



A DECADE OF INNOVATION

Lessons From the Puget Sound Family Homelessness Initiative

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EXECUTIVE SUMMARY

From 2008 to 2020, the Bill & Melinda Gates Foundation funded the Puget Sound Family Homelessness System Initiative (“FHI”), a \$100 million effort to reduce family homelessness in King, Pierce, and Snohomish counties in Washington State. The initiative’s ultimate goal was to cut family homelessness in half by helping the homelessness crisis-response systems in those counties increase their capacity to move families into permanent housing. The initiative was led by Seattle-based non-profit Building Changes, which worked closely with local governments and non-profit service providers to test new practices and implement others that were proving successful in other parts of the country. National research firm Westat conducted a comprehensive longitudinal evaluation of the implementation and outcomes of the initiative, including a comparison between two cohorts of families, one that entered the system before the initiative started and one that entered several years after implementation had begun.

Westat’s evaluation reports are available separately. This white paper serves as a companion to those evaluations, drawing mainly upon interviews with those responsible for implementation to identify key lessons learned. It also includes an overview of Westat’s family impact evaluation findings and of county data compiled by Building Changes.

IMPACT

FHI succeeded in helping the homelessness systems in King, Pierce, and Snohomish counties significantly increase their capacity to move families experiencing homelessness into permanent housing. Between 2012 and 2019, the number of families moved into permanent housing per year almost doubled across the Puget Sound—from 1,213 families in 2012 to 2,315 in 2019. (All analyses and interpretations of countywide Homeless Management Information Systems data in this paper are those of Building Changes, and do not necessarily reflect the views of King, Pierce, and Snohomish counties.) In addition, families moved into permanent housing more quickly and remained longer than before. These improvements were driven largely by three systems changes:

- ▶ **Coordinated Entry:** In each county, unconnected providers were organized into a more centralized system with uniform criteria for entry and prioritization.
- ▶ **Rapid Re-housing:** Each county moved from a housing-readiness model to a housing-first model supported by short-term rental assistance and services.
- ▶ **Diversion:** Each county furnished providers with flexible funding to help families experiencing homelessness find quick, strengths-based resolutions.

Despite this progress, however, FHI did not achieve its ultimate goal of reducing family homelessness by 50%. As a strategy focused exclusively on increasing rates of exit into permanent housing (“outflow”) from the homelessness system, FHI was grounded on the assumption that the number of families seeking assistance (“inflow”) would stay largely static, an assumption that proved to be incorrect, particularly given the significant increase in housing costs in the Puget Sound over the past decade. In fact, over the course of the initiative, inflow more than doubled—from 3,145 families in 2012 to 6,469 families in 2019. The outflow increases shown in the data, therefore, were accompanied by an even greater increase in inflow. It has become clear that attempts to eliminate homelessness by increasing outflow alone will not be successful unless they are accompanied by attempts to reduce inflow. It has also become clear that inflow cannot be reduced without building and preserving affordable housing stock at scale.

LESSONS

FHI partners have identified key lessons for others reforming homelessness systems. Explorations of these lessons form the content of the last section of this white paper. These lessons include:

- ▶ Make Racial Equity Foundational
- ▶ Invest Significantly in Data Capacity
- ▶ Plan on Continual Iteration
- ▶ Build in Opportunities for Collaborative Learning
- ▶ Invest in Culture Change
- ▶ Empower Provider Flexibility
- ▶ Commit to Long-Term Funding
- ▶ Advocate From Beginning to End
- ▶ Think Creatively About Siloed Systems
- ▶ Build and Preserve Affordable Housing to Scale

BACKGROUND

The Bill & Melinda Gates Foundation's family homelessness investments began in 2000 with a program called Sound Families, a \$40 million effort to triple the number of service-enriched housing units for families experiencing homelessness in King, Pierce, and Snohomish counties. (The foundation defines a family as a household made up of one or more adults, regardless of sexual orientation, marital status, or gender identity, presenting with one or more minor children and/or pregnant.) Over six years, Sound Families led to the construction of 1,445 units of transitional housing. In 2004, it also seeded the creation of the Washington Families Fund, which later expanded to become the Washington Youth and Families Fund, a partnership between the Washington State Legislature and private funders that provides funding for innovative programs addressing family and youth homelessness across Washington State.

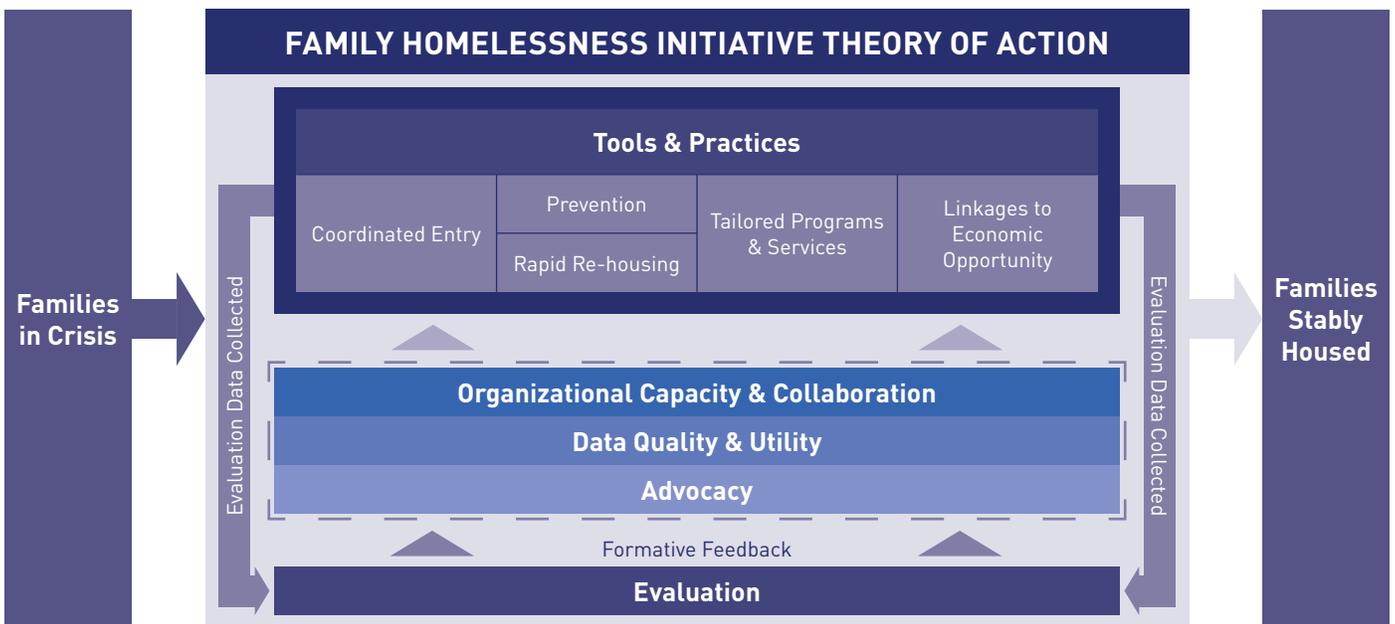
While Sound Families achieved its goal of tripling the supply of transitional housing across the Puget Sound region, only two-thirds of the families enrolled in the program moved from the system into permanent housing. Furthermore, close to a quarter of families failed to sustain their transitional housing, largely because of high rates of mental illness and substance abuse. What had become clear by 2007, both from national research and evaluation of program data, was that the one-size-fits-all model of a linear, "housing-readiness" path from emergency shelter to transitional housing to permanent housing did not accommodate the varying needs of individual families. Many families simply did not need two years of cost-intensive mandatory services in transitional housing to sustain permanent housing, and providing these services to every family in the system strained resources, limiting the help available to families facing greater challenges, such as mental illness, substance abuse, and domestic violence.

Upon the conclusion of Sound Families, in response to these findings and inspired by promising approaches to housing in communities such as Columbus, OH, and Hennepin County, MN, the foundation realigned its homelessness strategy. The new strategy, the Puget Sound Family Homelessness System Initiative, helped King, Pierce, and Snohomish counties adopt a new homelessness crisis-response system model. The new model provides individualized housing and service options based on the differentiated needs and strengths of families and emphasizes housing prior to services ("housing first").

