

# CITY OF LOS ANGELES

CALIFORNIA

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November 14, 2017

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Homelessness and Poverty Committee  
Los Angeles City Council  
c/o Eric Villanueva  
City Clerk  
Room 395, City Hall

## **COMMITTEE TRANSMITTAL: REPORT BACK ON THE LOS ANGELES REGIONAL INITIATIVE FOR SOCIAL ENTERPRISE (LA:RISE) EXPANSION PILOT PROGRAM COMBINING RAPID RE-HOUSING AND TRANSITIONAL SOCIAL ENTERPRISE JOBS FOR HOMELESS INDIVIDUALS IN THE SAN FERNANDO VALLEY AND SOUTH LOS ANGELES REGIONS**

### **RECOMMENDATIONS**

The General Manager of the Economic and Workforce Development Department (EWDD) respectfully requests that the Homelessness and Poverty Committee:

1. ACCEPT the Los Angeles Regional Initiative for Social Enterprise (LA:RISE) expansion pilot evaluation results contained in this report; and
2. INSTRUCT the EWDD and Los Angeles Homeless Services Authority (LAHSA) to make enhancements to the LA:RISE expansion pilot design, resulting from lessons learned and process improvements outlined in this report, to continue with a phase two version of the program for the current program year to serve an additional fifty (50) homeless individuals.

### **FISCAL IMPACT STATEMENT**

There is no additional impact on the City's General Fund. LA:RISE and rapid rehousing services are funded through the approved Annual Budget for Fiscal Year 2017-2018.

## **SUMMARY**

Recognizing that unemployment and homelessness go hand in hand, on October 18, 2016, Councilmembers Krekorian and Harris-Dawson introduced a Motion (C.F. 16-1178) instructing the EWDD and LAHSA to report to the City Council on creating a pilot program that combines rapid rehousing and transitional social enterprise jobs through the LA:RISE for individuals who are homeless in the San Fernando Valley and South Los Angeles. The Homelessness and Poverty Committee approved the implementation of the pilot through a joint report by EWDD and LAHSA, dated November 4, 2016, and requested an evaluation report back by EWDD and LAHSA. This transmittal represents EWDD's report back and includes information supplied from LAHSA.

## **BACKGROUND**

Homelessness is an ongoing issue in the City of Los Angeles with a wide variety of social and economic causes and implications, a broad range of neighborhood impacts and overwhelmingly difficult solutions that will take a great deal of time to implement. In light of this crisis, the City has dedicated millions of dollars for a broad range of services to house, heal, and employ the city's homeless. The Coordinated Entry System has the potential to greatly improve service delivery, providing a wide range of paths for the homeless to access critical, often life-saving services and offering a "no wrong door" approach based on their individualized need.

However, even with Coordinated Entry, it is still largely incumbent on each homeless individual to seek the right combination of services to meet their needs. Much of the overall homeless population may not be aware of the full range of programs which they are eligible for, and which may improve their lives. Furthermore, individual providers often don't coordinate with each other to pair complementary programs and avoid duplication of services.

Even in the best of circumstances, when a homeless individual does not suffer from debilitating mental health or substance abuse challenge, changing and improving that person's life often requires a significant investment in services. Rapid re-housing vouchers by itself only offers short and medium term rental assistance and opens the possibility for recidivism back onto the street without a sustainable source of income when the period of assistance ends. Similarly, enrolling a homeless person into a job training program without offering a place for that person to live and adapt to a housed way of life will often prevent them from re-entering the mainstream job market. In a vacuum, each of these programs is important, but each only provides half the solution to bringing an individual permanently out of homelessness.

The San Fernando Valley has experienced a rapidly growing homeless population. Another region of the city with the largest homeless population outside of skid row is South Los Angeles. This region has struggled with obtaining access to a wide range of quality employment related assistance such as job skills, training, referrals, and placement.

Pursuant to the adoption of the Mayor's 2016-17 Budget on May 19, 2016, the EWDD received \$2 million in General City Purposes (GCP) funds to deliver workforce development services to homeless individuals through the LA:RISE program. The GCP

funds allowed the EWDD to provide transitional employment, workforce training, education, and job placement services to 275 homeless individuals; including a subset of 50 individuals to be served for purposes of this pilot program between Council District 2 and Council District 8.

