RESEARCH REPORT

The Value of Ending Veteran and Chronic Homelessness in Four Communities

A Framework for Measuring Community-Wide Costs and Benefits

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ABOUT THE URBAN INSTITUTE

The nonprofit Urban Institute is a leading research organization dedicated to developing evidence-based insights that improve people's lives and strengthen communities. For 50 years, Urban has been the trusted source for rigorous analysis of complex social and economic issues; strategic advice to policymakers, philanthropists, and practitioners; and new, promising ideas that expand opportunities for all. Our work inspires effective decisions that advance fairness and enhance the well-being of people and places.

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Executive Summary

In December 2015, Rockford, Illinois, and Montgomery County, Maryland, announced they had effectively ended veteran homelessness. This means that the number of veterans experiencing homelessness is smaller than the number of veterans a community has proved it can routinely house. Following close behind in February 2017, Bergen County, New Jersey, became the first community in the country to announce it had ended chronic homelessness.[1] That is, the total number of people experiencing chronic homelessness is either (1) three people or less or (2) a negligible share of the homeless population.[2] Over the next two years, Rockford ended chronic homelessness (April 2017), and Bergen County (April 2017) and Lake County, Illinois (December 2018), ended veteran homelessness.

These communities, along with 10 others, achieved functional zero for a target population as part of Built for Zero, a movement led by the nonprofit organization Community Solutions. Built for Zero champions the improvement of data quality and infrastructure as part of an ongoing continuous improvement process, community-wide investment in building the will to fight homelessness, and cross-system collaboration. The goal is to measurably reduce and end homelessness for one population as a proof point, allowing communities to scale up an end to homelessness overall.[3]

The benefits of ending homelessness for an individual are well documented, but much less is known about the community-level impacts of reaching and sustaining an end to homelessness for a population. Community Solutions partnered with the Urban Institute to explore the impact in four communities that have achieved it.

Widening the Lens to Explore the Community-Level Impacts of Ending Homelessness

The value of ending homelessness is often measured at the individual level—an individual person experiencing homelessness is connected with permanent housing, remains in stable housing, and avoids future episodes of homelessness, which improves that person's quality of life and access to opportunities. In fact, research has shown that connection with permanent housing ends homelessness for individuals and does improve their lives across various domains. Housing an individual also translates into lower costs to public systems for that individual. When people become housed, they use shelters, emergency rooms, and other crisis services less frequently and have fewer interactions with police or stays in jail (Aidala et al. 2014; Collins, Malone, and Chilfasefi 2013; Culhane, Metraux, and

Hadley 2002; Larimer et al. 2009). But less attention has been paid to the benefits of ending homelessness for an entire population at the community level. What does it mean to a community to end veteran homelessness? To end chronic homelessness? How does it benefit people experiencing homelessness or those at risk of homelessness in a community? How does it benefit other systems in a community? How does it benefit a community's sense of identity and well-being?

We started to answer these questions by interviewing a broad range of community stakeholders and examining administrative data from the homelessness response system in communities that have reached and sustained functional zero. A community sustains functional zero when the number of people within the target population experiencing homelessness month over month is below the functional zero threshold. Below are the key takeaways we learned about the community-level benefits of ending homelessness from local stakeholders and administrative data.

Ending Homelessness Benefits Communities' Homelessness Response System

Ending homelessness for veterans or people experiencing chronic homelessness meant that more people were housed. Stakeholders reflected that there was an inherent, primary community-level benefit to this: more people have the dignity of housing. But the benefits went beyond the individuals housed as part of the effort to reach functional zero. Stakeholders identified—and administrative data supported—benefits to the homelessness response system and other community systems. Administrative data showed that both people in the target population (veterans or people experiencing chronic homelessness) and those not in the target population spent less time homeless, used fewer programs, and were more likely to remain housed after the community reached functional zero.

Stakeholders attributed these changes to several factors, including a shift to prioritizing housing at the time of identification or entry into homelessness, the establishment of coordinated entry and prioritization processes, and fewer people being on wait lists for housing. Stakeholders also reported the homelessness response system used resources more efficiently as a result of coordinated and nonsiloed decisionmaking processes. Using lessons learned, and consistent with the Built for Zero approach, the homelessness response systems could pivot the foundations and partnerships they built to get to functional zero for one target population, as well as their record of success, to lobby for more resources to end homelessness for other populations. Community stakeholders also noted their ability to face the unexpected needs of the COVID-19 pandemic and housing crises more effectively because the homelessness response system was serving fewer people and because of the strong systems infrastructure and partnerships they had created to achieve functional zero.

Ending Homelessness Reduces Demand for Other Community Systems and Improves Public Spaces

Stakeholders also reported, and administrative data supported to a marginal extent, decreases in demand on other community systems. Most stakeholders indicated that the number of people attempting to access services decreased overall, as opposed to individual patterns of use by people experiencing homelessness changing. Regardless, this reduction resulted in more time and resources for emergency responders to spend on other community priorities. The four Built for Zero communities in our study had ended homelessness for only one or two relatively small populations; stakeholders reported that people still endured unsheltered homelessness in three of the four communities. Yet stakeholders felt their communities accrued broader societal benefits. These included improvements to public spaces and business areas, which reportedly resulted in increased revenue for local businesses. Stakeholders felt strongly that more of these benefits would be observable if homelessness were ended on a larger scale.

Ending Homelessness Takes Significant Local Investment to Strengthen the Homelessness Response System and Provide Sufficient Housing and Services

While these communities experienced notable benefits to ending homelessness, getting to functional zero for one target population was not without significant investment. Stakeholders reported spending substantial time and resources on strengthening the operations of their homelessness response systems (including data infrastructure and by-name list development and management), improving cross-system partnerships and building political will, and investing in housing and services. The staff and time necessary for these systems-improvement efforts decreased after a community reached and sustained functional zero, although ongoing investments in housing and services remained necessary.

Conclusion

This study lays a foundation for communities to look beyond the costs and benefits of ending homelessness for an individual person to quantifying the community-level costs and benefits, both monetary and nonmonetary, of ending homelessness for either one or more target populations or the overall population experiencing homelessness. Additional research is needed to more rigorously document the costs of ending homelessness and to grapple with conceptual and practical challenges, such as correctly timing costs and benefits, teasing out local costs from state or federal investments, and fully capturing the value to local community members and businesses.

The Value of Ending Veteran and Chronic Homelessness in Four Communities

Communities throughout the country are showing that ending homelessness is possible when local agencies shift mindsets toward dynamic problem solving focused on ongoing performance and quality improvement. Built for Zero is a movement of communities, defined for the purposes of this report as Continuums of Care, the governing bodies that plan and coordinate local homelessness response systems, typically at the county or multicounty level. Built for Zero communities have adopted a data-driven quality-improvement approach to measurably reduce and end homelessness, starting with one population and scaling to others.

Built for Zero is led by Community Solutions, a nonprofit organization dedicated to ending homelessness. An end to homelessness will not be a static moment in time, but rather a dynamic, ongoing state—a metric that shows a community can ensure homelessness remains rare, brief, and nonrecurring. Built for Zero uses the term functional zero[4] to define this state and sets specific metrics for each homeless population to measure communities' progress. A community ends veteran homelessness (or reaches veteran functional zero) when the number of veterans experiencing homelessness is smaller than the number of veterans a community has proved it can house, based on a six-month average. A community ends chronic homelessness when it either (1) has three people in its system who meet the US Department of Housing and Urban Development (HUD) definition of chronically homeless (essentially, having a disability and a history of enduring homelessness)[5] or (2) less than 0.1 percent of the total number of individuals in the most recent point-in-time count meets the definition of chronically homeless, whichever is greater.

By April 2021, 14 participating communities reached functional zero for veteran or chronic homelessness by Built for Zero definitions. Little is known about the community-level impacts of reaching and sustaining an end to homelessness for a population; Community Solutions partnered with the Urban Institute to explore the impact in four communities that have achieved it.

Conceptual Framework

Homelessness affects communities across the country, urban and rural alike. In recent years, homelessness has increased (Henry et al. 2021). However, some communities have shifted their goals toward ending homelessness and have made significant strides toward that end. The homelessness response system and research on interventions to end homelessness have primarily focused on getting individuals housed and on the benefits housing can offer each individual. Research on permanent supportive housing (PSH) consistently shows that PSH increases housing stability (Aidala et al. 2014; Tsemberis and Eisenberg 2000), decreases time spent homeless or in shelter (Collins, Malone, and Chilfasefi 2013; Culhane, Metraux, and Hadley 2002), decreases arrests and jail stays (Aidala et al. 2014; Culhane, Metraux, and Hadley 2002; Larimer et al. 2009), decreases use of emergency health care systems (Aidala et al. 2014; Culhane, Metraux, and Hadley 2002), and improves individuals' quality of life (Aubry et al. 2015). However, research has not explored the broader societal effects of reducing homelessness for a target population or for the overall population experiencing homelessness, beyond the individual-level impacts for those experiencing homelessness.

We developed a framework to better understand the costs and benefits of ending homelessness at the societal or community, rather than the individual, level (Basu et al. 2012; Gold et al. 1996). For a community-level perspective on the costs and benefits of ending homelessness, we reviewed literature from various sources (e.g., academic journal articles, local community budget reports, media reports) and scanned for the community systems costs that might be affected and the value that might come from a decrease in the number of people experiencing homelessness. We focused on relevant community systems, including housing, criminal legal,[6] economics and business, and community and public spaces. Community systems accrue costs when people experiencing homelessness have contact with them but would accrue savings and value by ending homelessness. Value may include direct and indirect costs and savings, increased revenue, shifts in resources or levels of effort, and nonmonetary benefits.

We primarily focused on understanding the local costs and benefits observed by members of these community systems. It is important to consider that costs and benefits span multiple dimensions within these systems. For example, when the police are contacted about a quality-of-life offense (e.g., disorderly conduct, vagrancy, loitering), it takes time for staff to receive the call and the patrol officer to respond and conduct the booking. Communities then accrue the costs to fund a jail stay, a court-appointed lawyer, and court time. These costs compound, making it critical to consider all aspects of a system to fully comprehend the extent of costs and benefits. Figure 1 illustrates the costs and benefits we considered within each key community system.[7]

FIGURE 1
Costs and Benefits of Reaching Functional Zero, by Community System

Housing & Homelessness	Health	Criminal Legal	Economic & Business	Community & Public Spaces
Emergency shelter, hotel/motel	Emergency rooms	Status offenses	Business revenue	Sanitation & street cleaning
Transitional housing	Hospital staff	Public nuisance responses	Public revenue	Public transportation
Permanent housing	Ambulances	Public service calls	Surveillance & security	Public health & access
Program staff	Detox/treatment facilities	Incarceration	Employment	Perceived public safety
Monitoring systems	Mental health facilities	Courts/sheriffs	Staff time	Public works
		Police	Staff turnover	

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Source: Authors' analysis, based on a review of academic and gray literature, local budgets and budget reports, and media reports.
Notes: Systems mentioned in the literature included other social service and education systems and the costs and benefits that relate to the child welfare system, case management, the school system, and food and economic assistance. We do not highlight these systems here because they did not appear in our primary data collection and analysis. "Hotel/motel" refers to rooms paid for by the homelessness response system to temporarily house people experiencing homelessness.

