to be divided from the CalWORKs. We didn't have that person looking over [our shoulder] when we were in GAIN. I think that we had more freedom. We were able to approach the EW with no problem. Now it is like you'd better be careful."

By contrast, a Housing Locator staff member gave an example of how a participant she was working with benefited from an instance in which s/he was able to work directly with both the participant's HCM and EW. "I had an occasion to sit in with the client when they were in with the EW," the Housing Locator said. "There were situations when the

HCM brought the EW to me, so that I can explain to them the situation. In those situations yes, the problem was resolved immediately, because there was a clear understanding between me and that person as to what's going on." The Housing Locator added that, "in the cases when I have to utilize other people [to communicate with the EWs], of course the communication gets misconstrued or mis-communicated. Things tend to go back and forth because the middle person doesn't understand what's going on, and they are just going back and telling this person the communication. So it becomes a back and forth situation, it can take hours to resolve one little issue."

Staff at the Housing Locator Agencies say that Program Regulations are Applied Inconsistently

Staff at the Housing Locator agencies noted that different DPSS offices, as well as staff members working within the same office, sometimes apply program regulations differently and the inconsistencies cause confusion and make it difficult to collaborate effectively with DPSS:

[W]e'll hear one thing from one office and we'll hear another from another office. But at [region withheld] they do apply the children's subsidy to their 80 percent, so if they have two children that brings up their 80 percent, but like [region withheld] don't apply that... You have to find out which office the participant is at, so that you know which one will say [one thing] and which one will say the other. I think that we should be on the same path as far as what the eligibility requirements are. They interpret it different. It's all the same contract, but one may interpret it another way, and one applies the rules in another way.

The PHASE System

The Housing Locator agencies and HCMs both discussed communication and collaboration issues stemming from difficulties with DPSS' Permanent Homeless Assistance System (PHASE) computer system, which allows the contracting agencies and DPSS to share participant information. However, staff members at the Housing Locator agencies mentioned that their access to PHASE has been delayed. "We are supposed to have access to Phase," one locator said. "We are supposed to but that hasn't occurred yet. It's supposed to occur with this contract. We are supposed to enter every case in PHASE. Before we were supposed to, then they shut us out. I don't know what happened. There was no explanation for it." Another staff member added the following:

I don't have access right now to PHASE. I am trying to get access. We've been going back and forth with it. But I didn't have access... At this point, we still keep our own progress with our own charts. We still email with the HCM and let them know the progress with the participant. But it will help with the County if we can all be on the same program, just to place the note in the actual PHASE program. So we are trying to get access to it right now. We're having some complications.¹²

DRA and Weingart Center: Two Different Organizational Structures

As noted earlier, the Housing Locator agencies with which DPSS has contracts are two economically distinct economic organizations. While DRA is a privately owned and operated business, Weingart Center is a not-for-profit foundation funded through philanthropic donations and government programs. This difference has potentially important ramifications, particularly with respect to the critical question of the types of participants the program ought to serve.

Interviews with personnel at DPSS and the two contracting agencies suggest that, while the participant referral criteria have been a source of contention between DRA and DPSS, Weingart is not as concerned about the types of participants DPSS' HCMs refer to them for Housing Locator services. One possible explanation for the differing orientation the two agencies have towards the referral criteria is that, unlike DRA, Weingart Center is unconstrained by the need to realize a return on its operating funds, and the agency's personnel do not have to preoccupy themselves to the same degree with the potential any given referral might have to be placed into a permanent housing situation. A manager at Weingart Center noted the following:

We are not getting into the contract per se for money. We have very large contracts with the Federal government, the State government, and the County. While we're able to provide the services [for the Housing Locator program], this is a very small percentage of our agency budget. So we are not dependant on the contract to sustain our viability. One of [*name withheld*]'s roles in the agency is to ensure our sustainability with all our programs. In order to do that, we need to leverage the dollars with existing contracts in addition to private, philanthropic dollars, that we raise through our development department...We have a program implementation process, which is very extensive, that looks at the feasibility first of all of our organization sustaining such a project... What we're trying to do is create services for our participants.

These comments allude to Weingart Center's institutional mission as a community organization, which is to provide support and relief to poor and homeless families. The Housing Locator services Weingart Center provides for DPSS' homeless GAIN participants in SPA 4 are just one of a number of services the organization offers its target population. For this reason, if DPSS refers a participant to Weingart Center who ultimately proves to be ill-equipped for permanent housing, the agency's Housing Locator staff is able to route the participant to other in-house services, as well as outside service providers with which the agency has close working relations.

DRA can and does take similar actions on behalf of many of its participants, and the firm currently has another County contract with the Department of Public Health (DPH) for the Access to Health and Housing program. At the same time, however, the Housing Locator contracts are structured around payment per placed participant, and as a private company DRA may be more constrained in its capacity to serve participants who are especially difficult to place in housing.

