



Chronic Homelessness Initiative: 2020 Progress Snapshot

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In May 2017, Tipping Point Community, a Bay Area nonprofit organization, launched a \$100 million initiative to halve chronic homelessness in San Francisco in five years. Tipping Point’s Chronic Homelessness Initiative (CHI) is the largest private investment to address homelessness in the city’s history. To reach its goal, CHI is relying on three strategies: (1) increasing placements of people experiencing homelessness into permanent housing, (2) preventing people from becoming chronically homeless, and (3) changing systems that feed chronic homelessness and with which people experiencing chronic homelessness frequently interact. This brief provides a snapshot of the progress made in 2020 toward CHI’s placement goals and successes, as well as the challenges the initiative experienced. The brief also looks forward to what needs to be done to meet the goal in two years.

Chronic Homelessness Initiative Overview

Tipping Point Community launched CHI in May 2017 in response to San Francisco’s homelessness crisis. CHI is specifically focused on ending chronic homelessness. Chronic homelessness is defined as repeated or prolonged homelessness experienced by a person who has a disability. Tipping Point’s ultimate goal is to halve chronic homelessness, as measured by the difference between the 2017 and 2023 point-in-time counts—annual, one-night estimates of people experiencing homelessness. In 2017, there were 2,112 individuals experiencing chronic homelessness in San Francisco. If Tipping Point and

its city partners meet the goal, there will be 1,056 or fewer individuals experiencing chronic homelessness in January 2023. To achieve this, CHI has three central components:

- Create more housing, specifically permanent supportive housing (PSH) opportunities for people experiencing chronic homelessness.
- Prevent chronic homelessness by housing people before they become chronically homeless and by improving the systems that serve people vulnerable to homelessness.
- Change systems by increasing capacity and improving policies.

Tipping Point engaged the Urban Institute to evaluate the implementation and outcomes of CHI. The evaluation's primary goal is to understand CHI's overall success in helping San Francisco halve chronic homelessness and make long-term, system-wide improvements that support the city's most vulnerable residents. Urban is also conducting program evaluations of specific CHI activities and strategies, including the Moving On Initiative (currently paused), the Flexible Housing Subsidy Pool (flex pool), and the Rising Up program. The findings in this brief are based on an analysis of publicly available data from the San Francisco Department of Homelessness and Supportive Housing (HSH), data reported to Tipping Point from its grantees, and 38 interviews with Tipping Point staff members, grantees, and community advisory board members, as well as government and community partners.

Placements in 2020

In 2020, San Francisco's government and nonprofit partners placed into housing an estimated 886 people who were experiencing chronic homelessness (table 1). Based on modeling and projections of how many people the city would need to place to meet the CHI goal in 2023, city partners fell short of their target by 788 placements.

Consistent with previous years, the majority of housing placements (655 placements) for people experiencing chronic homelessness were made into existing or new PSH, which combines the long-term provision of housing and supportive services designed to maintain housing stability. Existing PSH units are those that turn over when a tenant exits the program. Placements in new PSH are made when the city opens a newly developed or renovated building. Despite accounting for most placements in 2020, PSH placements fell short of projections by 225.

The number of PSH placements dropped between the first and second quarter, as the pandemic-related shelter-in-place order took effect in San Francisco, and remained lower than usual through the third and fourth quarters. This reduction is consistent with information gathered through interviews about the pandemic's impact on PSH turnover and rehabilitation and construction delays at buildings with units that were expected to open in 2020. At this time, with the data available, determining whether placements slowed more in existing or new PSH is not possible.

Placements are made through other programs as well. One that exceeded its 2020 placement targets was Rising Up, a rapid re-housing program for people ages 18 to 24. Rising Up placed 92 young people experiencing chronic homelessness in housing by the end of the year, 17 more than projected.

All other program types fell short of 2020 placement targets. The flex pool, a program established in the second half of 2020 through a public-private partnership between Tipping Point and the city, made less than half the housing placements that were projected. The program was hampered by slow and inconsistent referrals, particularly from shelter-in-place (SIP) hotels; this slowed housing acquisition and placement. Problem solving and adult rapid re-housing placements also fell well short of targets, although publicly available data may be incomplete.¹ For problem solving in particular, the publicly available data do not include reporting on the universe of problem-solving activities being implemented in the city.

