



# Permanent Supportive Housing Working Group Compendium:

*Research, Resources, and Recommendations*

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Special thanks to all members of the  
**[NPH PSH Working Group](#)**

and

**The Turner Center for Housing Innovation**

# LETTER FROM STEERING COMMITTEE



## Hello Permanent Supportive Housing practitioners and supporters,

The Steering Committee of the Non-Profit Housing Association of Northern California (NPH) Bay Area Permanent Supportive Housing Working Group is pleased to present highlights from our collective work to deliver quality, impactful, supportive housing, to date. Our early work started at the end of 2020 when a group of permanent supportive housing (PSH) developers and operators came together for peer-to-peer sharing and support during difficult and changing times. We identified shared challenges in serving an increasing number of our unhoused neighbors in the Bay Area while transitioning through Shelter-in-Place, increased isolation impacts, and new operational requirements as a result of COVID. **We acutely recognized the need for state and local funding policies to better serve our communities through sustained, consistent, quality supportive housing.** Our PSH Working Group aligned on the objective to successfully house those in need and for PSH operators to be equipped to prioritize staffing, services, and programs that were proven strategies in maintaining safe and healthy communities.

**This compendium is our way of sharing our PSH Working Group's journey, including lessons learned and recommendations based on our collective experience of operating over 30,000 supportive homes portfolio-wide.** Our approach included partnering with the Terner Center for Housing Innovation at UC Berkeley and consulting partner Room40Group to help pool, analyze, and learn from collective cost and outcomes data. Those lessons shaped a shared advocacy agenda to refine existing and develop new funding and policy solutions, while also sharing best practices for operating in our current resource-constrained environment. This compendium highlights the success of our advocacy efforts to date, shares peer-informed, best-practice operating guidance, and lays out a path forward for additional policy change that delivers quality supportive housing.

We are grateful for all our partners that have joined us along the way and for those that have participated and contributed to the many presentations we have hosted to learn together to improve supportive housing in California. This work is even more critical today than when we started and we look forward to continuing to work together to best serve our supportive housing residents and communities.

Sincerely,

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# TABLE OF CONTENTS

<b>1</b>	<b>LETTER FROM STEERING COMMITTEE</b>	<b>3</b>
<b>2</b>	<b>EXECUTIVE SUMMARY</b>	<b>5</b>
<b>3</b>	<b>INTRODUCTION</b>	<b>8</b>
3.1	What is the NPH Permanent Supportive Housing Working Group?	8
3.2	Why We Formed	8
3.3	Working Group Structure	9
3.4	Compendium Purpose and Intended Audience	10
3.5	Compendium Structure	10
<b>4</b>	<b>IDENTIFYING THE TRUE COST OF PERMANENT SUPPORTIVE HOUSING</b>	<b>11</b>
4.1	Background and Context	11
4.2	Our Work: Goals and How We Organized Ourselves to Achieve Them	12
4.3	Summary of the Process and Data Parameters	13
4.4	Summary of Findings	14
4.5	Full Report and Data Resources	14
<b>5</b>	<b>DEVELOPING BEST PRACTICES FOR OPERATORS</b>	<b>15</b>
5.1	Our Work	15
5.2	Staffing Recommendations	16
5.3	Safety and Crisis Response Continuum	16
5.4	Housing First Implementation	17
5.5	Third-Party Services MOU	17
5.6	Interdepartmental MOU	18
5.7	Internal Organizational Process Efficiencies	18
5.8	Consolidated Links to Resources Shared in this Section	18
<b>6</b>	<b>UPLIFTING POLICY RECOMMENDATIONS TO IMPROVE PSH IMPACT &amp; SUSTAINABILITY</b>	<b>19</b>
6.1	Our Work: Goals and Areas of Focus	20
6.2	From Best Practices to Policy: Advancing Ideas to Support PSH	21
6.3	Advocacy for New and Improved Resources to Support PSH	23
6.4	Messaging Guide	24
6.5	Consolidated Links to Resources Shared in this Section	24
<b>7</b>	<b>RECOMMENDATIONS FOR FUTURE POLICY CHANGE</b>	<b>25</b>
7.1	Permanent Supportive Housing Ecosystem Goals	25
7.2	Actionable Strategies and Tactics: How Our Goals can be Achieved	28
7.3	Consolidated Links to Resources Shared in this Section	28
<b>8</b>	<b>APPENDICES</b>	<b>29</b>
8.1	List of organizational NPH PSH Workgroup participants	29
8.2	Glossary	30
8.3	Supporting Research and Resources	30





## 2

### EXECUTIVE SUMMARY

#### Permanent Supportive Housing (PSH) in California is at a crossroad.

Quality supportive housing – those that combine affordable housing with supportive services, including case management and housing retention assistance – have helped nearly 84,000 individuals move from homelessness to permanent housing from January 2023 - March 2025, according to the California Interagency Council on Homelessness ([HHAP HDIS Reported Program Outcomes | Tableau Public](#)). Indeed, **permanently supportive housing has been proven to be one of the most powerful solutions to address homelessness and housing insecurity.** Supportive housing ensures more than just a home; people also get the support they need to stay healthy and housed long-term. It helps people stabilize, get healthy, address immediate needs, and sometimes move on to independent living situations.

Though supportive housing has proven necessary and successful in California, these programs and services are facing significant budget cuts and policy limitations that threaten our ability to support our communities most in need with proven, long-term solutions. Federally, the Trump Administration’s 2025 Executive Order to end support for Housing First and HUD’s subsequent intent to cut Continuum of Care funding for PSH by 70% is an extraordinary threat to the supportive housing model. This, in combination with a California city and statewide strategy overly focused on short-term needs, means **it is more critical than ever to affirm data-driven findings to guide our policy solutions.**

California’s recent efforts to produce supportive housing at scale has been successful, producing tens of thousands of highly effective permanently supportive

homes through programs like the Multifamily Housing Program, Homekey, and No Place Like Home, and Proposition 1 funded programs. At the same time, operators have faced challenges managing a growing portfolio of supportive housing developments serving individuals with more complex services needs. **It is critical to ensure the stability of PSH communities and providers in order to make progress on ending homelessness in California.**

The NPH Permanent Supportive Housing Working Group research in partnership with the Turner Center for Housing Innovation at UC Berkeley makes clear that resources are critical for keeping people housed, supporting resident well-being, and increasing resident engagement. By extension, a lack of resources to support operations will undermine state efforts to deliver on the needs of California communities, by limiting the industry’s ability to expand the supply to meet the scale of need and eroding trust in the effectiveness of the model.

The PSH Working Group is advancing the extensively researched evidence-based Housing First framework and is oriented to sharing, developing, and advancing critical research and policy recommendations that can move implementation of this model forward. **The key findings presented in this compendium can position lawmakers with the best information and data, and practitioners with shared resources, tools, and information to strengthen our programs and services overall.**

By looking critically at what we do, how we do it, and how we can improve, our communities will be better served and we can build on the successes of a proven evidenced-based solution to address homelessness.

## Key Impacts to Date



### FIRST-OF-ITS-KIND COST STUDY

NPH PSH Working Groups developed foundational research to better understand the true costs of operating high-quality PSH. Key findings include significant cost effects of PSH target population groupings within properties, correlation between funding and resident outcomes, and the impact of a fragmented funding delivery system on residents, staff and organizations. The research also identifies opportunities to optimize investments through tactics such as grouping target populations utilizing similar programs and services together and de-fragmenting funding programs for supportive housing. Findings have been shared through multiple conference panels and workshops, including one of Turner Center's most viewed webinars. This work also set the stage for current efforts among allies to quantify developments at risk of destabilization throughout California.



### PEER-INFORMED BEST PRACTICES

Our research produced practical guidance to strengthen provider capacity across key areas of service delivery. Outputs include:

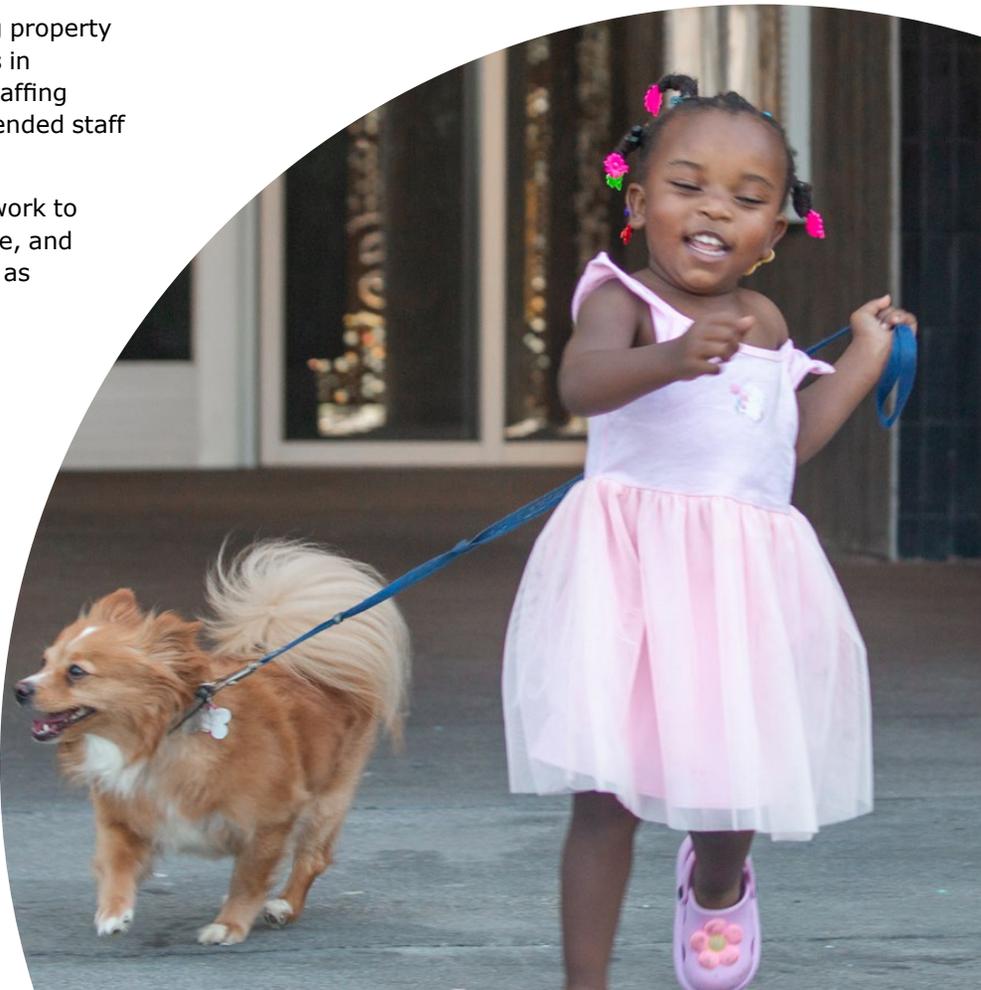
- **Staffing:** Recommendations for aligning property management and resident services roles in supportive housing settings, including staffing ratios by target population and recommended staff trainings.
- **Safety and Crisis Response:** A framework to assess and improve prevention, response, and recovery practices related to crises such as mental health emergencies, overdoses, violence, and harassment.
- **Housing First Implementation:** Operational guidance on managing challenges such as hoarding, noise disturbances, and violence.
- **Intensive Service Delivery Tools:** Standardized tools including template MOUs and inter-agency agreements.



