



Initial Review of System Governance, Performance, and Funding

Prepared: May to July 2023

Informing the Development of 5-Year Strategic System Improvement Plan
to Prevent and End Homelessness in the City of Detroit

Barbara Poppe and associates
The collective for impact

Background and Intent of Review and Document

The City of Detroit Housing and Revitalization Department (HRD), the Homeless Action Network of Detroit, and the Detroit Continuum of Care have come together to identify shared goals, priorities, and actions to prevent and end homelessness in the City of Detroit and strongly recover from the COVID-19 pandemic. The City has engaged Barbara Poppe and Associates (BPA) and its team of consultants, including two Community Consultants with lived expertise of homelessness in Detroit, to provide expert guidance and support for the development of a 5-Year Strategic System Improvement Plan.

Review of System Governance, Performance, and Funding

BPA team members reviewed written governance documentation from the Detroit CoC, interviewed stakeholders to understand perspectives on how well governance structures worked to support strategic planning objectives, and assessed how decision-making groups and practices worked to advance community goals. In addition, BPA staff reviewed CoC system performance over the past ten years with a focus on overall homelessness prevalence, incidence of new homelessness, length of stay in homelessness projects, and exits to and retention of permanent housing. Finally, BPA team members collected funding and investment information to better understand what sources of funding are supporting different system activities. The results of this preliminary review will be used to further shape stakeholder engagement, system analysis, identification of system goals and objectives, and design a blueprint for implementation of system improvement activities.

Key Findings

- **Equity.** Across all reviewed elements – governance, performance, funding – BPA team members identified a lack of equitable representation or leadership structures that contribute to greater inclusion and centering of people with lived experience.
- **Governance.** Detroit's homelessness system leadership, strategic decision making, oversight and management responsibilities are distributed among a partnership of four key entities: general CoC membership, the CoC Board and Executive Committee, City of Detroit, and HAND. While HRD and HAND appear to oversee ESG and CoC duties adequately, some important system oversight and management functions are not expressly assigned to any one entity, and governance partners do not appear to be working in concert or alignment towards a shared set of common community goals and objectives. Stakeholders report a lack of defined or effective system leadership across the homelessness system.
- **Performance.** Key system performance indicators are trending in positive directions apart from median length of time homeless which has nearly doubled over the past 7 years.
- **Funding.** Based on data provided by HRD and HAND, the majority of Detroit's homeless response system is funded by federal resources, with less than 5% of total funding coming from state or local revenue. HRD and HAND identified nearly \$98M in funding appropriated/allocated in 2023, however, more than half of this is one-time money. Available resources appear to be allocated strategically – both proportionally relative to the size of different populations, but also across program activities – investing relatively more in prevention to slow inflow into the system and housing supports to support outflow.

Next Steps

- ✓ Assess Detroit's interest and capacity for clarifying governance roles and responsibilities in the context of advancing new strategic planning objectives. A system governance overhaul may be necessary to advance major system improvement activities. If Detroit lacks the resources, capacity, or interest in undertaking that work, the community may need to scale back the extent of system improvement strategies, so those strategies align with the Detroit's capacity to implement them.

Per Detroit's stated objective for this strategic planning work, center people of color and people with lived experience of homelessness in leadership positions as governance structures are reconsidered.

- ✓ Further analyze system performance in the context of operational efficiencies and impact to understand where system improvement efforts might yield greatest results. Assess performance differences among race and other demographic characteristics and then direct system improvement efforts to address any identified disparities.
- ✓ Add any additional funding sources that may have been missing from the original analysis, update information with 2023 HIC data, and then begin to prepare for system modeling to identify changes that would be needed to right-size the system.

Initial Review of Initiatives and Potential Implications for Strategic System Improvement Plan

Please see the following pages for a summary of key information related to the initial review of governance, performance, and funding for the Detroit CoC. This report summarizes key observations and findings at this initial stage, identifies potential implications for the Strategic System Improvement Plan that merit further consideration and analysis, and suggests questions and issues for further exploration within the planning processes.

Detroit Homelessness System Governance

- Documents Reviewed**
- **Detroit CoC Governance Charter**
 - **CoC Board Member List**
 - **Detroit CoC Board Committee Workgroup Matrix**
 - **CoC Membership List**
 - **Detroit Homeless System Written Standards**
 - **Detroit (MI-501) FY2022 CoC Program NOFO Application**
 - **Detroit Conflict of Interest Policy, CoC Members**
 - **Detroit CoC Non-Discrimination, Equal Access Policy**
 - **Detroit CoC Consumer Grievance Policy**
 - **Detroit CoC HMIS Policies & Procedures**
 - **Detroit CAM (Coordinated Entry System) Policy Manual**

- Key Stakeholders Consulted**
- | | |
|---|---|
| <ul style="list-style-type: none"> Benne Baker, Detroit Rescue Mission Amy Brown, NOAH Project Kally Canfield, Community Solutions Michael Centi, Wayne Metro Community Action Agency Tasha Gray, HAND Tania James, Detroit Wayne Integrated Health Lindsey Bishop-Gilmore, CSH Catherine Distelrath, CSH | <ul style="list-style-type: none"> Terra Linzner, City of Detroit HRD Sarah Prout Rennie, MCEDSV Celia Thomas, Alternatives for Girls Matthew Tommelein, Community & Home Supports Vanessa Samuelson-McGregor, McGregor Fund Jane Scarlett, SW Counseling Solutions Amanda Sternberg, HAND |
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Overview of Detroit CoC Governance Structure