TABLE 1
Housing Placements of People Experiencing Chronic Homelessness and Progress toward 2020 Targets by Key Homelessness Programming Types in San Francisco

Program	Placements					% of target
	Q1	Q2	Q3	Q4	Total	
Existing and new permanent supportive housing	281	147	103	124	655	74.4
Flexible Housing Subsidy Pool	0	0	39	42	81	32.4
Voucher/subsidy	11	16	0	0	27	n/a
Problem solving	16	1	3	8	28	24.3
Adult rapid re-housing	1	2	0	0	3	5.6
Rising Up	33	25	13	21	92	122.7
Total	342	191	158	195	886	52.9

Sources: San Francisco Department of Homelessness and Supportive Housing, “Monthly Report to the Local Homeless Coordinating Board” (presentations on [June 1, 2020](#); [August 3, 2020](#); and [November 2, 2020](#)); San Francisco Department of Homelessness and Supportive Housing, “Interim Director’s Report” (presentation to the Local Homeless Coordinating Board, [February 1, 2021](#)); and Tipping Point grantee monthly and quarterly reporting.

Notes: Existing and new permanent supportive housing placements are calculated as all adult and transition age youth (18 to 24 years old) placements reported by the San Francisco Department of Homelessness and Supportive Housing (HSH) in the presentations to the Local Homeless Coordinating Board that cannot be attributed to the Flexible Housing Subsidy Pool, rapid re-housing, or Rising Up placements reported to Tipping Point. Voucher placements were placements of people experiencing chronic homelessness through the Mainstream Voucher program administered by the San Francisco Housing Authority. Placements in the Mainstream Voucher program in the first and second quarters were not projected, so a “percentage toward target” is not given. Mainstream Voucher placements in the third and fourth quarters are included in the placements for the Flexible Housing Subsidy Pool, where the Mainstream Voucher program accounts for 50 of the 250 projected placements. Problem-solving placements are calculated as 15 percent of placements through the Homeward Bound program reported by HSH in the coordinating board presentations. Homeward Bound does not reflect broader problem-solving activities in the city, but this method of estimation is consistent with HSH estimates of the share of Homeward Bound placements that were for people experiencing chronic homelessness in previous years.

Tipping Point came closer to meeting its 2020 placement goals for programs in which it invests in the hope of preventing chronic homelessness. In 2020, 126 people were housed through Tipping Point prevention programs (table 2). Even though we cannot determine whether the placements prevented

an episode of chronic homelessness, the programs target people at risk of long-term homelessness, including currently homeless young people, young people who have been involved with the child welfare system, and people who are reentering the community from jail and have a history of homelessness.

TABLE 2

Housing Placements and Progress toward 2020 Targets by Key Chronic Homelessness Prevention Programming Types in San Francisco

Program	Placements					Total	% of target
	Q1	Q2	Q3	Q4			
Rising Up	13	28	15	15	71	78.9	
LaunchPads	10	0	0	0	10	100.0	
SPARK	11	2	2	1	16	160.0	
Step Up to Freedom	0	9	13	7	29	72.5	
Total	34	39	30	23	126	84.0	

Source: Tipping Point grantee monthly and quarterly reporting.

Chronic Homelessness Initiative Progress in 2020

Overall, housing placements for people experiencing chronic homelessness fell short of targets across nearly all programming types. To prevent that from happening in 2021, Tipping Point and city partners can build on progress made in 2020 on key CHI components, specifically the efforts to create more housing and prevent chronic homelessness.

Create More Housing

One of the three key components of CHI is creating more housing for people experiencing chronic homelessness to be placed in. This is the CHI component that respondents felt the most progress had been made on.

FLEXIBLE HOUSING SUBSIDY POOL

The flex pool is a scattered-site supportive housing program in which rental assistance is paired with individually tailored case management services for people experiencing chronic homelessness. The flex pool is a public-private partnership. Tipping Point, along with other philanthropic groups, is funding 200 rental subsidies for 18 months and supporting housing location, housing stabilization, and case management services. The city and HSH have committed to providing long-term housing support for current and future participants. An additional 50 flex pool participants will receive a mainstream voucher from the San Francisco Housing Authority.

Interview respondents praised Tipping Point for pushing the flex pool forward in a difficult fiscal and operational environment. Respondents credited Tipping Point with both jump-starting the flex pool through philanthropic investment and funding capacity building at Brilliant Corners, the organization

that serves as the platform for all housing search and rental assistance administration for the flex pool and Rising Up, to create the foundation for the program. Respondents noted that Tipping Point changed its planned funding schedule so it could provide flexible funding to house people immediately at a time when the city needed it. Moving forward, respondents saw Tipping Point's role as bringing together flex pool partners to maintain the quality of services provided to participants and to navigate partner relationships during design and expansion conversations.