### BREAKTHROUGH POLICY CHANGE

NPH and its members advanced best practices into public policy. The approach leverages deep relationships to enable timely feedback and alignment among stakeholders in the Non-Profit Housing Association of Northern California (NPH) membership and allies statewide to drive systems change.

- **Services Funding Caps:** Based on data collected through the Cost Study, the PSH Working Group developed a proposal for increasing services funding caps. The proposal was shared with allies across the state and led to HCD increasing the amount of funding that can be spent on supportive services in project budgets.
- **Increasing Developer Fees for PSH (CTCAC):** Building on the cost study that highlights the need for long-term operating funding, the working group successfully advocated for increased developer fees through CTCAC funded projects to reflect the complexity and risk involved in PSH projects.
- **Right-Sizing PSH Developments for Success:** Secured changes in CDLAC regulations to reduce the number of supportive housing units required to qualify for Homeless Set-Aside funding, reducing concentration-related costs and insurance risk.





## SCALING UP

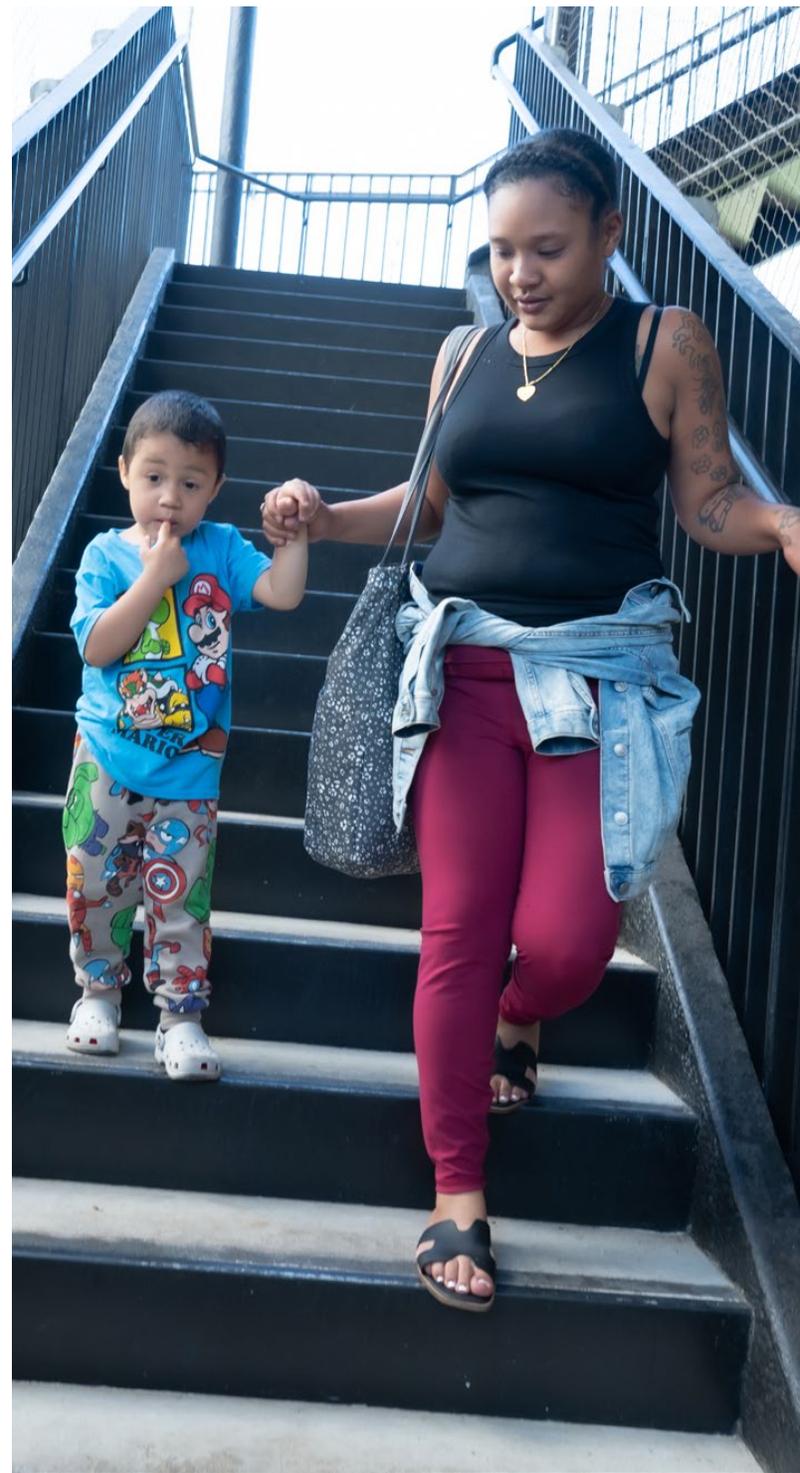
Having laid much of the technical groundwork, NPH's PSH Working Groups are now focused on aligning systems, sustaining reforms, and positioning the field to deliver durable results at scale.

- **Coordinated Entry Systems (CES):** Non-profit affordable housing properties are facing extreme vacancy loss, in part due to challenges with utilizing CES for referrals. NPH gathered input from five Bay Area Counties and developed recommendations for CES Best Practices. These have been shared and expanded upon through statewide convenings, replicating the model successfully used to increase service funding caps, to gain feedback from other counties and with the goal of elevating best practices statewide.
- **Proposition 1 Implementation:** The PSH Working Groups are shaping implementation across Prop 1's three key pillars: HCD's HomeKey+ program, DHCS' BHCIP program, and the county rollout of the Behavioral Health Services Act. Efforts include formal comment letters, public agency engagement, and strategy coordination and resulted in identified shovel-ready projects. Additional work focuses on connecting behavioral health service providers with PSH developers and convening targeted trainings, such as "Proposition 1 from a Practitioner Perspective," and leveraging the BHSA rollout as a critical opportunity to elevate the need to stabilize existing supportive housing developments.
- **Ongoing Regulatory Changes:** While CDLAC adopted NPH's recommendation to remove the prioritization for projects with 45% homeless units, additional regulatory advocacy will be required to secure a conforming change regarding the point structure. NPH continues to identify regulatory changes needed to meet these and other policy goals.
- **Fieldwide Alignment:** Since launching in late 2020, the PSH Working Groups have convened annual panels at conferences and policy forums across the state. These touchpoints catalyzed the creation of the bi-monthly statewide 'Convening of PSH Convenors,' co-hosted by Housing California and CSH, a forum that now supports strategic alignment across the state's leading PSH stakeholders.



## CONCLUSION

By bringing stakeholders towards alignment, we can strengthen our community impact. By investing our efforts, resources, and policies in a shared direction, we will do more for unhoused Californians and the goals of our state. And by looking critically at what we do, how we do it, and how we can improve, our communities will be better served and we can build on the successes of a proven evidenced-based solution to address homelessness. We believe that the core findings, learnings, and recommendations in this compendium are key towards building this alignment and strengthening our collective goals.





# 3

## INTRODUCTION

This section of the compendium is divided into the following categories:

- 3.1 **What is the NPH Permanent Supportive Housing Working Group?**
- 3.2 **Why We Formed**
- 3.3 **Working Group Structure**
- 3.4 **Compendium Purpose and Intended Audience**
- 3.5 **Compendium Structure**

### 3.1 **What is the NPH Permanent Supportive Housing Working Group?**

The NPH Bay Area Permanent Supportive Housing Working Group (NPH PSH Working Group) is a group of NPH members that develop, own, and/or operate Permanent Supportive Housing (PSH). We came together to address our shared challenges, learn from each other via data analysis and peer-to-peer dialogue, and use what we learned to inform a collective advocacy agenda to improve the PSH ecosystem for residents, developers, owners, and funders including local government partners.

### 3.2 **Why We Formed**

The NPH PSH Working Group came together during the COVID-19 pandemic, at a time when our work to develop supportive housing was experiencing significant headwinds. We came together to address both external and internal affordable housing industry challenges which are broadly summarized as follows:

### EXTERNAL CHALLENGES:

- California continues to experience record levels of homelessness, with more than 181,000 people unhoused in 2023 - the highest total of any state in the nation per the U.S. HUD 2023 Annual Homelessness Assessment Report
- Increasing complexity of needs among PSH residents, in part due to increasing lengths of time unhoused
- Implementation of Coordinated Entry, which prioritizes homeless households with the most acute needs for PSH. In particular at older properties, Coordinated Entry has resulted in increased services needs beyond what was contemplated and funded within the original project budget
- Lack of cohesion among homelessness and housing programs. The search for varied and innovative approaches to addressing homelessness in a resource-constrained environment has led to different solutions by different branches of government
- New developers, property managers, and service providers are entering the PSH market as an emerging field and require training and support
- Limited resources, especially a lack of long-term operational funding

### AFFORDABLE HOUSING INDUSTRY FACTORS:

- Hyper-competitive regulatory and funding environments and rigid regulations prevent innovation
- Reconciling traditional tenant screening procedures with a Housing First approach to reduce barriers to housing (More on "Housing First" approach in section 5.4)
- Insufficient number of strong, high-quality third-party supportive services providers ready to expand to serve intensive PSH developments
- Extreme pressure to reduce costs on all levels and do more with less funding

Our goal is to investigate data on how to successfully develop PSH and share evidence-based operational best practices from organizations in the NPH PSH Working Group. Using this collective expertise, we seek to develop and execute a compelling, practitioner-informed advocacy agenda to improve the PSH delivery system.

### 3.3 Working Group Structure

To meet our goals, the NPH PSH Working Group evolved to include three complementary workgroups. The purpose of each is described below.

#### DATA STEWARDSHIP WORKGROUP

This workgroup focused on a full cost analysis of 26 NPH member PSH developments in conjunction with research partners at the [Turner Center for Housing Innovation at UC Berkeley](#), the [Possibility Lab](#), and the [Room40Group](#). Broadly, the purpose of this workgroup was to better understand the true cost to operate PSH properties, how the costs would change if operating under best practice recommendations, and if there could be a demonstrated connection between resident outcomes and cost. ([See section 4](#) for more detail.)

#### STANDARDS OF QUALITY WORKGROUP

This workgroup combines services and property management experience and uses this shared data and expertise to put forward practical and strategic recommendations to stabilize communities, reduce the harm of current systems, and inform the Working Group's advocacy work. ([See section 5](#) for more detail.)