FHI THEORY OF ACTION

In 2009, the foundation examined the best research available at the time about what could help end family homelessness and developed a theory of action to guide the initiative. **A 2007 study led by Dennis P. Culhane et al.** showed that more than two-thirds of families in shelters stayed only briefly and did not return, slightly under a quarter stayed for relatively longer periods, and a small percentage had repeated, short stays. These findings underscored the need to tailor homelessness assistance to families' individual needs, an understanding that gave rise in turn to a theory of action grounded in five focus areas: 1) Tools and Practices, 2) Organizational Capacity and Collaboration, 3) Data Quality and Utility, 4) Advocacy, and 5) Evaluation, as shown in Fig.1.

Figure 1



Bill & Melinda Gates Foundation

The first focus area, Tools and Practices, outlined five key pillars of practice to prevent families from entering the homelessness system when possible and help those that did enter the system find housing quickly and get access to services and economic opportunities:

- ▶ Prevention: Targeting and expanding services for families at the highest risk of homelessness so they can remain in their homes.
- ▶ Coordinated Entry: Creating a common way for families to access services.
- ▶ Rapid Re-housing: Moving families quickly into housing with support services that help them stabilize and build self-sufficiency.
- ▶ Tailored Services: Offering flexible support services that match families' unique needs.
- ▶ Connections to Employment: Linking families to education, training, and jobs.

Leadership for FHI came from the Bill & Melinda Gates Foundation, Building Changes, and designated departmental agencies within each county government. All three counties received initial grants of up to \$200,000 in stages (King County received an additional \$100,000 from United Way of King County) for a three-phase planning process, including a landscape assessment phase, a strategy development phase, and an implementation planning phase. The foundation approved counties' final plans in October and November of 2010.

Each county received annual system infrastructure support from the foundation over the lifetime of the initiative. These infrastructure grants, with cumulative totals of approximately \$3 million each for Pierce and Snohomish counties and \$4 million for King County, were given directly by the foundation to the county lead organizations to support implementation.

Throughout the initiative, Building Changes received funding from the foundation to regrant as Systems Innovation Grants, as well as to provide funding to support the Data-Driven Culture Initiative. Building Changes and the counties worked together to shape these grants, which formed the backbone of systems change and supported the implementation of the pillars. Examples include investments in data infrastructure and capacity, staff and training for coordinated entry, pilot tests of diversion and rapid re-housing projects, and design and implementation of employment initiatives. Between 2010 and 2020, Building Changes regranted over \$29 million into King, Pierce, and Snohomish counties. The distribution of these grants over the pillars of the initiative is shown in Fig. 2.

Figure 2

FAMILY HOMELESSNESS INITIATIVE GRANTMAKING BY PILLAR 2011-2020				
All Counties Data-Driven Culture Initiative (DDCI) Impacted All Pillars				
Prevention (Inc. Diversion)	Coordinated Entry (CE)	Rapid Re-housing	Economic Opportunities	Tailored Services
King County - 4 projects <ul style="list-style-type: none"> • Immigrant and Refugee Prevention Navigator • Domestic Violence Housing First • Seattle Prevention With ECEAP • FHC Shelter Diversion 	King County - 4 projects <ul style="list-style-type: none"> • Family Connector Team • Family Housing Connection • FHC transition • CEA Regional Access Points 	King County - 8 projects <ul style="list-style-type: none"> • Shelter to Housing Grants • Risk Mitigation Fund • RRH Pilot • Capacity Building Grants • Rapid Re-housing/Diversion • Legal Assistance for Housing Debt • Rapid Re-housing Expansion • Culturally Tailored RRH Aftercare 	King County - 2 projects <ul style="list-style-type: none"> • Front Door Employment Services • RRH Employment Navigator 	King County - 5 projects <ul style="list-style-type: none"> • Continuum of Services for AI/NA Families • Diversion Centralized Flex Fund • Kids Plus Pilots Project • Career Connections • Housing Search and Stabilization
Pierce County - 5 projects <ul style="list-style-type: none"> • 2-1-1 and Diversion • Preventing Homelessness for Black/African American Families • Diversion Collaboration • Housing Crisis Support for Pregnant & Post-Partum Families • Landlord Liaison Project 	Pierce County - 4 projects <ul style="list-style-type: none"> • Centralized Intake & Prevention SVCS • Care Coordination For Families in CE • Expanding CE to Family Shelters • From Centralized Intake to Coordinated Entry 	Pierce County - 3 projects <ul style="list-style-type: none"> • PC High Performing System • Transitional Housing Conversion • Enhancing Rapid Re-housing with Critical Time Intervention 	Pierce County - 3 projects <ul style="list-style-type: none"> • Education to Employment • LEAP • Sector Training Navigation 	Pierce County - 3 projects <ul style="list-style-type: none"> • McKinney Vento Workforce Project • Civic Legal Aid for Homeless Families • McCarver Elementary School
Snohomish County - 3 projects <ul style="list-style-type: none"> • Homeless Young Parent Outreach & Coordinated Entry Project • Investing in Families: Prevention • Interfaith Shelter Diversion 	Snohomish County - 6 projects <ul style="list-style-type: none"> • Investing in Families: CE • CE Navigator • Coordinated Entry Refinements • Rural Outreach and CE • North SnoCo CE Navigator • South SnoCo CE Navigator 	Snohomish County - 6 projects <ul style="list-style-type: none"> • Mobile Advocate & DVS-based Navigator • Housing Retention Support Project • Investing in Families: RRH • Housing Resource Specialist • Landlord Engagement Project • RRH Systems Performance Initiative 	Snohomish County - 10 projects <ul style="list-style-type: none"> • Financial and Legal Assistance • Rapid Re-Employment • CATCH • Supported Employment Pilot • College Readiness & Job Retention Svcs • Integrated Economic Opportunity & Housing Services Navigator • Employment Readiness Navigator • Journey to Jobs • Strong Families Strong Futures • Enhanced Econ Opp & RRH Services 	Snohomish County - 11 projects <ul style="list-style-type: none"> • IFF: Mental Health Access • IFF: Family/Civil Law Services • Life Skills Project • Assertive Engagement Specialist • Employment and Housing Consultation • Keeping Families Together • Data Integration • Flex Fund • Veteran Families Actual Zero • Health & Housing System Integration • Finance-Related Assistance & Education

Building Changes

THE COUNTIES

All three counties adhered to FHI's theory of action, but each one followed a different strategy in doing so. Westat's comprehensive evaluations lay out each county's implementation in detail. For the purposes of putting lessons learned into context, it is most important to highlight here some key differences between the counties.

KING COUNTY

By far the largest of the three counties (pop. 2.25 million as of 2019), King County chose to begin its FHI implementation with coordinated entry for families experiencing homelessness. One provider, Catholic Community Services of Western Washington, was chosen via RFP to implement Family Housing Connection (and eventually Youth Housing Connection, the coordinated entry system for young adults). Initially, the system served both families experiencing homelessness and families within 30 days of homelessness, but demand was so overwhelming that eligibility was subsequently limited to literal homelessness. Provider-led implementation ensured that providers' needs were taken into account, but holding peers accountable to system priorities and federal and local policies proved to be a challenge for Catholic Community Services. When the system expanded to include single adults and relaunched as Coordinated Entry for All, therefore, the county took over implementation.

Initially, those experiencing homelessness were prioritized by how long they had been on the list. After a number of iterations and refinements, the community adopted a dynamic prioritization approach that considers multiple factors, including household vulnerability, available resources, and community priorities.

After a highly successful pilot of diversion in 2014-2016, the strategy was scaled county-wide. Subsequently, the Continuum of Care and Building Changes developed the Centralized Diversion Fund, giving everyone working in homelessness or homelessness-adjacent systems access to flexible client funding and training conducted by local experts.

Currently, those experiencing homelessness can go to a Regional Access Point or to one of many emergency shelters, where they are offered a diversion conversation. If diversion does not end with a path to housing, they are assessed and added to a prioritization list for a housing referral. Case conferencing occurs weekly or bi-weekly to connect those on the priority list with open housing.