Governance is structured in accordance with HUD HEARTH Act guidelines, though operationally, significant confusion exists among stakeholders about roles, responsibilities, and decision-making authority. Key bodies in Detroit CoC's governance structure include:

- **CoC General Membership** – comprised of the broader community of stakeholders located in or providing services in the geographic boundaries of the Detroit CoC. Agencies and individuals not associated with an agency are eligible to become voting members after attending one meeting.
- **CoC Board** – group of elected and appointed leaders of the CoC Membership who meet monthly. The Board is tasked with making decisions on behalf of the CoC Membership.
- **CoC Board Executive Committee** – executive leadership team of the CoC Board that meets weekly to address operational and urgent planning needs of the CoC. Board Officers (Chair, Vice Chair, Secretary, and two at large officers) serve as voting members of this committee.
- **Multiple CoC Committees**, ad hoc work groups, and advisory groups designed to support the CoC on various topics and tasks.

Additionally, the CoC General Membership has designated four staffing roles:

- **CoC Lead Agency – Homeless Action Network of Detroit (HAND)**. Identified as the CoC “Lead Organization” in the CoC Charter, providing technical, administrative, and meeting support to the General Membership, Board and Committees.
- **CoC Collaborative Applicant – HAND**. Prepares and submits the CoC's consolidated funding application for CoC Program funds.
- **HMIS Lead Entity – HAND**. Manages the homeless management information system on behalf of the CoC.
- **CES Lead Entity – Southwest Solutions** operates CAM (Coordinated Assessment Model). Southwest Solutions operates the CoC's homelessness hotline, captures assessment information, manages prioritization data and processes, and facilitates referrals to available housing and service slots. **Note: Detroit recently completed a planning and reorganization process to select a new partnership entities to assume CAM functions beginning on October 1, 2023.**

BPA Consulting Team's Observations from Review of Governance Documentation and Discussions with Key Stakeholders

- Compliance with HUD funding requirements seems to be the driving force behind how the CoC is structured and functions, versus thinking more expansively about the range of resources and partnerships needed to impact homelessness in Detroit and using the Board as a cross-sector alliance of partners to drive system transformation.
- There is little tangible evidence that a priority focus on equity and inclusion of people with lived experience of homelessness are driving system decision-making and protocols to support accountability.
- Among stakeholders interviewed, there was a lack of clarity on the community's or CoC's vision and priorities for the homelessness response system, or who holds responsibility for advancing the vision.
- The CoC Charter does not provide sufficient clarity as to what decisions and actions are the responsibility of each major membership partner – CoC General Membership, CoC Board, CoC Executive Committee; and roles related to CoC management – HAND, City of Detroit/HRD. In particular, many stakeholders expressed confusion about the role of the Board versus General Membership, indicating that they didn't understand which decisions could be made by the Board and which had to go to General Membership.
- Major partners active in some aspect of CoC governance and staffing (CoC Membership, CoC Board and Executive Committee, HAND, and City of Detroit HRD) seem to often work in siloes without coordination, alignment, or collaboration with other system partners.
- Lack of fully executed MOUs among CoC Board and entities designated to fulfill staffing functions for the CoC has resulted in role confusion and the lack of accountability mechanisms.
- The CoC has established numerous CoC committees, ad hoc work groups and other planning bodies. These groups do not always have sufficient clarity about their purpose/charge within the larger scope of system objectives and priorities, nor clarity about their ability to make independent decisions or advance strategic actions of the CoC. Further, the lack of dedicated backbone staffing across committees and work groups has inhibited progress, with work often stalling and failing to move out of committee.
- HAND may not have all the resources needed to effectively support backbone functions for the CoC and the community's efforts to prevent and end homelessness.
- A number of providers and clients signaled a lack awareness of or adherence to system grievance procedures, suggesting that additional training, messaging, and monitoring may be needed to ensure grievance procedures are followed by providers and serve as an effective vehicle to remedy challenges and problems experienced by clients.
- HAND conducts CoC management tasks with a focus on information collection and dissemination, public input, and other administrative tasks. The community has not explicitly empowered HAND to act as a system leader in identifying strategic opportunities for the system, analyzing options, and facilitating decision-making toward execution of those options. When HAND has tried to step into this role in the past, some stakeholders report that HAND has experienced backlash.
- City of Detroit HRD is perceived as managing projects without transparency or clear communication about long-term goals, contributing to lack of awareness and distrust of the City's long-term strategy or planning objectives.
- Various departments within the City of Detroit are engaged in addressing homelessness but there doesn't appear to be a clear process to coordinate these activities within the Detroit homelessness response system.
- System partners report that the Detroit homelessness system via HAND has relatively accurate, timely and complete system data, but data are not always immediately available or regularly used for system oversight, management, and monitoring activities.

