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# EVALUATION OF THE FAMILIES IN TRANSITION PROGRAM

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## REPORT 2

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submitted to:

**FAMILIES IN TRANSITION OF SANTA CRUZ COUNTY**

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# I. INTRODUCTION

Families in Transition (FIT) is a community-based assistance program, founded in 1992, that provides transitional, scattered-site rental assistance and comprehensive case management services to homeless families in Santa Cruz County, CA. Working with the Human Resources Agency (HRA) of the county, FIT aims to increase clients' self-sufficiency through permanent housing and stable employment. In 1998, the David and Lucile Packard Foundation began to fund Families in Transition to conduct an independent evaluation of the program.

Berkeley Planning Associates (BPA) was selected to perform this evaluation. The evaluation consists of a process study, a review of comparable programs, and an outcomes study. The goal of the evaluation is to provide FIT staff with information that will enable them to refine and improve the program and to attempt to quantify the effects of the program by examining clients' outcomes after receiving services.

This is the second of five semi-annual reports from the evaluation. The first report presented a descriptive baseline that documented program operations and implementation. In this report we will update previous information on program operations and implementation and expand upon our initial assessment of FIT, provided in the first evaluation report, in comparison to other programs.

In Chapter II of this report, we update program operation information with data recently collected during in-person interviews with program staff, HRA staff, referral agencies, property owners involved with the program, and FIT clients. This chapter also highlights recent changes in FIT's funding, discusses several changes in the relationship between FIT and HRA, and describes program implementation in FIT's new south County office in Watsonville. Additionally, the chapter highlights changes in the program's waiting list and discusses ongoing community support for the program.

Chapter III focuses on the comparative analysis of FIT with other models of supportive housing designed to meet the needs of homeless families. Data for this analysis was collected through phone interviews with and literature reviews of the sample programs introduced in

BPA's first evaluation report. This analysis provides the context to more fully understand FIT's program and how it compares to other programs targeting similar populations.

In Chapter IV we discuss the progress of the outcomes database, provide samples of the data files to be collected, and highlight recent quantitative data results on a limited number of program demographic and outcome variables.

Chapter V presents our plans for future analysis. Planned evaluation tasks include further process study activities, the monitoring of federal and state changes that could impact the program model, and collection and analysis of quantitative data in order to track client outcomes in a meaningful way.

## **II. PROGRAM OPERATIONS AND IMPLEMENTATION**

To more responsively serve participants, FIT's program implementation and service delivery evolve according to changes in both the political and economic environments. To provide a context for the discussion regarding recent changes, this chapter first provides a basic overview of FIT's history and program model. We then describe new funding sources contributing to FIT's ability to serve clients. Following is a discussion of changes in the structure and relationship between FIT and the Santa Cruz Human Resources Agency (HRA). We then detail program operations at FIT's new Watsonville office, including the relationship with clients, the community, and the staffing structure developed to meet the needs of the office. The chapter then discusses the growing waiting list and efforts to respond to this, including new staff positions. Finally, we assess the degree of community agencies' support for the program.

### **PROGRAM OVERVIEW**

FIT was created in the early 1990s in response to the Santa Cruz County community's recognition of the dearth of programs targeting homeless families. In 1992, the program spun off of the County HRA and officially incorporated as a non-profit. HRA and FIT continue to maintain a close relationship as the agencies share certain fiscal, staff, and equipment resources. Recent changes in the relationship between these two agencies will be explored in greater detail below.

FIT provides housing assistance, intensive case management and referral services to homeless families in Santa Cruz County. Clients are referred to the program from a variety of community agencies and individuals, including HRA, and undergo an extensive assessment and orientation to screen and prepare them for the program. FIT offers time-limited rental assistance to supplement clients' contributions to rent in private market housing units. For individuals who need greater assistance, FIT operates a six unit transitional housing facility in collaboration with the Housing Authority and an additional two units of transitional housing with the Mid Peninsula Housing Coalition, for a total of eight units of transitional housing. For those who need less assistance, FIT may provide emergency rental assistance to prevent eviction, cover first and last month's rent, or pay for a safety deposit.

FIT clients receive services directly from FIT staff, including case management, budgeting assistance and help with household management. They also receive extensive referrals to appropriate community agencies to meet their identified needs. FIT's thorough awareness of community resources enables them to respond to the particular service needs of each client, ranging from drug and alcohol counseling to child care, transportation and domestic violence issues.

Participation in FIT generally lasts between six and 18 months, although case managers will continue to work with any client who is making an effort. Additionally, FIT staff provide follow-up services to clients who have graduated from the program, enabling them to access limited services or advice as needed. In order to more effectively understand client outcomes, FIT staff track clients after their participation in the program ends. Staff will contact former participants six months, 12 months, and 24 months after they exit the program to collect outcome information. Such follow-up enables them to monitor changes in a former participant's employment status, housing, earnings, and family well-being that influence long-term self-sufficiency.

The FIT staff currently consists of an executive director, an administrative coordinator, two senior-level case managers, and two junior-level case managers. FIT recently hired an additional junior case manager to fill a position vacated this summer, and is in the process of hiring another junior-level case manager supported by a recent grant as well as a senior-level case manager supported by new federal Housing and Urban Development (HUD) funds. Additionally, an HRA eligibility worker is out-stationed at the Santa Cruz FIT office.

## **NEW FUNDING SOURCES AND PARTNERSHIPS**

Like any non-profit, FIT must continually campaign for new funding sources from both the public and private sector. Since the stability of the agency depends upon the stability of its funding, successful fundraising efforts and grant applications are arguably some of FIT's most critical activities. Moreover, success in acquiring funds supports an agency's credibility and often leads to success in acquiring additional funds. FIT's funding experience over the past year indicates that this "snowball" effect has begun to take place. Through a number of grants and funding sources, FIT anticipates that its FY 99/00 budget will have increased by approximately 20 percent over its FY 98/99 budget.

The program's FY 98/99 budget, the most recent for which all data is available, totaled \$492,926. HRA in-kind resources, including a senior case manager salary and shared equipment and service resources, comprised \$118,080, or 25 percent of this total. The remaining \$374,846 of the budget consisted of the following resources:

- \$141,354 (29% of the total budget) from foundation grants;
- \$129,648 (26% of the total budget) from local government;
- \$45,970 (9% of the total budget) from state government;
- \$41,050 (8% of the total budget) from private contributions;
- \$16,824 (3% of the total budget) from the federal government.

Many of the grants FIT acquires are restricted to certain program uses. Funding without such limitations is considered unrestricted and can be used to support any of FIT's operational needs, including administration, equipment, or services. Given FIT's recent success in obtaining significant funding, staff's goal of pooling \$50,000 into their unrestricted fund by the year's end seems increasingly attainable. This would allow staff increased flexibility in pursuing additional innovative program activities.

#### **HUD CONTINUUM OF CARE GRANT**

The most significant boost to FIT's funding stream, which does not appear in the figures above, is a three-year, \$565,000 Continuum of Care grant awarded to the agency by the Department of Housing and Urban Development (HUD) in December 1998. The grant provides FIT with significant funding stability over the next three years. The grant will enable FIT to serve 25 families with scattered site housing services each year over the three-year period, for a total of 75 families. Because the funding originates from HUD, FIT will not be allowed to charge families served with grant money more than 30 percent of their income for rent. FIT staff commented that such a restriction will inhibit FIT from gradually phasing out participants' rental assistance, as is the standard practice. Instead, clients will face a much more abrupt increase in rental payments once their participation in the program ends. Although this limitation confines FIT in this respect, overall the grant allows the program to markedly increase its capacity to

serve clients and hire staff. The grant will enable FIT to hire an additional senior social worker and will provide funding for operations and administration of the program.

#### **WELFARE-TO-WORK GRANT PROPOSAL**

In addition to the HUD grant, FIT also collaborated with HRA, the Santa Cruz County Housing Authority, and local education and training providers serving welfare clients in applying for a potential \$225,000 Welfare-to-Work grant. This grant would target families who are transitioning off of welfare into traditional work or self-employment activities. Individuals currently receiving welfare or who have received welfare within the past two years will be eligible to receive Section 8 vouchers through the Housing Authority as a job retention strategy. The Housing Authority will provide extensive rental education to the participants, including on-going workshops and training that teach clients how to be good tenants.