In spite of their differing economic structures, the two Housing Locator agencies agreed with each other, as well as with personnel at DPSS, on a number of challenges the program faces. For example, DRA, Weingart and DPSS all emphasized the importance

of understanding the serious barriers participants bring to the Housing Locator program. While some personnel at the Housing Locator agencies disagree with DPSS on where to draw the line separating *difficult-to-serve* participants from *impossible-to-serve* participants, they all generally agree that the pre-existing challenges facing participants – i.e. low income, sporadic employment, evictions, poor credit history, etc. – render the task of finding permanent housing for them especially difficult. The locators and DPSS also agree that Los Angeles County’s tight and prohibitive rental market, along with its shortage of low-income housing, only deepen the challenges involved in attempting to house homeless GAIN participants. Moreover, Housing Locator staff and HCMs at DPSS both identified the structure of DPSS’ rental subsidy and move-in assistance as issues in need of attention. In addition, the Housing Locator agencies and DPSS each pointed to communication, collaboration and the coordination of their joint efforts as areas that need to be improved if the Housing Locator program is to generate better results in the future.

CONCLUSION

Although the Housing Locator program's placement rate for its first contract period was seemingly low, the homeless GAIN participants that were housed through the program tended to move into stable housing situations. Moreover, evidence suggests that participants may receive indirect benefits from the program even when the contracting agencies are not directly involved in finding housing for them. It is also important to note that, in terms of housing stability, homeless participants fared significantly better with the program in place than a comparable group of participants fared prior to the program's implementation.

RES' multivariate analysis indicates that few factors predict placement. This suggests that, in attempting to enhance the Housing Locator program, policymakers should focus on process oriented issues. For this reason, the policy recommendations offered in this concluding section focus on issues connected to program process.

Policy Recommendations

- **Work closely with the contracting agencies to jointly clarify the program's referral criteria;**
- **Adhere closely to the agreed-upon referral criteria;**
- **Monitor the participants referred to the program more closely to ensure both that HCMs are adhering to the criteria and that the Housing Locator agencies are serving the participants they are contracted to serve.**

DPSS should work closely with the Housing Locator agencies to jointly clarify the types of participants to be referred to the Housing Locator program. Furthermore, DPSS' HCMs should be instructed to adhere closely to the agreed-upon criteria. According to a number of interviewed HCMs, they have been instructed to use the criteria as a general set of guidelines, as opposed to a strict set of requirements. However, this looser use of the criteria can inject a subjective element into the referral process and cause disagreements when the judgments of the HCMs diverge from those of staff at the Housing Locator agencies. Several HCMs also indicated that they have made informal changes to the referral criteria in response to complaints and concerns coming from the agencies. But once the criteria are changed informally, they can become more muddled and less consistent, thereby increasing the potential for confusion between DPSS and the contracting agencies. The referral process is therefore likely to be smoother if the referral criteria are precisely defined (based on input and mutual compromise from both DPSS and the Housing Locator agencies) and adhered to closely.

In addition, DPSS should monitor referrals more closely, both to ensure that the HCMs are sending appropriate participants to the agencies and to ensure that the agencies

are serving participants adequately and meeting their responsibilities. Readjusting and redefining the referral criteria may also necessitate that DPSS revise the referral quotas the district offices are required to meet for the Housing Locator program.

- **Encourage more effective collaboration through periodic meetings between HCMs and staff at the Housing Locator agencies.**

Management at DPSS and the Housing Locator agencies should consider arranging for their respective staffs to meet with each other periodically (perhaps quarterly) to discuss challenges, resolve conflicts, and develop practices that will improve the level of coordination between the organizations. Since the HCMs already meet as a unit once per quarter, DPSS may wish to consider including the Housing Locator agencies in these meetings, either periodically or regularly.

- **Re-structure the Department's rental subsidy and move-in assistance programs.**

Although most placed referrals become stably housed, HCMs and staff at the Housing Locator agencies described problems stemming from the temporary inflation in participant income that occurs due to the structure of DPSS' rental subsidy. The subsidy is premised on the assumption that participants will be able to replace the subsidy with earnings after four months. DPSS may wish to evaluate how long it takes formerly homeless GAIN participants to find employment. The Department might then consider adjusting the subsidy period based on the findings of such an evaluation.

Staff at the Housing Locator agencies also pointed to complications resulting from the structure of DPSS' move-in assistance for homeless participants. One issue for DPSS to consider is whether it would be feasible to make the first month's rent available to participants, either in addition to or instead of the last month's rent. Furthermore, DPSS may wish to consider whether, under certain circumstances, move-in assistance can be made available to participants whose rent exceeds the 80 percent of the income figure used to qualify them for the rental subsidy. For example, participants who receive income not counted towards the 80 percent calculation and who can therefore afford to pay more for rent could still be made eligible for the move-in assistance funds.

- **Appoint specialized EWs for homeless GAIN participants and/or allow the Housing Locators to communicate directly with the EWs.**

Management and staff at both Housing Locator agencies said that their inability to communicate *directly* with DPSS' EWs complicates their efforts to place homeless GAIN participants into permanent housing. The requirement to communicate with DPSS' eligibility staff through a third party slows the placement process, leads to miscommunication, and dampens the Housing Locators' capacities as advocates working on behalf of the participants they serve.

