# Recommendations for Aligning and Leveraging Racial Equity Data Across Housing and Homelessness Funding Applications

## Background

The California Interagency Council on Homelessness (Cal ICH) staff established the State Funding and Programs (SFP) Working Group to implement its priority of aligning and coordinating state housing and homelessness program funding. Its goal is to identify opportunities for coordination across state funding and programs to better serve people at risk of or experiencing homelessness. This SFP Working Group consists of staff representing thirteen state departments and agencies that oversee and fund programs related to housing and homelessness. The Working Group was created by staff in alignment with the Cal ICH *Action Plan for Preventing and Ending Homelessness*.

This document summarizes the SFP Working Group's recommendations for the coordinated collection and use of racial equity data, with the goal of advancing a statewide commitment to equity, system coordination, and administrative efficiency for funding recipients. Specifically, it is the driving effort toward achieving Activity 1.1.3 of the state Action Plan:

> "Incorporate a focus on racial equity data, analysis, goals, and planned activities within applications for State homelessness and housing-focused funding (HHAP, ESG-CV, others), and analyze the data and information gathered in response."

The SFP Working Group's recommendations about how to align and leverage data related to racial equity across state programs, where legally possible, build on the state's historic expansion of data collected about homelessness response services. Assembly Bill 977 requires grantees of specified and new state funded homelessness programs enter data into local Homeless Management Information System (HMIS) systems. This data is aggregated in the state's Homeless Data Integration System (HDIS), providing state policymakers with critical data to understand racial inequities and track progress towards addressing those disparities.

The SFP Working Group recognizes that the topic of equity extends beyond racial and ethnic classifications; however, the following recommendations will focus on race and ethnicity in line with Activity 1.1.3. Additionally, HMIS data does not accurately capture homelessness within California Tribes. Tribal data will be addressed in a separate Cal ICH recommendation. In addition, and in accordance with Housing First principles, it is important to note that the collection of demographic data should never interfere with an individual's ability to access services.

## Recommendations from the SFP Working Group

### 1) Adopt a public statement explaining why demographic data is collected and how it will be used at a state level

To build and maintain trust between government institutions and the communities they serve, the SFP Working Group recommends state agencies adopt a shared statement to articulate the goals and uses for collecting data about race, ethnicity, and other identities in housing-focused programs and funding applications.

Data about personal identity is sensitive: it can lead to more targeted resources for marginalized and BIPOC[1] communities, but, if not protected, it also has the potential to reinforce structural inequality and

expose vulnerable communities to harm. While it may not always be possible or appropriate to request demographic data, state agencies can promote transparency by explaining best practices for collection of this sensitive data and how demographic data should be used in order to help, not harm, communities that are most disparately impacted by homelessness.

The proposed statement for adoption is as follows:

**Purpose of Demographic Data Collection in California Homelessness and Housing Funding Applications**

In line with the Cal ICH Action Plan for Preventing and Ending Homelessness, our goal is to advance purposeful, meaningful, and measurable progress toward preventing and ending homelessness in California. To do this, we must understand the existing disparities in services and outcomes across the diverse populations experiencing homelessness. The collection and use of race and ethnicity data allows us to better (i) identify these disparities, (ii) deliver more responsive services, and (iii) make progress toward reducing disparities and improving outcomes across all our communities.

As state departments and agencies serving the public interest, we are committed to protecting individual privacy and building a data-informed process and culture.[2] Demographic data we collect is used to inform program and funding decisions and, ultimately, to understand if resources are reaching communities most impacted by homelessness and housing insecurity.

## 2) Use consistent categories to collect data about race and ethnicity

As part of its 2023 priorities, the SFP Working Group compared racial equity data collection across ten program applications administered by eight departments and agencies. Through this process, the Working Group discovered that each agency used different categories to collect data about racial and ethnic identity.

As a next step, state agencies should work to align categories for collecting and reporting on race and ethnicity. The SFP Working Group recommends aligning with the categories in the U.S. Department of Housing and Urban Development (HUD) 2024 HMIS Data Standards, below. These categories are already included in the HMIS, and will be collected for all state programs subject to Assembly Bill 977. Of note, they combine race and ethnicity, and they are *minimum* categories. When feasible, agencies should consider further breaking down these minimum categories to encourage more detailed and intersectional analysis. For example, HMIS includes a write-in race and ethnicity field. Additionally, the Working Group recommends that agencies record Tribal affiliation when working with Native American/Indigenous communities.