Analytical Approach

To study the costs and benefits of reaching functional zero for a population and the value of sustaining it, we used the following framework to inform interviews, administrative data requests, and analyses in communities that have accomplished zero. In partnership with Community Solutions, we selected four communities that achieved functional zero for a population: Bergen County, New Jersey (people experiencing chronic homelessness and veterans); Lake County, Illinois (veterans); Montgomery County, Maryland (veterans); and Rockford/Winnebago and Boone Counties, Illinois (veterans and people experiencing chronic homelessness).[8] We interviewed stakeholders from the systems highlighted by the literature, including homelessness response, local government, criminal legal, health care, business, public housing, and local US Department of Veterans Affairs (VA) offices. We conducted 6 to 10 interviews in each community, for a total of 34 (table 1). Interviews covered the different types of costs identified in our framework. Because interviews were interrupted by the COVID-19 pandemic,

we later incorporated additional questions about any noticeable effects of having sustained functional zero during a pandemic.

From stakeholders in homelessness response systems, we asked for administrative records on all individuals experiencing homelessness, including veterans and those experiencing chronic homelessness, for periods before functional zero and after, which generally spanned two years. We also requested data on staff time and monetary investments. With the pandemic interrupting data collection, we could not secure administrative data from all four jurisdictions, but we did receive homelessness data from Bergen and Lake Counties. These data were in the form of either aggregate or deidentified, client-level data and originated from some combination of the following sources:

- coordinated entry data with information from the Vulnerability Index–Service Prioritization Decision Assistance Tool (VI-SPDAT)

- Longitudinal Systems Analysis data based on Homeless Management Information System (HMIS) data

- Stella P system performance reports based on Longitudinal Systems Analysis data

- Homeless Operations Management and Evaluation System data

  » Grant and Per Diem program information
  » HUD-VA Supportive Housing (HUD-VASH) program information

We analyzed administrative data for changes in client characteristics, system use, and frequency of contacts with the health and criminal legal systems before versus after functional zero (see the appendix for our hypotheses about the administrative data).

TABLE 1
Stakeholders Interviewed, by Community System

	Housing and homelessness	Local government	Criminal legal	Health care	Business
Bergen County, NJ	4	2	1	1	1
Lake County, IL	4	1	0	1	0
Montgomery County, MD	4	4	1	0	0
Rockford, IL	4	2	0	4	0
Total	16	9	2	6	1

Source: Interviews with stakeholders from participating Built for Zero communities.
Notes: Within homelessness response systems, we spoke with the Built for Zero lead in each community and other outreach, housing, and services providers in each community. Within local government, we spoke with stakeholders representing other social service agencies and those employed in budget offices. Criminal legal and health care systems included first responders (police and emergency medical technicians), as well as provider organizations (hospitals and Veterans Affairs medical centers) and systems planners (departments of corrections).

Getting to and Sustaining Functional Zero for a Population

The Built for Zero approach to ending homelessness emphasizes data-driven continuous systems improvement. Continuums of Care (CoCs), the governing bodies for local homelessness response systems, also maintain data on people experiencing homelessness.[9] To participate in Built for Zero, CoCs first need to establish a standard of data quality that enables them to track and coordinate, in real time, individual-level progress through their homelessness response systems. Communities can use this data infrastructure to understand the scale and dynamics of homelessness at any given moment, apply continuous improvement to better coordinate responses to individuals and develop long-term system changes, and understand if efforts are reducing homelessness.

The Built for Zero approach also calls for communities to build the political will to end homelessness and prioritize resources for the target population across housing, social service, and other systems. These efforts to strengthen the operation of homelessness response systems and improve cross-system partnerships involve investments in staff, capacity building, and time. Reaching functional zero for veteran or chronic homelessness also required (sometimes substantial) federal and local investments in housing and services, particularly for PSH, but also for rental assistance and housing search services.

Stakeholders we interviewed reported that the changes communities implemented on their pathways to functional zero for veteran or chronic homelessness ultimately strengthened the operations of their entire homelessness response systems. To understand the community-level benefits of reaching functional zero, described later in the Value of Functional Zero section, it is important to first understand the process communities engaged in to get there. Although we recount the steps these communities took to reach functional zero, this should not be interpreted as a generalizable formula. The core tenets of Built for Zero—a data-driven approach supported by investments in housing and services—may be scalable. But every community has a different context—services infrastructure, political history, primary industries, demographics—important in determining the specific interventions necessary to reach and sustain functional zero.

Shifting to Real-Time Data and Problem Solving Focuses the Homelessness Response System on Permanent Housing Solutions

All communities emphasized the importance of implementing a by-name list (BNL), a comprehensive list of people experiencing homelessness, in addition to the comprehensive program data contained in a

community's Homeless Management Information System.[10] A well-maintained BNL, updated in real time for target populations,[11] helped homelessness response systems in two ways: first, coordinating care at the individual level and second, displaying population-level trends so that stakeholders can problem solve, giving them a feedback loop on progress. Accountability to BNLs obligated staff to collaborate across providers, to understand who is going where for services, to closely monitor and take responsibility for all people on the list, and to find people permanent housing.

Building a real-time BNL required both data infrastructure and staff hours. Every community either hired a staff person to manage the BNL or designated a current staff person to do so as their primary responsibility. BNLs compelled stakeholders to solidify definitions across the homelessness response system (e.g., who is a veteran, how will chronic homelessness be defined) and reconcile definitions across jurisdictions, considering that CoCs, local governments, and VA medical centers may all have different catchment areas.

Once a BNL was in place, communities used it for case conferencing (care coordination across different providers) for individual clients,[12] as well as for population-level strategy development. Information about system inflow (people entering homelessness) and outflow (people exiting the homelessness response system) as captured in the BNL illuminated community trends that stakeholders could then work on. Stakeholders indicated this problem solving occurred during weekly calls and through constant informal collaboration and was a significant investment of time during the effort to reach functional zero.

Communities can get frustrated and give up, and I don't think you should ever give up on ending homelessness as a goal. The fact is that we reached functional zero, but the last woman we housed, it took us seven years to house her.
—Bergen County homelessness response stakeholder

Stakeholders emphasized the importance of defining a single point of entry for all resources available in a system. Each study community increased possible intake points but streamlined its system so that each intake point went through one coordinated entry system.[13] Stakeholders indicated that staff across organizations needed time to develop standard assessments and procedures to follow

depending on the outcome of an assessment. At least one community stakeholder expressed that standardizing assessments and procedures made the community's housing process less subjective.

Strong systems also enabled providers to reach out proactively to their communities. For example, one stakeholder reported that the community system stopped waiting for people to make contact and, instead, would bring services to them. Robust coordination made a population-by-population approach to ending homelessness feasible, allowing for prioritization based on set factors across all community resources.

Building Will and Fostering Partnerships in the Community Requires Continuous Collaboration

Community-level results required partnerships and work outside homelessness response systems. Each of the four communities described how stakeholders marshalled and streamlined resources across systems, and nearly all those we interviewed noted the importance of robust community collaboration. A strong vision and leadership facilitated these efforts. Box 1 highlights partners beyond homelessness response systems common across study communities, described by stakeholders as necessary to the long term, holistic success of efforts to end homelessness.

We were all at the table and helping one another to get each person off that list and through the system and into housing.
—Bergen County homelessness response provider

True partnerships required ongoing time investments to clarify differences in terminology across systems, examine policies and procedures for areas of alignment or intervention, and demonstrate meaningful commitment to each other's aims. Setting up and maintaining partnerships involved substantial work, especially because no formal or contractual agreements were in place to bind these partnerships in a resource-scarce environment in which partnership is not necessarily in the best interest of each individual organization. Consequently, community collaboration required ongoing effort to build and sustain momentum and trust. At least one community hired a full-time staff person dedicated to advocacy and coordination across local government agencies and other organizations.

Key Community Partners outside the Homelessness Response System

Stakeholders described how community partners collaborated in the efforts to reach functional zero for a population.

- **Local VA medical centers** are key partners in ending veteran homelessness. In Lake County, program administrators representing a variety of programs (such as Healthcare for Homeless Veterans, the Grant and Per Diem program, HUD-VASH, and Domiciliary Care for Homeless Veterans)[a] through the Lovell Federal Health Care Center took an active role in collaborating and strategizing around functional zero, including attending BNL meetings and sitting on CoC subcommittees.

- **Emergency responders**, including fire departments and law enforcement, participated in efforts to end homelessness in all communities. Police collaborated with homelessness response systems in a variety of ways, from sitting on the CoC board in Montgomery County, to being a CoC member in Rockford, to attending collaborative outreach meetings in Bergen County. In Rockford, a mobile integrated health program launched around the same time as efforts to end chronic homelessness. The integrated health team, a partnership between the fire department and Swedish American Hospital, served people with a history of multiple emergency room or hospital visits. Although initially intended as a response to the opioid crisis, the program served many clients experiencing homelessness as well.

- **Health care providers** sat on CoC boards in all four communities. In Bergen County, stakeholders from health care and homelessness response systems collaborated to ensure continuity of care between the homeless and health care systems. For example, health care providers participated in case conferencing and coordinated discharge plans with homeless service providers when hospital or emergency room patients did not have a place to go, and homeless service providers could access rapid detox services through their hospital partners. In Montgomery County and Lake County, health care organizations participated in case conferencing with homeless service providers for clients who interacted with both systems.

- **Housing authorities** collaborated with the four communities' CoCs. In Montgomery County, the housing authority was critical in prioritizing housing vouchers for clients exiting homelessness; in Rockford, the two local housing authorities changed relevant policies and added programs to serve people experiencing homelessness; and in Lake County, representatives of three housing authorities within the jurisdiction worked with the CoC to accelerate lease-ups for veterans who had HUD-VASH vouchers.

[a] Domiciliary Care for Homeless Veterans is part of the VA's Mental Health Residential Rehabilitation and Treatment Programs (MH RRTPs). Veterans residing in those beds are not considered to be homeless.