One possible solution to this problem would be to change protocol so as to allow the Housing Locator agencies to speak directly with EWs, at least during designated hours. Doing so, however, might divert EWs from their larger set of duties and negatively affect the quality of their work. For this reason, an alternative solution could be to appoint specialized EWs in every district whose primary responsibility would be to homeless DPSS participants, and whose primary knowledge and training would be in the area of DPSS' homeless programs. Homeless participants could be routed to these specialized EWs instead of having the general EWs calculate their benefits. In addition, the protocol could allow Housing Locator staff to communicate directly with the specialized EWs.

HCMs interviewed for this report indicated that DPSS currently has specialized Homeless Workers, in addition to the HCM, but that homeless participants must see the Homeless Worker in addition to the regular EW. This tends to create too many steps for the participants. One staff member supervising HCMs noted that, “[F]or one participant to see five workers, that’s too many. They see the EW, the Homeless Worker, the HCM, the Housing Locator, and the GAIN Worker. Then if they have supportive services, someone else outside. So they have too many appointments. For example, the EW and the Homeless Worker might be one. Why have two?” Homeless participants should therefore see the specialized EWs *instead of* – and not in addition to – seeing the regular EWs.¹³

- **Return to having the HCMs stationed under GAIN as opposed to CalWORKs.**

Advocacy for homeless participants is likely to be further enhanced if DPSS returns to having the HCMs stationed under GAIN as opposed to CalWORKs. Interviews with HCMs revealed that, in their current position under CalWORKs, they are often hesitant to speak on behalf of their participants in the area of CalWORKs issuance because doing so may entail questioning the decisions of CalWORKs deputies and eligibility staff. Placing the HCMs under GAIN – a position from which they could turn to their GAIN Supervisor when communication with CalWORKs deputies and eligibility staff is necessary - would create a more effective means of conflict resolution and help ensure that participants receive all the benefits DPSS has to offer them.¹⁴

- **Clarify program regulations to ensure they are applied uniformly from one district office to the next, and monitor the application of these regulations to ensure that they are applied consistently.**

Some staff at the Housing Locator agencies noted that different DPSS district offices apply program regulations differently. DPSS may wish to consider implementing more rigorous homeless program training for all staff working with homeless participants. In addition, all program changes should be communicated clearly across all districts so that regulations are applied consistently in each district. Consistency will also be enhanced if DPSS monitors the application of program regulations more closely.

- **Ensure that Housing Locator agencies have access to PHASE and that staff at the agencies regularly use the technology to update and share information on program participants.**

Several HCMs at DPSS said that it would be helpful if the Housing Locators utilized the PHASE system on a regular basis. However, staff and management at the Housing Locator agencies indicated that their access to the PHASE system has been delayed. DPSS should therefore ensure that the contractors have access to PHASE, and the Department may also wish to consider providing further training on the use of PHASE, particularly the way the technology can be deployed to share information on participants with DPSS.¹⁵

- **Examine the process practices used in districts with relatively high placement rates and implement them in regions with relatively low placement rates.**

Although the Housing Locator program only placed 9 percent of DPSS' referrals in the first year of the program contract, several districts produced rates that were quite a bit better. In particular, Lincoln Heights (25 percent), West Valley (25 percent), Metro North (16 percent), Metro Family (16 percent), Paramount (14 percent), South Central (13 percent), and Exposition Park (13 percent) all performed relatively well.¹⁶ DPSS and the contracting agencies may wish to examine what, if anything, HCMs and Housing Locators do differently in these districts. Such an examination might reveal practices and strategies that could be implemented elsewhere in an effort to improve the program's overall performance.

- **Divide the Housing Locator work and funding more evenly between contracting agencies.**

As discussed earlier, DRA's operational requirements as a private company may place constraints on its capacity to work with participants who are especially difficult to place into permanent housing. But in addition to possible limitations posed by DRA's economic structure, the large and potentially overwhelming scale of DRA's current responsibilities may hinder its performance in finding housing for homeless GAIN participants, especially given the firm's relatively small size. For the next contract period, DPSS may therefore wish to consider distributing the SPAs more evenly between DRA, Weingart Center, and perhaps other organizations submitting bids for a Housing Locator contract.

- **Interview participants who have been referred to the Housing Locator agencies to obtain their perspectives on potential steps that could be taken to enhance the program.**

RES was not able to interview participants for this report given the deadline for the report's completion. However, any follow-up evaluation research done on the Housing Locator program should include interviews with participants referred to the Housing

Locator agencies, both those who the agencies have housed and those who have experienced different outcomes. Participants will be able to provide valuable first-hand insight on personal and program-level barriers and program effectiveness. The County's understanding of the Housing Locator program will not be complete until participant points of view are heard.