In the City's 2016-2017 Budget, the Los Angeles Homeless Services Authority (LAHSA) received \$13.25 million in GCP funds and \$5 million in City Special Purpose Funds to deliver rapid rehousing services for single adults and youth experiencing homelessness. Funding was awarded to community based organizations through the Coordinated Entry System (CES) to provide short- to medium-term case management and financial support to 2,500 people experiencing homelessness.

### **LA:RISE Program Overview**

LA:RISE is designed to help people with employment barriers find long-term work, by taking an integrated, wrap-around approach to job creation. Participants receive a steady paycheck while in transitional subsidized employment at a social enterprise along with the counseling, support, and training they need to succeed for a collaboration of partner organizations. Under the LA:RISE initiative, individuals progress from transitional subsidized employment, to bridge (unsubsidized) and/or competitive employment in the open labor market.

Social enterprises and workforce agencies work together to better prepare individuals both professionally and personally by providing paid work experience and personal supports such as housing, transportation, and legal services. By co-enrolling individuals into WIOA (which provides workforce services using federal funding), LA:RISE is able to leverage funds and work more efficiently.

After working in a transitional job at a social enterprise and leveraging training and services from the WorkSource Center (WSC), individuals are placed at jobs in the private sector, in public-sector jobs in the City of LA, or in vocational training programs. Upon placement, they work with a retention partner for up to one year, who acts as a safety net in case barriers emerge on their path to self-sufficiency.

### **Rapid Re-Housing (RRH)**

The U.S. Interagency Council on Homelessness (USICH) defines rapid re-housing as "an intervention designed to help individuals and families quickly exit homelessness and return to permanent housing. Rapid re-housing assistance is offered without preconditions — like employment, income, absence of criminal record, or sobriety — and the resources and services provided are tailored to the unique needs of the household." Unlike permanent subsidy programs, rapid re-housing is intended to provide short-term rental assistance (ranging from 2 to 12 months) along with the necessary supportive services to regain housing stability. Rapid re-housing programs adhere to the USICH Benchmarks and Standards of Rapid Re-Housing, modeled on three core components; 1) housing identification, 2) rent and move-in assistance, and 3) case management and services.

In order to provide a sustainable intervention through rapid rehousing it is critical that effective case management and referral linkage is provided in the areas of life skills, income support, both employment and disability benefits, budgeting, negotiation, mental and physical health, substance abuse and community connection. Rapid re-housing has been shown to be a cost effective intervention for many people experiencing homelessness. LAHSA measures program success based upon:

- Exits to permanent housing.
- Number of participants who increase income.
- Number of participants who maintain housing 12 and 24 months post exit..

### **LA:RISE Expansion Pilot Program Design (Fall 2016 to Sept 2017)**

The LA:RISE expansion pilot program partnered Goodwill's social enterprise retail store training program and Chrysalis' Pomona site social enterprise street maintenance program, along with respective regional WorkSource Centers to integrate with LAHSA and its partner agencies, which included LA Family Housing and Homeless Outreach Program Integrated Care System (HOPICS).

The expansion pilot program goal was to provide at least fifty (50) participants with employment services and short term rental housing assistance to individuals who were homeless in the San Fernando Valley and South Los Angeles. Personal support provider agencies such as Friends Outside, LIFT, and the Anti-Recidivism Coalition continue to work with individuals once placed into competitive employment.

### **LA:RISE Expansion Pilot Program Evaluation**

#### Metrics and Performance Summary

<b>Metric</b>	<b>Goal</b>	<b>Actual</b>	<b>% of Goal</b>
Enrolled in Program <sup>1</sup>	50 individuals	59 individuals	118%
Completed Transitional Employment	50 individuals	42 individuals	84%
Housed	50 individuals	29 individuals	58%
Placed into Competitive Employment	25 individuals	20 individuals	80%

#### Performance Outcomes by Council District

<b>Council District</b>	<b>Total Enrolled in Program<sup>1</sup></b>	<b>Completed Transitional Employment</b>	<b>Housed</b>	<b>Entered Competitive Employment</b>	<b>Housed and Placed In Competitive Employment</b>
2	25	12 <sup>2</sup>	14	16	11
8	34	30	19	5	11