Investing in Housing Resources and Flexible Funding Is Critical

The previously outlined system improvements required investments in capacity building and staffing. To reach functional zero for a population, all communities scaled up funding for housing and services by shifting existing resources within the homelessness response system and leveraging other community resources to prioritize permanent housing solutions for the target population. Federal funding, including resources from their CoCs, HUD-VASH, and Supportive Services for Veteran Families, was critical for these communities to increase permanent housing options, such as PSH and rapid re-housing units. In at least one community, dedicated federal resources in the form of HUD-VASH contributed to the decision to prioritize ending veteran homelessness. State policies played a role as well; for example, Illinois provides homelessness prevention funds, and New Jersey has a state-funded general assistance program that many people experiencing homelessness qualify for.

Achieving population-level outcomes required additional investments through local governments and other systems, as well as fundraising, in all four communities. Stakeholders across communities described the wide array of investments necessary to go the last mile, particularly the level of effort necessary to engage some of the last people on their BNLs experiencing chronic homelessness; the need to help people overcome barriers to housing, such as identification and documentation; and support for housing navigation and flexible funds to cover activities not allowable through federal funds, such as moving costs, security deposits, or housing for veterans who do not qualify for VA services.

Communities funded these services in various ways:

- **Increasing local funding to the homelessness response system.** Bergen County established its Homeless Trust Fund, paid by a $5 surcharge on records documented by the county clerk's office pertaining to mortgages, deeds, and sales, to help acquire new housing properties as part of its effort to reach functional zero for chronic homelessness. The county also supplemented federal funding for its drop-in center, outreach, case management, and mental health services, among others, to provide services to individuals not eligible for or not receiving federal benefits. Montgomery County, which at the time of interviews for this study was approaching functional zero for chronic homelessness, had a considerably larger population experiencing chronic homelessness at the start of its efforts than other communities included in this study. Homelessness response stakeholders made it clear that the county needed to invest increasingly more each year to supplement federal funding for PSH and rapid re-housing. Local recordation taxes finance the Housing Initiative Fund, which the CoC used to double its PSH inventory.

- **Prioritizing resources that would otherwise have been dedicated to other purposes.** In Rockford, the share of Community Services Block Grant funding dedicated for homelessness response increased from 5 to 40 percent in the lead-up to functional zero. These funds paid for staff to maintain the BNL and run the coordinated entry system, as well as miscellaneous expenses, including security deposits, food, and supplies. In three of the four communities, the housing authority dedicated or prioritized housing vouchers for veterans or people experiencing chronic homelessness.

In addition to increasing spending on homelessness programming and leveraging other community resources that would have been spent on different priorities, communities ensured that people in the target population experiencing homelessness were accessing any other community services for which they were eligible but were not accessing. While people were entitled to these services as part of the eligible population, these resources still came out of each community's budget, so efforts to ensure people experiencing homelessness received services still had cost implications for communities. Rockford Township took steps to ensure that people experiencing chronic homelessness were receiving its general assistance funding, as well as helped pay rent deposits for veterans experiencing homelessness. The Bergen County Board of Social Services collaborated closely with the Bergen County Housing, Health, and Human Services Center (the primary drop-in and overnight shelter in Hackensack) and now takes applications for housing and general assistance on site.

Sustaining Functional Zero Requires Ongoing Attention, Although Less Effort

Functional zero for a population is not an end state; it is a dynamic state that requires effort to sustain, particularly ongoing quality improvement and problem solving, as well as financial investments in subsidies for those housed as part of the effort and anyone newly experiencing homelessness. All four communities continued case conferencing around veterans experiencing homelessness and people experiencing chronic homelessness, but stakeholders described the work as more manageable once the systems and partnerships were in place. Having this extra time, according to the stakeholders, enabled the system to respond quickly to emergencies, including the pandemic (box 2).

Built for Zero Communities Sustaining Functional Zero during the COVID-19 Pandemic
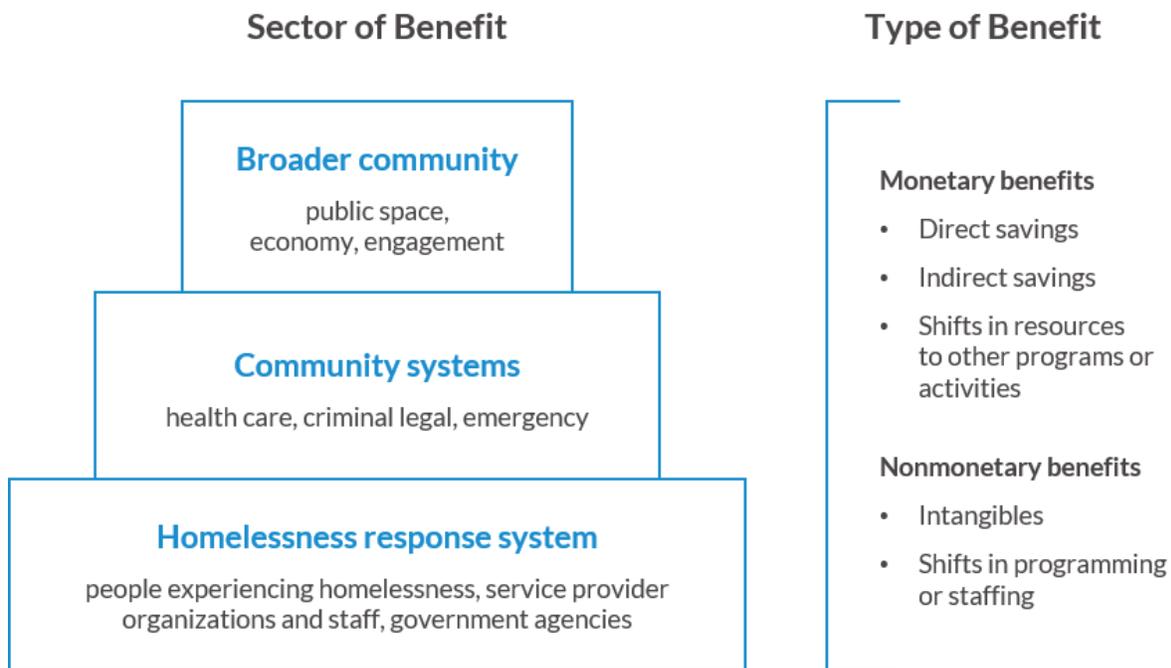
Communities reported increased demand for services during the COVID-19 pandemic, but all were able to sustain functional zero for veteran and chronic homelessness (or at least remain very close to it). Communities used their BNLs to identify and locate people, then place them into noncongregate and safe living situations at the outset of the pandemic. They leveraged existing partnerships with health care providers to implement virus testing and coordinate service delivery. Furthermore, communities successfully continued ongoing quality-improvement work. For example, system leaders in Rockford noticed that many people who called for assistance would temporarily self-resolve their housing situation—then would no longer be eligible for HUD-funded homeless programs. Guided by a data-driven, continuous improvement process and wanting to routinize a way to track and support people in these situations, Rockford created an "unstably housed" list. Now, the community can more easily identify and match people with prevention resources to stop them from entering the homelessness response system entirely.

The Value of Functional Zero

On the most basic level, achieving functional zero for either veteran or chronic homelessness means that more people are housed and fewer people are experiencing homelessness in a community. A primary community-level benefit inherent to reaching functional zero is that more people have the dignity of housing. Stakeholders interviewed also described benefits to the homelessness response system and other community systems that serve a broader public, including health, criminal legal, first responder, and public and community space systems, as well as other community-level benefits. Stakeholders identified the bulk of these benefits within the homelessness response system with broader effects observed in other community systems, but to a lesser extent. This may be a result of the communities ending homelessness for one target population, and stakeholders in other community systems may observe greater effects once homelessness is ended on a larger scale. Across systems, stakeholders described benefits that included those easily monetized, such as decreased use of a service, and those that are more intangible or not as easily monetized, such as shifts in the activities on which time is spent (figure 2).

FIGURE 2
Benefits of Reaching Functional Zero Framework

Sector of Benefit

Broader community
public space,
economy, engagement

Community systems
health care, criminal legal, emergency

Homelessness response system
people experiencing homelessness, service provider
organizations and staff, government agencies

Type of Benefit

Monetary benefits
- Direct savings
- Indirect savings
- Shifts in resources to other programs or activities

Nonmonetary benefits
- Intangibles
- Shifts in programming or staffing

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Source: Authors' analysis, based on data collection and analysis from the Built for Zero communities of Bergen County, New Jersey; Lake County, Illinois; Montgomery County, Maryland; and Rockford, Illinois.
Notes: Systems included here were those in which stakeholders in the study communities observed benefits. The literature review that informed our approach included other systems. They are not included here because they were not mentioned in our primary data collection and analysis.

Administrative data from Bergen and Lake Counties showed that after the communities reached functional zero, fewer people entered homelessness for the first time, people spent a shorter time homeless on average, and fewer people returned to homelessness after exiting to permanent housing. In Lake County, people more often exited homelessness to permanent housing as well. While the cause is not conclusive, stakeholders in every community described how the drastic changes made to the operations of their homelessness response systems resulted in more efficient systems. Stakeholders observed reduced waiting lists, an earlier focus on housing after a person is identified as a target population member, improved coordination between partners, and increased attention to system performance. Community stakeholders also observed that the benefits of achieving functional zero for veteran or chronic homelessness stretched beyond the homelessness response system to other systems. Stakeholders observed reduced use of emergency rooms, crisis and emergency medical services, and police. Stakeholders also indicated that community benefits included more people having

the dignity of housing; fewer disruptions to business districts, leading to economic growth; improved public spaces; and broader community engagement in helping people experiencing homelessness.

Benefits within the Homelessness Response System

The primary goal of an efficient homelessness response system is to make homelessness rare, brief, and nonrecurring. Metrics to evaluate how effectively communities meet these goals are defined by HUD and include measures of first-time homelessness, the number of people experiencing homelessness, the time people spend in homelessness, exits to permanent housing, and returns to homelessness.[14] We expected that after communities reached functional zero, interviewed stakeholders would report, and administrative records would show, a homelessness response system that operates more efficiently, performing better across HUD metrics, especially for the target population. We also hypothesized that as the community prioritized and successfully housed the target population, we might see some spillover effects for all individuals experiencing homelessness and that the people in the remaining target population and those newly homeless would be less vulnerable after communities reached functional zero (see the appendix for more details on research questions and hypotheses).

Our data collection and analyses were not designed to determine a causal relationship between reaching functional zero and any changes in administrative data or changes reported by interviewed stakeholders. But we did observe that qualitative and quantitative findings aligned in some key areas of change, or benefits, after reaching functional zero, including that people were spending less time in homelessness and people experiencing homelessness received services more quickly. Community stakeholders indicated possible reasons for these patterns, including the decreased level of effort needed to house the target population and fundamental changes to the functioning of the homelessness response system resulting from investments and effort aimed at reaching functional zero.