Aligning with HUD data collection will promote consistency for applicants and funding recipients, making data collection easier for program operators. Additionally, shared categories and definitions will make it possible to conduct more robust data analyses, including comparison of service delivery and outcomes by race and ethnicity across programs. These racial and ethnic categories should be collected for all members of the household, not just the head of the household.

| HUD Categories effective 10/1/23 (aligns with OMB proposed guidance) | |
| --- | --- |
| *Race and Ethnicity (select as many as are applicable)* | |
| 1 | American Indian or Alaska Native or Indigenous |
| 2 | Asian or Asian American |
| 3 | Black, African American, or African |
| 4 | Native Hawaiian or Pacific Islander |
| 5 | White |
| 6 | Hispanic/Latina/e/o |

| 7 | Middle Eastern or North African |
|---|---|
| 8 | Client doesn't know |
| 9 | Client prefers not to answer |
| 99 | Data not collected |

The above table reflects recent changes made to HUD HMIS Data Standards which went into effect on October 1, 2023. The new categories include both race and ethnicity options, and allow someone to select any and all race and ethnicity categories that apply to them.

### 3) When requesting data on program-level outcomes, make disaggregation by race, ethnicity, and other demographic variables the norm

State agencies are increasingly asking applicants to report on standardized program-level outcomes within funding applications, even as outcomes vary by program and agency. When such data is requested, the SFP Working Group recommends that state agencies require applicants to disaggregate this data by race and ethnicity in order to increase consistency in racial equity data collection and analysis. This practice of disaggregating data can be a powerful way to highlight disproportionality by race, ethnicity, and other demographic characteristics and it may result in new efforts to improve equity at the local level.[3]

*Sample application from the Homekey Round 2 Program, updated for alignment with new HUD categories:*

| Using data from Stella, please insert outcomes here: Stella Resources: https://www.hudexchange.info/resource/5827/stella-p-quick-start-guide/ | Experiencing Homelessness | Exiting to Permanent Housing | % of Subset | % of Total | Disparity |
|---|---|---|---|---|---|
| | # | # | | | |
| American Indian or Alaska Native or Indigenous | | | | | |
| Asian or Asian American | | | | | |
| Black, African American, or African | | | | | |
| Native Hawaiian or Pacific Islander | | | | | |
| White | | | | | |
| Hispanic/Latina/e/o | | | | | |
| Middle Eastern or North African | | | | | |
| Client doesn't know | | | | | |
| Client prefers not to answer | | | | | |
| Data not collected | | | | | |

There are many ways to analyze data to identify which communities are disproportionately impacted. For example, counties and continuums of care could compare housing and homelessness outcomes by the service population vs. general population to identify which demographic groups have lower enrollment, which may inform more targeted outreach and education campaigns.

The example on the left shows how the Homekey Round 2 Program[4] asks for data on a standardized program-level outcome, 'exiting to permanent housing,' and then requires the data to be broken down by race and ethnicity. For illustrative purposes, these categories have been updated to align with HUD categories (see Recommendation 2).

## 4) Ask for qualitative data to contextualize required quantitative data

The SFP Working Group recommends that state agencies request narrative responses to support quantitative racial equity data on housing and homelessness funding applications. Qualitative data can provide context and nuance to quantitative data and help applicants think through how they might address any identified disparities through their project plans. It also provides an opportunity for cross-functional staff (e.g., program, data, operations) to develop a shared understanding of program successes and challenges. The Housing and Homelessness Incentive Program[5] provides an example of this (on the right).