FIT, in turn, will provide much of the case management activities, including budgeting and scheduling assistance. Prospective tenants will also undergo an extensive credit check, a criminal background check, and a home visit. These initiatives are intended to serve as a “warranty” for the clients in an attempt to increase the participation of area property owners. The intent of the program is to provide clients with the tools and skills to be good tenants and maintain stable housing. The agencies involved in the application will hear the results of the grant awards this summer.

#### **ADDITIONAL FUNDING SOURCES AND PARTNERSHIPS**

In addition to the previously mentioned funding changes, FIT anticipates hearing about a Federal Emergency Management Agency (FEMA) grant application in the upcoming months. Furthermore, FIT has been working with various community agencies, most notably the Santa Cruz County Redevelopment Agency, in creating new and innovative partnerships and funding opportunities.

Last year FIT was approached by the Mid-Peninsula Housing Coalition (MPHC) to collaborate on the redevelopment of an agricultural labor camp on San Andreas road in Watsonville. As a result of the sub-standard, crowded living conditions at the camp, it had been court-ordered to close. The MPHC, working with the Santa Cruz County Redevelopment Agency, was having a very difficult time relocating the resident families in order to proceed with

the redevelopment of the site. Because of FIT's established reputation in the community, the Redevelopment Agency asked FIT to help place these families under a contract independent to FIT's existing relationships with these agencies. FIT's success in finding homes for the families from the camp has further promoted its reputation with these agencies. Such an experience builds FIT's credibility and encourages community housing agencies to more extensively collaborate with the program.

Consequently, respondents from several community agencies noted an increased interest in reserving housing units specifically for FIT participants. The Redevelopment Agency, in particular, is in the process of acquiring tracts of land in a piece-meal process that will later be converted to regional parkland. Several of these tracts currently contain livable housing units. The Redevelopment Agency is contracting with FIT to use these units for FIT families until the land is ready to be converted to park space. In this relationship, the Redevelopment Agency serves as the landlord of the unit.

## **CHANGES IN FIT'S RELATIONSHIP WITH HRA**

### **NEW HRA SENIOR SOCIAL WORKER UNIT**

One of the most significant changes in the relationship between FIT and HRA is the creation of a new senior social work unit within HRA. FIT's two senior case managers, who are funded by HRA, have been folded into this new unit, where they join four other senior social workers who were transferred to the new unit after years of experience in the Child Protective Services (CPS) unit. It is important to note that the integration of FIT senior social workers into the newly formed HRA senior social worker unit accompanies a major restructuring of human services in the County. Programs related to Temporary Assistance to Needy Families (TANF)--including those that are career and work related--recently merged with programs related to the Job Training Partnership Act (JTPA). Benefit programs, including Medicaid and Food Stamps, have been merged into a separate branch.

The oversight for the HRA-funded positions within FIT previously rested with Director of the County's Division of Job Opportunities and Benefits, although William Watt, Executive Director of the FIT program, assumed direction over many of the supervisory activities. With the establishment of the new senior social work unit within HRA, the two FIT senior case managers now report directly to Joan Anderson, the HRA supervisor in charge of the new six-manager unit.

The two FIT case managers are more integrated in the HRA system, attend unit meetings once every three weeks, meet individually with the HRA supervisor monthly, and communicate frequently by phone and through e-mail with other HRA staff.

Because the new HRA senior social worker unit is in its infancy, the responsibilities that each agency will assume are still evolving. HRA and FIT respondents indicated that the four non-FIT HRA senior social workers in the unit will provide emergency services and extensive referrals to clients, but will not follow the client beyond approximately six months. One of the referrals these senior social workers can make is to the FIT program. At that point, clients would be placed on the FIT waiting list, although the senior case manager would continue to provide referrals and emergency services during the interim.

Once a client enters into the assessment/enrollment process with FIT, FIT staff cross-reference their client list with those of the other managers in the senior unit to ensure that no client is receiving duplicative services. Once a client has been enrolled in FIT, HRA will share their assessments with FIT case managers<sup>1</sup>. Respondents felt that the lines of authority and flow of services would become clearer in upcoming months as the new unit has only recently been implemented.

As testament to the evolving nature of the new unit, respondents offered several sometimes contrasting explanations for the purpose of the new unit. One respondent suggested that the new unit was created to enable HRA social workers to implement the FIT model within HRA. Others suggested the new unit was intended to train HRA staff in the FIT model to allow them to utilize the strategy when appropriate. Still others maintained that the new unit was intended to enable HRA managers to make more effective, more appropriate referrals to the FIT program.

FIT respondents indicated a perceived reluctance by the other HRA senior social workers in the new unit to fully adopt the FIT model. They feel that these HRA case managers advocate for a more “emergency” based case management model, focusing largely on the immediate needs of the clients rather than the long-term effects of on-going needs. FIT staff also feel that HRA case managers feel pressured to serve all clients immediately, even if this means sacrificing the intensity of the intervention. HRA respondents did not indicate that the new HRA

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<sup>1</sup>HRA staff rarely see FIT assessments of referred clients, however, largely because they are unlikely to be involved with the case once it has been passed on to FIT.

social work unit was ever intended to replicate the model. Instead, they suggested that the HRA case managers will learn the FIT model in order to apply it to their own cases when appropriate. They feel that the FIT model can serve as another tool in the range of strategies they utilize to help clients.

HRA respondents indicated that the HRA unit and the FIT model serve different segments of the populations who face different needs. A recent HRA memo suggests that there is only about a 10 percent overlap in the caseloads shared by these agencies. The memo further suggests several differences between the models, highlighted below.

- HRA staff feel that clients involved in CalWORKs are mandated to participate in services and view participation in the FIT program as voluntary.
- HRA cases are shared by an eligibility worker, an employment and training specialist and a social worker and HRA staff feel that in contrast, FIT social workers are the primary manager for all aspects of a clients' case.
- HRA staff view their new unit as serving clients that would potentially not be eligible for FIT if unable to recognize and work to address each of their barriers to self-sufficiency upon entrance to the program.
- Families working with the HRA unit may or may not need housing, whereas a housing need is a precondition to FIT eligibility.
- FIT pre-screens clients to assess their level of motivation whereas HRA accepts all eligible clients.
- HRA staff state the program's long-term goal as employment and self-sufficiency and perceive FIT's long-term goal as housing and self-sufficiency.
- To achieve the best outcomes, HRA senior social workers manage a caseload of 25-30 clients, whereas FIT case managers ideally manager a caseload of 35-45, although current demands on FIT exceed this ratio.

The strength of the relationship between FIT and HRA has been a hallmark of FIT's program since its inception and serves as a fundamental factor contributing to the increasingly seamless delivery of services between the agencies. It is important, therefore, to ensure that this relationship maintains the supportive character on which staff from each agency rely. Both

FIT and HRA staff must reach a common understanding of the purpose and structure of the new HRA unit. Agreement on these issues will enable staff from both agencies to use the new unit as an additional tool, rather than a ground for miscommunication.

### **NEW JOB RETENTION SERVICES**

Because of the collaborative relationship with HRA, FIT staff are now able to directly access innovative, county-funded ancillary services for their clients including mental health counseling, substance abuse treatment, and transportation. Additionally, clients are now eligible for job retention services through Welfare-to-Work funds. These funds are targeted to the hardest-to-serve welfare clients. In order to qualify for these funds, 70 percent of participants must have received welfare for 30 months or longer, and must face at least two significant barriers to participation in the economy (barriers include a low education level, a history of substance abuse, a history of domestic violence, etc.). Clients who have characteristics of long-term receivers but who have not received aid for over 30 months may comprise a maximum of 30 percent of the participants served through Welfare-to-Work. Clients must be receiving cash aid when they apply for these services, but do not have to transition off of aid in order to participate.

HRA has primarily used this funding to create several job retention-oriented projects to which FIT clients have access. Retention projects include a shuttle service operated by welfare or former welfare clients that provides transportation for clients to and from work and child care. Additionally, an Employees Assistance Program (EAP) has been created to provide comprehensive counseling services to clients on any issues that emerge and may interfere with their ability to work. Participants can receive up to three counseling sessions per issue. HRA has also created a 24-hour job retention crisis line and several drug and alcohol relapse programs for clients who recognize that they still need help with substance abuse issues. Finally, HRA will provide immediate assistance for various work-related emergencies including car-repair, legal assistance, housing assistance, and equipment maintenance.