PEOPLE SPEND LESS TIME EXPERIENCING HOMELESSNESS

Stakeholders consistently identified a combination of strategies that homelessness response systems used to decrease the amount of time people spent experiencing homelessness: prioritizing housing at the time people were identified as experiencing homelessness or were entering homelessness, establishing coordinated entry and prioritization processes, and leveraging the shorter wait lists brought about by functional zero efforts. After reaching functional zero for a target population, communities found that having a more manageable overall homeless population size and already established processes allowed staff to create individual housing plans as soon as someone was identified as part of the target population. In Rockford, stakeholders shared that with fewer people at

drop-in centers and in shelters, they could better work with people in real time. In Lake County, similar sentiments were shared about how fewer veterans in shelters meant referrals to veteran housing programs were made more quickly.[15] Lake County VA data[16] corroborated these impressions, revealing that veterans experiencing homelessness in the Grant and Per Diem program were staying in the program nearly two fewer months (58 days) in the year after Lake County reached functional zero than in the year before. Bergen County administrative data also showed that veterans' median length of time homeless declined by nearly a month (25 days) in the year after the community reached functional zero, compared with the year before.

Community stakeholders also credited the reduction in the amount of time people were experiencing homelessness to the shift in focus to permanent housing. In Montgomery County, shelters started creating housing plans as soon as someone entered a homelessness service program and the community started to look further upstream, doing "in-reach" at food programs and drop-in centers. One community stakeholder attributed this change to partners having a common understanding of what people experiencing homelessness need. Finally, one community stakeholder shared that coordinated entry was "tried and tested," resulting in established pathways and efficient referrals that extended beyond the target population. In Bergen County, a community stakeholder shared that the effort to get to functional zero resulted in an established coordinated entry process. After the community reached functional zero, the process remained to benefit others outside the target population. Similarly, in Lake County, a respondent reported the work to get to functional zero resulted in more streamlined referrals between the VA medical center and the CoC. In Montgomery County, a community stakeholder said partners developed a common understanding of the established pathways to access housing while working to reach functional zero.

Once the process was developed, ironed out, smoothed out, that was the process that remained.
—Bergen County community stakeholder

The benefits of housing a target population more quickly may extend to other populations experiencing homelessness. A Bergen County stakeholder indicated that the CoC moved faster after reaching functional zero, enabling it to serve more people. Administrative data from Bergen County supported this, demonstrating slight but notable system improvements, many of which were

statistically significant, for the nontarget populations. After Bergen County reached functional zero, the average time from the date a person became homeless to their entry into the homelessness response system decreased. Also, a higher share of people had been experiencing homelessness for fewer months. In contrast, in Lake County, the average time all adult-only households spent in emergency shelter and transitional housing increased by 16 days.[17] These mixed findings suggest that ending homelessness for a population can have positive spillover effects on time spent homeless for the nontarget population, but other influencing factors may still lead to longer experiences in homelessness.

THE HOMELESSNESS RESPONSE SYSTEM IS MORE EFFICIENT

Community stakeholders reported the homelessness response system became more efficient because of the efforts to reach functional zero. Community stakeholders indicated that before they worked to reach functional zero, resources were siloed and money was often left unspent. In Bergen County, a community stakeholder said that because of the partnerships necessary to reach functional zero, programs now work together to coordinate spending. In Montgomery County, a stakeholder indicated organizations are spending more of their budgets and doing so in alignment and coordination with other provider partners. Other stakeholders in Montgomery County explained that an increased focus and agreement on systemwide performance resulted in a common understanding of goals, values, and metrics, which enabled an easier shift from cost-reimbursement contract structures to performance-based contracts within the homelessness response system. Across a variety of systems, contracts shifted to a performance-based structure, and stakeholders felt that getting to functional zero helped the county align goals and understanding of roles within a system, thereby easing the process.

When we sat down to look at performance-based contracts, there's a whole background of what are we trying to do, what's the value, what are the markers. That stuff is already built because they had to have those conversations to get to functional zero, especially on the chronic side.
*—Montgomery County community stakeholder*

Community Spotlight: Lake County

Lake County joined Built for Zero in 2016 without a functioning coordinated entry system or robust data infrastructure. Through implementation of the Built for Zero framework, increased collaboration with the local VA medical center, and dedicated staff, Lake County achieved functional zero for veterans in December 2018 and has sustained it since. After the community reached functional zero, referrals between homeless service providers and the VA medical center became faster, and the waiting period for housing programs through the VA medical center declined. Veteran and mainstream homeless service providers began to collaborate on strategies for addressing homelessness and have shifted focus toward diversion to decrease homeless inflow. One Lake County provider said, "It's an everybody approach, not just, 'He's your client.' These are our clients, what can we do?"

Benefits reportedly accrued to other systems as well, including that people experiencing homelessness no longer rely on the emergency room as frequently because they have better connections to health care. A Lake County VA stakeholder said, "We know everyone, what their name is, what their issues are. It is so personal and respectful, it is not this nameless, faceless system. That is powerful. And the whole county is caring about what you are going through."

Lake County sustained functional zero for veterans during the COVID-19 pandemic, in part by increasing rapid re-housing using federal relief funds to move as many people as possible out of shelters and into housing. In October 2020, the CoC set a county record for the most people matched to housing. The county is also using hotels to safely house people experiencing unsheltered homelessness.
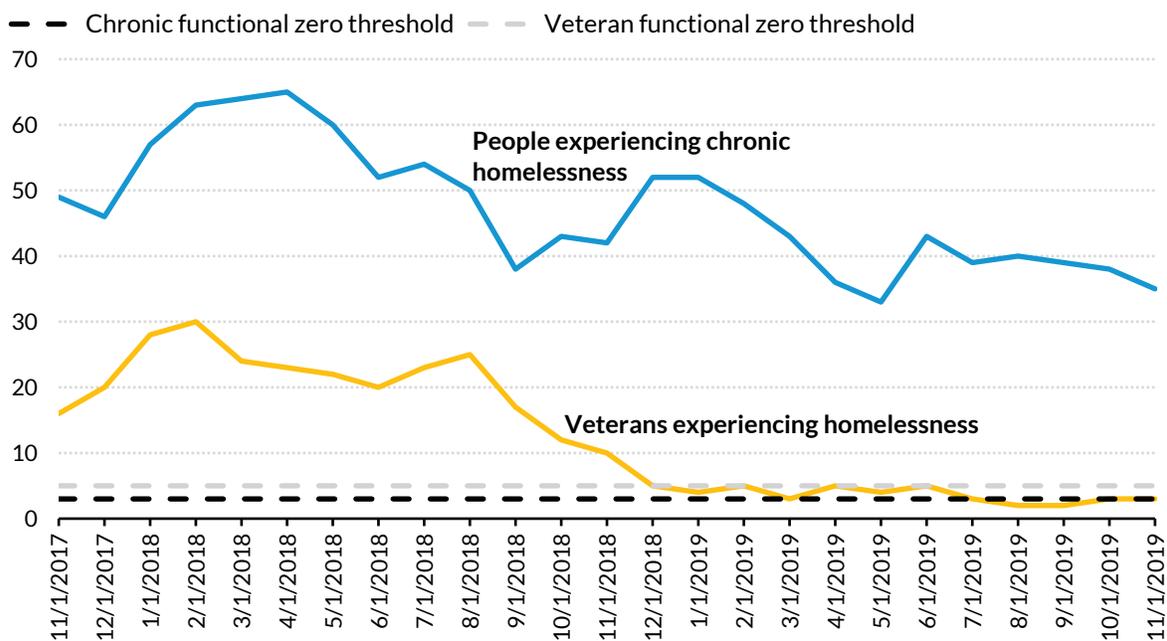
Source: Lake County BNL data as reported to Built for Zero.

EFFORT AND RESOURCES SHIFT TO OTHER POPULATIONS AND ACTIVITIES

Stakeholders also noted that after communities reached functional zero for the target population, more resources and staff time were freed up, and the data and coordinated system infrastructures used for the target population were also available for other populations. As previously noted, while staff did spend time on activities to sustain functional zero, those activities took less time. Specifically, stakeholders indicated less time was dedicated to the BNL for the target population. One stakeholder in Lake County said about the BNL, "I don't sit in on the weekly phone calls or meetings anymore." A stakeholder in Montgomery County agreed, saying that the time and effort spent tracking people and working on the BNL decreased because staff needed to house fewer people who had the highest levels of need. This released planning and staff time for other activities, including helping other people experiencing homelessness, shifting to prevention activities, and responding to crises, such as the COVID-19 pandemic (box 3).

According to stakeholders, all communities identified their next priority populations: people experiencing chronic homelessness in Lake County, families in Montgomery County and Rockford, and young people in Bergen County, Montgomery County, and Rockford. Stakeholders felt confident that their communities had tested different changes to their systems or approaches that they could build from and continue to refine with other populations. Stakeholders also stated that being able to show a track record of reaching functional zero for one population bolstered their abilities to advocate for resources for other populations experiencing homelessness. A stakeholder in Montgomery County pointed to increased investment from the local government as evidence that demonstrating ability to make progress on homelessness resulted in increased investment. One Bergen County stakeholder noted community donations to the cause increased, as had invitations to join local boards and committees.

Because each community has fewer people in the target population after reaching functional zero, the remaining population is closer to the top of the waiting list for resources. As one stakeholder noted, and others in all communities agreed with, people were not "stuck waiting behind [the target population]." In Rockford, a community stakeholder said, "If we get 10 veterans housed and they're doing great, then it gives staff time to look at the next 10 folks who may not be veterans." In Bergen County, a stakeholder indicated that the composition of their BNL changed, now including people who were not experiencing chronic homelessness. And programs that had previously been dedicated only to the target population now had the capacity to serve others. In Rockford, a program previously dedicated to serving veterans experiencing homelessness and their family members is now serving families experiencing homelessness that do not have a veteran member.

Stakeholders indicated this shift in who was in line for assistance resulted in better housing outcomes for members of the nontarget population, and administrative data corroborated that the system improved for all individuals experiencing homelessness, not just the target population. Administrative data from Bergen County illustrated that individuals who were experiencing homelessness but were not chronically homeless had significantly fewer program stays before connecting to permanent housing in the year after the community reached chronic functional zero than in the prior year. The same pattern was true for nonveterans in Bergen County, with fewer program stays in the year after the community reached veteran functional zero than in the prior year, though the difference was not statistically significant. In Lake County, the share of all individuals who exited emergency shelters or transitional housing programs to permanent housing destinations increased 14 percentage points in the year after the community reached functional zero compared with the prior year.[18]

If we get 10 veterans housed and they're doing great, then it gives staff time to look at the next 10 folks who may not be veterans.
—Rockford community stakeholder

In addition to shifting resources to other populations, stakeholders indicated that after reaching functional zero, their communities had the capacity to focus more on other activities, particularly "upstream" activities that included diversion from shelter. As previously noted, stakeholders across communities were able to do outreach and begin working on housing plans with people accessing drop-in centers and food programs. This type of outreach, often referred to as diversion, helps people exit homelessness without entering a shelter program. All communities found diversion impossible before reaching functional zero, as staff capacity was dedicated to the target population.

