



# **Strategic Plan 2021-23**

Finalized March 2021

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# Introduction

## Why Planning, and Why Now?

Our plans for the future are what center us and propel us through uncertainty with our values, convictions, and priorities intact. Especially in times like the pandemic, strategic planning proves even more important, not less. As such, we've continued to push our strategic planning process forward even with the pandemic's strong influence on our day-to-day realities.

In preparation for this process, we have re-thought what we mean by "plan." A useful plan is never set in stone but provides a well thought out structure for action. It is not proscriptive, but indicative, of where to go and how to get there. In essence, a strategic plan is a plan to be strategic.

## About This Strategic Plan

Housing Matters has achieved much since our last Strategic Plan 2018–2020, reaching and even surpassing many of our goals. Our overall services and program mix are sound and becoming ever more refined in leveraging our core strengths. We are also financially strong but still subject to the economic pressures facing all organizations in our sector, particularly as the pandemic and summer wildfires contribute to homelessness and create uncertainties in funding.



Our biggest challenge during the period of this next Strategic Plan 2021-2023 is to secure consistent, reliable funds and other resources to fuel our critical work, together with key partners, to meet the increased level of need for housing in our community.

## In 2019, we set out to refresh and chart our next phase.

We began this planning process in the summer of 2019 by looking at Housing Matters from both internal and external perspectives. Conversations with our community partners were invaluable in

exploring crucial questions about our strategic direction and clarified for us that we needed to do more to connect, bridge gaps, and learn to step into a more deliberately collaborative leadership role.

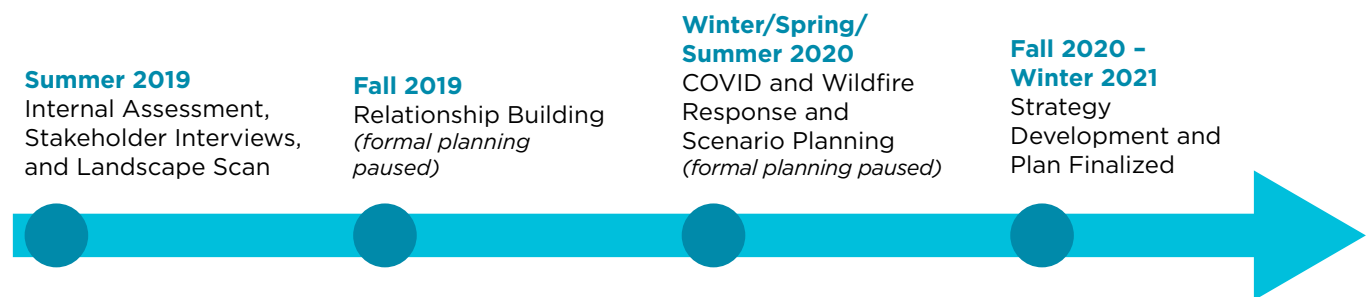
We paused our planning in the fall of 2019 to focus on this relationship building, recognizing that these connections were a crucial part of the foundation we needed in order to build the most impactful plan possible.

This pause was also needed to allow Santa Cruz County's assessment of the homeless services system of care to yield its initial findings, so we could ensure we were aligned; cross-agency alignment is critical to system-wide success.

The activities that took place during this planning pause — building relationships and reviewing the County's assessment — provided valuable insights that helped inform our larger vision. However, before we could resume planning in earnest, COVID changed everything.

The onset of the pandemic in 2020 pulled Housing Matters, our partners, and the community into crisis management mode. We engaged in ongoing assessment, response, and scenario planning to ensure health and safety while continuing to provide essential services. We changed what shelter on our campus can look like, with innovations like Pallet shelters, and we pursued timely opportunities to acquire property adjacent to our Coral Street campus that will further advance our strategic vision. In short, we developed, tested, and implemented new strategies that adapted our services to the realities of the pandemic, all in record time. The pandemic forced us to be nimble, and to quickly implement solutions that otherwise may have taken several months, or even years, to fully assess. We learned a lot in the process.

In fall 2020, we resumed our formal planning process, building upon what we had learned and road-tested in real time.



Over the course of the planning process, and indeed even during the pause in our process as we responded to the pandemic, we have reaffirmed our mission, vision, and values. We have taken a hard look at our business model and the ecosystem in which we operate. We have considered numerous alternatives to our current trajectory, and outlined specific goals for moving forward in priority areas for growth and change. We have also developed a strategy screen to help us evaluate and choose between different opportunities and programmatic strategies in the future.