PIERCE COUNTY

Pierce County (pop. 905,000 as of 2019) began with a county-wide pilot of centralized intake. Instead of restricting its pilot to family homelessness as King did, Pierce chose to implement across all its homeless populations (families, youth, and single adults) simultaneously. At first, centralized intake (known as Access Point for Housing) served both those who were literally

homeless and those who were unsafely housed. But, as in King County, demand so outstripped supply that the system was quickly overwhelmed, at which point the county changed eligibility requirements to literal homelessness. After a competitive process, Pierce chose one provider, Associated Ministries, to coordinate intake. In the next round of procurement, Associated Ministries was joined by Catholic Community Services, Greater Lakes Mental Health Care, and Comprehensive Life Resources so that the system offered multiple entry points. Pierce also added dynamic prioritization and revised the intake interview to make it shorter and less intrusive, relaunching the resulting system as coordinated entry. Around the same time, Associated Ministries called everyone who had been assessed but had yet to receive a housing referral and learned that fully a third of those they contacted had already self-resolved. Seeing how close so many families had already been to self-resolution, and encouraged by the initial success of King's pilot of diversion, Pierce began its own pilot and quickly implemented diversion countywide.

Under Pierce's current system, those in the county experiencing homelessness can call 211, speak to a Mobile Outreach Team, or drop in to one of a number of community organizations. They are offered a diversion conversation at intake. Those for whom that conversation does not result in a path to housing are assessed for vulnerability and added to the priority pool, where they stay for 90 days (unless they are chronically homeless, in which case they are never removed from the list). Pierce is continuing to expand entry points and train people in homelessness-adjacent systems in diversion conversations. A pilot is currently running with an eye to eventual expansion, whereby some Medicaid-eligible people experiencing homelessness receive care coordination services while they are on the list.



SNOHOMISH COUNTY

Snohomish County (pop. 822,000 in 2019) took an approach to implementation significantly different from King’s and Pierce’s. Instead of initially focusing solely on the development of a coordinated entry system, Snohomish implemented a small pilot (75 families) of all five pillars identified by the theory of action. The pilot created a system whereby each family experiencing homelessness sat down with a Navigator at entry and was offered a conversation about, among other things, employment, dispute resolution, and legal services. Afterwards, those who wished to be were assessed and added to the prioritization list. After the success of the pilot, Snohomish scaled the system across the county and eventually across all its homeless populations. Scaling was difficult, as the Navigators’ case loads ballooned to as many as 150 families each, and Navigators struggled to keep up.

In 2017, the county began a revamp to simplify the process for those experiencing homelessness, make the system more efficient and equitable, reduce Navigators’ case loads, and enable them to provide more intensive rapid resolution and connect clients with a more robust array of services.

Those experiencing homelessness in Snohomish County today can work with any coordinated entry site, but specialty sites have also been designated for specific populations and regions. Housing Navigators work with clients to develop a goal and service plan based on a self-sufficiency matrix that assesses strengths not just in housing but also 15 other domains such as food, childcare, social and/or family support, mental health, and income. Meanwhile, families at risk of homelessness are eligible to work with Prevention Navigators, who prioritize them for targeted prevention assistance, link them to appropriate housing as an alternative to homelessness, and connect them to needed services.

SYSTEMS CHANGE SUMMARY

Despite these variations in approach, each county has made similar systems changes over the past decade, as shown in Fig. 3.

Figure 3

SYSTEMS AT BASELINE/SYSTEMS AFTER REFORM					
	Access to Homeless Assistance	Access to Homelessness Prevention	Access to Housing	Access to Services	Access to Economic Opportunities
SYSTEMS AT BASELINE: UNCOORDINATED CONTINUUMS	At shelter door	Typically, one time or limited assistance	Shelter transitional housing continuum	Services not coordinated	Some provider services
SYSTEMS AFTER REFORM: COORDINATION, PRIORITIZATION, DIVERSION, HOUSING FIRST	Coordinated entry, involving case conferencing, dynamic prioritization, assessment	Diversion First in two counties Dispute Resolution/legal assistance	Rapid re-housing with flexibility, realignment, Housing First	Emphasis on cross-training, connection with providers	Efforts to link with rapid re-housing; difficulties engaging mainstream services

Westat



OUTCOMES

Data on FHI and its impact on the experience of families in the homelessness system comes from two sources: Westat’s longitudinal evaluation comparing the experiences of two sets of families and Building Changes’s analysis of each county’s Homelessness Management Information System (“HMIS”). (Federal mandates require counties to maintain an HMIS that tracks all homeless services provided within their jurisdiction.) The two sources of data, insofar as they overlap, support each other’s conclusions.

WESTAT

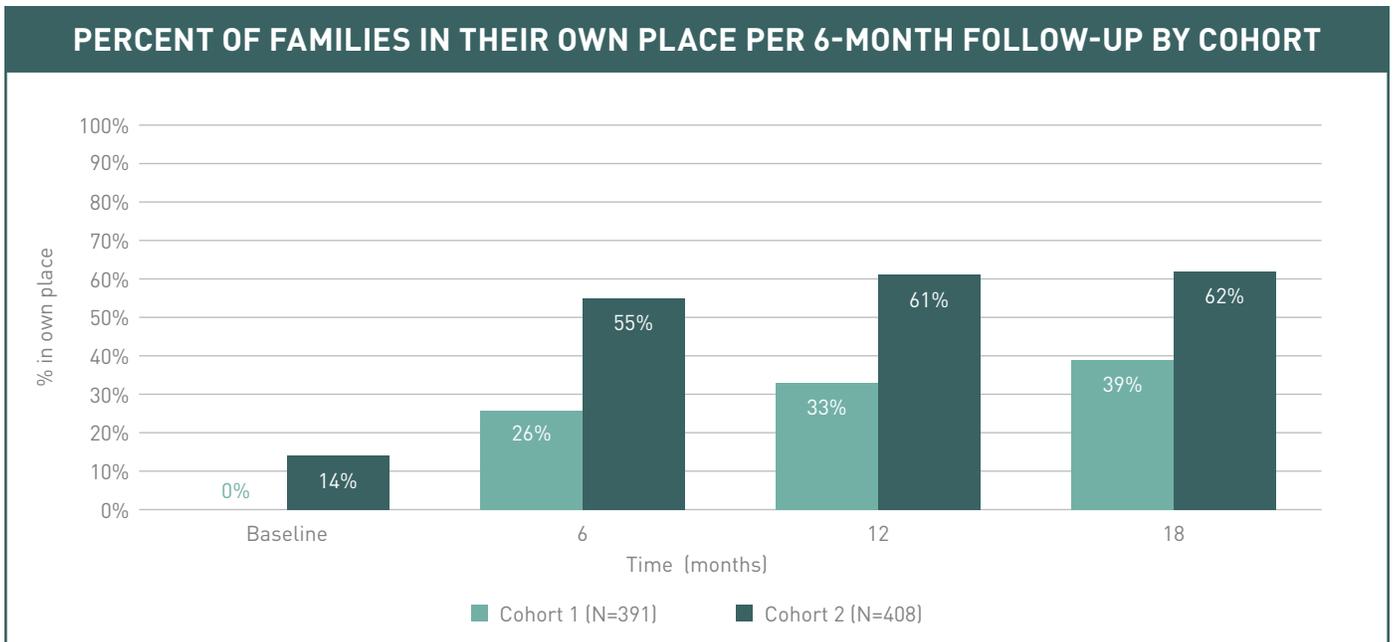
Westat’s Family Impact Study involved a rigorous quasi-experiment that compared two sets of families: Cohort 1, a sample of families served in 2011-2012, before the counties had made most of their changes, and Cohort 2, a sample of families served in 2015-2016, when FHI was well under way. Both cohorts began with approximately 150 families per county, for a total of 467 families in Cohort 1 and 504 families in Cohort 2. Westat tracked both cohorts over 18 months, and in Cohort 2, the subset of families that received rapid re-housing or shelter was tracked an additional year. The racial composition of each cohort was broadly representative of each county’s HMIS family populations.

Westat’s analyses of the differences between the experiences of each cohort demonstrates that the reforms initiated under FHI **significantly improved the system’s ability to move more families more quickly into permanent housing over an 18-month period without significantly increasing returns to homelessness.** Westat’s evaluation was not designed to differentiate family outcomes by race, so data cannot be disaggregated by race. However, analysis reveals that, controlling for other factors, there were not any negative statistically significant differences in housing outcomes by race. In other words, Black and multi-racial families saw improvements in housing at the same or better rates compared to white families.