Next Steps

DPSS' Housing Locator program for homeless Welfare-to-Work participants is an important part of the County's larger goal of finding solutions to the problem of homelessness. Implementation of even some of the above recommendations would likely improve program results. The program's progress should be continually monitored, and DPSS may wish to conduct a follow-up evaluation to this report after program enhancements have been implemented and had time to take effect.

Epilogue

During RES' research for this evaluation, DPSS had already begun to take a number of steps designed to improve the Housing Locator program. The timing of these steps, combined with RES' deadline to complete the evaluation, were such that the analysis offered in the main body of this report could not fully capture the impact of the more recent program enhancements.

It should further be noted that some of DPSS' recent efforts to enhance the program overlap with the policy recommendations RES offers in the previous chapter. For example, DPSS has worked with the Housing Locator agencies to revise the referral criteria so as to identify and refer families that are most prepared to be placed in permanent housing. As noted in the discussion earlier in this report, DPSS directed the HCMs in April of 2007 not to refer participants unless they had a Total Monthly Household Income of at least \$699 or a Section 8 Voucher. HCMs were also instructed to only refer participants with current homeless episodes of not less than two months but not more than six months. In addition, HCMs were directed to only refer participants with no major non-financial barriers that would hinder their capacity to work with the Housing Locators. According to managers at both DPSS and the Housing Locator agencies, these changes have simultaneously led to an increase in the number of placements and a decrease in the number of referrals, both of which are positive developments.

Moreover, DPSS has responded to concerns about the financial burdens imposed on the Housing Locator agencies when they work with referrals but are not able to place them. Under the previously existing contractual arrangement, the Housing Locators simply received payment per placement. However, after the contractors informed DPSS and the Board of Supervisors that their contracts were written in a way that prevented them from receiving compensation for working with participants who ultimately could not be placed, DPSS amended the contracts in September 2007 so that the Housing Locator agencies would receive an upfront referral fee, in addition to payment per placement. This step was taken to eliminate economic barriers that might prevent the Housing Locator agencies from working with participants who are particularly difficult to place into permanent housing.

DPSS and the Housing Locator agencies have also attempted to improve their communication and coordination with each other through the establishment of monthly meetings, attended by management and staff from the Department and the contracting agencies, to review and discuss program progress and take corrective actions in a timely manner. These meetings will hopefully facilitate the identification of daily process problems in need of attention, as well as solutions to these problems.

Finally, DPSS has made efforts to improve and enhance contractor access to PHASE. The Department has asked the contractors for a list of all their PHASE users and has deployed a technical assistance expert who the Housing Locators are now able to contact at any time when they have difficulties using PHASE.

Although the Housing Locator agencies have pointed to some preliminary positive effects resulting from these program enhancements, the measures will need more time to be fully implemented and perfected before anything more systematic and definitive can be said about their lasting impact. The enhancements can be revisited at a later date should DPSS decide that a follow-up Housing Locator evaluation is necessary.

APPENDIX A

Evaluation of Housing Locator Program for Homeless CalWORKs Participants

Questions for Managers at Contracting Agencies

Introduction:

The researchers will introduce themselves and state the purpose of the study and the interview. They will inform the group about the confidentiality of their responses (participants will not be identified). The focus group will also be told that each participant is expected to keep information shared by other members within the group. The researchers will additionally ask permission to record their responses, and ask them to sign consent forms.

The researchers will stress that they see themselves as students learning about important issues related to the housing locator program for homeless CalWORKs participants. The administrators, managers and staff are seen as teachers who have expertise with the program. This expertise will be very useful in helping to build the knowledge the researchers have about the housing locator program.

The researchers will ask the focus group participants to state their names when they speak, and to speak clearly. The researchers will also remind the participants to speak one at a time.

Questions

1. Can you describe the background your organization has in terms of undertaking the kind of work required to assist homeless CalWORKs participants in finding permanent housing? How and why do you feel your staff is qualified to provide these kinds of services? What is the level of experience your staff has in working with this type of population?
2. Can you offer a general profile of the types of CalWORKs participants you serve? Have you noticed any overall similarities and patterns among the participants you serve in terms of demographics, background characteristics and common barriers? What is the process by which these participants come to you looking for housing locator services?
3. What are the methods your organization utilizes in finding housing for homeless CalWORKs participants?

4. How would you characterize the results your organization has been able to produce since the HL program was implemented? The numbers in the administrative records for the program will give us a purely quantitative sense of results, but do you think there are less tangible factors that ought to be considered in looking at the performance of your organization and the performance of the housing locator program more generally? Do you think the program has made progress since it was implemented? How should we judge the success and/or failure of the program beyond simply looking at numbers and rates?
5. How would you characterize your organization's working relationship with DPSS? To what extent is there effective coordination, communication and collaboration between your administrators and those at DPSS? What is your impression of the working relationship your ground staff has with their counterparts at DPSS? Are there ways these working relationships can be improved so as to generate better overall housing placement results?
6. What have been the biggest challenges facing your organization in attempting to find housing for homeless CalWORKs participants? What are the biggest participant barriers? To what extent are the participants you serve ready for permanent housing? What are the most difficult organizational, economic and contractual barriers you face? Are there participants you are unable to serve? If so, what steps do you think can be taken to make serving them more feasible?
7. Do you have any recommendations for steps that might be taken to enhance the housing locator services you provide to homeless CalWORKs participants? What can be done to improve the results your organization produces? What has worked and not worked in terms of program requirements, policies and procedures?