- HRD and HAND's apparent inability to work through disagreements and differing perspectives consistently at the leadership level has had ripple effects throughout the community, leading to a larger environment of divisiveness and distrust. Some stakeholders identified that racial inequities throughout the system and the larger community, and elements of white dominant culture (which can be defined by characteristics or norms that include power hoarding, fear of open conflict, lack of transparency, transactional goals and relationships, defensiveness, and expressions of white fragility, among other characteristics and norms),¹ have historically undermined collaboration and that intentional work to heal divides is needed.
 - The Michigan State Housing Development Authority (MSHDA), the Michigan Department of Health and Human Services (MDHHS), and the Detroit Housing Commission (DHC) are critical partners who seem to be missing from the planning table.
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Questions and Issues for Further Exploration

1. Is there community appetite for establishing a clear CoC system vision, articulating goals, and defining strategic objectives for the homelessness system?
 2. Is there buy in for assigning responsibility to a single entity for providing visible leadership in the community to organize and shepherd a collective response to homelessness? Or, is there a viable model of shared leadership that can be implemented?
 3. Who should be responsible for active system management – analyzing and applying data-based decisions in real time, convening stakeholders, and facilitating strategic planning discussions, monitoring system progress and coordinating adjustments to system operations, evaluating system impact, engaging system partners to activate high impact responses, and communicating results across all stakeholders?
 4. How should homelessness system components and funding investments be aligned to achieve system goals? Who is responsible for identifying emerging system needs, potential threats, leveraging funding opportunities, and building system capacity?
 5. Is HAND making maximum use of Planning Grant resources? What additional funds are available to support backbone activities such as active monitoring and management of system operational efficiencies, system performance improvement through capacity building and training, relationship management of key system partners and sectors, and active engagement and support of equity and lived experience work groups and planning efforts?
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¹ See [White Dominant Culture & Something Different](#) worksheet for one description of some of the norms of white dominant culture.

CoC Performance

Analysis Sources

- PIT (2014 – 2023)
- System Performance Measures (FY2015 – FY2022):
 - Annual Prevalence
 - First Time Homeless
 - Median Length of Time Homeless
 - Successful Exits
 - Returns to Homelessness

BPA Consultant Team's Key Findings of Review

With the exception of median length of time homeless, the BPA Consultant Team's assessment is that performance on key system-level indicators appears to have trended in a positive direction over recent years:

- Point-in-Time homelessness has declined from 2,473 persons in 2014 to 1,280 in 2023, but local stakeholders do not have high levels of confidence in this data and also indicate that there are many people who are not included within this data, such as significant numbers of people living in abandoned homes.
- 12-month prevalence of sheltered homelessness has declined 48% from FY15 to FY22, but more analysis is needed to understand the reasons for this trend, for example if a reduction in inventory is a contributing factor.
- The percentage of first-time homeless among all people experience homelessness has remained relatively constant at 71% throughout the 8-year period from FY15 to FY22.
- During the period FY15 to FY22 exits from the homelessness system to permanent housing improved from 45% to 55%.
- During the 5-year period (FY18 to FY 22) returns to homelessness from a successful permanent housing exit have held constant at about 20%. This comports with national averages from similar size communities during the same period.
- The median length of time people experienced homelessness in shelters and/or safe haven programs essentially doubled from 35 days to 69 days from FY15 to FY22.

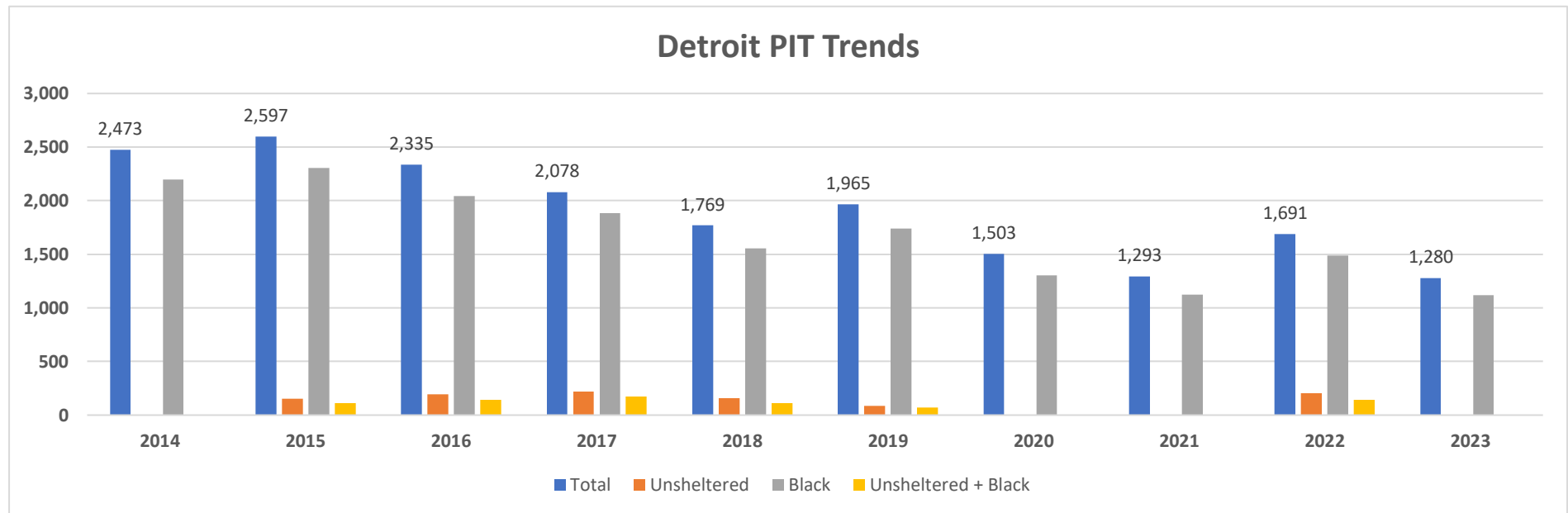
It is important to note that system data can sometimes mask trends happening at the population or program level, and information gained during the Consultant Team's site visit revealed some potential discrepancies that will require further exploration through the next activities of the planning project.