Even though flex pool placements fell short of the goal, interview respondents viewed the flex pool optimistically. Respondents said an observed increase in access to private-market units would likely lead to an increase in placements through the flex pool. Respondents reported that decreasing rents and increasing vacancies were driving landlords to participate in rental assistance programs. One respondent said: "Suddenly, landlords were calling us [and saying], 'Hey, you called us two years ago—can we work with you?' Even if they turned us down in the past because they were hesitant about taking a risk on someone with poor credit, now they are worried about their units being empty for months. And suddenly it is much more appealing to work with us."

Suddenly, landlords were calling us [and saying], 'Hey, you called us two years ago—can we work with you?'

—Interview respondent

RISING UP

The Rising Up program is also funded through a public-private partnership between Tipping Point, the city, and other philanthropic partners. The goal of Rising Up is to halve homelessness among people ages 18 to 24 by 2023 by rapidly re-housing 500 young people and preventing homelessness for an additional 450. In 2020, as noted earlier, the Rising Up program exceeded expectations; it housed a total of 163 young people, including 92 who were experiencing chronic homelessness. Respondents credited the early success of the program to, among other factors, flexible program design, youth choice in selecting housing units, and strong communication with landlords (Gold et al. 2021).

The shifts in the private housing market also had a positive impact on the Rising Up program. Respondents said the changes meant more program participants could be housed in San Francisco. This was noted as particularly important for young people of color, who many program staff members felt were being displaced from the city by rental assistance programs. One respondent described the rental market changes as a positive development for Rising Up because partners are trying to house more young people in San Francisco. "I don't like the idea that the program would contribute to the displacement of primarily Black and brown and LGBTQ youth from the city," the respondent said.

833 BRYANT AND THE HOMES FOR THE HOMELESS FUND

To date, the largest investment that Tipping Point has made as part of CHI is a \$65 million contribution (from Charles and Helen Schwab²) to the San Francisco Housing Accelerator Fund for the development of a 146-unit PSH building at 833 Bryant Street. The project's goal is to decrease the per-unit cost of building supportive housing and to increase the speed with which development can occur through up-front philanthropic financing and modular construction. In 2020, the project completed construction financing and broke ground, modular units were installed, and roofing and exterior work were under way. The project is considered to be on track for participants to begin moving in during fall 2021. Tipping Point is also exploring additional opportunities to expand this component of CHI through hotel acquisition as part of Project Homekey, a California state grant program to help jurisdictions buy housing, including hotels, motels, vacant apartment buildings, and other buildings, and convert and rehabilitate it into interim or permanent long-term housing.

In 2020, the 833 Bryant Street project completed construction financing and broke ground, modular units were installed, and roofing and exterior work were under way.

Prevention Programming Launch

In 2020, Tipping Point made strides in implementing the second central component of CHI: working to prevent people from becoming chronically homeless. CHI funds several programs that could prevent a person from becoming chronically homeless—for example, Tipping Point considers Rising Up's placements of young people who are not experiencing chronic homelessness as potentially preventive. One new program showed early success in its pilot year: Step Up to Freedom, which is a rapid re-housing program for people who have been involved with the criminal legal system and have experienced homelessness. In 2020, the program rapidly re-housed 29 people. Tipping Point hopes the pilot will serve as a proof of concept for intervening with rapid re-housing during reentry with people whose histories indicate they might be at risk for long-term homelessness.

Challenges in 2020

Like all cities, San Francisco faced challenges created by the COVID-19 pandemic in 2020. People experiencing homelessness, especially those experiencing chronic homelessness, are particularly vulnerable because their living situations may make them more likely to be exposed to the virus and they may have health conditions that make them susceptible to a serious case of the disease. The pandemic also exacerbated homeless response system challenges that existed before the pandemic.

Pre-Pandemic Challenges

Before the pandemic began, San Francisco faced challenges in trying to meet housing placement targets for decreasing chronic homelessness. Some of those, like finding units whose landlords were willing to rent to program participants, were improved by the pandemic. Others, such as vacant PSH units and an inconsistent pace of referrals, were made worse.

VACANT PERMANENT SUPPORTIVE HOUSING UNITS

According to data from previous years, the largest number of placements into permanent housing for people experiencing chronic homelessness were through existing PSH units. Despite this, interview respondents shared that hundreds of PSH units in San Francisco were vacant. In a February 2021 presentation, HSH reported that more than 750 of the city's nearly 7,800 PSH units were vacant (meaning that approximately 90 percent were filled) (Menjivar 2021). Of the vacant units, nearly 300 were temporarily offline awaiting repairs, nearly 250 had a pending placement, and 225 were unoccupied, available, and unassigned. Some respondents indicated that repairs to units had slowed because of the pandemic, but most attributed the vacancies to challenges matching people on the housing priority list with available units. One respondent said: "There is a plan...We created a system to track units when they are offline. That system doesn't speak to the [coordinated entry system]." Another respondent indicated that performance-monitoring policies and procedures that were intended to address this situation were being developed but that the rollout was paused because of the pandemic.