Questions for Staff at Contracting Agencies

Introduction:

The researchers will introduce themselves and state the purpose of the study and the interview. They will inform the group about the confidentiality of their responses (participants will not be identified). The focus group will also be told that each participant is expected to keep information shared by other members within the group. The researchers will additionally ask permission to record their responses, and ask them to sign consent forms.

The researchers will stress that they see themselves as students learning about important issues related to the housing locator program for homeless CalWORKs participants. The administrators, managers and staff are seen as teachers who have expertise with the program. This expertise will be very useful in helping to build the knowledge the researchers have about the housing locator program.

The researchers will ask the focus group participants to state their names when they speak, and to speak clearly. The researchers will also remind the participants to speak one at a time.

Questions

1. We'd like to begin by learning a little about your educational and professional backgrounds. We are especially interested in any training – formal or otherwise – you may have received in order to work with homeless CalWORKs participants in need of housing locator services. Also, what is your previous work experience? Have you had previous experience doing the type of work you're doing now with the housing locator program? How long have you been working for Del Richardson/Weingart Center? Do you have other duties with Del Richardson/Weingart Center besides the work you do with the housing locator program?
2. Can you offer a general profile of the types of CalWORKs participants you serve? Have you noticed any overall similarities and patterns among the participants you serve in terms of demographics, background characteristics and common barriers? What is the process and criteria by which these participants come to you looking for housing locator services?
3. Can you walk through the steps involved in providing housing locator services for CalWORKs participants, from the selection of participants to the program onwards? What methods does your organization use to find housing for homeless participants? Does your organization have particular kinds of participants referred to it for services?

4. How would you characterize the results your organization has been able to produce since the HL program was implemented? The numbers in the administrative records for the program will give us a purely quantitative sense of results, but do you think there are less tangible factors that ought to be considered in looking at the performance of your organization and of the housing locator program more generally? Do you think the program has made progress since it was implemented? How should we judge the success and/or failure of the program beyond simply looking at placement rates and durations?
5. How would you characterize your working relationship with housing locator staff at DPSS? To what extent have your coordination, communication and collaboration with DPSS staff been helpful and effective? Are there ways this working relationship can be improved so as to generate better overall housing placement results?
6. What have been the biggest challenges you've faced in attempting to find housing for homeless CalWORKs participants? What are the most difficult participant barriers? To what extent are the participants you serve ready for permanent housing? What are the most difficult organizational, economic and contractual barriers you face? How would you generally characterize the relationships your organization has with landlords serving the low-income community? Are there participants you are unable to serve? If so, what steps do you think can be taken to make serving them more feasible?
7. Do you have any recommendations for steps that might be taken to enhance the housing locator services you provide to homeless CalWORKs participants? What can be done to improve the results your organization produces? What has worked and not worked in terms of program requirements, policies and procedures?

Questions for Administrators and Managers at DPSS

Introduction:

The researchers will introduce themselves and state the purpose of the study and the interview. They will inform the group about the confidentiality of their responses (participants will not be identified). The focus group will also be told that each participant is expected to keep information shared by other members within the group. The researchers will additionally ask permission to record their responses, and ask them to sign consent forms.

The researchers will stress that they see themselves as students learning about important issues related to the housing locator program for homeless CalWORKs participants. The administrators, managers and staff are seen as teachers who have expertise with the program. This expertise will be very useful in helping to build the knowledge the researchers have about the housing locator program.

The researchers will ask the focus group participants to state their names when they speak, and to speak clearly. The researchers will also remind the participants to speak one at a time.

Questions

1. Can you give us some background information on how DPSS' Housing Locator program for CalWORKs participants came about? What, if any role did you play in its development, and what role do you currently play in administering and managing the program? What had been your previous work experience prior to working with the Housing Locator program?
2. How would you characterize the results DPSS' housing locator program has produced since its implementation? Do you think the program has made progress since implementation? Are you happy with the services the two contractors have provided? What is the rationale for contracting out some of the housing locator services? Do you detect any difference between the way these services are delivered by DPSS employees and the way the services are delivered by the contractors? Is there any difference between the participants who receive HL services from DPSS and participants who receive these services from the contractors?
3. How would you characterize your working relationship with Weingart Center and Del Richardson? To what extent have your coordination, communication and collaboration with staff and management at these organizations been helpful and effective? Are there ways this working relationship can be improved so as to generate better overall housing placement results?