Communities could also focus on helping prevent homelessness and housing instability. Noticing high community eviction rates during the lead-up to end chronic homelessness, the Rockford CoC piloted a program intended to prevent evictions by providing financial assistance and mediation with landlords. After this proved successful in a three-month test, Rockford built the program permanently into its homelessness response system. In Bergen County, one community-based provider that serves people experiencing and at risk of homelessness noted that before functional zero, most of the people it served were in shelters or couch surfing. But since Bergen County reached functional zero, the majority

are now people at risk of homelessness because they are facing eviction or a housing crisis. Similarly, in Montgomery County, a stakeholder observed a meaningful decrease in the proportion of people being served by adult protective services who had a history of homelessness.

This shift toward diversion and prevention appears to be reflected in administrative data. In Bergen County, administrative data revealed significantly fewer nonveterans were experiencing homelessness for the first time the year after the county reached functional zero for veterans, compared with the prior year. A similar trend with people experiencing chronic homelessness for the first time was observed in the year after Bergen County reached functional zero for chronic homelessness compared with the prior year, but the difference was not statistically significant. In Lake County, the administrative data for all adult-only households showed the share of people experiencing first-time homelessness declined 6 percentage points in the year after the community reached functional zero for veterans compared with the year before.

Another area where improved performance may have been related to staff having more time to spend on other activities was an increase in people exiting to permanent housing and remaining housed. Analysis of administrative data in Bergen and Lake Counties found that people in target populations were being connected to permanent housing more often, had a more streamlined path to permanent housing, and were more successful once in a permanent housing program after the communities reached functional zero. Administrative data in Bergen County showed statistically significant decreases in the average number of program stays (e.g., times using an emergency shelter or transitional housing program) before those experiencing chronic homelessness were placed in PSH in the year after the community reached functional zero compared with the year before, suggesting the process to get people into housing became more efficient. Administrative data indicated that the share of veterans in the Grant and Per Diem program exiting to permanent destinations in the year after Lake County reached functional zero increased 8 percentage points from the year before. Those veterans permanently housed through HUD-VASH stayed longer on average in the year after the community reached functional zero compared with the prior year, suggesting increased housing stability for formerly homeless veterans. Furthermore, the number of veterans who exited HUD-VASH for a positive reason increased 10 percentage points in the year after the community reached functional zero.

BOX 3

Functional Zero for Veteran and Chronic Homelessness: Implications for the Pandemic Homelessness Response

Study communities attributed successes in their pandemic responses to reaching functional zero for veteran or chronic homelessness. CoCs had fewer people in their homelessness response systems, and communities that had reached or gotten close to functional zero for chronic homelessness had fewer medically vulnerable people in their systems. As a result, though most communities did spend money on hotel rooms for individuals, they did not have to invest as heavily in these methods to deconcentrate shelters and keep people who were already in their systems safe. Instead, the communities were able to increase focus on homelessness prevention and intensify efforts to move people into permanent housing.

Established channels of community collaboration enabled quick and nimble responses across systems. For example, the health department in Rockford conducted outreach to encampments to provide education and safety measures, and hospitals coordinated discharges directly with the CoC. Partners knew they could trust their communities' homelessness response systems, given their good track record, and therefore eagerly provided needed resources.

For example, when providers in Lake County noticed clients needed money for miscellaneous expenses such as car insurance payments in order to maintain housing stability, donors readily filled this need. Stakeholders shared that the ability to mobilize rapidly, and even leverage the crisis response, meant that few people experiencing homelessness caught COVID-19 in these communities and many were placed into permanent housing, including 100 people in 30 days in Montgomery County. As one stakeholder in Bergen County put it, "When you have a good system of care you can pivot to the challenges you have in front of you. If you are a system like ours, you can plan for what's coming at you. We want to do as much prevention as we can and keep people in their homes."

Benefits beyond the Homelessness Response System to Other Community Systems

Research shows that people experiencing homelessness, particularly those experiencing chronic homelessness, use community systems and resources more often than people who are housed (Hwang and Henderson 2010; Wu and Stevens 2016). Therefore, we expected that ending homelessness for a population would result in decreased use of other systems, including health and criminal legal systems.

COMMUNITY SYSTEMS ARE USED LESS

We observed mixed reports on the use of other community systems and resources from community stakeholders. Community stakeholders did report decreased use of resources in other systems, but not

consistently in every jurisdiction, and decreased use was not always tied to the community reaching functional zero. Similarly, administrative data analysis found mixed results for the change in use of other systems once a community reached functional zero for the target population.

Across communities, stakeholders in systems outside homeless services, including the health system, police, fire and rescue, and adult protective services, reported decreased use of their systems after the community achieved functional zero for the target population. Most of these stakeholders indicated reduced use in terms of the overall number of people needing their assistance or a decreased proportion of calls for services related to the needs of people experiencing homelessness. No stakeholders were able to quantify exact costs or provide concrete dollar figures associated with these changes, but many indicated that staff could spend resources on activities other than responding to emergent needs related to homelessness.

In three of the four study communities, stakeholders reported reduced use of health-related services. Lake and Bergen Counties reported decreased emergency room visits. In Bergen County and Rockford, stakeholders recognized decreased use of fire and rescue. In Rockford, a stakeholder reported that people experiencing homelessness prompted fewer calls to the fire department for health emergencies. In Bergen County, a stakeholder noted that a single person experiencing chronic homelessness used tens of thousands of dollars in crisis resources while living unsheltered. But with fewer people experiencing chronic homelessness overall, these people used local crisis responders less often.

Similarly, an additional Bergen County stakeholder reported that first responders were receiving fewer 911 calls about emergencies involving people experiencing homelessness, saying, "Most of the people who were constantly [being called about] have gotten the help they need and access to the facilities to help them." And, because of decreased need for homelessness services, the Housing, Health, and Human Services Center was able to extend its reach to support people who are not experiencing homelessness but are facing housing or food insecurity or struggling with mental health or substance use. In Montgomery County, a stakeholder indicated that, as the community approached functional zero for chronic homelessness, police were under less pressure to sweep encampments. In the instance of fewer police responses, while stakeholders did not point to any monetary savings, they did indicate that police time was spent on other community activities, such as outreach and general traffic stops, instead of responding to homelessness.

When I look [after functional zero] and talk to the hospital, [frequent users] are less than on one hand, versus before, there were a lot more of them.
—Bergen County community stakeholder

Administrative data supported these findings. In Bergen County, overall use of other systems declined as a result of a decrease in the number of people experiencing veteran and chronic homelessness, even though the use of other systems by individual veterans and people experiencing chronic homelessness did not change. Veterans in Lake County had fewer encounters with the health system (e.g., ambulance rides, emergency room stays, inpatient hospitalizations), but more interactions with the criminal legal system (e.g., jail stays, police encounters) and more interaction with crisis services (e.g., domestic violence incidents, victim of assault, suicide hotline calls). For example, among veterans, the share with zero emergency room stays (in the six months before their VI-SPDAT assessment) increased from 40 percent to 73 percent. Lake County data from the year after functional zero also saw the share of nonveterans who had no encounters with emergency room services increase by 5 percentage points compared with the year before.

Community Spotlight: Bergen County

Bergen County in 2009 invested in building a center that consolidated services, signaling a commitment to ending homelessness. The community began working with Community Solutions in 2015, and after building data capacity, instituting processes surrounding its BNL, and coordinating with other systems, it announced it reached functional zero for chronic homelessness in February 2017 and for veteran homelessness in April 2017. Stakeholders reported wide-ranging community impacts. More people were moved through the homelessness response system to housing—and faster. A smaller share of people became homeless for the first time, and people spent less time in emergency shelters and transitional housing. Stakeholders across systems now all hold responsibility for maintaining functional zero and responding to community members in crisis. The health care system, police, and business improvement district coordinate with the CoC: hospitals do not discharge people into homelessness; police spend less time patrolling near the shelter and receive fewer neighborhood disruption calls; and the business improvement district communicates with the homelessness response system (and stakeholders reported changes in the downtown area).

At the onset of the pandemic, Bergen County quickly mobilized. Improved coordination and a reduced rate of homelessness allowed for a rapid and proactive response. The CoC moved people into hotels, with daily services and check-ins, and found permanent housing for 140 households.
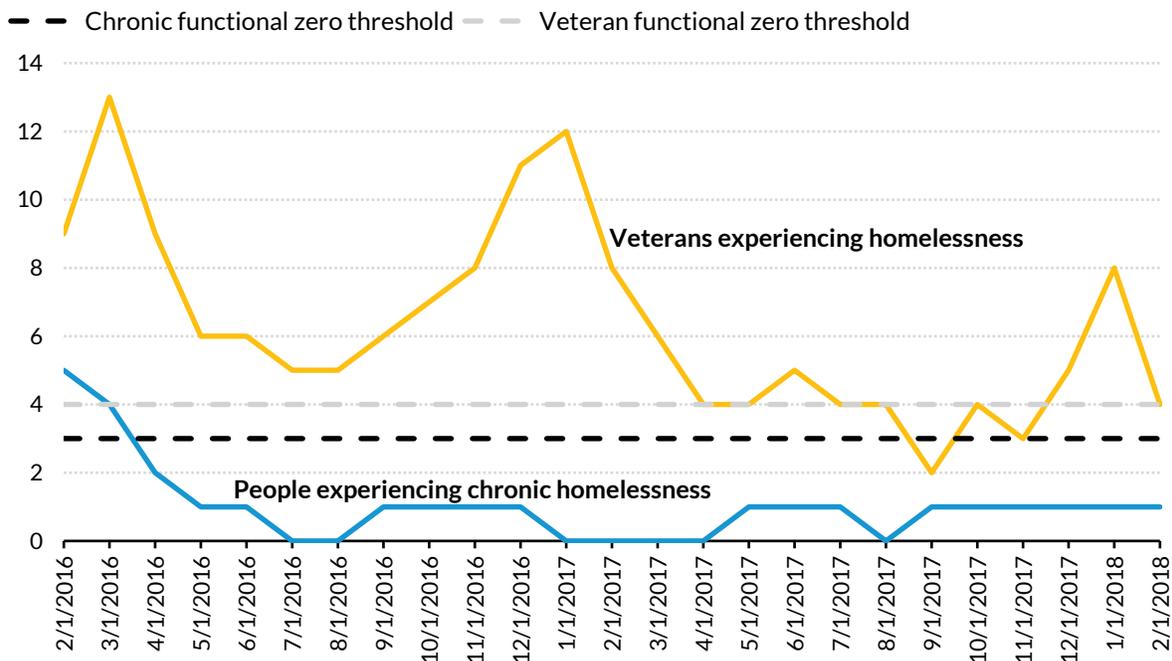
Source: Bergen County BNL data as reported to Built for Zero.
Note: Even though Built for Zero reports that Bergen County achieved functional zero for chronic homelessness earlier, the community announced it in February 2017.