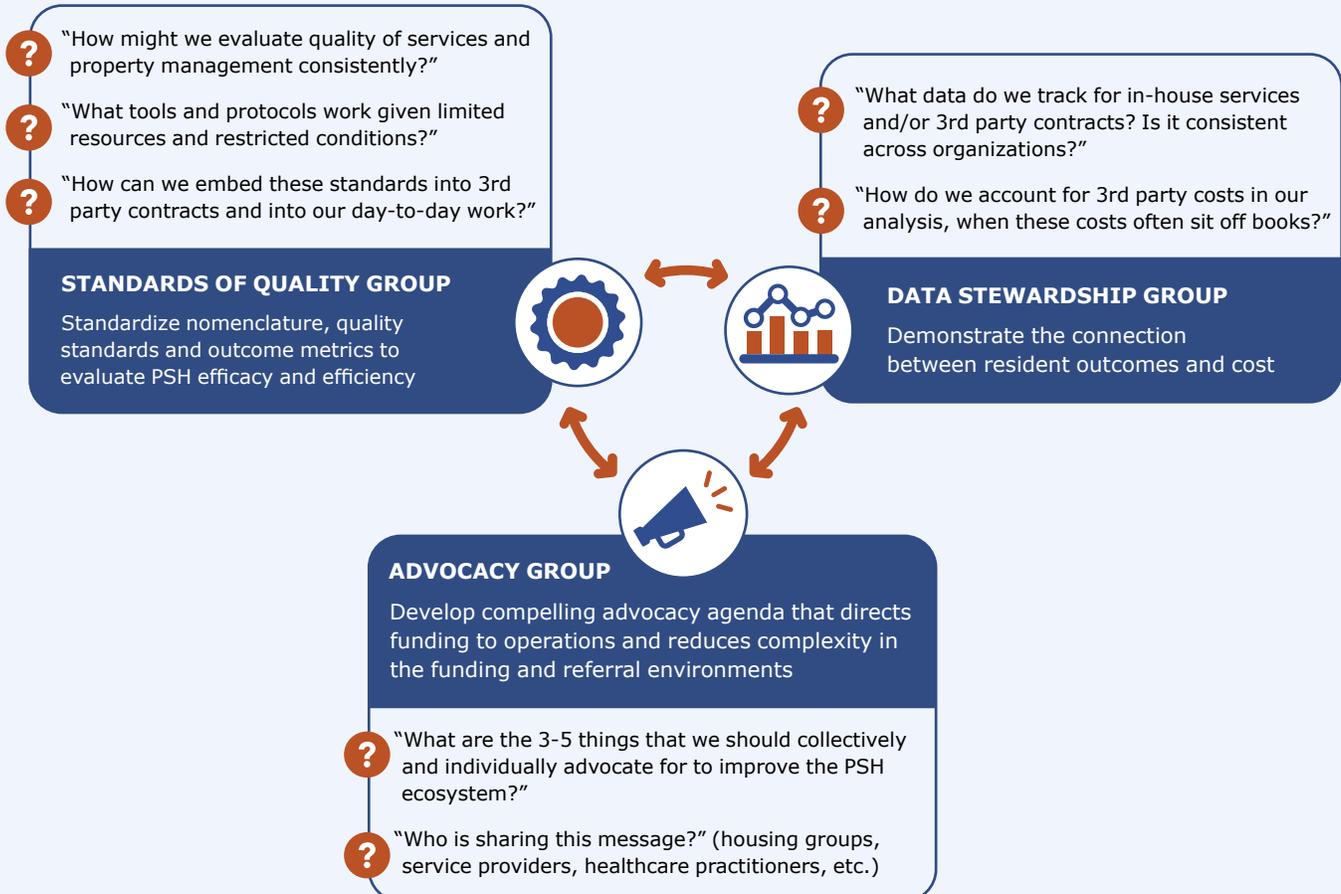
#### ADVOCACY WORKGROUP

This workgroup builds on the recommendations from the other two workgroups by creating broad-based support for new policies and resources for operations and resident services and reducing complexity in the funding and referral environments. ([See section 6](#) for more detail.)

The NPH PSH Working Groups have advanced through five phases of work over the last five years. [View a visual summary of our progress and work to date.](#)

FIGURE 1

## COMPLEMENTARY WORKING GROUPS



### 3.4 Compendium Purpose and Intended Audience

The purpose of this compendium is to share accomplishments and recommendations generated by the NPH PSH Working Groups since inception, with the intention of improving the PSH ecosystem from a practitioner perspective and helping guide future PSH developments and policies.

#### THE INTENDED AUDIENCE INCLUDES:

- **Working Group Members:** This compendium synthesizes our collective work and will make our findings easier to use in daily practice and help build capacity
- **Other PSH Practitioners:** This compendium facilitates PSH developers and operators to learn from each other and avoid duplicative work
- **Policymakers:** This compendium shares best practices that could help inform underwriting guidelines and provide background on financial needs
- **Researchers:** This compendium provides practitioner-informed, evidence-based research from the PSH field into the research field
- **Funders:** This compendium offers key insights into and concrete pathways to guide funders' investments in strategies that advance and improve the PSH delivery ecosystem
- **Advocates:** This compendium identifies, catalogues, and makes recommendations on priorities for the system-wide structural challenges that need to be reformed from a practitioner perspective. We work closely with our allies at Housing California, Corporation for Supportive Housing (CSH), and PSH convenings statewide to address the challenges operators face, with the intention of improving PSH delivery for NPH members and PSH operators statewide.

### 3.5 Compendium Structure

This compendium reflects NPH and its members' role in the PSH delivery ecosystem. It is organized by each of the major focuses of our work:

- [Identifying the True Cost of Permanent Supportive Housing](#)
- [Developing Best Practices for Operators](#)
- [Uplifting Policy Recommendations to improve PSH Sustainability](#)
- [Recommendations for Future Policy Change](#)
- [Appendices](#)





# 4

## IDENTIFYING THE TRUE COST OF PERMANENT SUPPORTIVE HOUSING

The first project of the NPH PSH Working Group was to research and analyze the true cost of operating Permanent Supportive Housing communities. Supported by the Non-Profit Housing Association of Northern California (NPH), the Turner Center for Housing Innovation at UC Berkeley, the Possibility Lab, and consulting partner the Room40Group, the Working Group’s Data Stewardship Workgroup spent two years analyzing the operating costs of 26 PSH properties and researching potential corollary effects on resident outcomes. This research culminated in a brief published by the Turner Center for Housing Innovation in June 2023: ***Supportive Housing as a Solution to Homelessness: The Critical Role of Long-Term Operating Subsidies***. The findings from this brief influenced the Working Group’s policy agenda and priorities, as described in future sections of this report.



This section of the compendium is divided into the following categories:

- 4.1 **Background and Context**
- 4.2 **Our Work: Goals and How We Organized Ourselves to Achieve Them**
- 4.3 **Summary of the Process and Data Parameters**
- 4.4 **Summary of Findings**
- 4.5 **Full Report and Data Resources**



### 4.1 Background and Context

As lawmakers work to update solutions to match the needs and reality of Californians today, supportive housing has shown itself to be among the most critical, yet least understood, solution to California’s homelessness problems. Public opinion polling consistently shows that affordable housing and homelessness is the top of Californians’ concerns (EMC Research). And Permanent Supportive Housing has proven to be an effective evidenced-based model (see appendix for additional resources). **However, the “Supportive” portion of this model is often underfunded, funded inefficiently, and poorly understood in terms of what it actually includes.** Even more critically, it has not been evaluated or valued as an important dimension of keeping people housed successfully.

Overall, research has been silent about the actual “day-to-day” work and costs of housing people with special needs and/or those with acute mental health or physical health challenges, and/or those experiencing homelessness. Policymakers and the affordable housing sector have often prioritized construction over both long-term operational sustainability and success of either properties or residents. This is due in part to the tremendous need for more homes and is also a reflection of the availability of funds. Many funding sources stem from General Obligation bond financing which can be used for capital (“bricks and sticks”) only. Meanwhile, federal disinvestment in HUD over time has decreased the availability of operating funding, and this will be felt even more acutely if Continuum of Care funding is cut by 70%, as proposed by the current federal administration.

## 4.2 Our Work: Goals and How We Organized Ourselves to Achieve Them

The Data Stewardship Workgroup was initially composed of eight large nonprofit affordable housing developers in the San Francisco Bay Area that have a significant PSH portfolio. The work was spearheaded by resident services and property management teams. Workgroup learning goals established at the outset included:

- Identify desired outcomes for PSH residents
- Identify a set of services that should be made available to all PSH households
- Identify best practices that support these outcomes for residents and set staff up for success
- Understand trends in PSH operating costs
- Understand the relationship between costs and outcomes

These established learning goals led to the following work product goals:

- Determine cost, on a per unit basis, to operate PSH properties
- Demonstrate, through rigorous shared data, the relationship between costs (once best practices are implemented) and improved tenant outcomes
- Analyze shifts in the costs of operating PSH over time (especially given COVID-19 and state and local policy changes)
- Share learnings with the full Working Group and the broader field
- Develop and implement a compelling advocacy agenda that directs funding to support PSH and reduces complexity in the funding and operational environments

A critical component of the work was learning directly from staff and from residents. Our research partners at the Possibility Lab and Turner Center hosted focus groups and on-site interviews with residents and resident services and property management staff over a one-year period.

## QUALITATIVE RESEARCH AREAS OF FOCUS

### THEME

### SAMPLE QUESTIONS



#### Staff Experiences

- Describe your everyday experiences as staff
- What external factors compliment or detract from the services you provide?
- What are stressors for on-site staff?
- Do you feel like you are more reactive or proactive when you engage with residents?



#### Resident Experiences

- Do you experience challenges with the population mix at your property? What are these?
- What would be the difference in resident experiences over the last two years if services staff/programs had not existed?



#### Service Delivery & Staffing

- What service has the biggest impact on residents? What are the barriers to its provision?
- What types of services work best by population (high, medium, low acuity)?
- What service models seem most effective (e.g., harm reduction, motivation coaching, other)?



#### Third Party Providers

- What are the capabilities of third-party service providers? Do services align with these?
- What are challenges and best practices in how property staff and third parties engage?



#### Big Picture & Improvement Opportunities

- What could be changed if you had the power?
- If there were no financial limits, what would you like to see?
- How could interactions between Resident Services and Property Management be more streamlined?

The questions posed during focus groups and interviews, as provided in the previous figure, helped inform a greater understanding of key issues, such as:

- What factors influence the likelihood that a PSH resident will be able to sustain housing and, ideally, also thrive?
- What are the biggest challenges confronting frontline staff working with and supporting PSH residents? How does it differ from more traditional Low Income Housing Tax Credit (LIHTC) properties?
- How does existing communication and coordination between development, asset management, property management, and resident services impact the experiences and outcomes for residents? How does it impact staff well-being?
- What are the strengths and weaknesses of a third-party service delivery model? What are the strengths and weaknesses of providing services “in-house?” What are the relative costs of these two models?
- How do Coordinated Entry Systems influence the composition of residents within a building? How do they affect the ability for providers to occupy vacant units and provide people with the housing that is the best fit for them?
- How does funding influence operations and what would staff do differently in terms of policy and regulation if funding was not constrained? Are there other elements of the system that they would change if they could?