4. What have been the biggest challenges the housing locator program has faced? To what extent are the participants you serve ready for permanent housing? What are the most difficult organizational, economic and contractual barriers the program faces? Are there participants you are unable to serve? If so, what steps can be taken to make serving them more feasible?
5. Do you have any recommendations for steps that might be taken to enhance the housing locator services you provide to homeless CalWORKs participants? What can be done to improve the results your organization produces? What has worked and not worked in terms of program requirements, policies and procedures?

Questions for Homeless Case Managers at DPSS

Introduction:

The researchers will introduce themselves and state the purpose of the study and the interview. They will inform the group about the confidentiality of their responses (participants will not be identified). The focus group will also be told that each participant is expected to keep information shared by other members within the group. The researchers will additionally ask permission to record their responses, and ask them to sign consent forms.

The researchers will stress that they see themselves as students learning about important issues related to the housing locator program for homeless CalWORKs participants. The administrators, managers and staff are seen as teachers who have expertise with the program. This expertise will be very useful in helping to build the knowledge the researchers have about the housing locator program.

The researchers will ask the focus group participants to state their names when they speak, and to speak clearly. The researchers will also remind the participants to speak one at a time.

Questions

1. We'd like to begin by learning a little about your educational and professional backgrounds. We are especially interested in any training – formal or otherwise – you may have received in order to work with CalWORKs participants in need of housing locator services. Also, what is your previous work experience? Have you worked with homeless populations before?
2. Can you offer a general profile of the types of CalWORKs participants receiving HL services? Have you noticed any overall similarities and patterns among the participants served in terms of demographics, background characteristics and common barriers? What is the process and criteria by which these participants are selected for housing locator services?
3. Can you walk us through the steps involved in providing housing locator services for homeless CalWORKs participants, from the selection of participants for the program onwards? What methods do you use in attempting to find housing for homeless participants? How is it decided whether a participant will receive housing locator services from one of the contractors or directly from DPSS?
4. What is your overall impression of the effectiveness of the HL program? Do you think the program has improved since implementation? The numbers in the administrative records for the program will give us a purely quantitative sense of

results, but do you think there are less tangible factors that ought to be considered in looking at the performance of your organization and of the housing locator program more generally? How should we judge the success and/or failure of the program beyond simply looking at placement rates and durations?

5. How would you characterize your working relationship with staff and management at Weingart Center and Del Richardson and Associates? To what extent have your coordination, communication and collaboration with the contractors been helpful and effective? Are there ways this working relationship can be improved so as to generate better overall housing placement results?
6. What have been the biggest challenges you've faced in attempting to find housing for homeless CalWORKs participants? What are the most difficult participant barriers? To what extent are the participants you serve ready for permanent housing? What are the most difficult organizational, economic and contractual barriers you face? Are there participants you are unable to serve? If so, what steps can be taken to make serving them more feasible?
7. Do you have any recommendations for steps that might be taken to enhance the housing locator services you provide to homeless CalWORKs participants? What can be done to improve the results your organization produces? What has worked and not worked in terms of program requirements, policies and procedures?

APPENDIX B

Table B-1. Summary of Housing Locators Contracts and Amendments

Contract Category	Dates	Main Features
Original Contract	8/1/2006 to 7/31/2007	<p>This contract was implemented to assist homeless CalWORKs Welfare-to-Work families in locating affordable permanent housing. General contract statement of work:</p> <ul style="list-style-type: none"> ▪ Payment is made in arrears on a monthly basis. ▪ Place homeless family within 60 days of referral date. ▪ For each SPA, place no less than 75% of the Countywide Quarterly Average Placement Rate. ▪ Contractor shall maintain 80% of the placed CalWORKs WtW families to remain in affordable permanent housing for six consecutive months. ▪ It was estimated that the number of participants to be placed in permanent housing in the first year to be 1,488.
I. Weingart Center Association	8/1/2006 to 7/31/2007	<p>The Contractor will be compensated a fee of \$1,421 for placing homeless CalWORKs WtW families in affordable permanent housing.</p> <p>A retention fee of \$711 per family is paid when families remain in the same rental unit for six consecutive months.</p> <p>A Landlord assistance fee of \$750 will be paid once the family resides in the same housing unit for six consecutive months.</p> <p>The maximum amount payable under this contract is \$528,027.</p>
II. Del Richardson Associates	8/1/2006 to 7/31/2007	<p>The Contractor will be compensated a fee of \$2,000 for placing homeless CalWORKs WtW families in affordable permanent housing.</p> <p>A retention fee of \$1,000 per family is paid when families remain in the same rental unit for six consecutive months.</p> <p>A Landlord assistance fee of \$750 will be paid once the family resides in the same housing unit for six consecutive</p>

