

# Is the shift to permanent housing making L.A.'s homelessness problem even worse?

*The Los Angeles Times, by Doug Smith, August 15, 2016, 4:00 a.m.*

As Los Angeles grapples with the nation's worst homelessness problem, experts have almost universally embraced permanent housing as the best approach for lifting people out of homelessness.

The strategy is to quickly re-house those who are able to live independently, and to provide housing with intensive on-site services for chronically homeless people for as long as it takes them to become independent, or for life if needed.

But the shift toward permanent housing has had a cost: As money has been directed away from programs that combine services with shorter-term housing, the region's homelessness problem has gotten worse.

The county's overall homeless population was roughly unchanged from 2015 to 2016. But the "unsheltered population" — those literally living on the street — increased by about 1,400, according to the Los Angeles Homeless Services Authority's annual count.

The homeless authority attributed the increase at least in part to the loss of beds in programs that were converted to permanent housing or had their funding cut.

A prime example of the policy shift and its impact is the Panama Hotel, which for decades offered refuge for men and women trying to get off L.A.'s skid row.

Tenants could stay in the hotel's 220 rooms for up to 90 days while getting their lives together with support from the therapists and case managers of SRO Housing Corp., a nonprofit that owns the hotel.

But the Panama, on 4th Street, is empty. It has been gutted for remodeling and will reopen next year as permanent supportive housing — but with just 72 units. More than 200 people had to move out for the makeover.

"We tried to transition as many as we could and farm out to other agencies," said Chief Executive Anita Nelson. "Unfortunately, some people went back on the street."

For years, a growing number of homeless services organizations have been backing off of "transitional" housing — service-backed programs of up to two years designed to prepare people for permanent housing.

The rationale is that some people — especially those who become homeless because of an economic crisis — need only access to housing, not a long period of support. On the other hand, a high proportion of the chronically homeless are so severely impaired that short-term programs only lead them through a cycle of relapse.

The U.S. Department of Housing and Urban Development has adopted that philosophy and is shifting money to permanent housing with a quick turnaround for those who are ready, and open-ended support for those who need it.

In turn, the homeless authority, which competes for HUD money to pass on to local agencies, is requiring longstanding programs to drop their transitional housing.

Last year the authority cut the funding for about 2,000 beds of transitional housing operated by 58 agencies.

This year more cuts are on the way.

In an email, a spokesman for the homeless authority said it supports the federal policy and believes the reallocation of grants will serve more people and better distribute resources.

HUD spokesman Brian Sullivan said the federal agency was acting on research showing that the added services with transitional housing are not cost-effective.

“While transitional housing can be an important tool in managing homelessness, we’re encouraging communities to offer permanent housing solutions to an even greater number of persons and families who are experiencing homelessness,” Sullivan said.

The change is welcomed by organizations such as PATH, a statewide agency that provides housing, outreach and supportive services at several locations in Los Angeles.

“Our organization is focused on permanent housing outcomes,” said communications director Jeremy Sidell. “We’ve always believed the only way to end homelessness is to put people in homes.”

The problem for the thousands of homeless people who need both housing and services is that the permanent housing that will replace transitional beds doesn’t exist today and won’t for years.