Racial Disparities: Detroit is one of the largest US cities with a majority Black/African American population (77%). Homelessness disproportionately impacts Detroit citizens who are Black; 85% of the homeless population is Black. Because Black Detroiters make up most of the general population and the homeless population, it's difficult to assess where racial disparities exist without additional and more granular analysis.

Performance Assessment Next Steps

- Assess racial and gender disparities in housing engagement, placement and retention rates. If identified, explore system design and programmatic adjustments that might address disparities.
- Assess how temporary system adjustments related to Detroit's response to the COVID-19 pandemic (use of non-congregate shelter, transition to remote access and engagement via CAM rather than in-person, extended periods of rental assistance, eviction prevention efforts, etc.) might have contributed to current system performance trends.
- Analyze outreach and By Name List data to assess system effectiveness and efficiencies around engagement and placement of persons in successful housing outcomes.
- Identify the characteristics and programmatic profiles for persons who return to homelessness after exiting the system to permanent housing.
- Identify system design elements and/or external factors that are contributing to longer median lengths of stay.
- Complete more detailed analysis of performance and outcomes within each CoC component (i.e. outreach, emergency shelter, diversion/rapid exit, rapid rehousing, and permanent supportive housing. Complete population specific performance analysis (domestic violence, Veterans, youth, chronic) where dedicated funding sources are invested to support those populations.