Contract Category	Dates	Main Features								
		<p>months.</p> <p>The maximum amount payable under this contract is \$4,365,250.</p>								
Amendment I	7/30/2007	Amends the contract 12 months, from August 1, 2007 through July 31, 2008.								
Amendment II	8/21/2007	<p>Payment structure changed to:</p> <ul style="list-style-type: none"> ▪ Del Richardson and Associates, payments changed from \$2,000 per placement to \$250 per referral, \$1,750 per placement and \$875 for a six month retention. ▪ Weingart Center Association, payments changed from \$1,421 per placement to \$178 per referral, \$1,243 per placement and \$622 one-time retention fee. ▪ The landlord fee for six months retention is the same \$750. ▪ The Housing Locators will conduct an assessment of barriers, to identify barriers and service needs which may hinder locating permanent housing for the homeless families. ▪ The Housing Locators will record the face-to-face appointment with the CalWORKs Welfare-to-Work families by putting/updating all contact information into the PHASE database under the Case Notes. 								
Rental Subsidy	5/9/2007	<p>The policy changes increased the 4-Month Rental Subsidy as follows:</p> <table data-bbox="771 1648 1421 1795" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: left;">Family Size</th> <th style="text-align: right;">Subsidy Amount</th> </tr> </thead> <tbody> <tr> <td style="text-align: left;">1 to 2</td> <td style="text-align: right;">\$200</td> </tr> <tr> <td style="text-align: left;">3</td> <td style="text-align: right;">\$250</td> </tr> <tr> <td style="text-align: left;">4+</td> <td style="text-align: right;">\$300</td> </tr> </tbody> </table>	Family Size	Subsidy Amount	1 to 2	\$200	3	\$250	4+	\$300
Family Size	Subsidy Amount									
1 to 2	\$200									
3	\$250									
4+	\$300									
Referral Criteria		The following criteria were set for the identification								

Contract Category	Dates	Main Features
		<p>and referral of families to the HLs:</p> <p>Is actively volunteering under the Homeless Case Management Program; and</p> <p>Is employed or enrolled in GAIN and participating in a WtW activity. PTs who are GAIN-exempt or timed out can volunteer to participate in GAIN or Post-time limited services, as applicable in order to become eligible for HL services.</p> <p>Updated April 2007:</p> <ol style="list-style-type: none"> 1- TMHI of \$600 or Section 8 Voucher. 2- Participating in WtW activity or has "good cause" for not actively participating in a WtW activity due to homelessness. 3- Participating in a WtW activity or has good cause. 4- Residing in stable temporary living for at least 60 days. 5- Current homeless episode of 2-6 months. <p>Experiencing no major non-financial barriers that will hinder working with the HLs.</p>

Endnotes

¹ Please note that, while the Housing Locators Program's first contract period was August 2006 to July 2007, referrals to the program began in September 2006. The study period for this evaluation report is therefore the 11-month period between September 2006 and July 2007.

² Additionally, the 2007 National Apartment Report released by Marcus and Millichap, a real estate investment company, estimates the average effective rent for the City of Los Angeles in 2007 at \$1,399 per month, a 6 percent increase from 2006. The same source estimates a three percent vacancy rate for the city in 2007. (See: Marcus and Millichap, Real Estate Investment Research: 2007 National Apartment Report, P.29; United States Census Bureau. 2006 Housing Vacancy Survey; United States Department of Housing and Urban Development, Final Fiscal Year 2006 Fair Market Rent Documentation System, Summary for Los Angeles-Long Beach, California Metropolitan Area; United States Department of Housing and Urban Development, Policy Development and Research Data Sets, 50th Percentile Rent Estimates, 2007. Cash grant information is provided in, Department of Public Social Services, LEADER, August 2007).

³ The contract for the provision of Housing Locators services for homeless CalWORKs Welfare-to-Work Services by DRA and Weingart Center Association was made effective August 1, 2006 through July 31, 2007, with an option by the County to renew the agreement with each firm for two additional one-year periods. The maximum amount of this contract was set at \$4,365,250 for DRA, \$528,027 for Weingart Center, and was fully funded by the CalWORKs Single Allocation.

The contract was amended in July 2007 to extend the period of performance for an additional 12 months, from August 1, 2007 through July 31, 2008. The contract was amended a second time to change the contract's original payment structure in order to allow for a payment of a referral fee to the two contractors. In addition, this amendment required the two contractors to start completing an assessment of the barriers homeless families may face in the rental market and to update information to the housing assistance database.

Under the terms of the contract, DRA and Weingart Center are required to provide assistance to homeless families in residential neighborhoods, negotiate rental agreements with landlords, transport homeless families to rental sites, move families into rental units within 120 days from the date of referral, provide training on tenant rights and financial responsibilities, inspect the rental units, and so forth. In addition, homeless families are not to be placed in housing units in the zip codes falling within the Skid Row area.

⁴ The Housing Locator quantitative data sources used in this report are as follows:

Data on referrals to the Housing Locator program over the period from September 2006 to July 2007 were processed from two sources: (a) An excel file of PHASE referrals prepared by DPSS: *Phase_referrals_Sept06_July07*. (This file was provided to RES on 11/21/07); (b) DPSS referral forms (over 1200 hard copy forms) that RES entered and matched against the PHASE referral file.

Data on placements made through the Housing Locator program for the period from September 2006 to July 2007 were processed from a Housing Lease Master List, also provided by DPSS in an excel file. (This file was provided to RES on 11/21/07).