This research relied on a shared confidentiality agreement that allowed for honest and transparent conversations about our work internally, combined with thoughtful and deliberate communication about our findings externally. Every participating PSH housing provider shared data with third parties, specifically, the Room40Group and the Turner Center for Housing and Innovation. These researchers kept the shared information confidential and returned it to the Working Group in an aggregated and anonymized fashion. The Working Group and researchers could see the trends and patterns across organizations, while the identities of specific organizations were private.

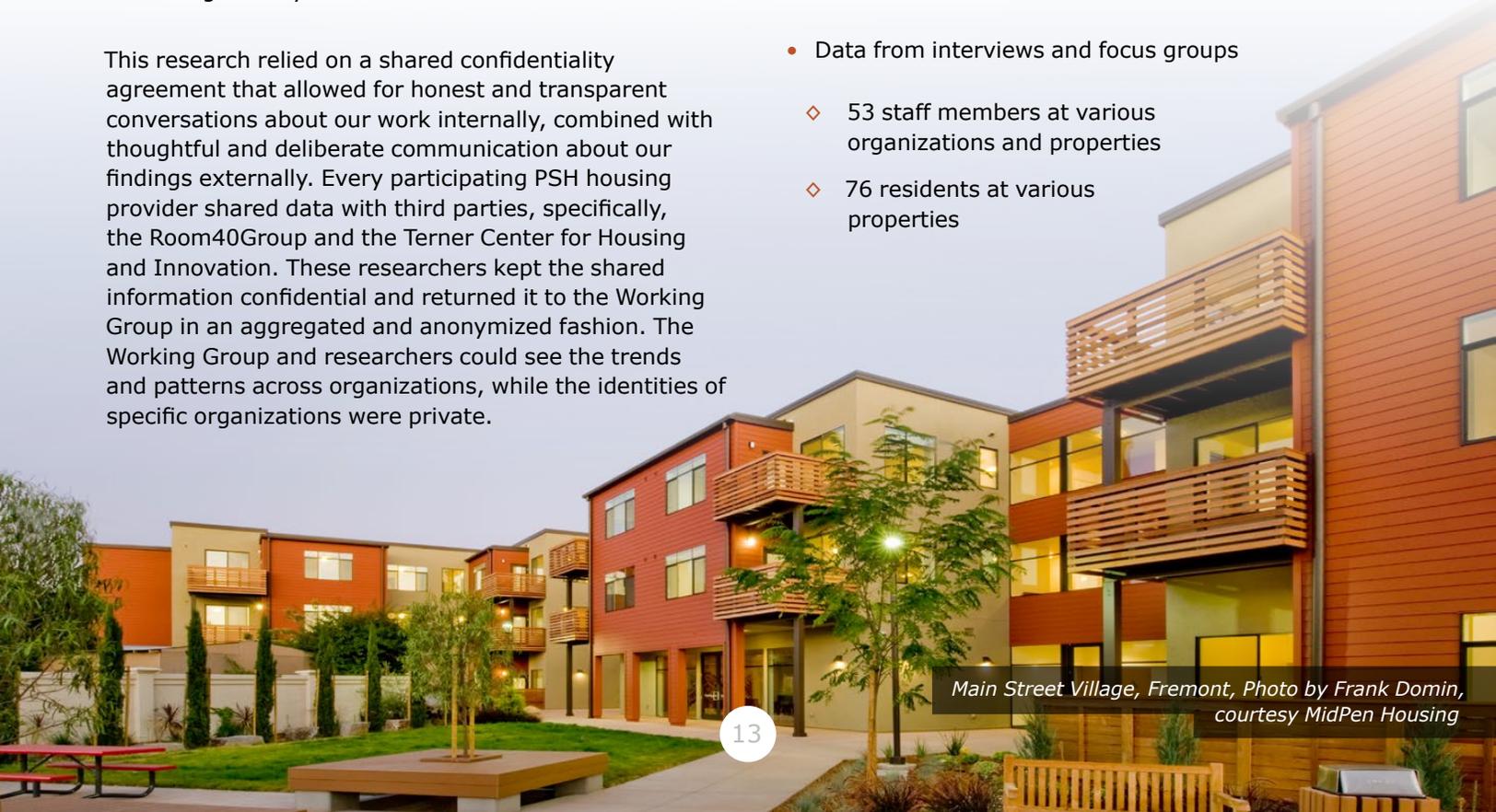
### 4.3 Summary of the Process and Data Parameters

The range of properties included in this study can be summarized as:

- 26 Bay Area properties located in urban and suburban areas totalling 2,281 units of which 1,079 are Permanent Supportive Housing
- Properties ranged in size from less than 50 residents per building (units) to over 100 residents per building (units)
- Percent of PSH units in a mixed-development property ranged from under 30% to 100%
- Number of distinct target populations (i.e., veterans, seniors, transition-aged youth, etc.) served at a single property ranged from one to five

Data collected for the study included both quantitative and qualitative measures. It included:

- Cost data on all property expenses
  - ◇ Personnel: on-book and off-book
  - ◇ Non-personnel costs: repairs, utilities, insurance, taxes
  - ◇ Non-personnel costs: administrative, resident services
  - ◇ Third-party service provider contracts: actual or estimated costs
- Data from interviews and focus groups
  - ◇ 53 staff members at various organizations and properties
  - ◇ 76 residents at various properties



Main Street Village, Fremont, Photo by Frank Domin, courtesy MidPen Housing

## 4.4 Summary of Findings

Access to the complete report is located in section 4.5 below. A summary of key findings include:

1. Property management and resident services best practices, particularly staffing ratios, are influenced by these drivers of complexity:
  - ◇ Coordinated Entry System (CES) as a referral source prioritizes the most vulnerable households with the highest acuity needs
  - ◇ Multiple PSH target populations
  - ◇ Low-service neighborhoods and/or limited public transportation to services
  - ◇ Challenging surroundings, such as high crime, or a nearby homeless encampment
  - ◇ Number and percent of PSH units
2. Operating costs for PSH properties are higher than affordable properties without on-site supportive services
3. The number of PSH units in a building affects operating costs
4. The number of distinct PSH target populations in a building significantly affects operating costs
5. The percentage of PSH units in a building potentially affects operating costs
6. There is evidence that sufficient funding supports better resident outcomes
  - ◇ Properties with lower resources had higher rates of rent arrears and move-outs
  - ◇ Properties with higher resources and a greater presence of on-site staff have higher resident engagement in services offered
  - ◇ Boosting resources for supportive services, especially at properties with multiple targeted populations, will improve resident outcomes (metrics are detailed in the Possibility Report, linked in Section 4.5)
7. The relationship between costs and outcomes in the Turner report are measured by:
  - ◇ Property outcomes – e.g., condition of asset, financial solvency
  - ◇ Staff outcomes – e.g., retention, effectiveness
  - ◇ Resident outcomes – e.g., housing stability, utilization of services, experiences



## 4.5 Full Report and Data Resources

The Data Stewardship Workgroup shared our results and findings across California through presentations and conversations with a myriad of stakeholders and at both the NPH and Housing California conferences.

- The final presentation occurred at the NPH Training on October, 26th 2023: ***Permanent Supportive Housing Costs and Resident Outcomes: What Have We Learned and Where Do We Go from Here?*** (View [session recording](#) and [slide deck](#).)
- The data was also shared nationally via the Turner Center for Housing Innovation's June 2023 research brief: ***Supportive Housing as a Solution to Homelessness: The Critical Role of Long-Term Operating Subsidies*** (View [webinar recording](#).)
- Qualitative metrics developed in partnership with the Possibility Lab and the Turner Center for Housing Innovation were published in February 2025: ***Developing Firsthand Indicators of Wellbeing in Permanent Supportive Housing Resident Communities***



# 5

## DEVELOPING BEST PRACTICES FOR OPERATORS

To complement PSH Workgroup member efforts to identify and analyze the costs to operate Permanent Supportive Housing as described in Section 4 (“Cost Study”), the NPH PSH Standards of Quality Working Group (SOQ WG) was formed to weave together findings from data and practical experience. The members of this Working Group are predominately developers/owners, property managers, service providers, funders, and government representatives with first-hand experience operating PSH. The SOQ WG leverages the knowledge and expertise of practitioners to put forward evidence-based and strategic recommendations to appropriately fund and staff PSH properties, prevent and respond to crisis events, reduce barriers to housing access, and develop stronger relationships with third-party service providers.

This section of the compendium shares some of the practical recommendations created by the SOQ WG and intends to distill key pillars of PSH philosophy into practical implementation tools. This section includes:

### 5.1 Our Work

### 5.2 Staffing Recommendations

- Resident Services Staff Ratios
- Property Management Staff Ratios
- Core Site Staff Training
- Outcomes
- High level Target Population Mix Considerations

### 5.3 Safety and Crisis Response Continuum

### 5.4 Housing First Implementation

### 5.5 Third-Party Services MOU

### 5.6 Interdepartmental MOU

### 5.7 Internal Organizational Process Efficiencies

### 5.8 Consolidated Links to Resources Shared in this Section

### 5.1 Our Work

As practitioners, the NPH PSH Working Group understands what is needed to effectively provide property management and resident services in PSH properties. This means we need to document and continually improve our understanding of current approaches, gaps and challenges – and develop a

body of evidence that highlights the importance of sufficient long-term funding. The Standards of Quality Working Group (SOQ WG) meets almost monthly and is a forum for PSH operators and developers to share best practices, assess challenges, and develop tools to improve service quality and staff sustainability.