ACCESS AND TIME TO ACCESS TO PERMANENT HOUSING

Systems reform moved *more families* into permanent housing *more quickly*. As shown in Fig. 4, at each six-month follow-up, a significantly higher percentage of Cohort 2 families lived in their own place than of Cohort 1 families. By 18 months, 62% of Cohort 2 families were living in their own place compared to 39% of Cohort 1 families. Additional analysis found that the average time it took families in Cohort 2 to find permanent housing was four months, compared to six months for families in Cohort 1—a reduction of over a third.

Figure 4

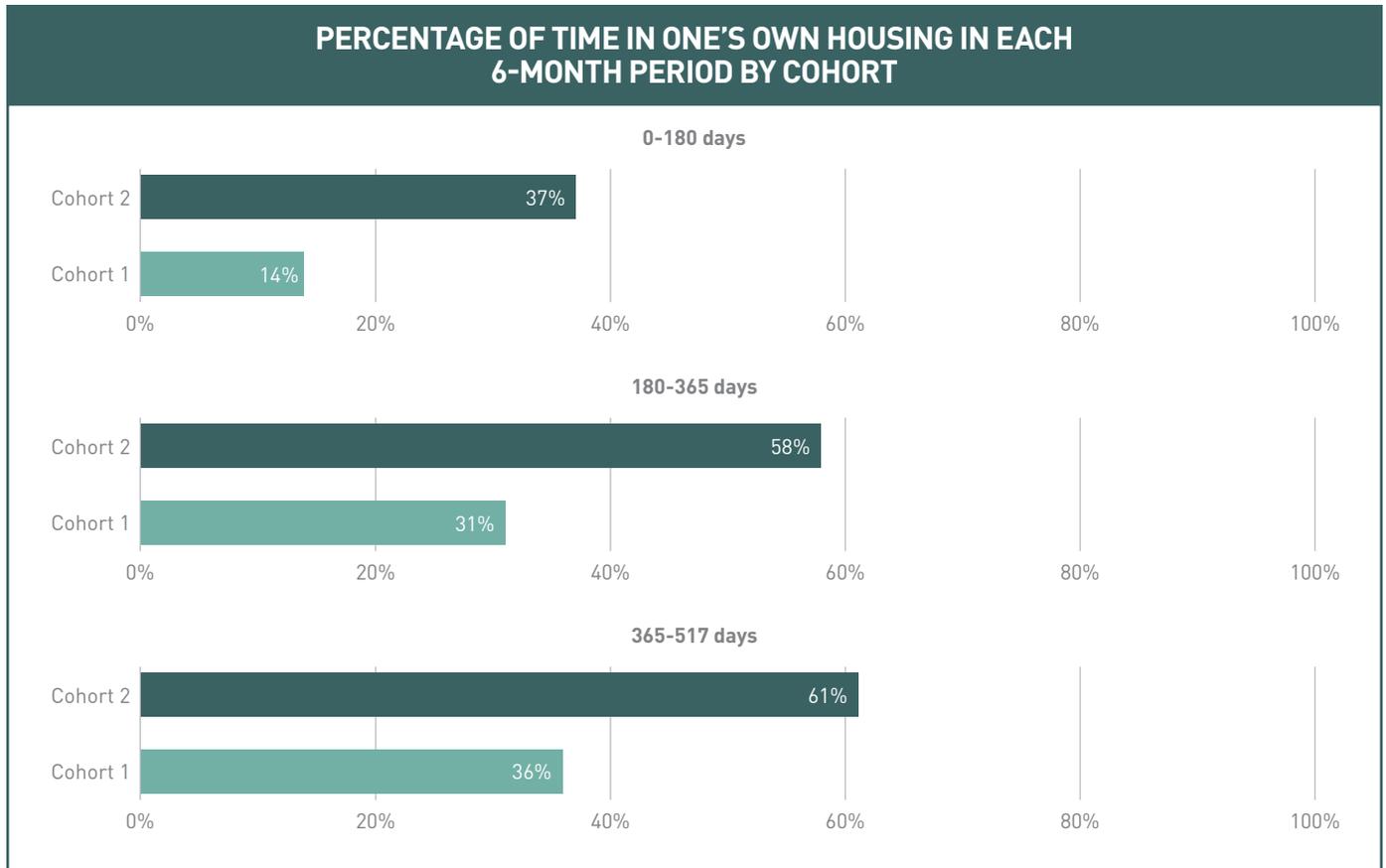


Westat

STABILITY IN PERMANENT HOUSING

In addition to moving *more families* into permanent housing *more quickly*, systems reform also allowed families to spend *more time* in that housing on average—almost twice as much. Over the full 18-month study period, Cohort 2 families spent an average of 266 nights in their own housing, as opposed an average of 138 nights for Cohort 1 families. The differences in the time spent by families in each cohort in their own home by six-month periods are shown in Fig. 5.

Figure 5



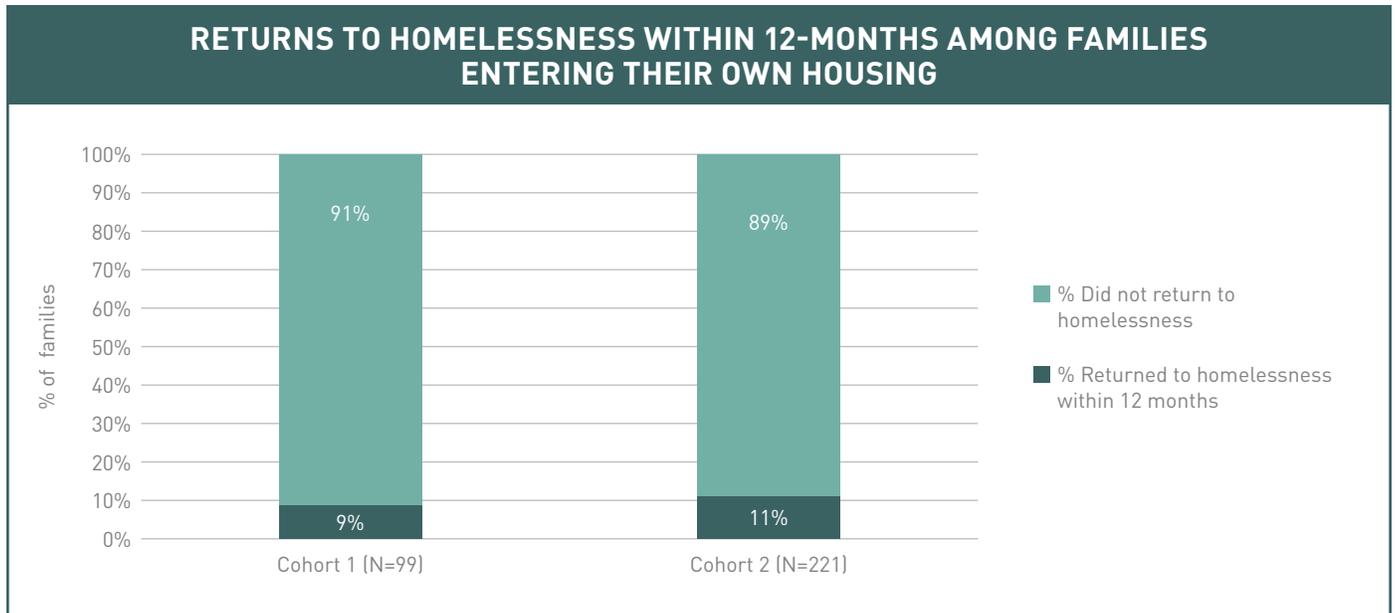
Westat



RETURNS TO HOMELESSNESS AMONG THOSE WHO ENTER THEIR OWN HOUSING

As shown in Fig. 6, rates of return to homelessness within 12 months of entering housing did not significantly change between the cohorts, despite the fact that, after systems change, many more families were moving into their own homes through less intensive, lower-cost interventions.

Figure 6



Westat

TIME HOMELESS, SHELTERED AND UNSHELTERED

One finding emerging from the Westat data that warrants closer examination is that, although the percentage of families experiencing at least one night of sheltered homelessness dropped from 90% in Cohort 1 to 55% in Cohort 2, the percentage experiencing at least one night of unsheltered homelessness increased from 5% in Cohort 1 to 34% in Cohort 2. The amount of time spent in sheltered vs. unsheltered homelessness similarly changed between cohorts, with Cohort 1 spending an average of 103 nights in sheltered homelessness, as compared with 63 nights for Cohort 2, and Cohort 1 spending an average of 3 nights in unsheltered homelessness, as compared with 39 nights for Cohort 2.