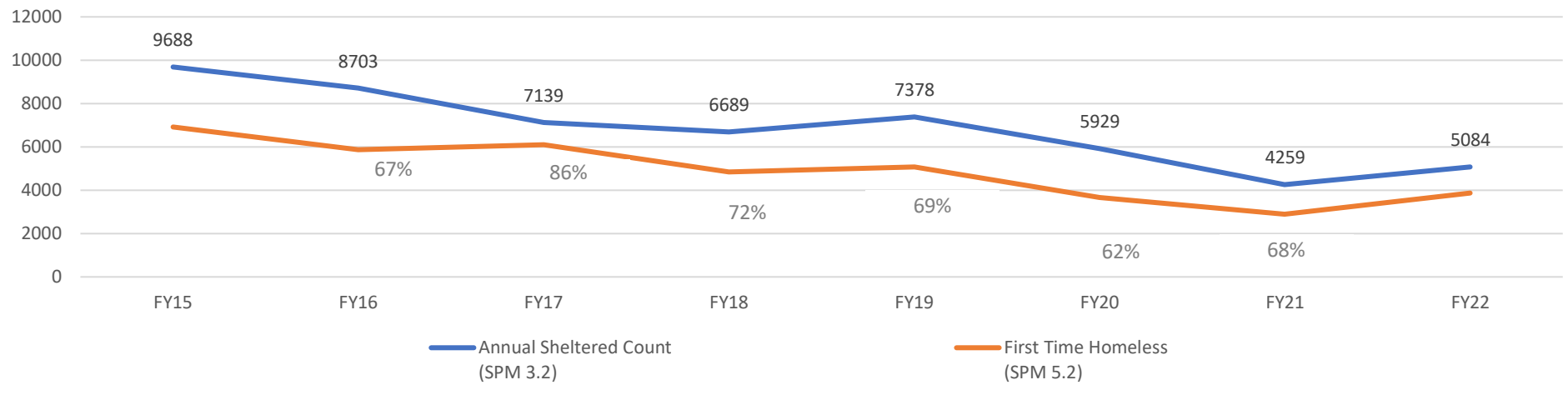
System Performance Trends



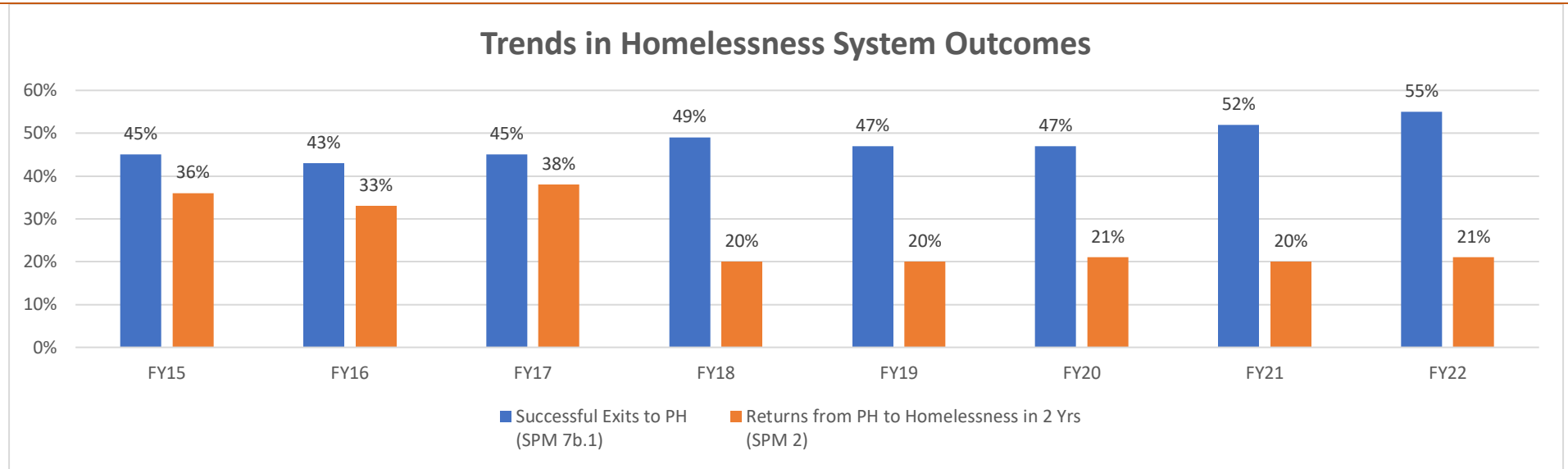
- ✓ PIT homelessness has declined by half from 2014 to 2023.
- ✓ Rates of point-in-time homelessness among people who are Black and people experiencing unsheltered homelessness have remained constant over the past ten years when compared to the overall homeless PIT.

Note: Unsheltered data were not reported in 2020, 2021, 2023

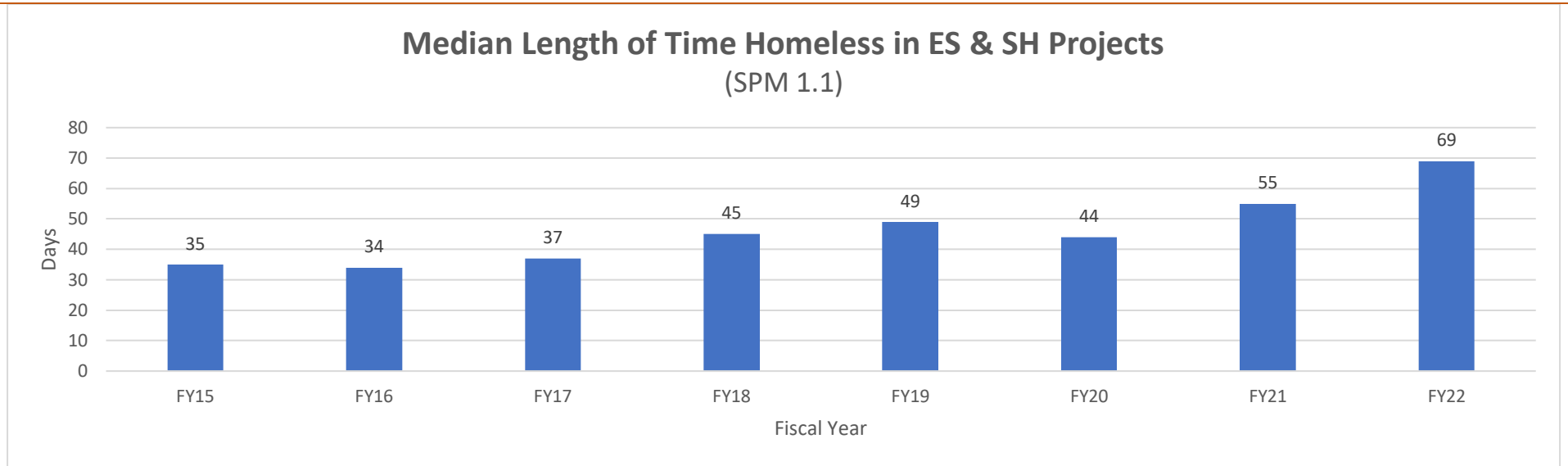
Trends in Annual Homelessness Counts



- ✓ Annual homeless prevalence has declined by nearly half (48%) from FY15 through FY22.
- ✓ The percentage of people experiencing homelessness for the first time has remained relatively constant at about 71% during this same period.



- ✓ Successful exits to permanent housing are trending in a positive direction; over half of all persons who exit the system homelessness system over the past two years have achieved a permanent housing outcome.
- ✓ Returns to homelessness after a permanent housing exit have remained constant at 20%-21% over the past five years.



- ✓ The median length of time people experienced homelessness (in either Emergency Shelter and/or Safe Haven projects) has nearly doubled over the past eight years.