INCONSISTENT REFERRAL PACE

A refrain from interview respondents was that the pace of referrals—which flow from HSH to service providers, including Brilliant Corners—was inconsistent and directly resulted in delays in housing placements. This challenge existed before but has been exacerbated by the pandemic. For example, Brilliant Corners received 17 referrals in September 2019, 4 in December 2019, 28 in January 2020, 88 in March 2020, 37 in November 2020, and 8 in December 2020. Inconsistency in and insufficient numbers of referrals have ripple effects through programs, particularly those dependent on the private market. When referral pace is inconsistent, either Brilliant Corners does not have enough units ready when an influx of referrals occurs or units are held and not filled, which wastes program resources. Interview respondents stressed that transparency and information about when to expect referrals would help mitigate these challenges.

Interview respondents felt that COVID-19 contributed to these challenges because of shifts in the people prioritized for assistance and changes in operations at and closures of coordinated entry access points. One of the city's responses to the pandemic was to acquire hotels to provide people experiencing homelessness with safe shelter. The criteria for being placed in a SIP hotel, which included particular medical conditions that make a person vulnerable to COVID-19, were not entirely consistent with the pre-pandemic criteria for being prioritized for PSH, which included measures of how long someone has experienced homelessness. Respondents emphasized that coordinated entry staff members did not know early in the pandemic who was in the SIP hotels and that determining people's housing priority status has taken time. As plans were made to close SIP hotels in fall 2020, respondents

indicated that the process of determining which residents qualified for PSH may have slowed the pace of referrals for placement in housing programs. As of February 2021, approximately 35 percent of those residing in SIP hotels still needed assessments.³

The goal is 60 people [housed] a month—which would imply that there needs to be at least 50 referrals the month before—but the system is nowhere near that.

—Interview respondent

COVID-19-Related Challenges

In addition to exacerbating preexisting challenges, the pandemic introduced new challenges, including a decrease in PSH turnover and in agency and staff capacity.

A DECREASE IN PERMANENT SUPPORTIVE HOUSING TURNOVER

As previously noted, placements into existing PSH units are a major source of housing for people experiencing chronic homelessness in San Francisco. These placements require people to free up PSH units by moving out. Interview respondents indicated that one reason the number of placements into existing or new PSH units did not meet 2020 targets may have been that after the pandemic started, PSH residents did not leave their units at the same pace as they did before, because of both personal preference and a pause in the small number of evictions that usually occur.

A DECREASE IN AGENCY AND STAFF CAPACITY

Agencies across the city experienced staffing challenges during the pandemic, particularly in the early months. Unsurprisingly, the focus at the pandemic's outset was on keeping the virus from spreading among people experiencing homelessness and those in housing programs. The number of people in shelters was reduced, and hotel rooms were used to provide safe accommodations. One respondent said the city lost close to 70 percent of its congregate shelter capacity. Placements in several permanent housing program types slowed considerably while efforts were focused on crisis response. At HSH, for example, most of the housing team was deployed to the emergency operations center responsible for coordinating the city's pandemic response, and interview respondents indicated that this pulled staff members off planned strategic activities at HSH.

Interview respondents said that early in the pandemic, direct service agencies that were running hotels, shelters, and other congregate programs had a need for new qualified staff members, in some cases because of a loss of employees. This need led to disruptions in services to people who were experiencing or had previously experienced homelessness. Tipping Point sought to help agencies staff up by funding a staffing agency to screen résumés and expedite hiring. This effort resulted in the forwarding of nearly 500 pre-screened applicants to the agencies.

Looking Forward to 2021 and 2022

Even though housing placement targets for 2020 were not met, interview respondents were optimistic that Tipping Point and CHI partners could still achieve the goal of halving chronic homelessness. Respondents pointed to the number of housing placements expected for 2021 and 2022 and new investments planned in the city as a result of the release of Proposition C funding, resources made available to address homelessness in San Francisco through a voter-approved ballot measure to raise taxes on businesses. Using available placement estimates, Tipping Point projects that halving chronic homelessness by the January 2023 point-in-time count (meaning that there will be 1,056 or fewer individuals experiencing chronic homelessness in San Francisco at the January 2023 point-in-time count) is still possible (table 3). This optimism was tempered by a sense that making progress immediately was essential. Respondents said the convergence of new investments from multiple sources, the shifts in the private rental market, and support from the public to address homelessness in the context of the pandemic provided an unprecedented opportunity to make significant progress. To miss this opportunity, they said, could be devastating both to people experiencing homelessness and to future efforts.