Community stakeholders indicated that one benefit of the efforts to get to functional zero was improved coordination between the homelessness response system and other community systems. While stakeholders did not directly tie this benefit to reaching functional zero, the close collaboration required to get to functional zero and the increased staff capacity within the homelessness response system as a result of reaching functional zero likely contributed. Stakeholders in Rockford and Bergen County noted increased collaboration in discharge planning from the health and criminal legal systems. In Bergen County, one stakeholder said, "We work hand in glove with the [Bergen County Housing, Health, and Human Services] center: their discharge plans and our discharge plans are [a] united unit to make things smooth for the individual." Stakeholders in Bergen County also noted increased coordination with behavioral health and detox intakes and discharges.

Benefits Accrued to the Community

A focus of this study was identifying and understanding community-level benefits, both monetary and nonmonetary, in four Built for Zero CoCs. Community-level benefits can result in real monetary benefits, such as increased revenue from businesses. Stakeholders also identified societal benefits, including more people having the dignity of housing, improvements to public spaces, and the broader community being engaged in helping people who experience homelessness.

MORE COMMUNITY MEMBERS HAVE THE DIGNITY OF HOUSING

A theme that emerged from speaking with community stakeholders was that reaching functional zero brought a specific benefit: more people in the community had the dignity of housing. In Montgomery County, a community stakeholder told the story of a woman who had been in and out of shelters for more than a decade and eventually passed away. But, the stakeholder said, "She was able to live her last year or so in her own place and she was happy and we were part of that, and that was a good outcome." Another Montgomery County stakeholder echoed this sentiment, saying, "There are a whole bunch of people who are housed, who are not living through the cycles of homelessness. That is a good in and of itself." Similarly, a stakeholder in Bergen County summarized the difference that housing made, saying people had the "ability to work, self-esteem, behavioral health, and…medication, child care, food—all of those things." People being housed, out of danger, and more stable also had positive effects on staff. Stakeholders reported that staff experienced reduced stress and strain, as they were less worried about people experiencing homelessness dying on the street or being vulnerable to violence.

There are a whole bunch of people who are housed, who are not living through the cycles of homelessness. That is a good in and of itself.
—Montgomery County community stakeholder

PUBLIC SPACES AND ECONOMIC CONDITIONS IMPROVE

Community stakeholders indicated that housing people and reducing homelessness had the potential to improve overall economic conditions in a community through increased productivity of individuals who were housed and decreased disruption to shopping areas. We found that this was not true across all four communities. In some, stakeholders commented that despite the community having reached functional zero for chronic or veteran homelessness, there remained enough people enduring unsheltered homelessness that shopping or business areas were not noticeably different. Perhaps, the stakeholders said, that benefit would be unrealized until broader decreases in homelessness were achieved.

In Rockford, a stakeholder noted that the downtown area was revitalized around the same time the community achieved functional zero, but that stakeholder was unsure if the revitalization was related to that achievement. Economic benefits were highlighted by multiple stakeholders in Bergen County, who indicated that while it was difficult to calculate a dollar amount, helping people enter housing and the workforce had alleviated strains on all systems. One stakeholder said there had been more spending in downtown areas and the creation of new businesses and storefronts. This stakeholder directly tied this change to a decrease in panhandling and people enduring unsheltered homelessness in the downtown area. A second stakeholder corroborated this, noting new construction of large housing developments.

COMMUNITIES BECOME MORE ENGAGED IN ADDRESSING HOMELESSNESS

Media coverage about the achievement of functional zero contributed to positive feelings in the community and community support of efforts to address homelessness. Community stakeholders in Bergen County and Rockford shared that public recognition of functional zero received significant positive feedback. Bergen County stakeholders were invited to the White House, and one stakeholder indicated that a county executive who supported the center, a focal point of the effort to reduce homelessness, most likely gained political support for reelection based on the county's success. A stakeholder in Rockford said that reaching functional zero decreased the belief in stereotypes usually

associated with homelessness and increased community support for individuals still experiencing homelessness.

Conclusion

We observed meaningful community-level benefits of achieving functional zero for a target population. For the most part, those benefits accrue within the homelessness response system, resulting in a more efficient and effective system. After a community reached functional zero, the homelessness response system housed people—both those in the target population and others—more quickly. Communities attributed this to reduced use of the overall system and the processes and procedures established across partners. Homelessness response stakeholders also asserted that they were able to proceed to other target populations with both stronger partnerships and the ability to advocate for more resources. Additionally, communities had the capacity to focus more on preventing people from experiencing homelessness and to work across agencies and sectors, resulting in better coordination around discharge planning.

Some stakeholders identified benefits of achieving functional zero for veteran or chronic homelessness that extended to other systems and broader community well-being, including decreased use of health systems and emergency services and increased revenue in shopping districts. Some benefits may not be fully realized when a community ends homelessness for a select population and would be more noticeable if homelessness were decreased or ended for all.

While stakeholders readily acknowledged, and administrative data often supported, the benefits of reaching functional zero, the necessary effort and the resources were not insignificant. Stakeholders noted the substantial effort required to establish and maintain quality BNLs, and communities reported significant investment in housing resources and leveraging of other funding streams that would otherwise be spent on different activities. We were unable to quantify these costs in a comprehensive or consistent way. The extent to which the benefits identified would outweigh the investment required to reach functional zero is unknown.

Additionally, although a community might collectively benefit from functionally ending homelessness for a population, the monetary savings may not be equally distributed across systems. For example, the financial savings for one fewer ambulance call per month or an additional free emergency room bed can save a private hospital substantial funds, compared with the savings for a local government's budget of one fewer person served in the homelessness response system. Adopting a

community-level perspective on the costs and benefits of ending homelessness could shed light on the role that other systems can play in ending homelessness.

Even with all that we learned from this study, some research is still needed:

- Quantifying the costs and benefits of ending homelessness at the population level is challenging. Costs and benefits accrue to different levels of government—federal, state, and local—and often programs and activities are funded from a variety of sources, making it difficult to track costs. To track benefits, in most cases, is not as easy as reducing the number of staff, thereby clearly saving salaries. Instead, savings can be calculated by time investment recovered across existing staff. One value of ending homelessness for the communities was the ability for those in different systems to focus their attention on other pressing issues. It is challenging to quantify the value of systems shifting their levels of effort and to fully compare the costs with the benefits. Future research should further explore methods of quantifying costs and benefits.

- Costs and benefits can manifest at different times, including in the short, medium, and long terms, and can manifest differently depending on community circumstances, such as being in an economic recession or pandemic. For example, during a time of economic growth, a community that has achieved functional zero for a population, particularly one more visible to businesses before functional zero, could experience an increase in tourism. This benefit may not be realized in the short term, and it would affect various aspects of the community, such as local businesses and the travel and tourism industries, making it feasible but challenging to capture all monetary benefits. It would also be difficult to determine what portion of that monetary increase is attributable to achieving and sustaining functional zero.

- Through our interviews, we learned that some monetary and nonmonetary benefits outlined in the literature may have manifested but were not observed by respondents. To identify the full costs and benefits may require a more extensive cost-benefit tool that includes line items of possible benefits that have emerged in the literature, prompting a community to consider whether the benefits are relevant for them.

- Interview respondents suggested that community residents would be the population most likely to observe the most salient nonmonetary benefits of ending homelessness, such as potential racial equity benefits, improvements in quality of life, and other community-level benefits. While our research was not designed to capture this information, future research should include residents' perspectives.

- Although the literature emphasized the broader housing market as being greatly affected by ending homelessness, our data for this system focused entirely on homeless services. Although our interview protocols did not limit discussion of the broader housing market, homeless services staff did not cover this topic. Future research should include housing developers and real estate agents to better understand what effect ending homelessness would have on the housing market, with a focus on affordable housing. Other systems mentioned in the literature but not pursued in this research include social services, such as food assistance, child welfare, and school systems. These other community systems should also be pursued for a full understanding of costs and benefits.

Answering these questions would inform the body of knowledge on costs associated with ending homelessness and could help communities determine the monetary and nonmonetary benefits of ending homelessness, helping validate the up-front investment. The answers to these questions across diverse communities, as well as estimated costs from the literature, could be used to develop a cost-benefit tool for decisionmakers in the homelessness response system, local community organizations, policymakers, and local government officials.

With the support of Community Solutions, the Urban research team has begun designing a prototype for a cost-benefit tool. In our vision, the tool would feature prepopulated cost-benefit estimates from the literature. Each community could select a customized profile page that will adjust the prepopulated calculations to better fit locality based on available public data, including local rents, housing vacancy rate, and size and characteristics of the homeless population. Itemized budget lists would be editable, allowing the user to tailor the tool to each community's known costs. Another essential component would be the ability for the user to add line items, including those for nonmonetary benefits. Finally, the tool would offer a cost-benefit dashboard that summarizes in both table and graphic display the high-level costs and benefits of reaching functional zero. Answering the questions essential to building this tool and compiling this information in an accessible format tailored to individual communities would allow local decisionmakers to understand costs and savings associated with ending homelessness at a population level across systems.

Appendix. Administrative Data Analysis

Research Questions and Hypotheses

The administrative data analysis was driven by the following primary research questions and hypotheses:

1. **Do demographic characteristics change before versus after reaching functional zero among target individuals experiencing homelessness versus nontarget individuals experiencing homelessness?**

   As is implicit in reaching functional zero, we expect that the share of target individuals experiencing homelessness will decrease in the period after functional zero. We expect that a higher share of the target population in the "after" period will have demographic characteristics reflecting fewer vulnerabilities (e.g., lower rates of disabling conditions, lower VI-SPDAT scores) because of prioritization. We also expect that we might observe positive spillover effects for the nontarget population experiencing homelessness. If the system is designed more efficiently for one population, it may indirectly help the remaining population. However, it is also possible that focusing resources on a target population will limit resources for others and lead to less-advantageous spillover characteristics.

2. **What are changes in system-level performance before and after functional zero among target individuals experiencing chronic homelessness?**

   We expect that the destination upon homelessness program exit will more likely be a permanent housing situation in the period after functional zero compared with before. We expect that target individuals will show fewer temporary housing stays in the period after functional zero compared with before. We expect that the prior living situation upon program entry will be more often a temporary stay and less often an institutional or permanent housing stay because the system would better prevent homelessness before individuals enter the system. We acknowledge that we may not see fewer instances of institutions as a prior living situation if communities have built partnerships with those institutions to prevent individuals exiting into homelessness.