In other words, although both cohorts experienced homelessness at similar rates and for similar amounts of time during their stays in crisis response systems, Cohort 2 families spent more of that time unsheltered, on average, than Cohort 1 families.

This finding is not entirely surprising, given that, over the course of the initiative, the system came to rely less on shelter and transitional housing, while the number of families seeking help increased significantly. It nevertheless reflects one potential downside of moving towards a system that more flexibly addresses families' needs. Counties seeking to improve their homelessness systems would be well advised to monitor this data point and investigate ways to mitigate this potential trade-off.

NON-HOUSING OUTCOMES

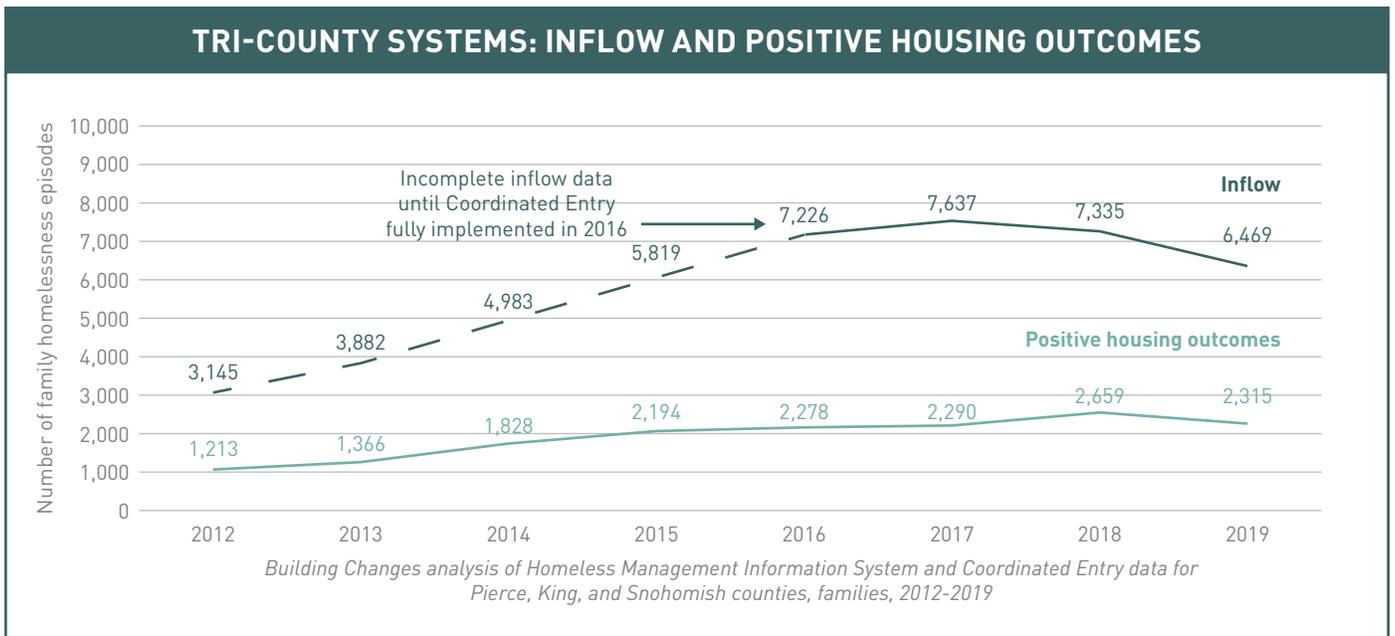
Outcomes in some areas of life affected by homelessness, such as adults' employment and income, improved for both cohorts. Families served after systems reform were significantly more likely to have increased employment and income than those served before reform. There was no statistically significant difference between family intactness, school stability, and school attendance before and after systems reform.

BUILDING CHANGES

The tri-county systemwide data from each county’s HMIS compiled by Building Changes is largely consistent with the changes documented by Westat. (While HMIS data represents all families entering the system, Westat’s data represents a specific subset of those families. All analyses and interpretations of the HMIS data in this paper are those of Building Changes, and do not necessarily reflect the views of King, Pierce, and Snohomish counties.) Across all three counties, HMIS data indicates that the number of families moved into permanent housing between 2012 and 2019 increased by 91%, from about 1,200 to about 2,300, and the average length of time families experienced homelessness decreased from about six months to under five months.

Despite this positive news, however, as is shown in Fig. 7, the number of families seeking assistance from the homelessness system more than doubled between 2012 and 2019, from about 3,100 to about 6,500. This growing divide between system inflow (families seeking assistance) and outflow (families moved into permanent housing) explains why, despite the initiative’s significant achievements, family homelessness has nevertheless continued to grow in the Puget Sound over the past decade.

Figure 7



What has become clear is that, as important as the counties’ efforts have been in creating more efficient and effective crisis-response systems, and as critical as it is that these efforts be sustained, homelessness in the Puget Sound is increasingly becoming an inflow problem. To reduce homelessness, our region will need to address the significant upstream problems that push families into homelessness, most notably the lack of affordable housing for extremely poor families (families that earn less than 30% of area median income).

LESSONS

Over the course of interviews with stakeholders from King, Pierce, and Snohomish counties, as well as foundation, Building Changes, and Westat staff, a consensus emerged about where FHI had been most effective, what partners could have done to make it more effective, and how others seeking to improve homelessness crisis-response systems might increase their chances of success. That consensus is set forth in the following ten lessons.

MAKE RACIAL EQUITY FOUNDATIONAL

While the foundation recognized the racially disproportionate rates of homelessness in the Puget Sound (according to HMIS data, Black families in King, Pierce, and Snohomish counties are almost 8 times more likely to experience homelessness than their proportion in the population would suggest, Pacific Islander families 4 times more likely, and Indigenous families 3 times more likely), FHI's theory of action did not explicitly address racial disparities or the possibility that the homelessness system itself might worsen them. Similarly, though the cohorts in Westat's evaluation study were selected to be representative of families experiencing homelessness in the Puget Sound, the evaluation itself was not specifically designed to compare outcomes disaggregated by race. As the initiative unfolded, it became clear that these omissions threatened to limit the initiative's success. In response, Building Changes, the foundation, and the counties began to focus on keeping the homelessness system from perpetuating the very inequities that made families homeless in the first place.

In 2018, prompted by the ground-breaking **Supporting Partnerships for Anti-Racist Communities** report by the Center for Social Innovation on the topic of homelessness and structural racism, the Bill & Melinda Gates Foundation and the Raikes Foundation co-hosted what is believed to be the first National Summit on Homelessness and Racial Equity. During the two-day convening, over 120 local and national stakeholders discussed what homelessness systems could do to ensure more equitable outcomes.

Inspired by the report, the summit, and the evolving national conversation, the counties began working to discover and rectify racial inequities in their homelessness systems. In 2019, an **analysis of coordinated entry data from four counties nationwide**, including King and Pierce, showed that some racially marginalized families were likely to score lower than white families on the assessment tools used to prioritize referrals to housing services. In response, all three counties have created working groups that meet regularly to make adjustments to their assessment and prioritization tools and to measure the results of those adjustments.

Meanwhile, Building Changes also worked to make outcomes more racially equitable. This work happened in two phases. In the first phase, each county was required to spend 25% of its allocated Systems Innovation Grant money to address racial disparities and/or disproportionalities. In the second phase, in addition to helping many mainstream grantees serve racially marginalized people better, Building Changes began giving grants to organizations already well positioned to serve specific marginalized populations. Through grants to organizations such as Mother Nation and Chief Seattle Club in King County and the Multicultural Family and Child Hope Center in Pierce, for example, Building Changes provided critical funding to organizations that served specific racially marginalized populations.

“We had a huge push to make outcome data public, and right alongside it you could see the disparities for people of color in particular. And I think that was really shocking to folks.”

The counties and Building Changes continue to work to uncover racial disparities and disproportionalities. In Pierce County, for example, Black, Indigenous, Pacific Islander, and Hispanic families are more likely than white families to pursue diversion, and Black families are more likely than white families to cycle through coordinated entry three or more times. As counties study these findings, they are making an effort to hire more racially diverse staff so that decisionmakers at all levels, from assessors to administrators, have a more inclusive perspective. At the same time, they are diversifying intake locations to reach more people who are racially marginalized (for example, food banks, Head Start centers, and churches).