## 5.2 Staffing Recommendations

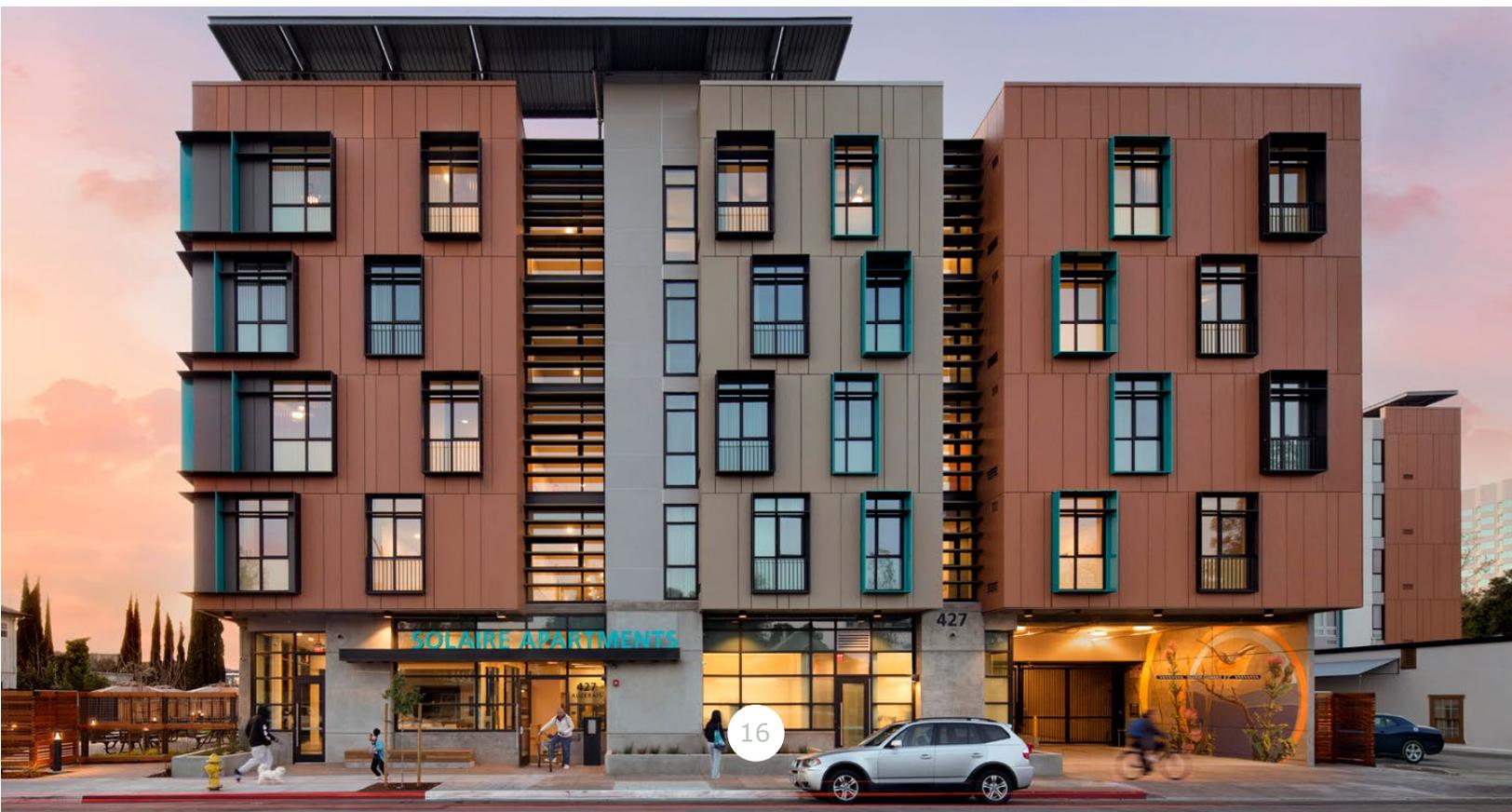
As the Permanent Supportive Housing ecosystem has evolved, so has the language to describe PSH. A core finding in the SOQ WG was the need for shared language and definitions around positive outcomes, service types, specific activities that fall within service types, job roles, qualifications, and service frequency. **Early on there was consensus that sufficient, qualified, and effective staffing is crucial.** The challenge remained to define what that meant operationally and to accommodate the many types of supportive housing models across the continuum. Through analysis of staffing models and sharing of real-world projects, the SOQ WG put forward recommendations for services and property management staffing ratios based on different types of PSH developments, defined service types and frequency, job roles, and core areas of training. The SOQ WG recommendations were supported by the Terner Center of Housing Innovation's findings that staff presence, scope of service provision, and expertise were connected to positive resident outcomes. Through this collective effort among peers, the Working Group collectively proposed recommendations for:

- [Resident Services Staff Ratios](#)
- [Property Management Staff Ratios](#)
- [Core Site Staff Training](#)
- [Outcomes](#)
- High level [Target Population Mix Considerations](#)

## 5.3 Safety and Crisis Response Continuum

Permanent Supportive Housing providers serve residents who are directly impacted by compounding community and individual trauma, systemic marginalization, economic pressure, and disinvested neighborhoods. Across our residential communities, we see a rise in the frequency and severity of crises. While each provider has long-standing crisis response measures, there is a gap between our current measures and the needed level of response. There is a critical need for crisis response measures that guide prevention, response, and recovery related to mental health crises, overdoses, suicides, family violence, gun violence, threats, neglect, abuse, and harassment.

As a peer group of practitioners, the Standards of Quality Working Group generated a framework to think through and organize crisis response strategies. Each PSH community is unique and not every strategy will be appropriate for every community. The framework's goal is to organize best practices and provide a tool for organizations to take stock of their current practices and protocols. We offer our [Safety and Crisis Response Framework](#) as a tool which is complemented by this [Preparedness Plan Quick Reference Guide](#).



## 5.4 Housing First Implementation

Housing First is an evidenced-based homelessness assistance approach that prioritizes providing permanent housing without preconditions or barriers to entry (like sobriety or treatment requirements) and is based upon three pillars:

1. Low barrier to entry inclusive of applicant choice
2. Applicant-supported referral and coordination
3. Adoption of harm reduction and trauma-informed approach to operations with robust, voluntary, and available supportive services

Housing First philosophy, policy, and practices go beyond these three pillars, but the above are the absolute foundation of the model. Fundamental systems change must occur for Housing First to truly be implemented. Systemic challenges to Housing First implementation include but are not limited to:

- Disconnect among funder requirements creates challenges to low barrier to entry (verifications, background checks)
- Implementation of the Coordinated Entry assessment, ranking, matching, and referral process is highly variable and its efficiency depends on counties' resources and processes
- Supportive services have a fragmented funding environment, which creates significant barriers to service provision, staff training, and adoption of evidence-based models
- Limited operating and subsidies impact ability to keep resident rents at 30% of income and below while sustaining sufficient on-site staffing levels

We firmly believe that advocacy aimed to improve the PSH ecosystem should be grounded in efforts to implement Housing First comprehensively. Even as there continues to be a need for larger, systemic changes in order to fully achieve Housing First as intended, our guidance and recommendations allows us to move closer to the ultimate goal. To that end, the Standards of Quality Working Group is pleased to share crowd-sourced guidance on the application of Housing First related to common challenges in PSH projects. These are evolving documents and represent ongoing works in progress.

Housing First Implementation best practices related to:

- [Violence](#)
- [Noise](#)
- [Hoarding and Cluttering](#)
- [Verbal De-Escalation](#)

## 5.5 Third-Party Services MOU

By definition, PSH relies on the provision of services to successfully support tenants to retain their housing. These services can be provided by the developer/owner or via a services provider. Sometimes services are contracted directly between the project sponsor and services provider and sometimes services are contracted via the County. Given the prevalence of contracted service provision (also known as "Third-Party Services") and the inconsistent approach to services among counties, the Standards of Quality Working Group created a template [third-party services contract MOU](#) with recommended terms for PSH developments. The terms herein are proposed as minimum standards to set the floor and not the ceiling. Best practice guidance recommendations are based on work group member experience.

This template serves as a model agreement to formalize relationships between housing developers, property managers, service providers, and counties. The MOU establishes minimum expectations for coordination, staffing, communication, and service delivery, setting a clear baseline for quality while allowing flexibility for local adaptation. Key provisions address confidentiality, referral and eligibility processes, adherence to Housing First principles, supportive service planning, ongoing tenancy coordination, and insurance and indemnification. The MOU also outlines staffing ratios that reflect both minimum and best-practice standards, including benchmarks for resident service coordinators and case managers based on tenant acuity. **By clarifying roles and responsibilities, defining communication protocols, and providing guidance on culturally responsive voluntary services, the template supports effective collaboration and reduces ambiguity in multi-agency partnerships. As such, it is a valuable tool for ensuring that PSH residents receive consistent, high-quality support services and that all parties are aligned in maintaining housing stability and long-term outcomes.**

## 5.6 Interdepartmental MOU

Coordination between departments within an organization that develops, owns, and operates PSH is critical for success. To that end, interdepartmental MOU's have evolved, such as these from [Satellite Affordable Housing Associates \(SAHA\)](#) and [MidPen](#) which are shared for reference.

## 5.7 Internal Organizational Process Efficiencies

Beginning January 2025, the Standards of Quality Working Group embarked on a learning aimed at critically reflecting and identifying internal bureaucracies that get in the way of effectively leasing PSH, and sharing peer-to-peer strategies that increase operational efficiency. The goal of this effort is to reduce self-imposed bureaucracies and barriers and maximize efficiencies and tenant outcomes.

Topics have included applicant tracking, vital documents and verification processes, staff retention, rent collection and community building strategies, with member agencies sharing their expertise to serve as a jumping off point for deeper discussion. This learning journey has been an excellent way to elevate the expertise of staff that often do not have the opportunity to share and provide peer-to-peer learning. [View resources from this learning journey.](#)



## 5.8 Consolidated Links to Resources Shared in this Section

### Staffing Recommendations

- [Resident Services Staff Ratios](#)
- [Property Management Staff Ratios](#)
- [Core Site Staff Training](#)
- [Outcomes](#)
- [Target Population Mix Considerations](#)

### Safety and Crisis Response Continuum

- [Safety and Crisis Response Framework](#)
- [Preparedness Plan Quick Reference Guide](#)

### Housing First Implementation Best Practices:

- [Violence](#)
- [Noise](#)
- [Hoarding and Cluttering](#)
- [Verbal De-Escalation](#)

### Third-Party Services MOU

- [Third Party Services MOU Template](#)

### Interdepartmental MOU

- Sample **interdepartmental MOU's** from [Satellite Affordable Housing Associates \(SAHA\)](#) and [MidPen](#)

### Internal Organizational Process Efficiencies

- [Resources](#) from Standards of Quality Workgroup learning journey



# 6

## UPLIFTING POLICY RECOMMENDATIONS TO IMPROVE PSH IMPACT & SUSTAINABILITY

The Advocacy Work Group (AWG) formed to elevate the policy and operating recommendations developed by the Data Stewardship and Standards of Quality Workgroups in order to maximize impact by aligning practitioners, operationalizing best practices, and securing meaningful policy solutions. The AWG reviews the implementation recommendations from these Workgroups, identifies the appropriate avenues to pursue change (legislative, regulatory, administrative, electoral), and then works to build broad-based support for such reforms. To date, the AWG’s advocacy has focused on expanding resources for PSH operations, reducing complexity in the funding and referral environments, and breaking down legal and administrative hurdles that prevent integration between the health and housing sectors. It has also strongly supported efforts to develop successful narrative strategies that highlight the success of properly-resourced supportive housing as a solution to ending chronic homelessness. The AWG develops short- and long-term campaign goals for building a thriving PSH sector that successfully serves residents and sustains operations.