We expect that the system patterns will improve for target individuals experiencing homelessness in the period after a community reaches functional zero, as the system is maximizing for this population. We acknowledge that it is possible that the change in patterns of system use may be muted in the period after functional zero compared with the period before, if those target individuals remaining are the hardest to house.

We expect that the system performance will improve after functional zero for target individuals experiencing homelessness, including individuals spending less time homeless and in programs before entry into permanent housing, a smaller share experiencing first-time homelessness, and fewer returns from permanent housing.

3. **What are the spillover changes in system-level performance before and after functional zero among nontarget individuals experiencing homelessness?**

   Nontarget populations could face positive spillover effects in system performance, such as increased access to shelter and temporary housing that had previously been filled by a target population. The nontarget populations may also benefit from general systems improvements, such as streamlined and more efficient systems. However, it is also possible that the number of already limited permanent housing options may decline as they are filled by target individuals, making it harder for nontarget populations to access permanent housing programs. With resources focused on the target population, the nontarget populations may suffer from a lower level of investment.

High-Level Data Findings in Bergen and Lake Counties

Bergen County and Lake County shared administrative data. The parameters of the data are reported below.

Bergen County

Bergen County shared deidentified client-stay-level data from its HMIS database. We received data between November 2015 and October 2017. Time frames were set by the community to indicate when it began working toward functional zero for the target population and through six months after reaching functional zero. For Bergen County, the time frames around functional zero for chronic homelessness are as follows:

- Before functional zero: November 2015 to October 2016

- After functional zero: December 2016 to May 2017

And the time frames around functional zero for veteran homelessness are as follows:

- Before functional zero: April 2016 to March 2017

- After functional zero: May 2017 to October 2017

In these data, people experiencing chronic homelessness or homelessness as veterans are people in adult-only households who have been flagged as being chronically homeless or veterans by Bergen County's HMIS. Nonchronic or nonveteran are all other individuals not identified as that target population by the HMIS. People who are actively homeless within the before or after periods are included as the cohort of individuals in those periods. Their historical information, such as when they first became homeless, can fall outside the bounds of a period. Setting these as cohorts allows the before and after periods to be comparable.

The tables below highlight some results from the analysis of the Bergen County data.

TABLE A.1

People Experiencing Homelessness for the First Time in Periods before and after Chronic and Veteran Functional Zero

	Chronic		Nonchronic		Veteran		Nonveteran	
	Before (n=81)	**After (n=77)**	**Before (n=293)**	**After (n=292)**	**Before (n=29)**	**After (n=17)**	**Before (n=406)**	**After (n=378)**
Number of people experiencing homelessness for the first time	3	4	176	163	17	7	213	168
Share (%) of people experiencing homelessness for the first time	4	5	60	56	59	41	52	44

Source: Bergen County Homeless Management Information System data, November 2015 to May 2017 (chronic) and April 2016 to October 2017 (veteran).
Notes: This includes people whose homelessness start date are within the designated period. This includes those who are experiencing unsheltered homelessness and those who are using homelessness programs. This excludes any records missing the approximate homelessness start date.

People Returning to Homelessness from Permanent Housing in Periods before and after Chronic and Veteran Functional Zero

	Chronic		Nonchronic		Veteran		Nonveteran	
	Before (n=65)	After (n=54)	Before (n=310)	After (n=194)	Before (n=21)	After (n=7)	Before (n=322)	After (n=234)
Number of people returning to homelessness from permanent housing	2	0	6	1	1	0	6	2
Share (%) of people returning to homelessness from permanent housing	3	0	2	1	5	0	2	1

Source: Bergen County Homeless Management Information System data, November 2015 to May 2017 (chronic) and April 2016 to October 2017 (veteran).
Note: The totals are related only to those who have exited to any permanent housing (e.g., permanent supportive housing) and returned to a homelessness stay (e.g., emergency shelter or transitional housing).

TABLE A.3
Individuals Whose First Stay Is a Permanent Supportive Housing Stay in the Periods before and after Chronic and Veteran Functional Zero

	Chronic		Nonchronic		Veteran		Nonveteran	
	Before (n=84)	After (n=77)	Before (n=555)	After (n=355)	Before (n=47)	After (n=17)	Before (n=580)	After (n=429)
Number of people whose first program entry in the homelessness system is PSH	48	47	55	49	4	3	93	82
Share (%) of people whose first program entry in the homelessness system is PSH	57	61	10	14	9	18	16	19

Source: Bergen County Homeless Management Information System data, November 2015 to May 2017 (chronic) and April 2016 to October 2017 (veteran).
Notes: PSH = permanent supportive housing. This universe includes those whose first program stay among those in the period is a permanent supportive housing stay with a nonmissing program entry date.

TABLE A.4

Average Time from Start of Homelessness to the First Entry into a Homelessness Program in the Periods before and after Chronic and Veteran Functional Zero

	Chronic		Nonchronic		Veteran		Nonveteran	
	Before (n=22)	**After (n=18)**	**Before (n=196)**	**After (n=176)**	**Before (n=20)**	**After (n=8)**	**Before (n=241)**	**After (n=201)**
Mean (days)	734	837	71	59	333	37	175	91
Median (days)	671	716	5	1	8	0	2	0

Source: Bergen County Homeless Management Information System data, November 2015 to May 2017 (chronic) and April 2016 to October 2017 (veteran).

Notes: This includes those whose first entry date into a homelessness program (i.e., emergency shelter, transitional housing, or permanent supportive housing) occurs during the noted period. If an entry is missing an entry date, the record is excluded. Individuals present across multiple periods are included only in the one when they have their first program entry.

TABLE A.5

Average Length of Time in Emergency Shelter and Transitional Housing Programs in the Periods before and after Chronic and Veteran Functional Zero

	Chronic		Nonchronic		Veteran		Nonveteran	
	Before (n=36)	**After (n=29)**	**Before (n=498)**	**After (n=305)**	**Before (n=42)**	**After (n=13)**	**Before (n=485)**	**After (n=345)**
Mean (days)	83	65	124	168	63	78	133	157
Median (days)	26	59	65	69	49	24	65	62

Source: Bergen County Homeless Management Information System data, November 2015 to May 2017 (chronic) and April 2016 to October 2017 (veteran).

Notes: This is the cumulative time spent in any emergency shelter or transitional housing program for individuals actively homeless during the respective period. This means that some stays where the exit occurs during the observation period may have an entry date well before the designated period, and those days are included in the cumulative length of stay calculation. For those who enter during the period and exit after the end of the period, the time is truncated to the end of the period.

TABLE A.6

Number of Stays in Different Homelessness Response Programs before Obtaining Permanent Housing in the Year before and Year after Chronic and Veteran Functional Zero

	Chronic		Nonchronic		Veteran		Nonveteran	
	Before (n=65)	**After (n=54)**	**Before (n=310)**	**After (n=194)**	**Before (n=21)**	**After (n=7)**	**Before (n=322)**	**After (n=234)**
Mean	0.31	0.13	0.89	0.76	0.86	0.57	0.75	0.68
Median	0.00	0.00	1.00	1.00	1.00	1.00	1.00	1.00

Source: Bergen County Homeless Management Information System data, November 2015 to May 2017 (chronic) and April 2016 to October 2017 (veteran).

Notes: This includes individuals with an exit destination as permanent housing (e.g., permanent supportive housing, rental tenant, staying permanently with family) or those who have an entry date into a permanent supportive housing program. Those whose first stay is permanent supportive housing are marked as having zero stays before permanent housing.

Share of Population, by the Total Number of Months People Were Homeless on the Street, in Emergency Shelter, or in a Transitional Housing Program in the Past Three Years, in the Periods before and after Chronic and Veteran Functional Zero

	Chronic		Nonchronic		Veteran		Nonveteran	
	Before (n=105)	After (n=90)	Before (n=612)	After (n=374)	Before (n=54)	After (n=19)	Before (n=661)	After (n=454)
One month (this time is the first month)	3%	6%	29%	42%	41%	47%	27%	44%
2–6 months	17%	17%	28%	27%	24%	32%	29%	19%
7–12 months	8%	13%	8%	8%	6%	11%	10%	7%
More than 12 months	64%	63%	6%	7%	15%	11%	16%	18%
Missing	9%	1%	29%	16%	15%	0%	19%	12%

Source: Bergen County Homeless Management Information System data, November 2015 to May 2017 (chronic) and April 2016 to October 2017 (veteran).
Note: This calculates the cumulative number of months homeless (excluding permanent supportive housing stays) for those actively homeless during the respective period.

Lake County

Administrative data shared by Lake County were originally from the HMIS but were processed into aggregate form in the Longitudinal Systems Analysis tables.[19] These aggregate tables process complex system use information by cohort in a time frame that the user assigns. Time frames were set by the community to indicate when it actively started to aim for functional zero for the target population and through one year after reaching functional zero. For Lake County, the time frames around functional zero for veteran homelessness are as follows:

- Before functional zero: November 2017 to November 2018

- After functional zero: January 2019 to December 2019

The HMIS data for Lake County we report on are based on adult-only households. That includes those who are nonveterans and those who are veterans and use mainstream services. However, the HMIS captures only a subset of veterans who access mainstream homelessness programs available to anyone and would not capture those who use only VA programs. This is because veterans who use VA programs and are considered homeless only show in the HMIS if they enter a program as a mainstream user. To better understand what happened to veterans experiencing homelessness in Lake County, we received aggregate data from the VA's Homeless Operations Management and Evaluation System (HOMES), namely on individuals using the Grant and Per Diem or HUD-VASH programs. The HOMES

data were received as data during the VA's fiscal year and therefore do not exactly match the before and after periods specified above. The time frames for the HOMES data are as follows:

- Before functional zero: October 2017 to September 2018

- After functional zero: October 2018 to September 2019

The tables below highlight some results from the analysis of the Lake County data.

TABLE A.8

Exit Destinations, Exit Reasons, and Length of Stay of Veterans in the Grant and Per Diem Program in the Period before and after Veteran Functional Zero

	Before (n=29)	After (n=35)
Housing status at program exit		
Share with an exit to institution/prison or jail/temporary accommodation	21%	20%
Share with an exit to permanent housing	55%	63%
Share with an unknown exit destination	3%	2%
Share with an exit into homelessness	7%	0%
Reason for program exit		
Share with negative exit reason	27%	14%
Share with neutral exit reason	8%	9%
Share with positive exit reason	65%	77%
Share missing exit reason	10%	15%
Average length of stay (days per year)	**297**	**239**

Source: US Department of Veterans Affairs Homeless Operations Management and Evaluation System yearly aggregate data on veterans using the Grant and Per Diem program, October 2017 to September 2019.