While it is now generally understood that racial inequities affect not just who becomes homeless but also how they experience homelessness and whether and how they find housing again, much remains to be learned about the best ways to correct these inequities. It is clear that without racially disaggregated data and a strong focus on how homelessness systems can impede or promote housing justice, the problem of homelessness will never be fully addressed.

Partners should make a foundational commitment to uncovering and eliminating racial inequities.

INVEST SIGNIFICANTLY IN DATA CAPACITY

Interviewees reported widespread dissatisfaction before FHI with the ways in which data was collected and used (or, more precisely, not used) to improve practice. Providers expressed frustration with HUD-required data reporting exercises that they viewed as wastes of time, and county staff found the data unwieldy and difficult to understand. Data regarding the effectiveness of the homelessness system was not publicly available, and, to the extent that it was shared internally, much of it was held on static Excel spreadsheets that made timely analyses impossible.

Recognizing that a functional data infrastructure must be at the core of any system that successfully innovates and iterates, FHI invested in a Data-Driven Culture Initiative in each county. Building Changes led this initiative by hiring data analysis and visualization firm Viztric to work with the data so the counties could analyze it in close to real time via Tableau-based dashboards. Just as importantly, Building Changes supported the counties as they worked to improve their ability to generate insights from the data that led to better outcomes. In Snohomish County, for example, staff newly trained in data management and analysis observed that wait times for assessment by Navigation Teams had increased from 7-10 days to 21 days, which led the county to make changes to their program. Similarly, when data from King County revealed that families coming into coordinated entry had higher levels of debt than previously understood, Building Changes worked with Catholic Community Services' Tenant Law Center to create a project that helped families mitigate debt, whether by negotiating it down or advocating with landlords.

Today, Tableau-based dashboards for **King, Pierce, and Snohomish** are available online. The general public can use these to examine homelessness data instantly, including by subpopulation or racial demographic. Before FHI, such analyses would have taken data managers days to produce even for limited audiences.

The new approach to data has also allowed all three counties to submit stronger Continuum of Care applications to HUD, and consequently to receive significantly more funding. In 2018, for example, improved data capacity helped Snohomish County submit an especially strong application for federal funding. It won the county \$3 million in Youth Homelessness Prevention Demonstration Project funding—\$3 million that was then added to Snohomish's annual renewal request.

The Housing Assistance Unit of Washington State's Department of Commerce, seeing the difference the increased capacity made in the counties, decided to take a similar approach to data: all five offices in the unit adopted the same software, invested in capacity in the same way, and began working from a common data set that allowed each office to support the others. As a result, Washington State has garnered national praise in using homelessness systems data to drive policy and practice.

Every single person interviewed stressed the impact of the increased data capacity, many adding that they had not expected the shift to make such a big difference. The change enabled not just better services but a fuller, more comprehensive approach to the work, in part by allowing county staff, providers, and people with experience of homelessness to make meaning of the data.

“Data isn't sexy. But it takes what was once unthinkable and makes it not just possible, but easy.”

Counties, even those strapped for cash, should invest significant resources in data capacity, not only for the sake of compliance but also both to make data-informed improvements possible and to strengthen applications for competitive public funding.

PLAN ON CONTINUAL ITERATION

Each county emerged from the initial planning phase with a lengthy and detailed plan for implementation—Pierce and King for a system-wide pilot of coordinated entry and Snohomish for a 75-family pilot of all five pillars. Upon implementation, however, it became clear that many of the assumptions made during the planning had not been borne out and that changes would be necessary for the initiative to succeed.

For example, Access Point for Housing, Pierce County's centralized intake system, was designed, funded, and staffed to deal with 400 requests for assistance per month from families that were homeless or unstably housed. In the first six months, however, the system averaged 1,700 requests per month. In response, Associated Ministries hired more staff and changed eligibility requirements, referring unstably housed families to other providers. These adjustments allowed the system to meet demand.

“You don't just build a system and then you're done. Coordinated Entry will continually need to change, everything will need to change.”

King County’s coordinated entry system went through many of the same kinds of changes. In addition, though assessments were initially conducted only at regional access points and domestic violence shelters, the significant travel burdens this created limited the number of families able to seek help from the system. In 2014, therefore, the county expanded assessment capacity to general population shelters as well. These assessments have reduced both the number of families that have to travel long distances to be assessed and the no-show rate for assessment. They have also increased the number of households entering the roster.

Across the three key drivers—coordinated entry, rapid re-housing, and diversion—the counties have made and continue to make adjustments to achieve the best possible results.

Partners should avoid overplanning or getting attached to a particular design, because they will need to adjust policies and programs continually based on what they learn through implementation.

INVEST IN CULTURE CHANGE

Before the implementation of FHI, homelessness systems in the three counties had operated on a linear housing-readiness model. Sound Families, the foundation’s previous effort to reduce homelessness in Washington State, was conceived with the same model in mind. From the outset of FHI, partners knew that shifting to a housing-first model would require systems-change management, but those interviewed say that they may have focused too much on the mechanics of establishing new systems and not enough on the philosophical and cultural changes the move to a housing-first approach required of providers. To work in new ways, providers had to understand their role in new ways, and so the transition took more time and energy than expected. Among the more difficult shifts was that providers who had understood themselves to be fighting poverty holistically now had to think of themselves as fighting homelessness specifically.

“These non-profits are doing a lot of things in the family world in particular, not just homelessness. They have a lot on their plate, they don't have a lot of funding, and it is a lot to ask them to think differently about the population they're serving and how they're serving them.”

FHI’s early messaging and communication added friction to this transition. At the beginning of the initiative, Building Changes and the counties saw the need for provider buy-in to a housing-first model and worked to make the model’s advantages clear. However, some of the messaging made providers feel that the work they had done on a housing-readiness model was being criticized. Over time, the messaging shifted to portray rapid re-housing not as a more effective alternative to transitional housing but as one of several necessary parts of a system that offered options based upon the needs of individual families. As time went on, communication about the reasons behind the changes improved, which helped providers feel more included in the process. Building Changes also arranged several meetings at which providers were able to explore culture change together and to learn from outside providers how and why the shifts they were making were beneficial. Interviewees agree that if they had used this messaging and extensive and inclusive communication from the beginning, the necessary culture change and the resulting buy-in would have come more quickly and easily.

Partners should understand how difficult it will be and how long it will take for providers to change their perspective and should plan from the beginning to make a significant investment in provider culture change.

BUILD IN OPPORTUNITIES FOR COLLABORATIVE LEARNING

FHI was designed with ample opportunities for collaboration and learning among partners. To foster a culture of learning from the outset, the foundation funded visits to communities around the country with promising practices in place, invited experts to the Puget Sound to present to county and state leadership, and brought partners to the National Alliance to End Homelessness Family Homelessness Conferences and other conferences and trainings.

Building Changes, meanwhile, assigned each county a dedicated staff member. As this relationship evolved, Building Changes staff began serving essentially as embedded consultants, able to advise the counties on all aspects of implementation.

FHI also emphasized peer learning and information exchange, particularly among the three counties and their lead organizations. Monthly tri-county meetings, convenings, and work sessions, begun in early 2011, became an important forum for collaboration and a key driver of better decisions.

Examples of cross-county learning include:

- ▶ King County planned its coordinated entry system with the lessons taught by Pierce County's implementation in mind.
- ▶ King County's Funders' Group offered the funders' groups in Pierce and Snohomish counties early insights into the role that these types of groups could have.
- ▶ Pierce County's approach to rapid re-housing is modeled after King County's approach.
- ▶ Pierce County's diversion and Snohomish County's rapid resolution are based on diversion in King County.

Over time, some of these learning opportunities were offered to providers as well, to positive effect. Building Changes and county staff agreed it would have been better to include providers earlier and more extensively.

“The opportunities we all had to learn from one another meant that each county learned three times as much—or more—about how to help people best.”

Interviewees suggested the reason collaborative learning was so fruitful was that those working in homelessness have usually practiced in isolation—each county had tended to work on its own, as had each provider, and so had found few opportunities to learn from others' successes. Everyone interviewed said that the collaborative aspect of FHI made the work better.

Partners should build in opportunities from the beginning for all players at all levels, including providers, to learn from one another at every stage of the work.