.....  
This section of the compendium shares goals and areas of focus created by the AWG and is divided into the following categories:

- 6.1 **Our Work: Goals and Areas of Focus**
- 6.2 **From Best Practices to Policy: Advancing Ideas to Support PSH**
  - 6.2.1 **Services Funding Caps in HCD Programs: Efficient, Cohesive Proposal Creates More Expansive Policy Supporting Deeper Impact**
  - 6.2.2 **Increasing CTCAC Developer Fees for PSH**
  - 6.2.3 **Removing Incentives for Large, High-Percentage PSH Buildings**
  - 6.2.4 **Reforming Coordinated Entry Systems**
  - 6.2.5 **Prop 1 Implementation**
- 6.3 **Advocacy for New and Improved Resources to Support PSH**
- 6.4 **Messaging Guide**
- 6.5 **Consolidated Links to Resources Shared in this Section**

## 6.1 Our Work: Goals and Areas of Focus

Broadly, the AWG aims to advance policies, resources, and efficient PSH delivery by:

- Incentivizing resident-centered care grounded in evidence-based outcomes
- Identifying practical changes to existing programs, including: coordinating and aligning funding programs, underwriting standards, and standardizing expectations from counties
- Educating on best practices and costs to provide integrated supportive housing
- Streamlining, rationalizing, and expanding affordable housing finance and healthcare systems through legislative, regulatory, and administrative reform advocacy
- Reforming Coordinated Entry Systems to create healthy PSH communities, ensure a healthier mix of moderate and higher acuity households, and create standardization among counties
- Developing industry-wide capacity and infrastructure
- Holding the vision for transformative change in the governmental housing and healthcare delivery systems
- Elevating and advancing PSH challenges and opportunities through dialogue and education at conferences and trainings
- Working collaboratively with supportive housing allies across California

Areas of focus include research and education, communications, galvanizing sector-level support, acting on near-term advocacy opportunities and identifying long-term systems reform as described below.

## RESEARCH AND EDUCATION

Permanent Supportive Housing is an evidence-based practice. The NPH PSH Working Group supports and actively contributes to a 20+ year growing body of evidence that demonstrates its efficacy. This [UCSF Benioff Study](#) identified increasing access to housing alongside the provision of robust services to match the health needs of the population as a primary policy recommendation. Working Group members provided critical insights and data, brokered important conversations, and supported and uplifted the Terner Center's [Permanent Supportive Housing: Building On What Works To End Chronic Homelessness and Reducing the Complexity in California's Affordable Housing Finance System](#). The PSH Working Group's contributions amplify existing research but also provide much-needed specificity and real-world experience from PSH practitioners and housing providers that had largely been absent from much of the research. The PSH Working Group provides experience-based solutions and supports how to advocate for them to influential audiences like elected legislators and representatives at every level of government, housing and health policymakers, and staff-level governmental program designers.

## GALVANIZING SECTOR-LEVEL SUPPORT FOR SUPPORTIVE HOUSING AS A PRIORITY

Addressing homelessness effectively relies on practitioners working together and strengthening our collective impact. Our working group prioritizes these tactics via peer-to-peer sharing and reviewing ideas and recommendations within the housing community. This means working collaboratively with PSH allies and peers across California including [Enterprise's LA PSH Preservation and CES Workgroups](#), [Supportive Housing Alliance](#) in LA, [Supportive Housing Providers Network](#) in San Francisco, [San Joaquin Valley Housing Collaborative](#), [Southern California Association of Non-Profit Housing](#), [San Diego Housing Federation](#), the PSH Sustainability Project, [Corporation for Supportive Housing](#), [Housing California](#) and the PSH Convening of Convenors led by Housing CA/CSH.

Galvanizing sector-level support also requires an understanding of which groups are working on pieces of this puzzle and how the NPH PSH Working Group work can be additive. Our efforts build on complementary strategies, such as [All Home's Regional Action Plan](#) and [California Housing Partnership's](#) and [Housing California's Roadmap Home: 2030](#).



Fair Haven Commons, Fairfield, Photo by Andrea Gunn, courtesy MidPen Housing Unit interior photo by Julio Cesar Martinez, courtesy MidPen Housing

## GOAL-SETTING

As practitioners, the Working Group is acutely aware of the different levers of system change that are needed. While we recognize that some reforms can be achieved within 5-10 years, other reforms require long-term systemic change. This Working Group has helped clarify the vision for an efficient PSH delivery ecosystem and we hold a vision for transformative change in the governmental housing and healthcare delivery systems.

## COMMUNICATIONS

We know that sustaining and scaling Permanent Supportive Housing will benefit everyone in our neighborhoods and communities. Data shows that it addresses homelessness, creates economic opportunity, and strengthens communities for the long term. But many of these truths are either unknown or untrusted in our current information landscape. To deepen awareness and understanding of supportive housing, it is critical to share stories, best practices, and research findings with a wider audience, to advance the narrative that homelessness is not intractable or inevitable. Narrative work is especially critical now in light of current California city and statewide efforts that are overly focused on short-term needs.

### 6.2 From Best Practices to Policy: Advancing Ideas to Support PSH

A key function of the AWG is taking best practice recommendations developed by the NPH PSH community and turning them into public policy. This model has worked, in part, because of the strong network that has been forged with developers, advocates, and government agencies throughout the state, beginning with our Cost Study work. These previous connections created opportunities to better understand how experiences differed geographically and deepen relationships with allies across the state. **When opportunities arise to address issues that impact all, we are able to quickly socialize a proposal among stakeholders and gain immediate feedback. We believe this is a model for statewide advocacy which can be replicated more broadly so that our field is able to make inroads and build allyship outside the housing world and to other sectors such as healthcare.**

The AWG has led multiple successful advocacy efforts in this manner, with others currently underway:



### 6.2.1 SERVICES FUNDING CAPS IN HCD PROGRAMS: EFFICIENT, COHESIVE PROPOSAL CREATES MORE EXPANSIVE POLICY SUPPORTING DEEPER IMPACT

Historically, HCD has capped the amount of funding that can be spent on supportive services in the project budget. This supportive services cap was set significantly below the best practice level of providing supportive services in PSH, forcing developers to seek out complicated work-arounds to obtain and manage additional services funding through third-party sources accounted for outside the project budget.

Assembly Bill 2483 (Chapter 655, Statutes 2022) required HCD to, among other provisions, “examine to what extent caps are needed on the amount of supportive services that can be paid through project operating budgets.” In 2023, Working Group members were asked to provide PSH cost data for services to HCD staff in response to AB 2483. Rather than each member responding separately, NPH’s existing infrastructure allowed for a more efficient and successful response: the Working Group used data from the Cost Study to propose increases in HCD program services funding caps, with the goal of creating more flexibility to allow resources to be aligned with property needs. The [proposal](#) was vetted with PSH operators and advocates and a broad-based support letter representing nearly 30 organizations from across the state signed on.

After reviewing the initial proposal, HCD staff returned to our Working Group to request that service caps be analyzed to include Tier 2 projects (senior and multifamily) in addition to PSH. A new proposal was created and shared with allies across the state via zoom and then shared with HCD staff. In October 2024, HCD formally released its HCD’s [Supportive Services Caps Memo](#) that more than doubled the supportive services caps for HCD programs, effective January 1, 2025. The final memo was aligned with many of the Working Group’s key recommendations for improving flexibility and sustainability in PSH funding that can lead to deeper impact. Removing the services funding caps barrier was an important first step, though one that needs to be complemented with new services revenue to be able to administer the supportive services identified in this process. Identifying new services revenue is discussed further in section 6.3.



### 6.2.2 INCREASING CTCAC DEVELOPER FEES FOR PSH

The California Tax Credit Allocation Committee (CTCAC) awards tax credits that help finance affordable housing development projects, including PSH developments. In its Fall 2023 proposed regulation changes, CTCAC indicated interest in raising the allowable developer fees that a project sponsor can receive as compensation for developing the proposed project.

In its March 2024 letter to CTCAC, NPH supported increases to all developer fees and, in particular, proposed a more substantial increase for PSH projects. Building from the Working Group's previous PSH Cost Study work, which highlighted the challenges and risk of operating PSH units, NPH identified that an increase in developer fee for Supportive Housing projects would recognize the greater complexity and risk involved in PSH development due to the increased project cost and financial risk; increased complexity of populations, sites, and regulatory compliance; and longer development timelines. In April 2024, CTCAC adopted a higher developer fee limit for PSH projects.

### 6.2.3 REMOVING INCENTIVES FOR LARGE, HIGH-PERCENTAGE PSH BUILDINGS

An important finding from the Working Group's PSH Cost Study work was the challenge of operating large, high-percentage PSH buildings in comparison with small high-percentage PSH buildings and large smaller-percentage PSH buildings. Many state funding programs, including CTCAC and CDLAC, incorporated incentives for developing such buildings into their funding regulations. During the Fall 2024 CDLAC annual regulation update, the AWG suggested that CDLAC revise their prioritization of high-percentage PSH developments. Specifically, in order to facilitate developments with homeless households at a lower percentage of the overall building for programmatic purposes and cost efficiencies, the AWG recommended that CDLAC eliminate an existing priority for 45% homeless units but retain the requirement that the set-aside includes a minimum of 25% homeless units in increments of 10 units but no less than 20 units.

In December 2024, CDLAC adopted NPH's recommendation to remove the prioritization for projects with 45% homeless units and adopted a floor of 15 PSH units to qualify for the priority in the Homeless Set Aside.

### 6.2.4 REFORMING COORDINATED ENTRY SYSTEMS

Since 2017, individuals experiencing homelessness must be referred to supportive housing via their regional Coordinated Entry System. The Coordinated Entry System (CES) is a standardized assessment and referral system that prioritizes scarce housing resources to the most vulnerable homeless individuals. Coordinated Entry is managed by the Continuum of Care (CoC) at the County level and is authorized by the Federal government via HUD. Each CoC, however, has implemented Coordinated Entry differently which can be inefficient, confusing, and hard to measure impact. Members of NPH's Standards of Quality WG invited the implementers of five Bay Area counties (Alameda, Contra Costa, San Francisco, San Mateo, and Santa Clara) to share their county processes and policies in order to use the power of our shared voice to reduce shared pain points, negotiate effective agreements, and improve collaboration between housers and county Coordinated Entry Systems. Based on this learning journey, please see our [Coordinated Entry Systems Best Practices Recommendations](#).

Based on these recommendations, the Advocacy Working Group has embarked on a new statewide "roadshow" to learn from other allies and stakeholders as well as determine if our recommendations resonate and if sufficient alignment exists to share this guidance statewide. The draft recommendations will be updated after receiving input from the CES Roadshow "stops" which are continuing through December 2025. For reference please see our [CES Roadshow slide deck](#).

### 6.2.5 PROP 1 IMPLEMENTATION

In March 2024 California voters passed Proposition 1 to develop an array of behavioral health treatment, residential care settings, and supportive housing to help provide appropriate care facilities for individuals experiencing behavioral health challenges. In the past year, the California Departments of Health Care Services and Housing and Community Development have collectively issued funding availability announcements for over \$5 billion, representing over 80% of the total Proposition 1 bond funds. Nonprofit affordable housing developers are uniquely qualified to assist and the NPH PSH Working Groups are shaping implementation across



Prop 1's three key pillars: HCD's HomeKey+ program, DHCS' BHCIP program, and the county rollout of the Behavioral Health Services Act. Efforts include formal [comment letters](#), public agency engagement, and strategy coordination.