Questions and Issues for Further Exploration

- How did temporary system adjustments related to Detroit's response to the COVID-19 pandemic (use of non-congregate shelter, remote access and engagement, extended periods of rental assistance, eviction prevention efforts, etc.) impact current system performance trends. Should these system adjustments be continued, expanded?
 - How effective and efficient are current client engagement and housing placement efforts? What system and/or programmatic adjustments might yield greater performance results?
 - What are the characteristics and programmatic profiles for persons who return to homelessness after exiting the system to permanent housing placements? Do these profiles reveal racial disparities in how the system is performing?
 - What system design elements and/or external factors that are contributing to longer median lengths of stay?
 - Are there racial disparities in housing engagement, placement and retention rates. If identified, how might system design and programmatic adjustments address these disparities?
 - What are average annual utilization rates across program types and within program types at the project level?
 - How comprehensive is the CoC's outreach coverage? How confident are stakeholders that unsheltered counts accurately reflect the true size of the population?
 - Do unsheltered clients have the same access to housing resources as their sheltered peers? No unsheltered families were identified during recent PIT counts. Is this because PIT efforts are not directed to places where families are likely to be found? Additional follow-up and analysis of available education data might shed light on nature of family homelessness in Detroit.
 - When permanent shelter stock is at capacity, what is the protocol for assisting families seeking shelter?
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Funding Analysis

Overview

The objective of the funding analysis was to gain insight on the level of investment in Detroit’s homelessness response, including key sources of funding and how resources are being used.

To complete this analysis, the BPA team worked with HRD and HAND to catalog funding awarded/allocated in 2023. For this analysis, we included only dedicated homeless response system resources (versus resources available to a broader population but which may incidentally serve individuals experiencing homelessness, such as behavioral health supports, resources for youth aging out of foster care, etc.)

BPA Consultant Team’s Key Findings and Observations

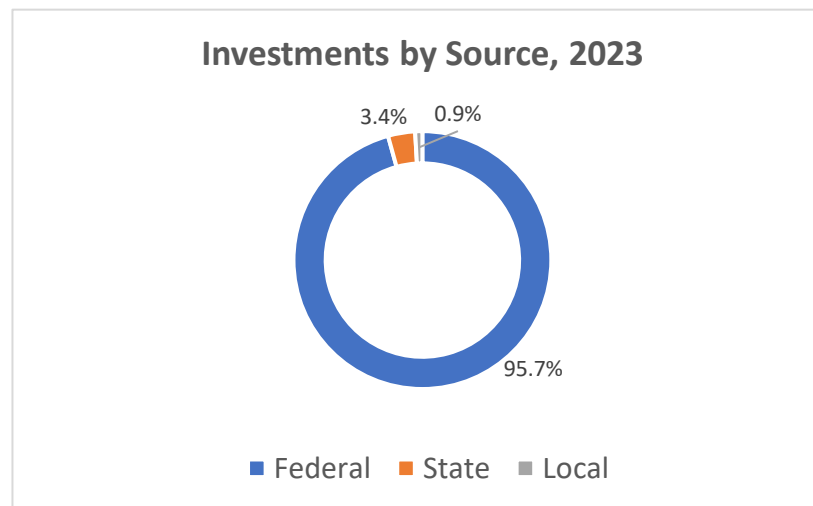
- Based on information provided by HRD and HAND, the majority of public resources supporting Detroit’s homeless response system comes from federal sources, with less than 5% of public funding coming from state or local revenue. HRD and HAND identified nearly \$98M in funding appropriated/allocated in 2023, however, more than half of this is one-time money, meaning that ongoing funding for the system is closer to \$50M.
- Neither HRD nor HAND were able to provide estimates on funding available for tenant-based subsidies flowing through the Detroit Housing Commission (DHC) or the Michigan State Housing Development Authority (MSHDA). During BPA Consulting Team’s on site visit, stakeholders reported that significant resources were available, particularly through MSDHA. This discrepancy raised questions about who within the homeless response system is coordinating with these partners and actively planning for efficient use of these resources.
- While improvements to system coordination, performance, and efficiency can drive reductions to overall levels of homelessness in Detroit, the community will likely need to identify additional resources to continue driving change over time. Communities of any size, but especially large urban areas, plateau quickly without state/local investments, given how much of Federal funding goes towards renewals of existing programs rather than toward expansion of capacity.
- Neither HRD nor HAND were able to provide information on total program budgets (vs. award amounts) as part of this analysis. As a result, it was not possible to identify the amount of private/philanthropic resources supporting the system. It was also not possible to gain a clear understanding of average cost/bed or cost/unit across individual programs to assess the level of uniformity across programs within the continuum.

Questions and Issues for Further Exploration

- What do we understand about uniformity of programs (and program costs) across individual providers within like-type programs (shelter, RRH, PSH)? Is there consistency on services provided, case management ratios, embrace of Housing First principles, etc.?
- There was a noticeable difference in 2023 funding dedicated to Transitional Housing projects and the number of actual Transitional Housing beds identified in the 2022 HIC. Were resources redirected in 2023 to different program types? Or does this signal funding sources missing from the funding analysis?
- How much of the resources invested in prevention are for upstream prevention activities vs diversion services provided at the front door of the system?
- To what extent will more efficient use of shelter and housing resources (i.e., shortening length of stay in shelter by accelerating connections to available housing resources) meet the community’s perceived gap in shelter capacity?
- Does the City have a plan for replacing COVID funding streams? What opportunities exist for locally-generated revenue streams?