One recommended way to add dimension to racial equity data is to specifically ask for qualitative data that synthesizes both existing and planned community engagement efforts and input.

| Provide a narrative description of how MCPs is working with housing partners to identify: |
| --- |
| **Narrative submission (1,500 character limit)**<br><br>1. Based on the MCPs engagement with their CoC and in reviewing the HHAP Round 3 Applications for their service area, describe the disparities and inequities that currently exist in your county related to housing. Cite the relevant sources that the MCP used to identify these disparities and inequities. |
| **Narrative submission (1,500 character limit)**<br><br>2. Describe the MCP's approach to partnering with local organizations, including but not limited to providing funding, referrals, and other supports, to address the stated disparities and inequities as they relate to service delivery, housing placements, and housing retention. Please specify the organizations, their contact information, and the specific supports the MCP will provide. |

Including the voices of service recipients, family members or caregivers, and other stakeholders with lived experience offers important insight into quantitative data, promotes more human-centered service delivery, and builds stronger relationships between local agencies and their communities. The Homeless Housing and Assistance Program Round 5[6] provides an example of this, which local agencies can adapt for their community's context:

> **[P]articipating applicants are required to collaborate and engage in a public stakeholder process while developing the Regionally Coordinated Homelessness Action Plan.** This inclusive process ensures that all key stakeholders have the opportunity to contribute their valuable insights and experiences to the plan, before it is completed. The public stakeholder process must include at least three public meetings, allowing for extensive input from various groups and individuals. During the public stakeholder process, participating applicants shall invite and encourage the active participation of the following groups:
> - People with lived experience of homelessness
> - Youth with lived experience of homelessness
> - Persons of populations overrepresented in homelessness
> - Local department leaders and staff from qualifying smaller jurisdictions, including child welfare, health care, behavioral health, justice, and education system leaders
> - Homeless service and housing providers operating within the region
> - Medi-Cal Managed Care Plans contracted with the State Department of Health Care Services in the region
> - Street medicine providers and other service providers directly assisting people experiencing homelessness or at risk of homelessness.
>
> Applicants will be required to 1) certify they engaged in the above-described process as part of developing their application, 2) provide the date of the three public meetings, and 3) describe how specific groups were invited and encouraged to engage in the public stakeholder process.

## 5) Resource equity efforts by investing in technical assistance and capacity-building needs

The SFP Working Group recommends that state agencies provide technical support to develop applicants' capacity to collect and analyze racial equity data. Consider supporting the following resources and activities within housing and homelessness program and funding guidelines:

- **Capacity building to improve quantitative and qualitative data collection:** Local agencies may need to make changes to their data infrastructure and processes to improve the quality and consistency of racial equity data collection. This may include consulting impacted communities and partnering with community-based organizations to support more equitable and participatory data collection. State agencies can help build data capacity by providing capacity-building grants and offering technical assistance within or across agencies. In practice, this could include providing

toolkits, trainings, and/or funding for specific activities that improve data collection, such as staff time to engage people with lived experience in the design and delivery of services.

- **Training to translate data insights to action**: Investments in data capacity could also support agencies to increase the usefulness of their data through analysis, disaggregation, and data-informed decision-making. However, even when disproportionate outcomes have been identified, local jurisdictions may struggle to address challenges that are deeply rooted and systemic. State agencies can provide training and technical assistance to help local partners take actionable steps to reduce disparities and improve culturally-responsive services and system coordination. In practice, this could include training to implement equity frameworks in service design, templates to develop community engagement plans to interpret data and identify root causes of disparities, or access to experts in the field, such as Cal ICH's Racial Equity Working Group.

- **Specialized assistance for culturally-responsive engagement with Tribal organizations:** The collection of racial equity data should be inclusive of California's Native American Communities and federally recognized Tribes. State agencies and departments should offer specialized technical assistance that includes culturally-responsive methods of engagement, partnership, data collection, and culturally-appropriate data interpretation. Building the capacity of local jurisdictions to engage and partner with Tribes, in a way that respects and acknowledges their independent governance, will result in a more robust and inclusive homelessness response system. State agencies, when contracting with technical assistance providers, should prioritize providers from the California Native American community.

| Funding Use | Amount | Match Source and Amount |
|---|---|---|
| **Develop Program Assessment Tools to Advance Equity** <br><br> *Examples include funding to assess or evaluate equity in existing assessment tools or initiatives to create new evidence-based assessment tools. CDSS will prioritize match exemptions for this purpose once the statewide match requirement of $25 million has been met.* | | |
| **Racial Equity Officer** <br><br> *Funds to hire a Racial Equity Officer, staff member, and/or peer navigators who will oversee the planning, implementation, and evaluation of initiatives to embed equity into HDAP programming. CDSS will prioritize match exemptions for this purpose once the statewide match requirement of $25 million has been met.* | | |
| **Racial Equity Analysis** <br><br> *Funding to conduct, enhance, or expand an analysis of racial equity within HDAP programming or local housing and homelessness landscape. Examples include conducting needs and gaps analyses or investing in data supports and training for community-based organizations partnering in the analysis. CDSS will prioritize match exemptions for this purpose once the statewide match requirement of $25 million has been met.* | | |

The excerpt on the left shows how the Housing and Disability Advocacy Program includes funding which grantees can use to build their capacity to address equity goals.[7] Applicants are instructed to complete a chart indicating how they propose to use this funding, or to propose uses of their own, consistent with the program goals.

