



## Vacancies in Permanent Supportive Housing: Update Report

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**Legislative Requirements** - On September 5, 2023, Supervisor Dean Preston introduced a resolution urging the Department of Homelessness and Supportive Housing (HSH) to fill at least half of the Department's vacant site-based permanent supportive housing (PSH) units within 90 days and maintain a vacancy rate of no greater than five percent thereafter. The legislation, which was enacted on September 22, 2023, also requires HSH to report back to the Board no later than 120 days after the resolution with an update on the Department's progress filling vacant units. This report fulfills that requirement.

### Background on Vacancies in Permanent Supportive Housing

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Between January and December 2023, HSH has achieved a **32 percent decrease** in our site-based permanent supportive housing vacancy rate through a coordinated effort to fill vacant units. We started the year with a 11.6 percent vacancy rate and ended with a 7.9 percent rate.

In spring 2023, the Department set an **initial goal vacancy rate of seven percent** based on our analysis of a target rate we can **meet** and **sustain**. We are on track to reach a seven percent vacancy rate by February 2024 as the HSH Housing Placement Team continues targeted initiatives to reduce vacancies. HSH's ongoing work to reduce vacancies includes:

- Implementation of a policy to **lower requirements for the documents** clients need to move into housing faster.
  - HSH has changed the documentation policy for locally funded housing to require fewer documents upon placement and to give clients 90 days to submit their documents.
  - HSH has also requested a waiver from HUD to allow the same proactive approach (i.e. presumptive eligibility) in federally funded supportive housing. This request is pending.
- Implementation of a policy outlining the **length of time units can be offline for repairs**.
- Full rollout of the **Unit Level Inventory Tracker** to provide real time monitoring around vacancies and the length of time units are vacant.
- Continuing to **improve the quality of PSH buildings** to increase the rate at which clients accept referrals to vacant units.
  - This work utilizes over \$15 million in the FY 2022-23 and FY 2023-24 budget for general capital improvements in permanent supportive housing, as well as \$10 million for elevator modernization in single-room occupancy buildings.
- Creation of the **HSH Housing Placement Team** to provide support to clients navigating the housing process based on best practices from the Shelter-in-Place Hotel Housing Placement Process.
  - In the first six months of FY 2023-24, we placed 704 households into site-based PSH.
- **Increased wages for front line supportive services and property management workers** to both improve housing retention and to speed up the timeline to turn over vacated units.



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- The **Street to Home** program that has created an expedited housing process for clients moving directly from unsheltered homelessness into supportive housing.
  - Between the program’s launch in June 2023 and January 2, 2024, 53 clients have moved into housing and 50 have remained housed. In 2024, HSH will continue to place approximately five clients a month directly into locally funded supportive housing units through the Street to Home program.
- Updating **service outcome objectives** across the contract agreements in our site-based PSH portfolio to support meeting the seven percent goal.

### Data Update for the Requested Time Frame

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This legislation urged HSH to reduce vacancies by 50 percent in three months. Because the legislation was enacted in mid-September, this report compares the vacancy figures in the legislation to vacancy figures from December 19, 2023. In this time frame, we **reduced total vacancies by 27 percent**, including reducing vacancies in units **available for referrals by 41 percent**.

Vacancies	August 29, 2023	December 19, 2023	% Change
<b>Total Vacancies</b>	<b>1,001</b>	<b>735</b>	<b>- 27%</b>
<i><b>Units Available for Referral (includes units in the referral process)</b></i>	<i>344</i>	<i>203</i>	<i>- 41%</i>
<i><b>Units with a Pending Referral</b></i>	<i>369</i>	<i>299</i>	<i>-19%</i>
<i><b>Offline Units</b></i>	<i>288</i>	<i>233</i>	<i>-19%</i>

### Next Steps

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HSH has made significant progress in decreasing vacancies over the last year. We anticipate reaching our goal of a seven percent vacancy rate in our site-based PSH portfolio by February 2024.

In addition to the ongoing work outlined earlier in this report, in early 2024 staff will be targeting vacancies at sites with high vacancy rates. As of January 2024, 37% of the vacant units in our system are consolidated in our 15 buildings with the most vacancies in of our portfolio of approximately 150 site-based PSH buildings. This winter, HSH will explore the unique challenges that may be leading to higher vacancy rates at those sites and adjust our approach through policy changes or new initiatives as appropriate.

We will continue to report publicly on our progress on our housing vacancy dashboard, which is [available on the HSH website](#) and presented monthly to the Homelessness Oversight Commission.