System Funding Overview

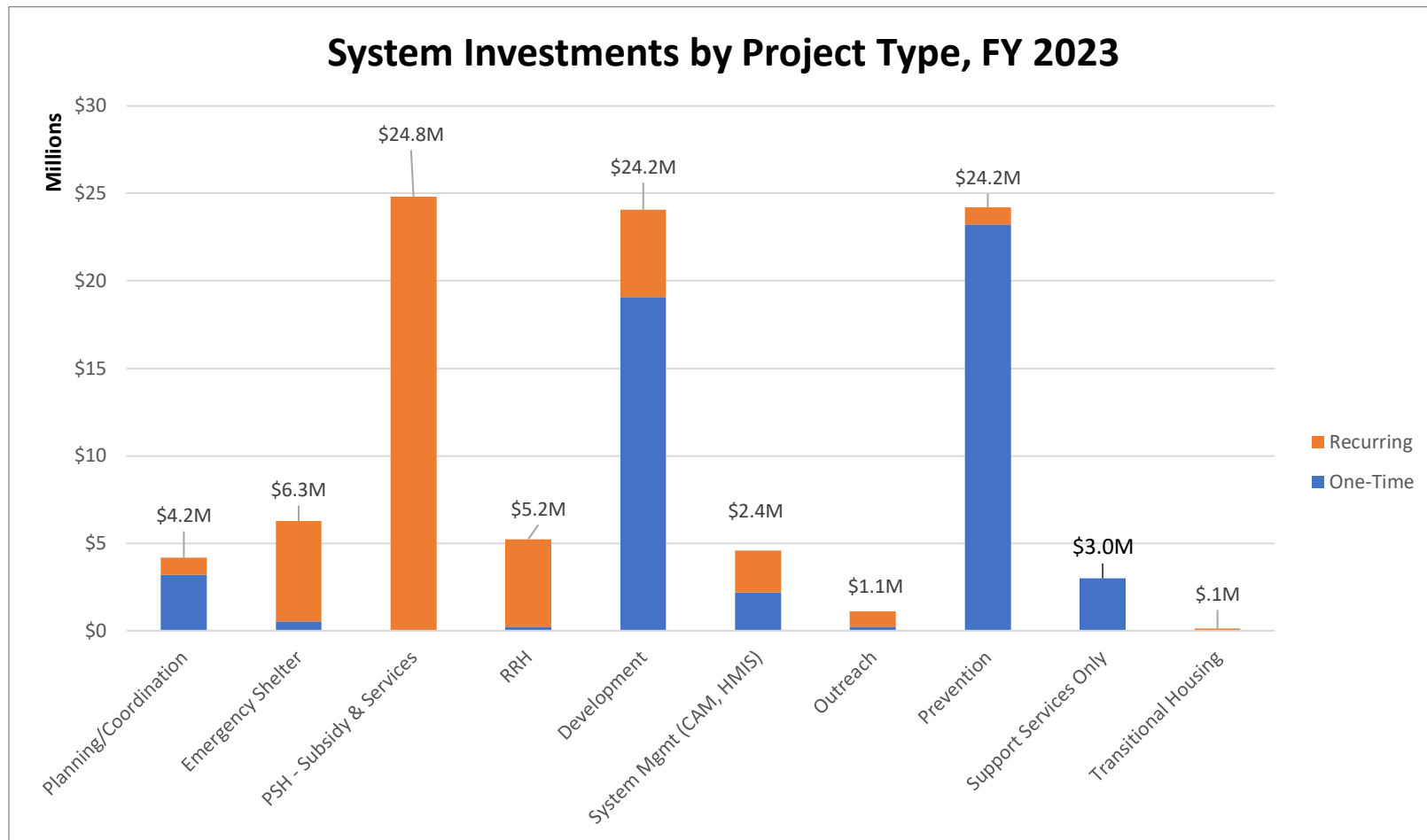
Investments by Source, 2023			
Source	Total	One-Time	Recurring
Federal	\$93.4M	\$50.8M	\$42.6M
HUD-CoC	\$32.0M	--	\$32.0M
ESG	\$2.9M	--	\$2.9M
ESG-CV	\$1.0M	\$1.0M	--
CDBG	\$3.2M	\$0.5M	\$2.7M
CDBG-CV	\$0.8M	\$0.8M	--
ERAP2	\$0.8M	\$0.8M	--
HOME-ARP	\$26.6M	\$26.6M	--
HOME, CDBG, HOME-ARP ²	\$5.0M	--	\$5.0M
ARPA	\$21.1M	\$21.1M	--
State	\$3.3M	\$0	\$3.3M
ESP	\$3.3M	--	\$3.3M
Local	\$0.9M	\$0.9M	\$0
General Funds	\$0.9M	\$0.9M	
Total	\$97.6M	\$51.7M	\$45.9M



- ✓ Annual funding for the homeless services system is reported at just less than \$100M. The vast majority of public resources supporting Detroit's homeless response are federal dollars. State and local resources (combined) make up less than 5% of the total. The extent of unreported state funds or private funds leveraging federal sources is unknown. Complete project budgets were not available for this analysis.
- ✓ Further, a very significant portion of the system's resources (nearly half) are one-time infusions resulting from the public health emergency, meaning the community may face a funding cliff in the coming months.