Prop 1 strongly acknowledges that housing is healthcare. The NPH PSH Working Groups have convened several panels at conferences and trainings exploring the intersection between Prop 1 and PSH and are making progress on identifying legal and administrative hurdles within the healthcare and housing sectors. Additional work focuses on connecting behavioral health service providers with PSH developers at both the Housing CA and NPH conferences and convening targeted trainings such as "Proposition 1 from a Practitioner Perspective," leveraging the BHSA rollout as a critical opportunity to elevate the need to stabilize existing PSH developments, and the Corporation for Supportive Housing's Behavioral Health Symposium.

### 6.3 Advocacy for New and Improved Resources to Support PSH

A key priority for the AWG has been and will continue to be identifying and obtaining additional resources to support Permanent Supportive Housing. To date, the AWG has focused our efforts in this area by improving reimbursement rates for critical staff, leveraging new California Advancing and Innovating Medi-Cal (CalAIM) benefits for supportive services, and directing state financial resources to funding services. Below is a summary of efforts we have advocated for to increase financial resources to date in light of economic and budget realities:

- **Build capacity, in part by increasing reimbursement rates.** Staff salaries at PSH properties and the cost for overhead for organizational compliance and overhead are insufficient. If we expect to attract and retain case managers, especially those with education and experience to meet the needs of our highest acuity households that are referred via Coordinated Entry and county health systems, the VA and Cal-AIM need to increase their reimbursement rates by indexing them to market conditions, including

the cost of engagement with Coordinated Entry Systems, operating subsidy compliance, and coordinating fragmented funding streams.

- **Identify new resources for services.** Significant efforts led by the [Corporation for Supportive Housing](#) and [Housing California](#) are underway to improve resources and are made even more important owing to cycles of budget volatility. To that end, our Working Group has supported the following efforts:

- ◇ **Create a federal services benefit in California** (formerly [AB 1085](#), which was vetoed by the Governor in 2023, and [AB 804](#), which was held in committee in 2025 until rescinded by sponsor due to budget). This would require the CA Department of Health Care Services (DHCS) to seek federal approval for a Medi-Cal housing support services benefit. The bill aims to add housing support services as a new Medi-Cal benefit for enrollees experiencing homelessness or at risk of homelessness. This would allow the state to scale up provision of services for a longer period of time and provide a federal match of funds. These benefits would have greatly expanded the universe of who was eligible and done so at a much larger scale than what currently exists within the CalAIM program/waiver. We strongly support this effort and are also cognizant that new federal Medicaid cuts will undermine California's ability to take this new opportunity on. Likewise, we are cognizant that state revenue is currently especially restricted.

- ◇ **Streamline healthcare funding via CalAIM.** Across the sector, PSH operators have entered into CalAIM Community Supports contracts and begun obtaining MediCal reimbursement for "housing tenancy and sustaining services." This can allow PSH operators to bill for work we already do: helping highly vulnerable residents stay stably housed and connected to health and/or housing services. More broadly, participation in CalAIM has improved the sector's understanding of service provision at the intersection of housing and healthcare, where there is significant evidence of a direct correlation between stable housing, better health outcomes, and lower healthcare costs. Because affordable operators have long held a vision for improving health outcomes, this work could help us build understanding, share lessons learned and recommendations, and make the case for aligning housing and healthcare public investment delivery. Implementing CalAIM, however, is new and complicated and requires

a significant administrative burden. Working Group members actively participate in the Turner Center's [CalAIM work](#) by participating in its Community of Practice. Further, the [MidPen Case Study](#) is a resource for potential operators interested in participating in CalAIM.

- ◆ **Expand the [Homeless Housing, Assistance and Prevention \(HHAP\) Grant Program](#).** HHAP is a relatively new funding source that has been mostly used for emergency operations. HHAP was [All Home](#)'s budget success but is insufficient to achieve their [1-2-4 vision](#) of concurrent investments in emergency and permanent interventions. Specifically, the 1-2-4 Framework for Homelessness Solutions aims to align jurisdictions around a comprehensive system of simultaneous investments. For every one investment in interim housing units, there should be two investments in permanent housing solutions and four homelessness prevention interventions. The PSH Working Group supports All Home's efforts to make this grant a General Fund permanent source that is protected from California's volatile budget cycles.

## 6.4 [Messaging Guide](#)

Given the critical role of an aligned communications strategy to effectively promote supportive housing, members of the PSH Working Group communications staff worked with NPH and [All Home](#) communications teams to create and uplift a [Messaging Guide](#) and [Infographic](#). The recommendations and resources support our ecosystem's goals to share stories, best practices, and research findings with a wider audience, and advance the narrative that homelessness is not intractable or inevitable but rather the predictable outcome of a complex, convergent series of policy and systemic decisions.

## 6.5 [Consolidated Links to Resources Shared in this Section](#)

- [Turner Center report on the effectiveness of PSH](#)
- Turner Center report on [Reducing the Complexity in California's Affordable Housing Finance System](#)
- UCSF Benioff Study [California Statewide Study of People Experiencing Homelessness](#)
- HCD's [Supportive Services Caps Memo](#) and PSH WG and allies [support letter](#)
- [Coordinated Entry Systems Best Practices Recommendations](#) and [CES Roadshow slide deck](#)
- [Prop 1 Comment letters \(HomeKey+, BHCIP, BHSA\)](#)
- Turner Center's CalAIM [MidPen Case Study](#)
- NPH's [Making the Case for PSH Messaging Guide](#) and [Infographic](#)





# 7

## RECOMMENDATIONS FOR FUTURE POLICY CHANGE

### **Permanent Supportive Housing has been proven to be one of the most powerful solutions to address homelessness and housing insecurity.**

As practitioners, we are acutely aware of the different levers of systemic change that are needed. While we recognize that some reforms can be achieved within five to ten years, other reforms require long-term, systemic change. The NPH PSH Working Group has helped clarify the pathway for an efficient PSH delivery ecosystem and we hold a vision for transformative change in the governmental housing and healthcare delivery systems.

Our research in partnership with the Turner Center makes clear that resources are critical for keeping people housed, supporting resident well-being, and increasing resident engagement. By extension, a lack of resources to support operations will undermine state efforts to expand the supply of PSH as well as erode trust in the effectiveness of the model. By looking critically at what we do, how we do it, and how we can improve, our communities will be better served and we can build on the successes of a proven evidenced-based solution to address homelessness.

This section of the compendium builds on Section 6, which describes the policy recommendations and advocacy efforts of the NPH PSH Working Group to date as a launching pad for our future policy recommendations. This section first describes the NPH PSH Workgroup’s goals for improving the PSH ecosystem and then provides examples of strategies and tactics to achieve these goals in the near term. This is followed by identifying where the reforms will primarily take place, specifically: budgetarily, electorally, legislatively, regulatorily, and via administrative policy that focuses on PSH sector infrastructure and then organizes the recommendations by the level of government responsible for achieving them—federal, state, regional, or county—and highlights cross-cutting goals that span all levels.



This section of the compendium is divided into the following categories:

- 7.1 **Permanent Supportive Housing Ecosystem Goals**
- 7.2 **Actionable Strategies and Tactics: How Our Goals can be Achieved**
- 7.3 **Consolidated Links to Resources Shared in this Section**



### 7.1 **Permanent Supportive Housing Ecosystem Goals**

#### **A ENSURE NEW AND EXISTING PSH PROPERTIES ARE STRUCTURED FOR SUCCESS AND ADEQUATELY RESOURCED.**

PSH’s role in the continuum for successfully housing our unhoused neighbors is a proven evidence-based best practice paradigm for positive tenant outcomes. However, PSH will fail if funding sources disappear and if existing properties are not stabilized. Older PSH developments must be stabilized and new developments must be properly resourced at the outset with operating reserves minimally sized for 15 years. Current efforts to achieve this are described in Section 6.3 of this compendium. Identifying ongoing consistent services and operating funding will remain a priority until these resources are achieved.

Near-term actionable strategies and tactics to advance this goal include:

- Support current research efforts by the **Turner Center** and the PSH Sustainability Project (initially sparked by conversations between Jamboree

Housing, Enterprise Community Partners in LA, and the Turner Center) to quantify the statewide need for capital infusion on aging ELI and PSH properties and make the case with data for a new funding source for sustainable operations and services in PSH and ELI properties for both existing properties and new pipeline. This new statewide effort uses the NPH PSH Working Group Bay Area-focused Cost Study conducted in partnership with the Turner Center as a blueprint and we are thrilled that this work has led to a statewide effort whose data should inform statewide policy.

- Promote legislation that focuses on PSH stability including providing for HCD authority to be flexible and administer programs such as [AB 913](#), which if it had been approved, would have allowed the transfer of excess reserves or excess operating income from one rental housing development to another rental housing development with the same owner, and waived payment of residual receipts or minimum annual loan payments. We are building support for this legislation in the upcoming session.
- Defend the Housing First paradigm in light of the current federal administration's Executive Order to end support

## B REDUCE FRAGMENTATION AND COMPLEXITY TO DEVELOP AND OPERATE PSH.

Developing PSH requires braiding multiple funding sources, each with their own underwriting, compliance, and program requirements that make it harder and more expensive to build. We support the findings and action items in the Turner Center's [Reducing the Complexity in California's Affordable Housing Finance System](#), which was the second policy paper stemming from the data gathered for the initial [Cost Study](#). In addition, we must also constantly look inward at our own organizational internal systems to improve efficiencies and best serve our residents.

Near-term actionable strategies and tactics to advance this goal include:

- Reduce third party verification requirements for HCD Supportive Housing units without requiring additional documentation of homelessness in HCD programs (NPLH, MHP-SH, Homekey+, VHHP) to reduce administrative burden. In its role implementing Coordinated Entry (CES), HCD should accept verification from County Continuum's of Care that an applicant meets specific HCD program eligibility requirements. By extension, if a unit is filled outside of CES, the housing provider would be responsible to complete standard 3rd party verifications. This could apply to other third party verifications such as the Veteran Administration's certification of Veteran status.
- Monitor implementation of services caps increases
- Advocate for CDLAC conforming change in points to accompany incentive reduction for the Special Needs set-aside
- Standardize state funding programs that are administered at the County level, including Coordinated Entry and CalAIM, to minimize the regulatory burden and complexity of variation between counties
- Limit number of target PSH populations in state-funded developments to 1-2 per property by increasing loan limits
- Support implementation of the new California Housing and Homelessness Agency (CHHA) to rationalize the housing finance delivery system, especially seamless coordination with tax credits and bond delivery, and strengthen connections between housing developers/owners/operators with homeless and behavioral health service providers



**C****STRENGTHEN COORDINATED ENTRY SYSTEMS AND IMPROVE PATHWAYS IN AND OUT OF PSH.**

Counties must invest in developing effective Coordinated Entry Systems to improve pathways into and out of PSH. Coordinated Entry Systems (CES) must provide efficient referrals during lease up and upon vacancy. It must also be expanded to improve flexibility in transfers between higher and lower levels of care within the housing and residential treatment ecosystem, including moves to/from residential behavioral health treatment facilities, assisted living facilities, service-enriched PSH, and dedicated affordable housing. Implement Housing First as intended, so that the highest acuity, most vulnerable households receive services commensurate to need, with flexibility to accommodate evolving needs.