EMPOWER PROVIDERS TO BE FLEXIBLE

The flexible range of interventions FHI offered to families experiencing homelessness was developed in response to frustration at the limits imposed by a transitional-housing-only system. As the initiative progressed and partners and providers listened carefully to what individual families said they needed, more opportunities for flexibility presented themselves. FHI's diversion strategy, for example, enabled families that wanted or needed a lighter touch than rapid re-housing to resolve their homelessness by addressing problems ranging from car repairs to utility bills to workforce licensing permits. Families like diversion because it gives them what they know they need to resolve their housing crises. Providers like it because it allows them to help families solve their own problems. Analyses of recent HMIS data from Pierce County show that roughly half of the families assessed

attempted diversion as a path out of homelessness, and almost half of those families succeeded. Building Changes and King County extended diversion by creating a privately funded Centralized Diversion Fund accessible to anyone working with families experiencing homelessness. The removal of dollar caps on this money shortly after the fund's creation made it even more flexible and powerful.

“If we are trying to reach those folks who have been most impacted, and we're funding those organizations that are already engaging with them, let's listen to how they need the money and the ways they want to spend that money.”

Rapid re-housing also benefits from flexibility. At first, providers, accustomed to working on a housing-readiness model, tended to subsidize families for the maximum allowable two years. Looking to other communities, however, King County found that many families only needed three months of assistance to stabilize their housing, so messaging began to emphasize three months as the ideal subsidy. As a result, providers began steering families needing more than three months of assistance away from rapid re-housing even when it was the most appropriate intervention. At this point, county messaging changed to emphasize that the appropriate length of time for rapid re-housing subsidies was neither “two years” nor “three months” but whatever each individual family needed, up to two years. Interviewees agreed that, after this change, placements became more appropriate.

Partners should empower providers to be flexible in giving individual families what they need.



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COMMIT TO LONG-TERM FUNDING

Frequently, private funding makes grants of only one to three years in duration. A significant feature of FHI was that grantees knew from the beginning that the foundation's investments would span 10 years. Interviewees agreed that, in the absence of a ticking clock, the counties felt much freer to attempt innovations that might require longer horizons to be implemented successfully. Similarly, flexibility of funding promoted risk-taking and allowed partners to innovate in ways unlikely to be permissible with government funding.

“The fact that we knew this money was going to be coming for ten years made all the difference. I can’t even count the things it let us accomplish that we wouldn’t have been able to do otherwise.”

Many of the successes detailed in these lessons emerged only several years into the initiative, which means that a two- or three-year effort would have concluded by the time they were even piloted. They include:

- ▶ The adoption of coordinated entry and diversion across all three counties,
- ▶ The data-driven culture initiative,
- ▶ The increased focus on racial equity,
- ▶ The increased focus on culture change, and
- ▶ Strategies tailored to subpopulations with specific needs, like homelessness prevention for Black families, rapid re-housing aftercare for Indigenous families, and diversion for women receiving maternal support services.

Funders should make long-term investments in order to give grantees the freedom to take risks and iterate over time.

ADVOCATE FROM BEGINNING TO END

Washington State owes the advances it has made in homelessness programming to effective advocacy. Before FHI was conceived and as Sound Families was wrapping up, Building Changes and various advocacy groups started working with state legislators to create a dedicated fund for homelessness services. Using qualitative and quantitative data from Sound Families, they persuaded the state to create what would eventually become the ground-breaking Washington Youth and Families Fund (“WYFF”), a public-private partnership that has matched nearly \$30 million of funding from the state legislature with the same amount of private funding.

As the administrator of WYFF, Building Changes has consistently used lessons gleaned from FHI to shape its work. To date, WYFF, through Building Changes, has regranted more than \$59 million to 118 organizations including two Tribes in 28 counties across Washington State. In this way, a landmark advocacy victory from 16 years ago continues to serve an important advocacy purpose, spreading best practices from the Puget Sound and FHI across the state.

Over the course of the initiative, partners conducted advocacy work on many fronts, including but not limited to:

- ▶ Meetings with government officials to advocate for prevention and reduction policies and programs,
- ▶ Targeted legislative advocacy to remove barriers and improve implementation practices,
- ▶ Policy papers synthesizing existing research and best practices and proposing strategies,
- ▶ Foundation participation in Funders Together to End Homelessness, a national network of funders supporting grant-making to end homelessness, and
- ▶ Funding of nearly 30 grants to increase the visibility of family homelessness and mobilize support for policy changes.

Building Changes staff agreed that the advocacy effort especially improved in two ways as more attention was paid to the day-to-day process of collecting and sharing evidence about what worked.

First, as time went on and data capacity increased, programming began incorporating more data collection—both quantitative and qualitative—to allow successful programs to replicate more widely. Current grants include data collection as a matter of course, which provides advocates with much stronger proof points. In addition, they are increasingly conscientious about including testimony from people who are experiencing or have experienced homelessness.

Second, in the latter years of the initiative, policymakers have been kept more abreast of programs, progress, and needs from earlier in the process. As a result, it has been easier for advocates to get legislative buy-in more quickly, since programs come before decisionmakers with champions already attached.

“If I need to go and talk to any public policy people and sell something as policy or advocacy, I can bring the qualitative and quantitative data to prove that it works. But that's today. In the early days of FHI, we didn't have data people in the room during program planning, we didn't have policy people in the room, so when the programs were successful we weren't in as strong a position to advocate for them.”

One notable success in the connection of programming to advocacy is King County's Centralized Diversion Fund. After the introduction and wide popularity of diversion in King in 2014, the county began offering diversion training to anyone who worked with people experiencing homelessness, not just coordinated entry assessors. In order to give the new staff offering diversion access to funds, Building Changes and the county created a Centralized Diversion Fund, with \$1.25 million flexible private dollars (from FHI and other outside donors) for use by anybody doing diversion work. This initial money was used up in five months, during which time it helped 500 families return to housing. At this point it was replenished, as it has been periodically, by philanthropic funding. Through advocacy efforts informed by the success of this fund, the state legislature subsequently created a diversion fund in the state budget for use by A Way Home Washington to help reach functional zero youth homelessness in four counties in the state.

Partners should build programs with advocacy in mind by including data experts in the planning process from the beginning and keeping policymakers abreast of developments along the way.

THINK CREATIVELY ABOUT SILOED SYSTEMS

While FHI made meaningful improvements to homelessness system responses within the purview of county human services departments, the initiative had more limited success breaking down the silos that prevented homelessness providers from collaborating with providers in other mainstream systems, such as workforce development, child welfare, the local housing authority, and criminal justice. Many of FHI's efforts addressing the pillars around Tailored Services and Connection to Employment showed promise but often faltered once philanthropic funding ended.

For example, workforce development agencies in all three counties were involved in planning from the very beginning and used multiple system innovation grants to try to create more meaningful pathways to employment for families experiencing homelessness, but were unable to secure funding once their FHI grant had concluded.

One strategy that helped counties find some money to replace philanthropic funding was to look for relevant funding streams in a wide variety of mainstream systems. Toward the end of the initiative, for example, Snohomish County was able to support some Connection to Employment programs by turning to employment funding in non-workforce mainstream systems like Temporary Assistance for Needy Families, the Supplemental Nutritional Assistance Program, Developmental Disabilities/Mental Health, and Basic Education for Adults.

Building Changes also found a successful strategy for its Perinatal Housing Grant, which funded diversion for pregnant and parenting families experiencing homelessness or housing instability. Once the grant had concluded, several providers worked together to replace some of the philanthropic funding with flexible Medicaid funding—something no individual provider is likely to have been able to do alone.

A third source of successful collaboration across siloed systems has been the Tacoma Housing Authority, which early in the days of the initiative proposed a partnership with the Pierce County Department of Human Services based on the rapid re-housing model. The housing authority made \$1.3 million a year (more recently \$2.3 million a year) available to the homelessness system for rapid re-housing. For its part, the homelessness system contributed extra money for services like the Landlord Liaison Project, which works to make it easier for market-rate landlords to rent to families in rapid re-housing or voucher programs.

Partners should think creatively when the work requires homelessness crisis response to function with other systems.

“People will say, oh, you know, you just need to use the services of this other mainstream system and away we go. That is so much easier said than done. These systems were not designed to work together. In some cases, though not intentionally, they work in opposition.”