## **NEW WATSONVILLE OFFICE**

### **STAFFING STRUCTURE**

FIT opened its new office, located in the south Santa Cruz County city of Watsonville, on November 1, 1998. One case manager is stationed at the Watsonville office full-time while the others rotate shifts. Altogether, staff spend approximately 60 hours at the Watsonville office each week. The Watsonville office is effectively serving the population in south County previously unable to access FIT services due to transportation barriers.

Unlike the Santa Cruz office, a south County HRA eligibility worker is not currently out-stationed at the Watsonville office. However, the south County HRA office is located just three blocks from FIT's office, eliminating transportation barriers for clients who access services from both agencies. Furthermore, FIT staff in Watsonville meet with the south County eligibility worker about once a week, which they feel is sufficient given the relatively low number of CalWORKs participants in south County compared to north County. The south County eligibility worker continues to send referrals to the Santa Cruz office where they are processed along with all north County referrals. This allows FIT staff to streamline the referral process from one central location.

### **DIFFERENCES IN CLIENTS SERVED**

FIT staff noted several differences in characteristics between clients they serve in the north County and in the south County. Staff indicated that there are substantially more cases that are two-parent families in the south County, and perceive that there are more south County families involved in or pursuing work activities than in the north County. They also indicated that there are many more bilingual and monolingual Hispanic families in the south County. Many of these monolingual families are migrant agricultural workers. Case managers noted that families of migrant workers often need services only to fill the gap between agricultural seasons. The season generally lasts from April through November, therefore, these clients often need help primarily between November and March.

Because of the high proportion of migrant workers in the south County, these clients often face additional language and cultural barriers not encountered by their counterparts in the north County. One FIT staff member indicated that although men in migrant agricultural families

may be less likely to discuss certain challenges, such as domestic violence or substance abuse, they may be more likely to participate in other activities, such as job training or employment. The presence of increased cultural barriers and existence of significant cultural norms when interacting with Watsonville clients may underline the importance of enabling migrant clients to interact with staff who speak their own language and understand their culture. Given the population that the south County office serves, having only one bilingual case manager may hinder FIT's capacity to appropriately serve clients. Many of these clients are in the process of applying for residency, and the ability to communicate effectively about this process is critical. In its effort to hire two new case managers, it is crucial that FIT target its recruitment on bilingual case managers.

### **NEED FOR COMMUNITY OUTREACH ACTIVITIES**

One of the challenges facing the Watsonville office is appropriately educating community service providers about the FIT program and the referral process. At the time of this report, no such activities had taken place. FIT staff noted an increase in the number of "false" referrals to the program, where clients who were incorrectly informed about the services that FIT provides expected to obtain services FIT does not offer. This miscommunication is particularly dangerous when clients are referred to FIT for immediate, emergency services which FIT does not provide. These families lose critical time pursuing false leads. Furthermore, even clients appropriately referred to FIT may not follow the standard referral process. Such clients must then return to the referring agency and begin the process again.

Some community agency respondents indicated that the referral process is not clear. They noted that different staff within their agency often have different interpretations of the process. Therefore, although outreach activities and community education may initially increase the number of referrals FIT receives, it is important that agencies sufficiently understand the process and the program in order to make the most appropriate referrals for their clients.

### **A GROWING WAITING LIST**

FIT's waiting list has continued to grow and there are now approximately 190 families waiting to begin the assessment process. Referrals to the program have been averaging about 65 per month. It currently takes about three and a half to four months for the case managers to contact clients after they have been referred. For the most recent month of available data (April

1999) 7 referrals came from Women Crisis Support, 7 came from Human Resources Divisions other than Child Welfare Services (CWS) or the Job Division, 8 referrals came from Defensa de Mujeres, 8 from Valley Resource Center, 29 referrals came from Child Welfare Services, 31 came from the Job Division in HRA, and 39 came from other sources, which includes community agencies or individuals not listed above.

The waiting list is arranged by date, and when the case managers are prepared to begin assessment on new cases, families on the waiting list are divided among the case managers. Waiting list families are assigned to case managers according to each case manager's capacity to absorb new clients and their ability to take on more south County clients. It is likely that FIT will never be able to catch up with its waiting list. As FIT increases its staff and supply of services, the demand for services may likely increase as well. This is a reality of programs like FIT where demand for services exceeds supply, regardless of how high the supply level is. Because it is unlikely that FIT's waiting list will ever disappear, it is extremely important that FIT develop adequate responses to both internal and external concerns about the issue.

Within the agency, FIT staff are more likely to feel pressured to serve clients faster, often in a less intensive manner, because of the lengthy waiting list. Staff indicated a tendency to increase up-front services in the first few months of clients' participation in order to move them through the program faster. Yet staff were frustrated by this tendency and recognized that the services and on-going commitment to the program beyond those first few months are often the most critical components in helping a person achieve long-term self-sufficiency. FIT staff expressed a common desire to return to a more comprehensive, long-term model. Once the two new case managers have been hired, the FIT team should be able to address the waiting list in a more expedient manner, enabling them more fully return to the long-term case management model FIT was initially intended to provide.

FIT staff are not the only stakeholders frustrated with the waiting list. A segment of the community service providers interviewed noted that the waiting list can serve as a deterrent for making referrals to FIT. Although they all view FIT as providing extremely valuable services, several also recognize that a three-and-a-half to four month waiting list is often too long of a time for clients to wait for services, especially if they are in unstable living arrangements. Therefore, the perception may be that FIT serves clients who have addressed their emergency needs and can afford to wait months for services without further damaging their well-being.

Extended community education regarding the FIT model and the development of a system for addressing immediate needs of clients after they are referred to FIT would help deflect potential objections to the program's service model. FIT has explored different ways to structure a system to handle the immediate needs of clients on the waiting list. To date, no system has been developed.

However, it is likely that clients who are referred by a senior social worker in the new HRA unit will continue to be served by that social worker until they begin FIT orientation and assessment procedures. Clients referred by any other branch within HRA or by outside community agencies may not have staff members paralleling the services that the HRA senior social workers perform for FIT clients on the waiting list. These clients, therefore, may be less likely to receive interim services while they wait for the FIT assessment. As mentioned previously, such a situation could prove especially detrimental for clients who already face precarious situations. This issue has been a concern of FIT's for some time.

In contrast to community service providers who view FIT as serving clients that have adequately addressed their emergency services, FIT staff expressed frustration with homeless advocates who criticize FIT's lack of emergency service provision. FIT staff feel their program was not designed to be an emergency service shelter. Other established community agencies fulfill this role. FIT plays a critical role in helping clients bridge the gap between emergency shelters or homelessness and self-sufficiency. To deflect the criticism FIT has received as a result of this issue, staff should initiate extensive community outreach and education efforts to explain their mission, their target population, and the process by which the program operates. Such outreach efforts would help promote FIT as a "second-step" in the services available to clients and would emphasize the difference between emergency shelters and longer-term programs such as FIT. By stressing the importance of both steps in the process, FIT could ally itself with homeless advocates to best meet the needs of the local homeless population.

## **ON-GOING COMMUNITY SUPPORT**

Although FIT staff noted that homeless advocates and selected community agencies have demonstrated frustration with FIT's waiting list, each community agency respondent interviewed for the evaluation recognized that FIT continues to serve an otherwise unmet need in the community. They attributed much of the success of the program to the professionalism of the staff and their ability to balance compassion with pragmatism in developing realistic, yet

goal-oriented plans with their clients. Unlike homeless advocates who recommend increased emergency services, evaluation respondents noted that there are few other agencies in Santa Cruz that offer the “second-stage” services that FIT provides. Although there are several emergency shelters with limited maximum stays and a few transitional housing facilities with 24-month limits, there are no other programs that combine the intensive case management services with scattered site rental assistance to enable families to integrate into the community and build the long-term supports essential for self-sufficiency. FIT fills this niche in the community.

Property owners who participated in interviews were increasingly supportive of the FIT program. They expressed comfort with FIT clients as tenants, largely because owners are aware of the extensive, responsive support system that FIT provides. Property owners also recognized that clients have to demonstrate their motivation in order to be accepted into the program. They indicated that FIT clients are likely to be working or pursuing training, and that they tend to contribute substantially to their surrounding community. Property owners did not indicate any challenges they face in working with FIT families compared to any other tenant.