TABLE 3

Estimates and Projections of Chronic Homelessness Initiative Progress on Halving Chronic Homelessness in San Francisco

	Estimates	Projections		
	2020	2021	2022	2023
Point-in-time count of individuals experiencing chronic homelessness	2,943	3,126	1,676	981
Estimated inflow/undercount	1,195	1,195	1,195	n/a
Housing placements of people experiencing chronic homelessness	886	2,339	1,733	n/a
Housing placements to prevent chronic homelessness	126	306	157	n/a

Sources and notes: 2020 placement estimates are from San Francisco Department of Homelessness and Supportive Housing, “Monthly Report to the Local Homeless Coordinating Board” (presentations on [June 1, 2020](#); [August 3, 2020](#); and [November 2, 2020](#)); San Francisco Department of Homelessness and Supportive Housing, “Interim Director’s Report” (presentation to the Local Homeless Coordinating Board, [February 1, 2021](#)); and Tipping Point grantee monthly and quarterly reporting. Inflow/undercount is an estimate of the people who become chronically homeless during a year or who are potentially missed during the previous year’s point-in-time count. It is a constant based on data on placements and changes in point-in-time counts from 2009 to 2017. This constant was increased for 2020–22 to account for potential increases to homelessness because of the COVID-19 pandemic.

Housing placement projections are based on Tipping Point investments in Chronic Homelessness Initiative (CHI) programming types and estimates from the San Francisco Department of Homelessness and Supportive Housing of placements in existing permanent supportive housing (PSH) units, the Mayor’s Office of Housing and Community Development timelines for PSH development, and estimates of placements from planned Proposition C funding.

Projected point-in-time counts are calculated as the previous year’s point-in-time count plus the estimated inflow/undercount minus projected placements of people experiencing chronic homelessness in all programming types and placements in CHI-targeted chronic homelessness prevention programs.

CHI will still face obstacles. Interview respondents were concerned that data and system challenges could prevent partners from making progress quickly. A respondent summarized the situation, saying: “We’ve got the money. We’ve got the will. But can we get [our] act together? This is our chance. We have neighborhood groups, Tipping Point who are continuing to [push]. Can we get out of our own way and hit the gas? If we don’t, we might peter out.” Respondents stressed the need to resolve referral pathway challenges immediately, fill vacant PSH units, and hold service providers responsible for meeting contract goals and performance benchmarks. Additionally, respondents stressed that greater transparency and accountability around data would be key moving forward. The publicly available data used in this brief have significant limitations: they are continuously amended and lack the detail to distinguish between placements in different programming types. In early 2021, Tipping Point indicated, through memos and emails to donors and community partners, that its 2021 efforts will center on transforming business as usual to ensure that the city and partners can effectively operationalize a homelessness response system and spend Proposition C resources effectively and efficiently through, in part, greater accountability on outcomes.

We’ve got the money. We’ve got the will. But can we get [our] act together? This is our chance. We have neighborhood groups, Tipping Point who are continuing to [push]. Can we get out of our own way and hit the gas?

—Interview respondent

Notes

- ¹ Problem solving is a strategy that helps people experiencing homelessness access housing with limited supports. For the purposes of the data in this brief, problem solving is estimates of people served by the Homeward Bound program. Homeward Bound helps people experiencing homelessness reconnect with family and friends willing to help provide them with housing and provides transportation to help a person get to those connections. Rapid re-housing is a time-limited intervention intended to help people exit homelessness quickly. It typically consists of assistance locating housing, short-term rental assistance, and case management focused on helping participants connect to community-based services.
- ² Ted Andersen, “Charles, Helen Schwab’s \$65M Gift Props Up SoMa Housing Development,” *San Francisco Business Times*, October 22, 2020, <https://www.bizjournals.com/sanfrancisco/news/2020/10/22/charles-helen-schwab-give-65m-toward-sf-homeless.html>.
- ³ “COVID-19 Alternative Shelter Program: Rehousing SIP Hotel Guests,” City and County of San Francisco, accessed February 15, 2021, <https://data.sfgov.org/stories/s/COVID-19-Alternative-Shelter-Rehousing-SIP-Hotel-G/6ugi-a5jp>.

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