1. Enrolled in program is defined by intake, enrollment into rapid rehousing voucher program, initial assessment and case management services.
2. Reasons why individuals may not have entered or completed transitional employment:
  - A client was placed directly into competitive employment after Case Management was provided: 8

- Left the area: 1
- Wanted to focus on housing/other barriers to employment: 1
- Still in case management/ job readiness with Chrysalis: 3
- Anticipate 3 more individuals to enter transitional employment

### **Benefits of the LA:RISE Expansion Pilot Partnership**

**Partner Collaboration served a multi-barriered population:** Collaboration enabled staff to get a holistic picture of what services and interventions were needed to provide a plan of action for each individual to achieve housing and get connected to jobs.

**Housing and Jobs Integration:** Helping clients get housed has helped them to keep their jobs; having a job has allowed more clients to get housed. Combining rental subsidy with income from a job increased the ability to save when first starting to work.

### **LA:RISE Expansion Pilot Issues**

**Recruitment:** Pilot was launched once LA:RISE 2.0 recruitment had already been completed and therefore the Social Enterprises had filled their original allocations. Agencies had to restart recruitment and partner between housing and social enterprise partner to fill slots, thereby delaying our initial recruitment timeline.

**Phased Approach:** Some individuals were not ready or interested in pursuing housing and employment at the same time, which delayed recruitment and caused early dropouts on one side of the program.

**Personal and Professional Readiness:** Many clients experiencing homelessness had other co-occurring barriers or issues e.g. mental health, physical health, hygiene, suspended drivers' license in other states, etc. which caused them to pause transitional employment.

**Staffing:** Internal staffing inefficiencies were experienced since clients were spread out between different case managers, causing difficulty in coordination at times.

### **LA:RISE Expansion Pilot External Issues**

#### **Lack of available affordable housing units available:**

- Many participants had vouchers in hand, but they had not been placed due to lack of affordable housing units.
- Many individuals refused emergency shelter and expressed apprehensiveness about sharing housing (CD 8 experience).
- Finding landlords who were willing to work with LAHSA participants was one of the biggest barriers experienced as part of this Pilot. Often landlords are not willing to fill out a W-9, or they don't want to accept third party checks. Also, many of our Pilot participants were looking for a room for rent, as this is what they could afford, but even finding an affordable room for rent proved very challenging.
- Additionally, at the beginning of the program an incentive was being offered to landlords, which was helpful because landlords would be more flexible in regards to credit and backgrounds. Now, all LAHSA can offer is

a double security deposit, but often that is not enough incentive for the landlord. (CD 2 experience).

- While affordability is a national issue, “In no state, can a minimum wage worker afford a one-bedroom rental unit at the average Fair Market Rent, working a standard 40 hour work week, without paying more than 30% of their income”, the problem is especially acute in California, “which ranks as the 3<sup>rd</sup> most expensive state to rent a two bed-room requiring \$28.59/hr on a 40 hour work week.”<sup>1</sup>

## LA:RISE Housing Pilot Program Recommendations

The EWDD recommends that the LA:RISE expansion pilot adopt the following changes for phase two implementation:

### 1. Recruitment:

- Align with LA:RISE intake cycle earlier in the Fiscal Year (July-November).

### 2. Phased Approach:

- Recruit individuals into pilot from Rapid Rehousing agencies and into the social enterprise once clients have been housed and stabilized.

### 3. Readiness:

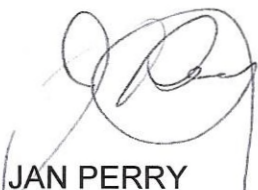
- Identify partners to provide additional leveraged services to address co-occurring barriers and issues experienced by clients.

### 4. Staffing:

- Designate one housing case manager/ employment specialist for each individual.
- Identify one case manager staff member at each organization to manage all individuals enrolled in the pilot.

### 5. Housing:

- Compose LA:RISE Housing Pilot working group to identify barriers to housing and provide follow-up report.



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<sup>1</sup> [http://nlihc.org/sites/default/files/oor/OOR\\_2016](http://nlihc.org/sites/default/files/oor/OOR_2016).