



Implementing the Los Angeles County Flexible Housing Subsidy Pool: Strategies and Lessons Learned

In 2014, the Los Angeles County Department of Health Services' (DHS) Housing for Health Division, in partnership with other governmental partners and the Conrad N. Hilton Foundation, launched the **Flexible Housing Subsidy Pool (FHSP)**, a permanent rental subsidy program for people experiencing homelessness who have complex physical and behavioral health conditions. The FHSP operationalizes the philosophy that housing is a crucial form of healthcare, by pairing flexible rental subsidies with ongoing Intensive Case Management Services (ICMS) provided by local community organizations. Since 2014, more than \$800 million has been invested in the FHSP by local government agencies, philanthropic partners, and private entities. This investment has provided housing and supportive services to more than 7,500 individuals and families.

DESIGN OF THE FHSP

DHS leadership funded the FHSP as a **permanent rental subsidy from a nimble, responsive pool of funding paired with Intensive Case Management Services to help clients achieve and maintain health and housing stability.** This was consistent with the principle that providing housing to vulnerable clients is an integral part of their healthcare and DHS's belief that cost savings for the County's healthcare system would be realized by providing housing and wrap-around care to its highest-use clients.

To ensure success for clients with the highest acuity levels and to navigate the challenges of the Los Angeles housing market, both the deployment of housing subsidies and supportive services needed

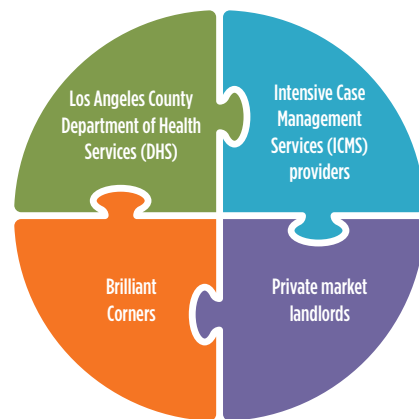
a revised approach. Therefore, DHS designed the FHSP to provide more flexibility and a greater level of client support than federal housing subsidies can. For example, FHSP provides more housing search assistance than federal housing subsidies and more help for maintaining tenancy. It can also offer a somewhat higher rent subsidy when clients need special housing features.

DHS and other stakeholders in Los Angeles view the FHSP as a local strategy to be implemented alongside federal programs to expand the overall availability of subsidized housing. **The ideal scenario is to continue to primarily house clients with federal resources and advocate for their expansion while relying on the locally funded FHSP when needed. For example, if a client does not meet federal eligibility criteria.**

PARTNERSHIPS FOR SUCCESS

Four key partners facilitate the success of the FHSP, each with a distinct role and set of responsibilities for providing housing and supportive services. The **Los Angeles County Department of Health Services (DHS)** is the administrative, coordinating, and fiscal agent of the FHSP, managing the program's finances and contracts.

DHS contracts with Brilliant Corners, a nonprofit supportive housing organization, to manage the housing components of the FHSP. DHS has separate contracts with other community organizations, typically homeless service providers, to provide intensive case management services to FHSP clients. Brilliant Corners recruits private market landlords from across Los Angeles County to participate in the FHSP. Both Brilliant Corners staff and homeless service providers try to develop strong and lasting partnerships with landlords, answering their questions and mediating and resolving conflicts between landlords and tenants to keep clients stably housed.



As communities across the country seek to design and implement housing assistance programs to augment the capacity of federally-funded programs and provide additional flexibility, the Los Angeles County Flexible Housing Subsidy Pool (FHSP) offers lessons from its successes and challenges.

KEY PRINCIPLES OF THE FHSP



Understand that housing is a crucial form of healthcare for patients with complex medical and behavior conditions



Pair a permanent housing subsidy with Intensive Case Management Services that can adjust to a client's needs



Ensure program operators are fully funded, resourced, and staffed to deliver high-quality services to clients



Understand that landlord incentives and tenancy supports are critical to building a housing portfolio that is ready to accept referrals

- **Assess the needs of your community.** Communities differ in their populations, needs, and capacities. Before creating a program, it is important to understand the scale of the community's housing and service needs and the gaps in current resources available to meet the needs.
- **Leverage your community's existing federal housing resources.** Communities across the country receive federal housing resources that are available for vulnerable populations, as well as others. Communities should start by making the best use of federal housing subsidies, with local subsidies augmenting them and providing more flexibility when needed.
- **Design a flexible program.** Communities often do not have the opportunity to implement flexible programs using existing funding sources because of the program and eligibility requirements determined by funders. As communities explore designing their own local, flexible housing program, they should bring stakeholders together to identify the barriers that prevent people experiencing homelessness from using the resources already available and design the program to meet the needs of those individuals. For example, flexibility may be needed in eligibility requirements for a locally funded program such as immigration status and in the tenant screening practices related to criminal justice involvement.
- **Ensure that the program receives sustainable funding commitments as well as one-time investments.** It is important to recognize that while a program may launch with one-time investments from philanthropic or private partners or governmental agencies, to sustain a program overtime on-going governmental investments are needed.
- **Consider developing an infrastructure that facilitates investments from multiple stakeholders.** Investing in a "pool" of funding allows partners serving different vulnerable populations to use the same infrastructure and expertise to support targeting of different populations.
- **Understand staffing needs and clearly define roles for program implementation.** It is important to understand what types of staff and organizational capacity and infrastructure are needed to implement a local housing subsidy.
 - **Discuss how data will be collected, stored, and reported to stakeholders.** A critical, and often challenging, component of planning for implementation is deciding how program and client data will be collected, where it will be stored, and how it will be analyzed and reported. These are crucial steps to ensure the ability to analyze program data and report outcomes.
 - **Disseminate clear program information and consistent messaging.** Partners and community stakeholders need different program information. Across all audiences, using consistent terminology and language is critical to ensure all parties share a common understanding of the program's mission, outcomes, and goals.
 - **Support ongoing capacity building of program implementation partners.** Investments in organizational administrative, operational, and staff capacity will be needed both when implementing a new program and when expanding its capacity. Philanthropic or private funding can often be tapped for one-time funding to help organizations grow or take on new roles in the community to deploy these new services and resources.
 - **Leverage a community's existing Coordinated Entry System to prioritize assistance to the most vulnerable households experiencing homelessness.** To maximize program impact and ensure that limited resources reach the most vulnerable households, communities can use their coordinated entry system (CES) to identify and prioritize assistance to households experiencing homelessness. It is important to incorporate a local housing subsidy program into existing community resources and processes.