As testament to their opinion of the program, property owners have been increasingly proactive in alerting FIT staff of available units suitable for FIT families. As mentioned earlier, the Redevelopment Agency of Santa Cruz County is designating housing units for clients on an on-going basis as they continue to acquire land tracts that will ultimately be converted into regional park space. Additionally, several private property owners contact FIT staff on an on-going basis as units become available. Recent communication with a property owner in Watsonville enabled FIT access to a six-unit apartment facility.

## **SUMMARY AND RECOMMENDATIONS**

FIT has undergone several significant changes that have influenced program operations. The following is a summary of these changes and their role in the implementation of the FIT model.

- Substantial increases in FIT's funding provides the program with added flexibility and capacity to more effectively serve participants.

- The creation of the new senior social worker unit within HRA increases the coordination of and access to shared services and resources between the agencies. Ambiguity regarding specifics of the new unit and the division of responsibilities should be addressed to ensure that the supportive nature of the collaborative is maintained.
- Program operations at the Watsonville office facilitate south County clients' access to the FIT program and provide necessary services to an otherwise underserved population. An additional bilingual, bicultural case manager would meet the growing demand from monolingual or bilingual families.
- Given the demand for the program, FIT will most likely always maintain a waiting list. To assuage community concern over this issue, FIT should consider (1) creating a method to handle clients' cases while on the waiting list, and (2) increasing community outreach activities regarding the referral process and their role as a second-stage program.
- Finally, agencies from both the County and the local level maintain a high degree of support and respect for the FIT program. As demand for the program builds, so does FIT's overall reputation among County government, community-services providers, and property owners alike.

### III. COMPARISONS OF FIT WITH OTHER HOUSING MODELS

This chapter is intended to provide background information useful in setting FIT within the context of the housing field. Included in this discussion is an overview of selected proposed housing legislation that could affect the implementation of programs like FIT. After highlighting these proposals, we continue our comparative analysis of FIT, introduced in the *Evaluation of the Families in Transition Program: Report 1*, with similar programs targeting homeless families. This analysis is intended to highlight the characteristics FIT shares with these programs as well as the characteristics that differentiate the program from others in the field. Included in the discussion is an overview of the strengths and challenges of each program model according to feedback from interviewed program respondents.

#### OVERVIEW OF SELECTED PROPOSED HOUSING LEGISLATION

Our *Evaluation of the Families in Transition Program: Report 1* provided an overview of the policy responses developed nationwide to address homelessness. Most of these policies are supported, on a national level, through programs included in the Stewart B. McKinney Homeless Assistance Act of 1987. Several McKinney programs administered by HUD, including Shelter Plus Care, Supportive Housing, Section 8 Moderate Rehabilitation for Single Room Occupancy Dwellings, and Rural Homeless Grants, are currently solicited through a single application called the SuperNOFA.<sup>2</sup> Communities interested in applying for any of these funds must adhere to a “Continuum of Care” planning process,<sup>3</sup> which encourages a broad range of community participants to work together in assessing, developing, and selecting programs appropriate to the needs of their specific community.

As noted previously, FIT recently received a substantial, 3-year grant from HUD through this Continuum of Care process. Recently, the Homeless Housing Programs Consolidation and Flexibility Act (HR 1073) was introduced to the House of Representatives. If this proposal is adopted, funding for HUD McKinney programs would be distributed via block grants to localities

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<sup>2</sup>Other programs funded through the Stewart McKinney Homeless Assistance Act include Health Care for the Homeless, Projects for Assistance in Transition from Homelessness, Education of Homeless Children and Youth, Runaway and Homeless Youth Action Programs, Homeless Veterans Reintegration, and Emergency Food and Shelter.

<sup>3</sup>The Emergency Shelter Grants Program is distributed by formula.

and states based on a pre-determined formula, initially the area's Community Development Block Grant (CDBG) allocation. These block grants would replace the Continuum of Care SuperNOFA process and would not take need or merit into consideration, as the current Continuum of Care process currently does. This could potentially limit areas with high housing demand and low housing affordability, such as Santa Cruz County, from applying for additional funds to meet an increasing need. It may also limit programs' capacity to serve clients with the most profound barriers to achieving self-sufficiency.

There are several additional funding issues emerging on a national level that could influence FIT's ability to provide services. Several housing bills recently introduced in the House of Representatives, including HR 1037 mentioned above, have emphasized the creation of permanent housing facilities. Development of permanent facilities is often difficult in areas like Santa Cruz which try to balance housing development with urban growth management through strict building regulations and environmental standards. In such an environment, the potential to create new permanent facilities is severely limited. The scattered-site approach, therefore, can serve as an alternative to permanent housing development.

However, because the proposed national policy creates a preference for permanent housing development or rehabilitation that does not include funding for services, it would inhibit programs like FIT's ability to acquire such funding. Therefore, these programs would be able to compete only for the pools of money, most notably the proposed block grant, that do provide funding for homeless assistance and supportive services. Furthermore, recent legislation has also emphasized that these developments and other funded programs target specific populations, most commonly disabled individuals. Homeless families with children are not often specified as a target population, further limiting programs' abilities to access funds for these families. At the time this report was written, the proposed legislation concerning these issues had not been passed. Future reports will follow the status of these bills.

Although the above proposed legislation indicates a preference for permanent facilities, the number of Section 8 housing vouchers available has also increased. It should be noted that the Section 8 tenant-based assistance program was previously divided into Section 8 certificates and Section 8 vouchers. Certificates and vouchers each require participants to contribute 30 percent of their income to rent. The federal government then provides a subsidy to the landlord for the remaining rent. The main difference between the two programs was that Section 8 certificates could only be used to rent units priced at or below the Fair Market Rent

(FMR) unless they gain special approval from HUD. Vouchers, on the other hand, could be used to rent an apartment at any price. HUD would provide subsidies to the landlord to make up the difference between the contribution of a participant (30 percent of their income) and the FMR for their unit. The tenant would be responsible for making up the difference between the FMR and the actual rent for the apartment. The Quality Housing and Work Responsibility Act of 1998 essentially merged the two programs into one voucher program that adheres to the characteristics of Section 8 vouchers before the merge.

In FY 1999, 50,000 new Welfare-to-Work Section 8 vouchers were issued. As noted, FIT collaborated with several community agencies to apply for these funds. Funding decisions on this program are expected this summer. The President's proposed FY 2000 budget includes 100,000 additional new Section 8 vouchers. These vouchers would be targeted to certain segments of the population, including 18,000 for homeless persons, 42,000 for worst case housing needs, and 25,000 for Welfare-to-Work vouchers.

The inclusion of homeless persons as a specific target population for Section 8 vouchers is significant. Previously, homeless persons and families received preference over other populations in public housing and Section 8 programs. Recently, however, these preferences have all but disappeared. Because of this, shelter and transitional housing programs can not readily provide access to affordable permanent housing for departing families. The proposed allotment of 18,000 vouchers targeted specifically homeless families may enable agencies, including those that employ the scattered-site design like FIT, to access additional vouchers to help their clients obtain affordable, permanent units in the private market. We will continue to monitor the status of the proposed FY 2000 increase in Section 8 vouchers.

## **OVERVIEW OF COMPARATIVE PROGRAM RESEARCH**

BPA began its investigation of comparative housing models in Fall 1998. The *Evaluation of the Families in Transition Program: Report 1*, in January 1999, included an overview of policy responses employed by various agencies to address family homelessness. We began an analysis that compared FIT to several housing programs across the nation serving similar target populations. To supplement our initial, limited data collection activities performed in Fall 1999, more in-depth phone interviews were conducted with the agencies introduced in the first report. Ten out of 12 agencies were reached (an 83 percent response rate) and all contacted agencies supplied additional literature regarding their program operations.

As noted in our first report, the sample programs chosen for this analysis are not necessarily representative of all of the options available for homeless families in the housing field. Nor have these programs been randomly selected to ensure that they accurately represent the available options. Instead, programs were selected that shared several basic characteristics with FIT. All programs are targeted towards homeless families. All programs provide, at a minimum, transitional housing assistance. Furthermore, all programs offer support services, to varying degrees, similar to those offered at FIT. The variations in service delivery and program structure, as well as program staff's perspective on various approaches, are the basis for our discussion of the alternative models of service delivery for homeless families. We caution the reader that the following discussion refers to the characteristics and experiences of our selected sample programs only and can not be generalized to the entire population of transitional housing programs.