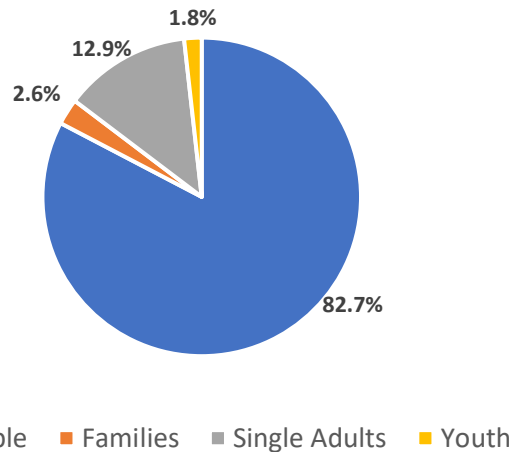
Note: the majority of one-time HOME-ARP and ARPA funds were directed to homelessness prevention and operation of temporary, non-congregate shelters.

² These funds were listed as a single source and listed as recurring. If HRD can tell us the proportion coming from each source, BPA can update the analysis.

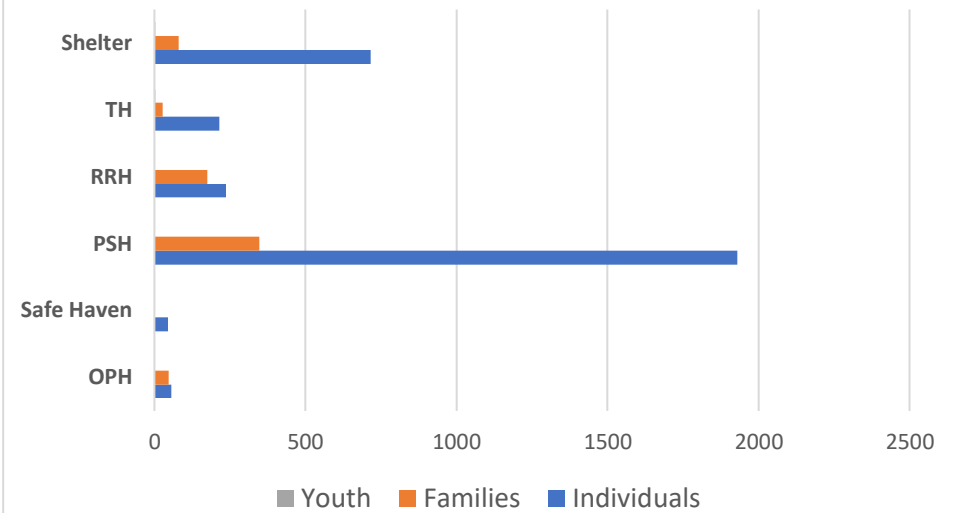


- ✓ CoC has invested available resources in a strategic way, investing relatively more in housing supports to support outflow and prevention to slow inflow.
- ✓ While the loss of one-time resources will no doubt impact the community overall, the resources have been invested in activities (development, prevention) that should minimize impact to households currently being supported by the system since those activities can be downsized easier than programs like PSH or RRH.

Investments by Household Type, 2023 Funding



Units by Household Type, 2022 HIC



- ✓ Because so many funding sources were recorded as serving multiple populations, we also looked at 2022 HIC data to assess distribution of resources across populations.
- ✓ Overall, available resources are invested proportionally relative to size of each population. Single adults comprised 84% of total homeless households in 2022, compared to families at 16%, and youth at less than 1%. In comparison, 82% of total units across program types are dedicated to the single adults, while approximately 18% are dedicated to family households and less than 1% for youth.
- ✓ Families received relatively higher proportions of RRH (58%) and OPH (53%), while 85% of PSH units and 90% of year-round shelter bed/units are dedicated to single adults.
 - Note: Detroit’s HIC also notes 179 seasonal and 360 overflow shelter beds, which are not earmarked for any specific population.

Funding Dedicated to Special Populations, FY23 Resources

Population	Amount Invested
DV	\$1.8M
<i>Crisis Housing</i>	<i>\$0.1M</i>
<i>RRH</i>	<i>\$1.7M</i>
Unsheltered	\$0.9M
<i>Outreach</i>	<i>\$0.9M</i>
Refugees	\$0.3M
<i>Emergency Shelter</i>	<i>\$0.3M</i>
Veterans³	\$0.1M
<i>Emergency Shelter</i>	<i>\$0.1M</i>
Total	\$3.1M

System Beds/Units Dedicated to Special Populations, 2022 HIC

Special Population	Number of Projects	Number of Beds
DV	3	138
Chronic	41	2,218
Vets	16	982
HIV/AIDS	1	14

- ✓ According to the funding information provided, the vast majority of resources are *not* targeted to special populations, but rather are made available more generally to individuals, family household, and youth experiencing a housing crisis.
- ✓ Because we did not have funding information from the local Veterans Administration (VA) office for this analysis, we also looked at the number of dedicated beds from the 2022 HIC. Based on these two data sources together, it's likely that the percentage of specialized resources in the continuum may be around 15%.

³ Complete funding information on VA-managed resources was not provided for this analysis.

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