Notes: "Negative" exit reasons are when a veteran was asked to leave because of a violation of program rules or failure to comply with program requirements and when a veteran left on their own, without consulting program staff. "Neutral" exit reasons are when veterans required more intensive care than was offered through the program and when veterans were transferred to another residential program for administrative reasons. "Positive" exit reasons are when a veteran successfully completed some or all components of the program.

Exit Destinations, Exit Reasons, and Length of Stay of Veterans in the HUD-VASH Program in the Periods before and after Veteran Functional Zero

	Before (n=62)	After (n=48)
Housing status at program exit		
Share with an exit to institution/prison or jail/temporary accommodation	15%	23%
Share with an exit to permanent housing	52%	56%
Share with an unknown exit destination	23%	19%
Share with an exit into homelessness	11%	2%
Reason for program exit		
Share with a negative exit reason	15%	13%
Share with a neutral exit reason	31%	23%
Share with a positive exit reason	54%	65%
Share missing exit reason	2%	0%
Average length of stay (days per year)	**519**	**950**

Source: US Department of Veterans Affairs Homeless Operations Management and Evaluation System yearly aggregate data on veterans using the HUD-VASH program, October 2017 to September 2019.

Notes: HUD-VASH = US Department of Housing and Urban Development-Veterans Affairs Supportive Housing Program. "Negative" exit reasons are when a veteran did not comply with program case management, when a veteran was evicted from a program apartment by the public housing authority or landlord or had other housing-related issues or problems, or when a veteran could not be located. "Neutral" exit reasons are when veterans were transferred to another HUD-VASH program site, were too ill to participate in the program, were no longer interested in participating in the program, were incarcerated, or died. "Positive" exit reasons are when veteran accomplished their goals or obtained access to services and no longer needed this program, when a veteran found other housing, or when a veteran was no longer financially eligible for the HUD-VASH voucher.

System Use of All Adults Experiencing Homelessness in the Periods before and after Veteran Functional Zero

	Veterans		Nonveterans	
	Before (n=62)	After (n=11)	Before (n=266)	After (n=128)
Average VI-SPDAT score	5.48	7.64	7.13	6.92
Emergency room stays				
Zero emergency room stays	40%	73%	35%	40%
One or more emergency room stay	60%	27%	65%	60%
Ambulance rides to hospital				
Zero ambulance rides	69%	82%	61%	68%
One or more ambulance rides	31%	18%	39%	32%
Inpatient hospitalization				
Zero hospitalizations	0%	0%	62%	69%
One hospitalization	15%	9%	20%	15%
Two or more hospitalizations	69%	27%	18%	16%
Missing hospitalizations	16%	64%	0%	0%
Crisis service use				
No crisis service use	73%	64%	76%	70%
Use of one or more crisis services	27%	36%	24%	29%
Police contacts				
No police contacts	71%	55%	51%	44%
One or more police contacts	29%	45%	49%	56%
Jail stays				
No jail stays	0%	0%	84%	75%
One jail stay	15%	9%	10%	19%
Two or more jail stays	16%	55%	6%	6%
Missing jail stays	69%	36%	6%	6%

Source: Coordinated entry data extracted from the Homeless Management Information System, November 2017 to December 2019.

Notes: VI-SPDAT = Vulnerability Index–Service Prioritization Decision Assistance Tool. The VI-SPDAT score ranges from 0 to 17.

Homelessness Status for Individuals Experiencing Homelessness in the Periods before and after Veteran Functional Zero

	Before (n=695)	After (n=623)
First-time homeless	63%	57%
Continuously homeless	22%	29%
Homeless again after temporary/unknown stay	10%	9%
Homeless again after permanent housing stay	5%	6%
Average days in emergency shelter or transitional housing	67	83

Source: Aggregate Longitudinal Systems Analysis data from the Homeless Management Information System, November 2017 to December 2019.

Notes: Data are based on all individuals in adult-only households; this includes veteran and nonveteran adults. This does not include people who experience homelessness exclusively in unsheltered situations as unsheltered homelessness is not captured in the Longitudinal Systems Analysis data.

Living Situation before Shelter Entry in the Periods before and after Veteran Functional Zero

	Before (n=647)	After (n=547)
Experiencing homelessness	45%	53%
Residing in a temporary situation such as a hotel	4%	7%
Residing in an institutional setting such as a jail or hospital	14%	11%
Living in permanent housing such as permanent supportive housing	26%	24%

Source: Aggregate Longitudinal Systems Analysis data from the Homeless Management Information System, November 2017 to December 2019.
Note: Data are based on all individuals in adult-only households; this includes veteran and nonveteran adults.

TABLE A.13

Shelter Exit Destinations in the Periods before and after Veteran Functional Zero

	Before (n=511)	After (n=429)
Experiencing homelessness	11%	13%
Residing in a temporary situation such as a hotel	14%	11%
Residing in an institutional setting such as a jail or hospital	7%	7%
Living in permanent housing such as permanent supportive housing	32%	46%
Missing, dead, refused to answer	36%	22%

Source: Aggregate Longitudinal Systems Analysis data from the Homeless Management Information System, November 2017 to December 2019.
Note: Data are based on all individuals in adult-only households; this includes veteran and nonveteran adults.

TABLE A.14

Returns to Homelessness among Individuals Exiting Homelessness within the First Six Months in the Periods before and after Veteran Functional Zero

	Before (n=412)	After (n=343)
Returns to homelessness from permanent housing within six months	2%	6%

Source: Aggregate Longitudinal Systems Analysis data from the Homeless Management Information System, November 2017 to December 2019.
Notes: This includes households that exited in the first six months of the relevant period. Returns to homelessness from permanent housing relate to households that exited homelessness to permanent situations and then returned to homelessness within 180 days. This does not include people who return to homelessness in an unsheltered situation as unsheltered homelessness is not captured in the Longitudinal Systems Analysis data.

Notes

1   People are considered chronically homeless when they have a disability and have experienced homelessness for at least one cumulative year out of the last three years.

2   Ending chronic homelessness in a community means that either (1) less than 0.1 percent of the total number of individuals in the most recent point-in-time count are chronically homeless or (2) three or fewer people are chronically homeless, whichever is greater.

3   As part of its approach, Community Solutions encourages communities to select a target population to end homelessness for first. Communities have the choice of any target population. At the time that the communities we interviewed were attempting to reach functional zero, there was significant national attention on ending chronic and veteran homelessness as a result of the Federal Strategic Plan to Prevent and End Homelessness, the Bloomberg Philanthropies Mayors Challenge, and funding priorities for chronic and veteran homelessness from the US Departments of Housing and Urban Development and Veterans Affairs.

4   "Functional Zero," Community Solutions, accessed May 4, 2021, https://community.solutions/functional-zero/. Different agencies and organizations have variations to their definitions of functional zero that, in some cases, are also related to differences in definitions of homelessness.

5   HUD defines chronically homeless as having both a disability and a history of enduring homelessness. 80 Fed. Reg. 75,791 (Dec. 4, 2015): https://www.govinfo.gov/content/pkg/FR-2015-12-04/pdf/2015-30473.pdf.

6   We use the term criminal legal system in place of criminal justice system to reflect the reality that the system is not just and people's involvement in it results in disparate impacts on people of color and other people marginalized by systemically and structurally biased systems.

7   Contact the authors for the references.

8   The benefit of selecting only communities that reached functional zero is that we can learn not only about how they significantly reduced the size of their target populations, but also about how the reduction was sustained and what unique benefits were associated with achieving this status. However, our sample faces some limitations. We do not have representation for a community with a sizeable target population, with regional variations, containing a major metropolitan area, or with a population with especially high average scores on the vulnerability index. However, with a focus on the value of reaching functional zero, we chose to sample communities that achieved it. Throughout the report, we refer to the Waukegan, North Chicago/Lake County Continuum of Care as "Lake County" and the Rockford/DeKalb, Winnebago, and Boone Counties Continuum of Care as "Rockford." When Rockford reached veteran and chronic functional zero, the CoC did not include DeKalb County; the Rockford/Winnebago and Boone County CoC merged with the DeKalb City and County CoC in 2019.

9   For more information on Continuums of Care, see "The Approach," Built for Zero, accessed April 30, 2021, https://www.joinbuiltforzero.org/our-approach/.

10 A Homeless Management Information System, or HMIS, is a local information technology system used to collect client-level data for those accessing programs in the homelessness response system.

11 For more information about BNLs, see "Quality By-Name List," Built for Zero, accessed April 30, 2021, https://www.joinbuiltforzero.org/resources/quality-by-name-list/.

12 For more information about case conferencing, see Kaitlyn Ranney, "What Is Built for Zero Case Conferencing?," *Bright Spot* (blog), Community Solutions, December 3, 2020, https://community.solutions/built-for-zero-communities-learn-how-to-design-everyones-favorite-meeting-of-the-week/.

13 "Coordinated Entry Policy Brief," US Department of Housing and Urban Development, accessed April 30, 2021, https://files.hudexchange.info/resources/documents/Coordinated-Entry-Policy-Brief.pdf.

14 HUD system performance measures were established by the 2009 Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act. For more information about HUD homeless performance measures, see HUD (2015).

15 One foundational component of ending veteran homelessness in Lake County was increasing coordination within individual programs at the VA medical center, and between the VA medical center and the CoC. As a result, programs changed how they operated. For example, the Domiciliary Care for Homeless Veterans program previously tended to accept people into the program and not institute plans for permanent housing. The VA and the CoC collaborated to be more intentional about how the domiciliary care program was being used and who it was serving, as well as to increase program exit and placements into permanent housing for veterans in the Lake County jurisdiction for the Domiciliary Care for Homeless Veterans program. This new approach within the program supported Lake County's path to functional zero.

16 Lake County VA data on Grant and Per Diem and HUD-VASH results are annualized based on the fiscal year (October 1–September 30 of the following year). Lake County reached functional zero in December 2018, so the alignment is close, but not exact. This may minimize the degree of change identified in the periods before versus after reaching functional zero.

17 In the aggregate Lake County data, we were unable to tease out a specific nonveteran population. Instead, we examined all adult-only households, which include a subset of veterans who use mainstream programs. Those veterans who only use VA-funded programs are not included in the adult-only results.

18 The data quality improved for this share of the population, with a decline in missing exit destinations by 13 percentage points the year after functional zero compared with the prior year. This calls the improvement in permanent housing destinations into question, as it may simply reflect the improvement in data quality rather than in service.

19 More information about the Longitudinal Systems Analysis is available at https://www.hudexchange.info/homelessness-assistance/lsa/. The summary table shells can be seen at https://www.hudexchange.info/resource/5736/lsa-summary-display-table-shells/.

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