Our comparative analysis begins with a summary of the FIT model, illustrated in Figure III-1, according to several program dimensions: program clientele, housing model, service delivery method, and degree of public/private collaboration. We then provide a description of the clientele served by the sample programs, including the target population, the eligibility criteria, and the selection process. Following, we discuss the three main types of housing models employed by sample programs to meet the needs of homeless families: permanent affordable housing, transitional facilities, and scattered site rental assistance. Because FIT intentionally offers a longer-term alternative to the emergency shelter system, such shelters were excluded from our sample. Next, we discuss variation among agencies in the types of services provided and the structure of the service delivery. Finally, we focus on the degree of public/private collaboration achieved by the programs.

## **SUMMARY OF THE FIT MODEL**

FIT's overall mission is "to join with other service providers in a community-wide effort to end and prevent homelessness in Santa Cruz County."<sup>4</sup> Towards that end, FIT provides a model of housing assistance, whose specific characteristics are illustrated below, that combines comprehensive case management services and extensive referrals to community service providers with time-limited rental assistance for private market rental units. The model is intended to provide families with the tools necessary to reach self-sufficiency and enable them to

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<sup>4</sup>From FIT's program literature *Who are Families in Transition*.

access housing units they will be able to stay in once their participation in the program ends. The ultimate goal of the program is to help clients become self-reliant, contributing members of the community.

**Figure III-1  
THE FIT MODEL**

Clientele	<ul style="list-style-type: none"> <li>homeless or near-homeless families referred through the County Human Resources Agency or community-based service providers</li> <li>must be extremely motivated to achieve self-sufficiency</li> <li>must be willing to participate in services</li> <li>must have achieved documented sobriety prior to entrance into the program</li> </ul>
Housing Services	<ul style="list-style-type: none"> <li>provides time-limited rental assistance to families in the open market</li> <li>provides emergency rental assistance to prevent eviction, supply first and last months' rent, or cover a safety deposit</li> <li>manages an eight unit, 12-month transitional facility</li> </ul>
Supportive Services	<ul style="list-style-type: none"> <li>intensive case management by in-house staff to help achieve self-sufficiency</li> <li>assistance in navigating the welfare system</li> <li>referrals to community-based agencies for services to meet an identified need</li> </ul>
Public Private Collaboration	<ul style="list-style-type: none"> <li>pursues funding from a variety of sources, including federal McKinney funds, state and local government funding, contracts with local service providers and private donations</li> <li>shares staff, equipment, and service resources with the County Human Resources Agency</li> </ul>

**COMPARISON OF PROGRAM CLIENTELE**

Figure III-2 provides an overview of the similarities and differences in the clientele that each program serves along several dimensions, including certain eligibility requirements for program participation. Similar to FIT, each of our comparison programs serve homeless families. Most programs noted that they define homelessness according to HUD specification.<sup>5</sup> Also like FIT, several programs accept participants on the verge of homelessness who meet

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<sup>5</sup>As defined by HUD: “‘homeless’ or ‘homeless individual or homeless person’ includes (1) an individual who lacks a fixed, regular, and adequate nighttime residence; and (2) an individual who has a primary nighttime residence that is (A) a supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill); (B) an institution that provides a temporary residence for individuals intended to be institutionalized; or (C) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

low-income eligibility standards. Additionally, several programs maintain sobriety requirements similar to those at FIT. Participants in such programs need to provide documented sobriety for a specified period of time in order to be accepted into the program. Furthermore, one program retains the right to test participants for alcohol and drugs at any point during their participation in the program.

The most important eligibility requirement, adopted by each of the sample programs as well as FIT, is the need for families to be motivated and committed to working towards self-sufficiency. Each of these programs establishes a system for formalizing a client's agreement to participate in program services. Like FIT, some programs refer to these as self-sufficiency plans, others as compliance contracts, family transition plans, or life skills plans. One agency specifically mentioned experiencing particular difficulty with participants' willingness to comply with services. As a consequence, the agency decided to include participation in services as an element of the rental agreement.

Selecting clients who are motivated, willing to address their barriers, and willing to participate in services is an important characteristic of these programs. Santa Cruz community respondents, as well as FIT staff, noted that pre-selection of clients on this basis is fundamental to the FIT program. This pre-selection results in a clientele that exhibit increased motivation to address issues, despite their severe barriers to self-sufficiency. This segment of the homeless population is not necessarily representative of the homeless population as a whole. In fact, HRA respondents feel that FIT clients tended to be more determined and self-reliant than their homeless peers.

Figure III-2

**COMPARISON OF PROGRAM CLIENTELE**

Program	Serves Homeless Families	Serves Families at Risk of Homelessness	Sobriety Requirement	Formalizes Participation Agreement
Families in Transition; Santa Cruz, CA	T	T	T	T
Beyond Shelter; Los Angeles, CA	T	T		T
Homes for the Homeless; NYC, NY	T			T
Community Family Life Services; Washington, DC	T		T	T
Dignity Housing; Philadelphia, PA	T		T	T
New Economics For Women; Los Angeles, CA	T	T		T
Warren Village; Denver, CO	T	T		T
Wilson Commencement Park; Rochester, NY	T	T	T	T
Colorado Coalition for the Homeless; Denver, CO	T			T
City of Fremont Housing Scholarship Program; Fremont, CA	T	T		T
Northwest Montana Human Resources; Kalispell, MT	T	T		T

Most programs examined share FIT's tendency to select clients who exhibit particular commitment and motivation to achieving self-sufficiency. In fact, several of these programs, like FIT, include orientation activities during the assessment process that help staff determine whether or not a client is truly committed to addressing their barriers. Such activities often include contacting service providers, participating in orientation workshops, and consistently attending scheduled meetings. Because FIT and programs like it have limited funds, especially in relation to the demand for their services, they must ensure that these funds are spent most effectively. Clients who illustrate the most motivation are considered likely to make the most progress in and receive the greatest benefit from the program. Therefore, these scarce resources are targeted to clients who will receive the greatest gain from the investment.

## COMPARISON OF HOUSING SERVICES

Figure III-3 highlights the differences and similarities between programs according to the type of housing services they provide. Housing services included in this comparison are permanent housing developments, where clients have access to affordable housing for an extensive length of time, transitional housing facilities, where clients can reside for a limited length of time (normally two years) and scattered-site rental assistance, where clients receive time-limited rental assistance that enables them to access housing units in the private market.

Figure III-3

### COMPARISON OF HOUSING SERVICES

Program	Permanent Housing	Transitional Facilities	Scattered Site Rental Assistance
Families in Transition; Santa Cruz, CA		T	T
Beyond Shelter; Los Angeles, CA	T		T
Homes for the Homeless; NYC, NY		T	
Community Family Life Services; Washington, DC	T	T	
Dignity Housing; Philadelphia, PA			T
New Economics For Women; Los Angeles, CA	T	T	
Warren Village; Denver, CO		T	
Wilson Commencement Park; Rochester, NY		T	
Colorado Coalition for the Homeless; Denver, CO		T	T
City of Fremont Housing Scholarship Program; Fremont, CA			T
Northwest Montana Human Resources; Kalispell, MT	T	T	

### Permanent Housing Developments

Several sample agencies include permanent affordable housing in their range of responses to family homelessness. Permanent housing would be particularly useful in areas like Santa Cruz, where vacancy rates are extremely low and the housing market is increasingly tight. However, as mentioned earlier, in an attempt to control negative impacts of urban growth,

Santa Cruz County maintains strict development codes and environmental standards that may impede the creation of new construction. Additionally, the cost of development and the rehabilitation of existing units often inhibit the creation of permanent housing facilities. The waiting lists for such units are typically quite lengthy, and vacancy rates are low. Rents in such facilities are usually determined on a sliding scale according to a family's income and size, similar to the method in which the amount of rental assistance for FIT families is determined.

Where this model is possible, permanent housing facilities offer residents a supportive, nurturing living environment, often creating a heightened sense of cohesion and community. One program respondent noted the importance to clients of being surrounded by individuals who can relate to the issues they face and offer suggestions for addressing their barriers. The housing arrangements of programs like FIT, scattered throughout the community, may not provide clients with as supportive a living environment as group facilities. However, such programs may, as a consequence, lead clients to develop stronger linkages within the community at large. Furthermore, although a supportive environment was cited as a benefit particular to group facilities, respondents also noted that the relationships formed within this environment, while supportive, may not necessarily provide a mentoring element in that most of the families will be addressing similar issues at the same time.