Near-term actionable strategies and tactics to advance this goal include:

- Issue best practice guidance for county Coordinated Entry Systems per the recommendations that stem from emerging statewide aligned guidance, as described in Section 6.2.4. Over time, provide resources and support to enable implementation of best practices, especially the need to match the highest acuity/greatest complexity households with appropriately-resourced housing opportunities, which may necessitate expanding CES to include behavioral health facilities.
- Develop scenario plans to shore up county Continuums of Care if proposed federal funding cuts come to fruition

**D****BRIDGE HEALTHCARE AND HOUSING SECTORS.**

Housing is healthcare and there is a need to break down the legal and administrative barriers between the health and affordable housing sectors so that seamless integration can occur. This includes strengthening connections between behavioral health treatment facilities and supportive housing via the implementation of Proposition 1. It also includes streamlining healthcare funding via CalAIM as described in section 6.3.

Near-term actionable strategies and tactics to advance this goal include:

- Continue to monitor implementation of all aspects of Proposition 1 including
  - ◊ Monitor Behavioral Health Services Act (BHSA) implementation and educate members on how to participate by broadly sharing BHSA Integrated

Planning Process Information Per Bay Area County

- ◊ Continue to advocate to make HomeKey+ a more usable program as described in NPH's comment letter
- Advocate to enable continued state innovation in the braiding of housing and healthcare services via CalAIM through the state's in-lieu of services power or via reauthorization of California's federal waiver, if necessary
- Contribute to efforts that attempt to operationalize integration between CalAIM and BHSA
- Support development of county-level financing "flex pools"

**E****DEVELOP CAPACITY, STRENGTHEN STATEWIDE ALLYSHIP, AND EDUCATE.**

As described in Section 6.1, the focus of our work promotes supportive housing as a critical key resource in the continuum of options to house our unhoused neighbors with special needs. This means we need to continue to build capacity to deliver sustained high-quality services and property management at PSH developments; acknowledge that PSH is complicated and offered on a continuum, which means strengthening statewide allyship with other stakeholders to support and improve all aspects of the continuum, and; continually educate. This also means sharing our knowledge with other practitioners, as this compendium aims to do but also educating electeds as well as legislative and regulatory staff, promoting PSH through case-making and op-eds, sponsoring workshops and trainings, and engaging with and supporting the efforts of other PSH convenings statewide.

Near term actionable strategies and tactics to advance this goal include:

- Analyze organizational systems to improve efficiencies
- Educate and strengthen statewide allyship through conference panels, trainings, op-eds, and meeting with other PSH convenings, electeds, and stakeholders. This includes supporting other allied efforts to improve the affordable housing and PSH financing ecosystem, such as current efforts underway to mitigate skyrocketing insurance costs and efforts to decrease the voter threshold needed for general obligation bonds.

- As stated in section 6.1, statewide PSH allies across California include [Enterprise’s LA PSH Preservation and CES Workgroups](#), [Supportive Housing Alliance](#) in LA, [Supportive Housing Providers Network](#) in San Francisco, [San Joaquin Valley Housing Collaborative](#), [Southern California Association of Non-Profit Housing](#), [San Diego Housing Federation](#), the PSH Sustainability Project, [Corporation for Supportive Housing, Housing California](#), and the PSH Convening of Convenors led by Housing CA/CSH (which the NPH PSH Working Groups helped initiate and found.)
- Understanding and tracking other like-minded efforts. Galvanizing sector-level support requires a knowledge of which groups are working on pieces of this puzzle and how the NPH PSH Working Group work can be additive. Our efforts build on complementary strategies, such as [All Home’s Regional Action Plan](#) and [California Housing Partnership and Housing California’s Roadmap Home: 2030](#).



## 7.2 Actionable Strategies and Tactics: How Our Goals can be Achieved

While we will always work to secure additional funding resources, significant advocacy must also occur electorally, legislatively, regulatorily, and by developing sector infrastructure through administrative policy, which impacts all advocacy avenues.

This section provides an holistic overview of strategies and tactics we have identified to improve the PSH ecosystem that meet the goals from Section 7.1. Our recommendations are organized by the level of government responsible for achieving them—federal, state, regional, or county—and highlights cross-cutting goals that apply across all levels. Items in bold are the highest priority and actionable in the near-term.

Permanent supportive housing has been proven to be one of the most powerful solutions to address homelessness and housing insecurity and yet PSH as a solution is at a crossroad. The NPH PSH Working Group efforts to date inform our solutions. Our [PSH Ecosystem Improvement Recommendations](#) summarize our collective vision for defending and moving the supportive housing model forward, strengthening our programs and services overall, and most importantly, improving the stability of supportive housing residents and providers in order to make progress on ending homelessness in California.

## 7.3 Consolidated Links to Resources Shared in this Section

- [Reducing the Complexity in California’s Affordable Housing Finance System](#)
- [Cost Study](#)
- [AB 913](#) (shared for conceptual reference since it did not pass in the current legislative session)
- [BHSA Integrated Planning](#)
- [Process Information Per Bay Area County](#)
- [NPH’s HomeKey+ Comment letter](#)
- [PSH Ecosystem Improvement Recommendations](#)

# 8

## APPENDICES

This section of the compendium is divided into the following categories:

- 8.1 List of organizational NPH PSH Workgroup participants
- 8.2 Glossary
- 8.3 Supporting Research and Resources



### 8.1 ORGANIZATIONAL NPH PSH WORKGROUP PARTICIPANTS

#### Nonprofit Developers and Operators

- [Alta Housing](#)
- [Abode Services](#)
- [Burbank Housing](#)
- [EAH Housing](#)
- [EBALDC](#)
- [Eden Housing](#)
- [HomeRise](#)
- [Jamboree Housing](#)
- [Mercy Housing](#)
- [MidPen Housing](#)
- [Resources for Community Development \(RCD\)](#)
- [Satellite Affordable Housing Associates \(SAHA\)](#)
- [Self-Help Enterprises](#)
- [Tenderloin Neighborhood Development Corporation \(TNDC\)](#)

#### Public Sector

- Alameda County
- City of Oakland
- City and County of San Francisco Mayor's Office of Housing and Community Development (MOHCD)
- Santa Clara County - Office of Supportive Housing (OSH)
- Mental Health Association of San Mateo County

#### Advocacy, Research, and Technical Assistance Partners

- [All Home](#)
- [Corporation for Supportive Housing \(CSH\)](#)
- [Supportive Housing Providers Network \(SHPN\)](#)
- [Turner Center for Housing Innovation](#)

## 8.2 GLOSSARY

Regularly used acronyms from this compendium are below. Other more comprehensive resources include: [FBHO's Guide to Housing and Land Use Terms](#) and the [EveryOne Home Acronym Glossary](#).

- **AMI:** Area Median Income
- **AWG:** NPH Advocacy Workgroup
- **BAHFA:** Bay Area Housing Finance Authority
- **BHSA:** Behavioral Health Services Act
- **CaIAIM:** California Advancing and Innovating Medi-Cal
- **CoC:** Continuum of Care
- **CEQA:** California Environmental Quality Act
- **CES:** Coordinated Entry Systems
- **DHCS:** California Department of Health Care Services
- **ELI:** Extremely Low Income
- **HCD:** California Department of Housing and Community Development
- **HHAP:** Homeless Housing, Assistance and Prevention
- **LIHTC:** Low-Income Housing Tax Credit
- **MOU:** Memorandum of Understanding
- **NPH:** Non-profit Housing Association of Northern California
- **PSH:** Permanent Supportive Housing
- **SHPN:** Supportive Housing Provider Network
- **SOQ WG:** NPH Standards of Quality Workgroup

## 8.3 SUPPORTING RESEARCH AND RESOURCES

The following resources provide additional context and evidence related to the principles and practices discussed in this compendium. While this is not an exhaustive list of references or a comprehensive literature review, these studies and publications represent key sources that have informed the field's understanding of effective Permanent Supportive Housing (PSH). Collectively, they reinforce the evidence base underlying the Working Group's recommendations.

### Core Research and Data Sources

- University of California, San Francisco – *California Statewide Study of People Experiencing Homelessness* (CASPEH) (2023), [homelessness.ucsf.edu/sites/default/files/2023-06/CASPEH\\_Report\\_62023.pdf](https://homelessness.ucsf.edu/sites/default/files/2023-06/CASPEH_Report_62023.pdf)
- Turner Center for Housing Innovation, UC Berkeley – *Permanent Supportive Housing: Building on What Works to End Chronic Homelessness* (2024), [www.turnercenter.app/permanent-supportive-housing-building-on-what-works-to-end-chronic-homelessness](https://www.turnercenter.app/permanent-supportive-housing-building-on-what-works-to-end-chronic-homelessness)
- Turner Center for Housing Innovation, UC Berkeley – *The Costs of Permanent Supportive Housing in California* (2022), [turnercenter.berkeley.edu/research-and-policy/psh-homelessness-cost/](https://turnercenter.berkeley.edu/research-and-policy/psh-homelessness-cost/)
- The Lancet Public Health – *Effectiveness of Permanent Supportive Housing for Homeless Adults With Mental Illness: A Systematic Review* (2020), [www.thelancet.com/journals/lanpub/article/PIIS2468-2667\(20\)30055-4/fulltext](https://www.thelancet.com/journals/lanpub/article/PIIS2468-2667(20)30055-4/fulltext)
- Urban Institute – *Breaking the Homelessness–Jail Cycle With Housing First: Results From the Denver Supportive Housing Social Impact Bond Initiative* (2019), [www.urban.org/sites/default/files/publication/104501/breaking-the-homelessness-jail-cycle-with-housing-first\\_1.pdf](https://www.urban.org/sites/default/files/publication/104501/breaking-the-homelessness-jail-cycle-with-housing-first_1.pdf)
- Health Services Research - *A randomized trial of permanent supportive housing for chronically homeless persons with high use of publicly funded services* (2020), [onlinelibrary.wiley.com/doi/full/10.1111/1475-6773.13553](https://onlinelibrary.wiley.com/doi/full/10.1111/1475-6773.13553)
- Rand - *Housing as Health Care: What We (Don't) Know About Its Costs* (2025), [www.rand.org/pubs/commentary/2025/06/housing-as-health-care-what-we-dont-know-about-its.html](https://www.rand.org/pubs/commentary/2025/06/housing-as-health-care-what-we-dont-know-about-its.html)
- Corporation for Supportive Housing - *Supportive Housing Evidence Briefs - Summary of Outcomes* (2025), [www.csh.org/wp-content/uploads/Evidence-for-Supportive-Housing-Brief-CSH-2025.pdf](https://www.csh.org/wp-content/uploads/Evidence-for-Supportive-Housing-Brief-CSH-2025.pdf)