Data on housing stability was processed based on address changes reflected in LEADER. RES looked at participants referred between September 2006 and January 2007, tracked them through the remainder of the study period, and recorded any changes.

It should be noted that participant records that could not be matched to LEADER in order to capture address information, as well as other data, were omitted from the analysis. However, 649 records were

matched, which is equal to 95 percent of the referrals made over the five-month period between September 2006 and January 2007..

⁵ Please note that there is an average lag of over one month between the referral month and the placement month. The placement rate for July 2007 should therefore be ignored, and doing so slightly raises the overall placement rate for the program during the evaluation period to 9.5 percent.

⁶ In making this comparison, RES included participants who found housing on their own in the September 2006 to January 2007 referral group. The rationale for doing this is to gauge whether referral to a housing locator makes a difference in housing stability even if the locators themselves do not place the participants.

⁷ Metro East is represented in Figure 6 but excluded from the discussion because its 17 percent placement rate for the evaluation period is based on only six referrals

⁸ Income levels for participants were derived by adding their earned and unearned income, cash grant, and food stamps.

⁹ In considering these remarks on the types of participants referred to the Housing Locator program, DPSS' reviewers of this report pointed out that the Request for Proposals soliciting bids for the Housing Locator contracts explicitly discussed the challenges that would be involved in performing Housing Locator duties. In addition, DPSS' reviewers noted that Section 1.1 of the Housing Locator Services Contract, entitled 'Caseload Characteristics', provides the following description of the types of participants likely to be referred to the Housing Locator program:

'This caseload is comprised of homeless CalWORKs Welfare-to-Work families of various cultures who speak different languages, are employed or unemployed, may have varying work history/skills, and/or have other specialized needs (e.g., domestic violence, substance abuse and mental health barriers). The currently required eight threshold language groups represented in this caseload include English; Spanish; Armenian; Chinese; Vietnamese; Cambodian; Russian; and Korean... A description of the benefits available to CalWORKs Welfare-to-Work families, including the grant amount by family size, income disregard, and all CalWORKs homeless benefits, including amount and eligibility criteria, can be found in Appendix C, Technical Exhibit 11 and Technical Exhibit 12. This information is critical to a potential housing locator's ability to assess their ability to help CalWORKs WtW families secure and retain permanent housing... In assisting this population of homeless participants to reach successful permanent placement in affordable permanent rental housing, Contractor is to be mindful of the barriers that participants must overcome. Examples of these barriers or needs include the following: Lack of stable, affordable housing, bad credit, no credit, eviction histories, low income, domestic violence, mental health, and/or substance abuse, history of incarceration, and criminal background/history.'

¹⁰ Under DPSS' rental subsidy program, the monthly rental ceiling for a family is 80 percent of its Total Monthly Household Income. Therefore, if a family receives a \$584 cash grant and has no other additional income except for a \$250 rental subsidy, then its Total Monthly Household income is \$834, 80 percent of which is \$667 (rounded).

¹¹ In providing feedback on this report and, in particular, considering these focus group remarks, DPSS' reviewers noted that one of the difficulties involved in communicating with EWs regarding program participants is that the EWs are "bound by strict rules governing the issue of confidentiality. Even if the [the Housing Locator] agency is contracted by DPSS, they are still an 'outside' entity." DPSS' reviewers also pointed out that, "when an EW denies a case, many times it is based on a strict interpretation of a regulation. They do not have the authority to 'widen the scope' of the regulation, but a Supervisor or Deputy may do so based on the particular circumstances of a case. In such cases, advocating to the EW is pointless because they don't have the authority to decide differently."

¹² In reviewing this evaluation report and considering contractor remarks regarding access to the PHASE system, DPSS noted that, “access to PHASE was not part of the initial contract requirements. Therefore, use of the system could not be enforced. However, the Housing Locator staff was provided training and access to PHASE in March 2007.”

¹³ According to DPSS, “all Housing Program applications for participants in a Specialized Supportive Services file, including Housing Relocation Program (HRP), Homeless Assistance, Emergency Assistance to Prevent Eviction (EAPE), and Moving Assistance (MA) are to be processed by the Specialized Supportive Services EW. Refer to AD#4478. Sup1 dated 7-1-04.”.

¹⁴ In response to this recommendation, DPSS’ reviewers of this report stated the following:

“We disagree with this recommendation as the HCMs have supervisors and are able to contact CalWORKs program staff when unable to resolve an issue. Also, they are located in the district office for convenience to the participants they serve. Physical location should not be a reason not to advocate on behalf of participants.”

¹⁵ DPSS reviewers of this report have noted that, “with the execution of Amendment Two in September 2007, the use of PHASE became a requirement. In October 2007, DRA provided the names of additional staff to be trained. PHASE training was provided and completed for both Housing Locator contractors on November 2, 2007.”

¹⁶ As noted earlier, Metro East is excluded from this group because its 17 percent placement rate for the first contract period is based on only six referrals.