Although permanent housing facilities enable families to live in the same unit beyond the two-year period typical of transitional programs, they may still create voluntary time limits for families residing in the complex. One program respondent noted that voluntary time limits typically range from five to ten years, depending on the client's skills and goals. Such a voluntary time limit is intended to provide clients with ample time to access support services and develop self-sufficiency skills while still maintaining a timeline to achieve determined goals. By encouraging resident families to move out of the residential complex once they have achieved their goals, these voluntary time limits allow other needy families to access the services of the program.

### **Transitional Housing Facilities**

Providing many of the characteristics found in permanent housing developments, but for a much shorter duration, several programs, like FIT, offer transitional housing group facilities for homeless families. The maximum length of stay among programs examined is two years, although respondents noted that the average client's stay was between 18 and 24 months.

Program facilities range in size, from eight to 93 units. Spatially, all of the transitional housing facilities examined provide fully equipped, independent housing units with their own kitchens and living areas. The degree to which programs provide communal living and child-play space varied. Respondents cited benefits to both fully-equipped private units as well as those with shared living or play space. Fully-equipped private units are perceived as providing clients with an environment most similar to that experienced by typical, non-homeless families. Those with shared space, however, are seen to provide families with additional opportunities to establish strong relationships and support systems with other residents in the facility.

Respondents indicated that a two-year time limit enables participants to achieve an appropriate level of self-sufficiency before exiting the program. Several programs had initially offered shorter durations but are now in the process of increasing the allowable limit. One respondent cautioned that programs lasting less than two years tend to have a higher degree of recidivism to homelessness than those of at least a two year duration. Others noted that less than two years simply does not offer enough time for many families to stabilize and begin working towards self-sufficiency.

Although the length of time FIT clients can reside in the transitional unit is limited to 18 months, clients can continue to receive supportive services, case management, and time-limited rental assistance after their residence in the transitional facility has ended. Most program participants, including those who do not reside in the transitional facility, do not utilize FIT rental assistance beyond a six or twelve month period, much shorter than the two year time frame of several transitional facilities. Part of client's ability to transition off of rental assistance so soon may be FIT staff's ability to help them access affordable units or Section 8 vouchers. Furthermore, because clients continue to receive case management and supportive services, they can access appropriate services, maintain stability, and better prevent and manage times of crisis. The shorter duration of FIT clients' service intervention is suggestive of a more cost-effective service delivery strategy compared to longer-term programs. However, one must consider client outcomes as well in examining cost effectiveness. Without a thorough cost-benefit analysis that examines costs and benefits from a variety of perspectives, we are unable to compare the relative cost of FIT's service model with other programs' costs.

Overall, respondents indicated that clients' signals are generally the best indicators in determining when they are ready to exit. Although most programs maintain a two year time limit, respondents noted that some participants achieve a level of independence prior to this, enabling

them to exit the program sooner. As time progresses, clients often need fewer and fewer services from the program and begin to manage their own needs and access appropriate community resources without extensive intervention from program staff. Such a level of self-sufficiency signals their readiness to graduate from the program. Additionally, FIT staff noted that locating appropriate, affordable housing is often a primary factor in determining a client's ability to exit the transitional unit. Clients begin searching for permanent units immediately upon entering the transitional facility. Once they have located an appropriate housing unit, clients exit the transitional housing facility but continue to access case management, rental assistance and other supportive services through FIT staff as they work towards self-sufficiency.

### **Scattered Site Rental Assistance**

Less prevalent, but increasingly common, are transitional housing programs that rely on the private market for rental housing units. In this model, families are assisted with rental subsidies once they have located an appropriate unit. Rental assistance can range from emergency payments to prevent eviction, security deposits, first and last month's rent, to on-going, phased rental assistance for up to 18 months. The amount of rental subsidy agencies are able to offer often varies substantially with an agency's funding cycles and the location of rental units, but tends to be less than the two year limit in transitional facilities. Clients are expected to fully participate in a search for housing, however, program staff may alert participants to available units, offer suggestions on affordable neighborhoods, help with Section 8 applications and paperwork, and otherwise guide clients throughout their search.

Programs respondents who offered scattered-site rental assistance noted several benefits of this approach. Importantly, because individual units are located throughout the community, families are not stigmatized or isolated in group facilities. Instead, families are integrated into the existing fabric of the community and can begin to develop relationships in the neighborhood that will last beyond their participation in the program. Such support systems can help families confront later challenges that arise after their program participation ends. Additionally, families can often afford to stay in their original units after their rental assistance has phased out. This critical characteristic of scattered site housing prevents families from experiencing the often turbulent transition from a housing facility to the private market.

Program respondents utilizing the scattered site model noted the importance of phasing rental assistance out over time. Gradually increasing the rent paid by participants significantly eases a client's transition from the program. For these reasons, FIT includes phased assistance in its program, although the most recent HUD continuum of care grant prevents the program from requiring more than 30 percent of a family's income while receiving services, if served through HUD funding. Finally, the decreased start-up and maintenance costs of scattered site housing contribute to the long-term cost-effectiveness of the model. Because the average duration of rental assistance received by FIT clients is less than the program initially anticipated, FIT has proven to be even more cost-effective than predicted.

### **COMPARISON OF SUPPORTIVE SERVICES PROVIDED**

Figure III-4 highlights the differences and similarities among programs in regard to characteristics of their case management component and their method of service delivery. Regardless of whether programs deliver on-site services or refer clients to community agencies for supportive services, all programs examined provide case management through in-house program staff. Agencies noted as providing on-site delivery of supportive services may continue to refer clients to community agencies for needed services beyond those provided on-site. The differences and similarities in the types of supportive services covered, as well as the strengths and weaknesses of different methods of service delivery, are discussed in greater detail below.

All programs offer case management services which are formally structured into program participation through the rental agreement or the development of a self-sufficiency plan. Program respondents indicated that case management services are truly the "linchpin" of successful transitional housing models. They noted that offering rental assistance without case management fails to help clients create the support network they need to avoid homelessness in the future. Without the development of such a support network, the clients are more vulnerable to recidivism.

Figure III-4

**COMPARISON OF SUPPORTIVE SERVICES PROVIDED**

Program	Comprehensive Case Management	Case Manger: Client Ratio	Supportive Services Delivered On-Site <sup>a</sup>	Supportive Services Referred Out
Families in Transition; Santa Cruz, CA	T	1:65		T
Beyond Shelter; Los Angeles, CA	T	1:30	T	T
Homes for the Homeless; NYC, NY	T	1:20	T	T
Community Family Life Services; Washington, DC	T	1:20	T	T
Dignity Housing; Philadelphia, PA	T	1:35		T
New Economics For Women; Los Angeles, CA	T	N/A	T	T
Warren Village; Denver, CO	T	1:30	T	T
Wilson Commencement Park; Rochester, NY	T	1:50	T	T
Colorado Coalition for the Homeless; Denver, CO	T	1:20		T
City of Fremont Housing Scholarship Program; Fremont, CA	T	N/A		T
Northwest Montana Human Resources; Kalispell, MT	T	1:32		T

<sup>a</sup> For the purposes of this table, “supportive services delivered on-site” refers to the direct delivery of supportive services (beyond case management, budgeting, and household management) on-site, including child care, substance abuse counseling, mental health counseling, or employment and training programs.

Most of the housing programs we examined share integral case management components with the FIT model, including the identification and prioritization of needs, assessment of clients’ strengths and weaknesses, and the development of realistic goals and action steps to achieve self-sufficiency. Although a few programs contract with community agencies to offer these case management services, most maintain in-house case managers to serve the participants. Programs that offer services on-site often maintain a much larger staff to provide expanded child-care, employment, or other services. Several programs also contract with external community agencies to provide these services on-site.

In addition to case management, respondents noted several services also commonly utilized by their participants, including employment and training programs, substance abuse treatment, domestic violence counseling, and parenting classes. Household management skills

including budgeting, scheduling, and smart consumer classes are also highly utilized. Several programs that provide these services on-site are beginning to open the programs up to interested community residents not otherwise involved in the program. Additionally, several agencies allow clients to continue to participate in these services after they have officially left the program.