Below, the administering agency, the California Department of Social Services (CDSS) also reserved $35 million in noncompetitive set-aside funds for Tribes and Tribal Entities to establish housing and homelessness assistance across three of its programs, including the Housing Disability Advocacy Program.[8] CDSS paired this set-aside funding with specialized one-on-one technical assistance (TA) as well as monthly learning communities to discuss common challenges facing tribes and tribal organizations. To deliver this TA in a targeted manner, CDSS partnered with the Change Well Project which has staff who have expertise in tribal issues as well as local housing and homelessness systems.

Technical assistance (TA) opportunities are available for prospective, new, and current recipients of funding, including **tribal leaders and representatives overseeing housing and social service systems,** tribal staff overseeing CDSS-funded programs, and frontline staff delivering services to clients. TA is also available for any of an eligible tribal entity's contracted service providers performing these duties. The CDSS and its contracted TA providers will offer training and TA to help prospective and new recipients of funding meet the program requirements outlined in this Attachment, identify best practices for operation within tribal communities, help

recipients of funding establish their program(s), and facilitate information-sharing across program recipients of funding... Trainings and TA can aid prospective and new recipients of funding with a wide range of topics. Examples include, but are not limited to:
- Understanding and applying specific program eligibility rules
- Contracting for or creating a disability benefits advocacy program
- Work planning program implementation and scaling
- Developing screening and prioritization processes for a specific program
- Creating a housing navigation and/or landlord engagement program
- Creating an effective homelessness prevention program
- Using data to understand and improve program outcomes
- Training your local workforce in skills needed to operate these programs
- Creating programs that are streamlined and administratively efficient
- Advancing equity on a systems level
- Improving collaboration with the local homeless response network
- Understanding, developing, and applying evidence-based best practices
- Planning for spenddown or program ramp down
- Coordinating program, fiscal, and data requirements

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[1] Black, Indigenous, and People of Color

[2] For legal reasons, some demographic data may not be shareable at the individual level (e.g., protected health information). In these instances, data may be shared when it is appropriately de-identified.

[3] There are many existing efforts to collect and utilize racial equity data to reduce disparities. For example, Affirmatively Furthering Fair Housing (a 2018 state law) intends to reduce segregation, eliminate disparities, and foster inclusive communities to advance fair housing outcomes, especially for protected classes of people.

[4] California Department of Housing and Community Development. "Racial Demographic Data Outcomes Workbook." https://www.hcd.ca.gov/sites/default/files/docs/grants-and-funding/homekey/Racial-Demographic-DataOutcomes-Workbook.xlsx.

[5] Department of Health Care Services. "Housing and Homelessness Incentive Program: Submission 1 (S1) Template." https://www.dhcs.ca.gov/Documents/MCQMD/MCP-Submission-1-Template-Revised-February-2023.xlsx.

[6] California Interagency Council on Homelessness and Department of Housing and Community Development. "Homeless Housing, Assistance and Prevention Program Round 5 Notice of Funding Availability." September 29, 2023. https://bcsh.ca.gov/calich/documents/hhapround5funding.pdf.

[7] California Department of Social Services. "All County Welfare Directors Letter." September 21, 2022. https://cdss.ca.gov/Portals/9/Additional-Resources/Letters-and-Notices/ACWDL/2022/CL_9-21-22.pdf?ver=2022-09-22-131935-623.

[8] California Department of Social Services. "All Tribal Leader Letter." July 26, 2022. https://www.cdss.ca.gov/Portals/9/Additional-Resources/Letters-and-Notices/Individual-County-Letters/All%20Tribal%20Leader%20Letters/ATL_(7-26-22).pdf?ver=2022-07-27-083939-863.