BUILD AND PRESERVE AFFORDABLE HOUSING AT SCALE

Despite the increase in outflow enabled by FHI, family homelessness has continued to worsen in the Puget Sound due to an even greater increase in inflow. This is not to say that FHI’s contribution to the field was not valuable—to the contrary, without FHI, family homelessness would clearly be significantly worse than it is today. What has become clear, however, is that in many communities, an exclusive focus on improving homelessness systems will not lead to meaningful progress towards ending family homelessness. Communities will also need to do more to reduce the number of families that fall into homelessness in the first place. And while family homelessness results from the failure of multiple systems—behavioral health, workforce development, education, substance abuse, and more—increasing evidence points to the lack of affordable housing in particular as being the root cause underlying all homelessness inflow, whether for families or individuals.

In a forthcoming book, University of Washington Professor Gregg Colburn seeks to explain why some cities and counties in the United States have higher per capita rates of homelessness than others. Colburn runs a series of linear regression analyses examining whether there is any predictive relationship between high rates of homelessness and common theories about its causes, such as mental illness, drug use, poverty, unemployment, good weather, and social service generosity. He demonstrates that, in fact, none of these factors is correlated with high rates of homelessness.

Instead, he explains, regional variations in homelessness rates are most closely associated with absolute rent levels and rental vacancy rates. In other words, at its core, homelessness is a housing problem. When housing demand exceeds supply by too much, rents become so high and affordable units so scarce that housing is no longer available to vulnerable people.

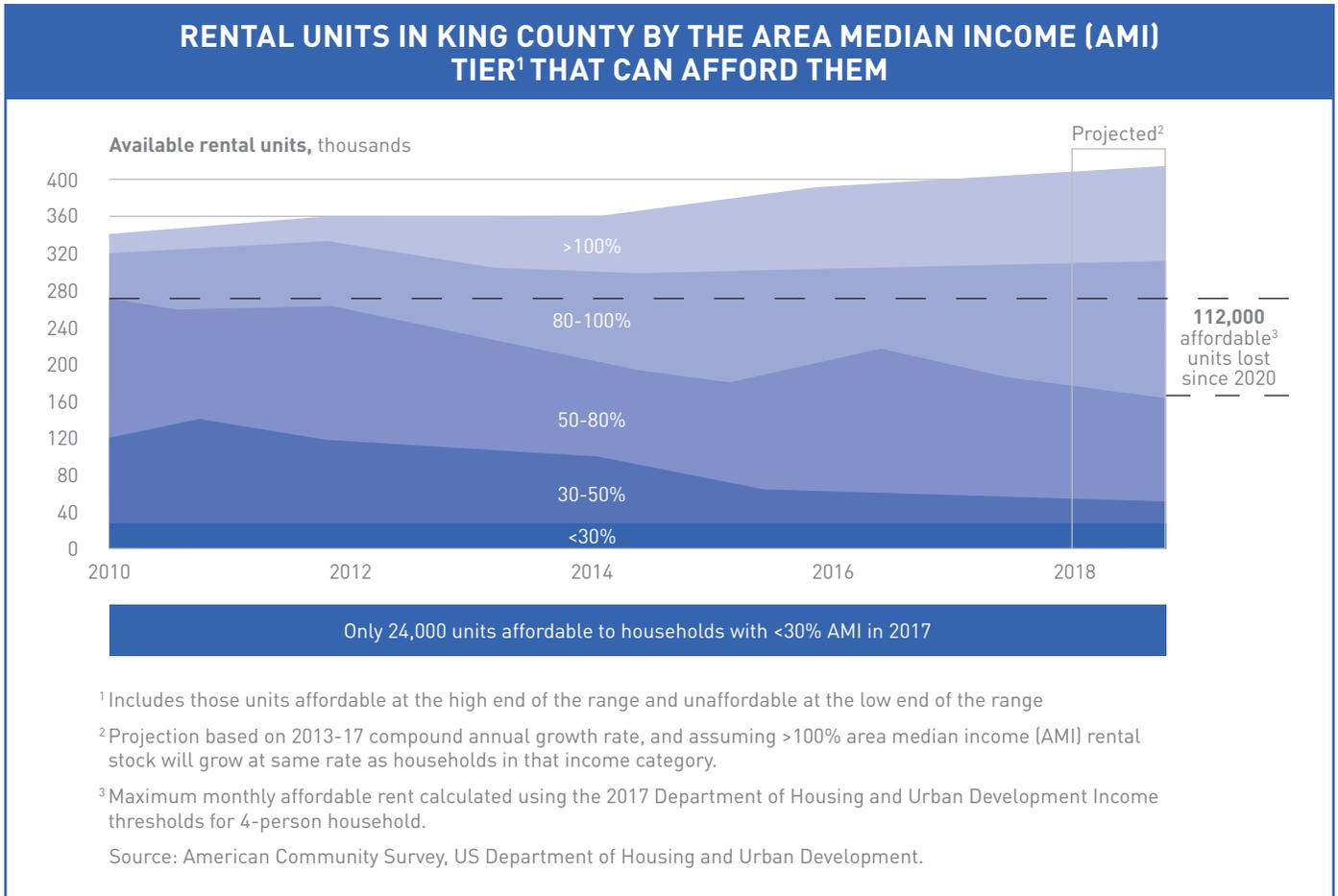


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A 2020 McKinsey and Co. report on homelessness in King County backs up Colburn’s research. The report points out that, as shown in Fig. 8, between 2010 and 2020, 112,000 units of the housing available for families earning less than 80% of Area Median Income disappeared. Over the same period of time, market rents increased by 52%. McKinsey calculates that, in order to house all homeless and rent burdened households over the next decade, King County would need to build approximately 37,000 new units of housing and make them affordable to families earning 30% of Area Median Income. The report goes on to estimate that building these units would cost between \$4.5 billion and \$11.0 billion over ten years and concludes that “ending homelessness in King County would require spending three to five times the approximately \$260 million currently spent locally on homelessness and extremely low income housing in the region.”

Since 2010, we have lost a total of 112,000 housing units affordable to households earning below 80% of area median income.

Figure 8



McKinsey & Company

It has become increasingly clear over the past decade that, while crisis response improvements are an important component of the solution to homelessness, such improvements in and of themselves will never fully solve the problem, particularly in communities with high rental markets and limited vacancy rates. Efforts such as FHI that work to improve crisis-response systems must be paired with meaningful initiatives to build and preserve affordable housing across all income bands at scale.

Partners should work to promote the building and preservation of plentiful affordable housing.

CONCLUSION

Over the past decade, thousands of stakeholders across the Puget Sound—from government officials to non-profit providers to homelessness advocates—have worked to improve the way that their communities provide housing and services to families experiencing homelessness. They improved their data infrastructures so they could understand what worked and didn't work to address housing crises among their neighbors, and, when necessary, they undertook the difficult challenge of changing their approaches. None of this work was easy—it required questioning long-held beliefs about the nature of family homelessness and making hard decisions about how to prioritize the use of limited public resources. But by fundamentally reorienting their systems from a housing-readiness model to a housing-first model, King, Snohomish and Pierce counties are now able to move significantly more families more quickly into permanent housing.

Despite the success of this collective effort, however, the hard truth remains that the problem of family homelessness, as with homelessness in all populations, has only grown worse over the past decade. The number of families falling into homelessness has increased at a rate that not even a dramatically improved crisis-response system can accommodate. The COVID-19 pandemic, along with the growing economic and racial inequities that it accelerated, threatens even more dramatic increases in the number of families experiencing homelessness and housing instability. Now, more than ever before, bold approaches are required to address the upstream causes of family homelessness—most notably, the lack of affordable housing and the entrenched racial inequities that prevent so many from accessing the education and employment opportunities necessary to earn a living wage.

During times when bold solutions are necessary to solve long-standing, seemingly intractable problems like homelessness, public cynicism about government's ability to improve the lives of its citizens can often be one of the biggest obstacles. Too frequently, the myth is spread that governmental resources are being wasted and that government is incapable of improving its performance or learning from its previous initiatives. The experience of the Puget Sound Family Homelessness Initiative directly contradicts this harmful narrative and shows how, over a decade's time, three county governments learned and innovated together to make their crisis response systems more efficient and effective. Though the initiative alone could not fully address the problem of family homelessness, the model demonstrates the power of a long-term, systems-change initiative based on data, advocacy, and strong evaluation to make meaningful progress towards ending homelessness. We hope that what this initiative helped accomplish can now be sustained, scaled, and brought to bear on the larger upstream root causes that drive homelessness today.



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