Various housing models employ different delivery strategies in providing these supportive services to participants. Most permanent housing developments and many transitional group facilities find there are economies of scale in supporting on-site delivery of services. Transitional housing facilities and scattered-site transitional models tend to offer comprehensive case management services through in-house staff and broker extensive referrals to community agencies for supportive services. Often the larger the facility, the more likely it is to include on-site delivery of some or all services for families. Similar to FIT, programs that operate separate or smaller facilities generally utilize the network of social service providers in their community in making extensive referrals to clients.

Programs that offer centralized, on-site services maintain a greater degree of control over the types and availability of programs offered to clients. Such flexibility enables them to more effectively adapt services to the identified needs of the residents at any given time. Programs that refer clients to outside agencies for services, in contrast, are more limited to the existing social service infrastructure. Several of the programs providing on-site delivery of services provide a staffed child care center, an employment and training center, and classroom space for program workshops. On-site delivery of such programs increases the convenience and accessibility of services and eliminates transportation barriers that can impede participation. Participation rates in services at such facilities may, therefore, be higher than the participation rates of parallel services in programs that refer clients out. However, both the staff and spatial resources necessary to provide such services on-site greatly increase a program's costs.

As noted previously, the convenience of on-site service delivery often facilitate clients' participation in services. One respondent noted, however, that participation rates in these services can be dependent upon the length of time clients are allowed to reside in the group facility. She suggested that time-limited transitional housing with supportive services may create more of an incentive for clients to take advantage of services since their residency in the facility is often limited to two years. This respondent noted that families in permanent, service-enriched housing may, in fact, be less likely to fully utilize on-site services because they know

their time in the facility is not formally limited. Nonetheless, on-site delivery of services does encourage participation and engender a heightened sense of community within the facility.

The flip side of this sense of community and on-site support, however, is that clients in permanent or transitional facilities with on-site service delivery will have learned to rely less on resources available in the community at large and more on the supports built into their residential facility. They may be less knowledgeable about the availability of community resources able to meet their needs, leading to a more difficult adjustment process once their participation in the program ends. Respondents indicated that facilities with on-site service delivery may be more appropriate for the harder-to-serve clients, and that programs that refer services out are most effective for clients who are more self-determined and independent. In fact, FIT staff recognize this difference between the two models. Although FIT's transitional facility does not provide services on-site beyond frequent home visits from case managers, the proximity of families to one another and shared play space for the children encourage residents to interact with one another and develop supportive relationships with other families in the facility. For this reason, families needing more intensive services and attention are often referred to the eight-unit transitional facility while those who are more independent are generally aided through rental assistance for private market units.

Programs that make extensive referrals to outside community agencies must pay particular attention to the quality of services offered by these agencies. One respondent whose program referred services out noted that the program had developed a screening and assessment process to use for referral agencies in determining whether these agencies are performing satisfactorily. This information is then compiled into a comprehensive resource guide, available to all clients when selecting which service providers to use. These resource guides are developed by clients who serve as paid interns for the program and gain valuable work experience in the process.

The current FIT case manager to client ratio of 1:65 was the highest of the examined programs. This ratio includes all of the clients that case managers are working with, whether they are involved in assessment, enrollment, full case management, or strictly follow-up services. Data from other programs do not clarify whether their ratios, which averaged around 1:30, include all participants or only those actively enrolled in the program. Once the two additional case managers are hired, FIT's ratio may become more comparable to that of similar

programs. As FIT staff indicated, regaining a smaller case manager to client ratio is important to maintaining their ability to effectively and comprehensively serve clients.

## **PUBLIC/PRIVATE COLLABORATION**

Like FIT, many programs we examined acquire funding from a variety of sources, creating a piece-meal, somewhat unpredictable stream of funding to support the program. Respondents noted that grant application and community outreach are critical to the viability of their programs. Many programs we studied share FIT's resourcefulness in funding and likewise seek opportunities to forge partnerships between private and public agencies. Most agencies utilize a combination of funding from federal government grants, local government funding streams, foundation support, individual donor contributions and contracts with local agencies to formalize service provision. Agencies providing supportive permanent housing or those with transitional facilities also often acquire specific affordable housing development tax credits or partner with non-profit developers with access to these credits.

These collaborative relationships vary in nature and in duration. Typically agencies must renew or seek new funds on a yearly basis—a time-consuming and costly endeavor. Federal government and foundation grants may cover an extended period of time—up to five years in certain programs—which relieves agency staff of a portion of their fund-raising activities for that period. These grants are most valuable in that they provide a steady stream of assured funds for a number of years and allow staff to more specifically determine the amount of additional funds needed for program operation. Additionally, reduced fundraising activities enable staff to concentrate on program implementation and management.

Program respondents noted that their relationships with local collaborative agencies are not always formalized into a written agreement or contract. Respondents indicated that verbal agreements on these relationships are common. However, they noted that more formal contracts or memoranda of understanding more explicitly define each agency's responsibilities and role in the partnership. Such memoranda are often updated on an annual basis to account for community changes that may affect the program. Written memoranda may also be useful in illustrating partner agencies' involvement and support of the program when leveraging funds from other sources.

While other programs often work closely with their local government agencies, including departments of social services, none have established such an organic relationship with this agency as FIT shares with HRA. Most agencies contract with social service agencies to provide certain services, and several pair with the area's housing authority to acquire Section 8 vouchers. However, no other agency examined shares program resources, including funding, equipment, and staff, to the degree that FIT and HRA do. FIT's experience in the creation of the new senior social worker unit within HRA, including two senior FIT case managers, is unique. Such a relationship promotes unrestricted information sharing and access to services between the two agencies. Furthermore, as noted by HRA staff, this relationship allows FIT, as a non-profit community based agency, to have an influence on the County social services system. While most programs similar to FIT share many of its funding sources and models of collaboration, it has surpassed most agencies in the degree to which it is formally integrated into the County's overall social service delivery system.

## **SUMMARY AND CONCLUSIONS**

As is evident from the preceding discussion, FIT shares many similarities with other programs designed to serve homeless families. The mission of each of the agencies we examined is similar to FIT's. They aim to support homeless families to achieve long-term self-sufficiency and prevent further spells of homelessness. FIT shares many important characteristics with these programs, yet also differs from its peers in several significant ways. The following summarizes these similarities and differences, as well as the importance they play in the implementation and operation of the program.

- FIT offers a scattered-site model of housing assistance in the open market, a relatively rare model of transitional housing. Many other programs provide participants with housing in a transitional facility for a limited duration of time, requiring them to relocate to permanent units once they have reached the residency limit. The scattered-site model enables families to better assimilate into the community and develop an external support system to rely on once their participation in the program ends. Additionally, this model prevents families from having to relocate once they complete the program.
- FIT provides support services similar to those offered in other programs examined. Program respondents support FIT staff's belief that supportive case management,

comprehensively addressing each of a client's identified needs, is the key to effectively serving homeless families facing multiple barriers.

- FIT's extensive network of referral agencies provides clients with familiarity and access to community service providers. Clients can then utilize these services after participation in the program ends and prevent further spells of homelessness. Clients who receive supportive services on-site in transitional facilities, in contrast, may be less knowledgeable about community resources they can access after their residency in the facility ends.
- The length of time that FIT clients can obtain housing assistance tends to be shorter than that of several other programs. However, because case management and supportive services continue after housing assistance ends, FIT clients are able to obtain similar services to those of participants in programs with longer-term housing assistance. FIT's philosophy is that long-term services, rather than housing assistance, are particularly important in sustaining a client's development.
- FIT caseloads per case manager are currently higher than any of the examined programs. This may change once FIT fulfills its hiring needs. FIT staff's sentiment on their caseloads echo comments of program respondents who noted that smaller caseloads and attentive, comprehensive case management plans are integral to a successful program.
- FIT's collaborative relationships with both public and private agencies is similar to that of sample programs. However, FIT's integrated and established relationship with the County Human Resources Agency is unique in its ability to provide seamless service delivery to clients in the welfare system and in its potential for a non-profit community agency to influence the operation of a county agency.

## IV. OUTCOMES STUDY

### PROGRESS WITH DATA COLLECTION

The implementation of the extensive database and client tracking system has been slower than anticipated. FIT case managers have been coding clients' case information retroactively, providing completely coded data from March 1998 to the present. The case managers initially retroactively coded data back to July 1998. They then suggested that they would be able to provide accurate information as far back as March 1998. Such information will enable FIT to better understand of the experience of their clients while in the program as well as after case closure. To maintain their confidence in the data, FIT staff did not code any cases prior to those enrolled in March 1998. They have continued to collect and monitor data on these clients, as well as any families that have entered the program since then. Staff anticipate that the database will be fully completed this summer, enabling substantial quantitative analysis of outcomes data in the January 2000 evaluation report.

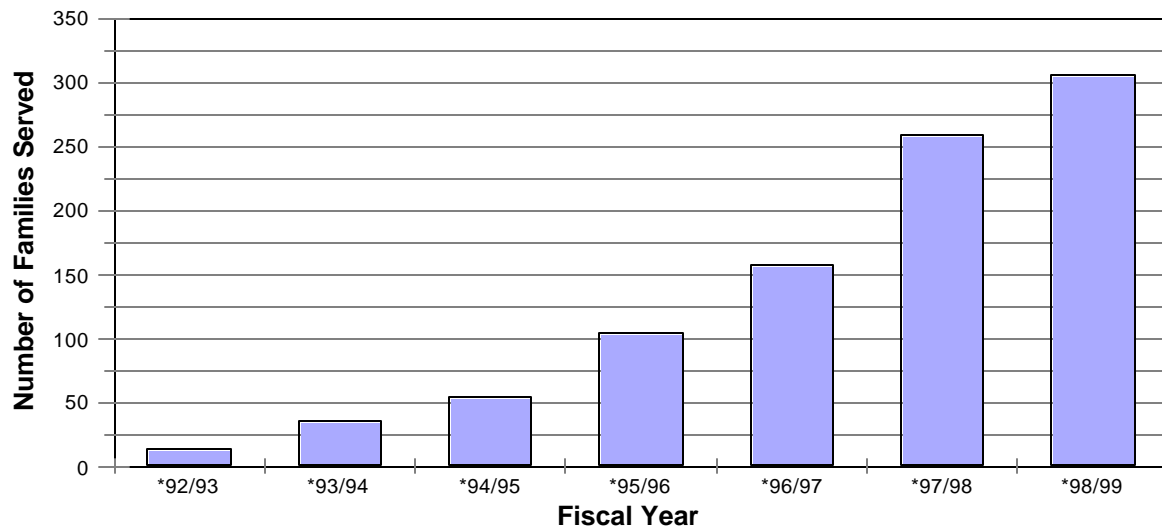
FIT recently completed the creation of their client base file within the database. A copy of the input form for this file, in addition to the base file coding sheet, is included in Appendix A. This file collects basic program and demographic information on each client at entrance to the program, including client's education and employment status and the intensity of barriers they face at entrance. During the spring site visit, FIT staff were in the process of completing the creation of the client service file which measures on-going changes to participants' welfare, employment, and earnings experience. This file also records the degree of services that clients received in several areas, including job readiness, housing, mental health, domestic violence, and child welfare services. A copy of this collection form is included in Appendix B to illustrate the degree of information that the FIT program will be able to collect and process once the database is complete.

## INTERIM FINDINGS

Although the database files are not complete, it is important to highlight recent outcomes data collected by the program. The following information was collected by FIT staff to provide interim findings while the database is completed.<sup>6</sup> During FY 98/99 FIT served 306 homeless or near homeless families who were either receiving TANF benefits at time of entry or likely to receive TANF benefits. As illustrated by Figure IV-1, the number of clients FIT serves each year has been increasing annually since the initial implementation of the program.

Figure IV-1

### NUMBER OF FAMILIES SERVED ANNUALLY BY FIT (FY 92/93-FY 98/99)



In October, 1998, FIT collected substantial demographic and service needs data on the 249 families served by the program at that time. The 249 families served included 305 adults and 521 children. Because the quantitative database is not yet operable, we present the demographic and service need of these 249 families below. Family demographics and baseline information are presented in Figure IV-2.

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<sup>6</sup>Data included in this section are derived from FIT correspondence, *Preliminary Data From Packard Funded Project; October 1998.*

Figure IV-2

**BASELINE DEMOGRAPHIC INFORMATION OF FAMILIES  
WITH OPEN CASES AS OF OCTOBER 1998**

Caseload Composition	<ul style="list-style-type: none"> <li>• 249 families</li> <li>• 305 adults</li> <li>• 521 children</li> </ul>
Family Composition	<ul style="list-style-type: none"> <li>• 73 % headed by single mothers</li> <li>• 21% headed by couples</li> <li>• 6% headed by single fathers</li> </ul>
Family Ethnicity	<ul style="list-style-type: none"> <li>• 59% Caucasian</li> <li>• 29% Latino</li> <li>• 6% African American</li> <li>• 6% other ethnic groups</li> </ul>
Family Earnings at Entrance	<ul style="list-style-type: none"> <li>• 163 reported TANF as their sole source of income</li> <li>• 93 employed</li> <li>• Median monthly family income was \$673</li> </ul>
Education Level of Adults	<ul style="list-style-type: none"> <li>• 29% did not complete high school</li> <li>• 35% had a high school diploma or equivalent</li> <li>• 27% reported post-high school education or training</li> <li>• 9% had either an AA or BA degree</li> </ul>

In addition to baseline demographic information, FIT staff collected information on the barriers and characteristics of families receiving services during the first year of the Packard Foundation funded project. Included in this information is the number of barriers to self-sufficiency clients faced at entrance to the program. According to program data, ten percent of clients reported four barriers to self-sufficiency, 18 percent reported three barriers, 29 percent reported two barriers, 33 percent reported only one barrier, and just ten percent reported housing as their only significant barrier to self-sufficiency. A more detailed breakdown of the proportion of clients facing various barriers to self-sufficiency is included in Figure IV-3.

Figure IV-3

**BARRIERS FACING CLIENTS  
OPEN CASES AS OF OCTOBER 1998**

Barrier	Proportion of Clients Facing Barrier
Involvement with Child Welfare Service Division	55%
Facing Domestic Violence Issues	52%
Substance Abuse Issues	39%
Physical or Mental Disabilities that Complicate Transition off of Welfare	42%
Lack of Basic Life Skills <sup>7</sup>	60%
Teen Parents in Need of Special Assistance	12%
Number of Families: 249 Number of Adults: 305 Number of Children: 521	

The quantitative data collection activities pursued by FIT on client outcomes set the program apart from many of the comparative programs examined for this report. In fact, data collection and analysis on outcomes measures appears to be rare within the housing field. FIT's development and implementation of a data system to track client demographic and outcome data will enable it to assess the effectiveness of the program and respond to interim findings on an on-going basis. Our next evaluation report will more fully explore the potential of these data collection activities.

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<sup>7</sup>Basic Life Skills include budgeting, money management, parenting skills, communication, and the ability to negotiate with and access governmental assistance programs and community-based assistance.

## **V. PLANS FOR FUTURE ANALYSIS**

Future evaluation activities will be reported in three subsequent reports to be submitted in January 2000, June 2000, and January 2001. Our research plans for this future analysis are summarized below.

### **FUTURE QUALITATIVE DATA COLLECTION**

We will continue to perform semi-annual site visits to the FIT program to supplement current qualitative information. These visits will investigate on-going program implementation and operation issues through interviews with key stakeholders. Respondents to these interviews will continue to include FIT staff, HRA staff, staff at community referral agencies, program clients, and property owners. We intend to interview a broader range of clients, including those who have graduated from the program and those who are served primarily through the Watsonville office.

Special attention will be paid to certain implementation issues. These topics include the evolution of the senior social worker unit within HRA, program implementation at the Watsonville office (including outreach efforts), new staff positions, and changes in the waiting list. Furthermore, we will track any changes in the economic or political environment in Santa Cruz that could influence program operations or support. These evaluation activities will further identify strengths of and challenges to program growth and improvement.

### **FUTURE COMPARATIVE ANALYSIS**

This report largely concludes our analysis of comparative program issues and places FIT within the context of similar programs. We will continue to highlight selected federal and state legislative activities relevant to program operation at FIT.

## **FUTURE QUANTITATIVE DATA COLLECTION**

The final three reports will focus on the collection and analysis of quantitative data. Completion of the database will facilitate tracking of clients' baseline information, degree of need, intensity of services received, and program outcomes. Such information will enable us to measure incremental changes in clients' outcomes throughout their participation in the program as well as post-termination. Planned analysis will also attempt to connect on-going program implementation and changes with outcomes information in a meaningful way.