The resulting plan focuses on building on our unique role as a provider committed to working with individuals and families to create pathways from homelessness to permanent housing. We will continue to grow and evolve the use of our campus to maximum impact, establish a navigation

center, strengthen our capacity as an organization, increase the impact of our community-based programs, and nurture and leverage our partnerships and leadership role for shared success.

The most important part of this plan is two-fold. First, the planning process in and of itself has been extremely valuable to our organization, as it has required deep introspection and a thorough evaluation of our strengths and our place in the local service provider ecosystem. Second, the Three Pillars we identified will be the most substantive guiding light in the utilization of this plan in the next few years. While the tactical planning related to the Three Pillars is beyond the scope of this document, the Three Pillars provide focused attention on the most impactful areas of growth in the years to come.

### **What this strategic plan does and does not do**

We developed this strategic plan during a year that has been remarkable in how demanding and rewarding it was, testing and shaping our organizational priorities, relationships, and responses to the demands of such uncertain times.

What this plan does is describe our strategic direction, specifically in terms of the Three Pillars, for the next three years in regards to solutions to homelessness. What it does not do is get at the root causes of homelessness, including, but not limited to: poverty, systemic inequities, the affordable housing crisis, and shortfalls of our social services systems. These contributing factors are deeply important, and they are currently outside of the scope of our day-to-day operations. However, our plan to invest in our role as a community leader in advocacy includes addressing these issues more fervently than we've had the capacity to do thus far.

This plan captures the best of our thinking today and will be dynamic, nimble, and responsive to whatever may unfold tomorrow. This plan will not sit on a shelf as an artifact of our planning process but will serve as an interactive roadmap for the future.

Our strategic planning journey has been—and continues to be—dynamic and adaptive.



# **PART I: BACKGROUND**

A look at who we are, what we do, and our key strengths, challenges, and opportunities

# Who We Are

The strategic planning process required us to take a hard look at our existing mission, vision, and values. After considering alternatives, our core competencies, and the needs of the community, we have recommitted to our mission, vision, and values moving forward.

## Mission

Housing Matters partners with individuals and families to create pathways out of their homelessness into permanent housing.

## Vision

We hold firmly to a vision that homelessness in Santa Cruz County should be rare, brief, and non-recurring.

## Values

- We stand for equitable and just treatment of all people.
- We treat people experiencing homelessness with dignity and respect.
- We empower our participants to move forward on their pathway to housing through establishing trusting relationships, providing safe, compassionate, and flexible services that meet people where they are.
- We provide leadership and advocacy for collective impact, and we support public policy that leads to a reduction and eventual ending of homelessness in Santa Cruz County.
- We value integrity and are accountable and transparent in all interactions.

Housing Matters uses a Housing First approach to resolving homelessness. Our programs and services touch every stage of the process of getting out of homelessness and into permanent housing.

# The Foundation for Our Strategy

This plan is built upon a 35-year history, rich with evolving programs, interagency coordination, and a commitment to systems change and improvement. It is important to understand where we are, and how we got to this strategic plan. This section outlines a snapshot of our core competencies and the process that led us to this guiding document.

## Planning Process and Inputs

In summer 2019, we convened a seven-member Planning Team representative of our board and staff leadership to guide the planning process. They engaged in a consultant-supported assessment of Housing Matters' organizational identity, strengths, challenges, and external operating environment.

In the fall, planning was paused to direct attention to relationship building with key partners and to monitor the County's planning process, happening in parallel.

In early 2020, COVID-19 response became top priority, and planning took a back seat to action. The summer wildfires further intensified demand for shelter, and the Planning Team engaged in

ad hoc scenario planning sessions to inform short-term emergency response and longer-term strategies.

In fall 2020, we resumed formal strategic planning sessions to reflect on lessons learned, refine our vision, and finalize a plan. (See Appendix for process detail.)

## Organizational Identity: Our Business Model



As part of the initial assessment and landscape scan phase, the Planning Team reflected upon, clarified, and affirmed the organization’s business model. This is a concise capture of what Housing Matters does, who it serves, how its work is funded, and the competitive advantage it leverages to achieve its mission.

### Who We Serve

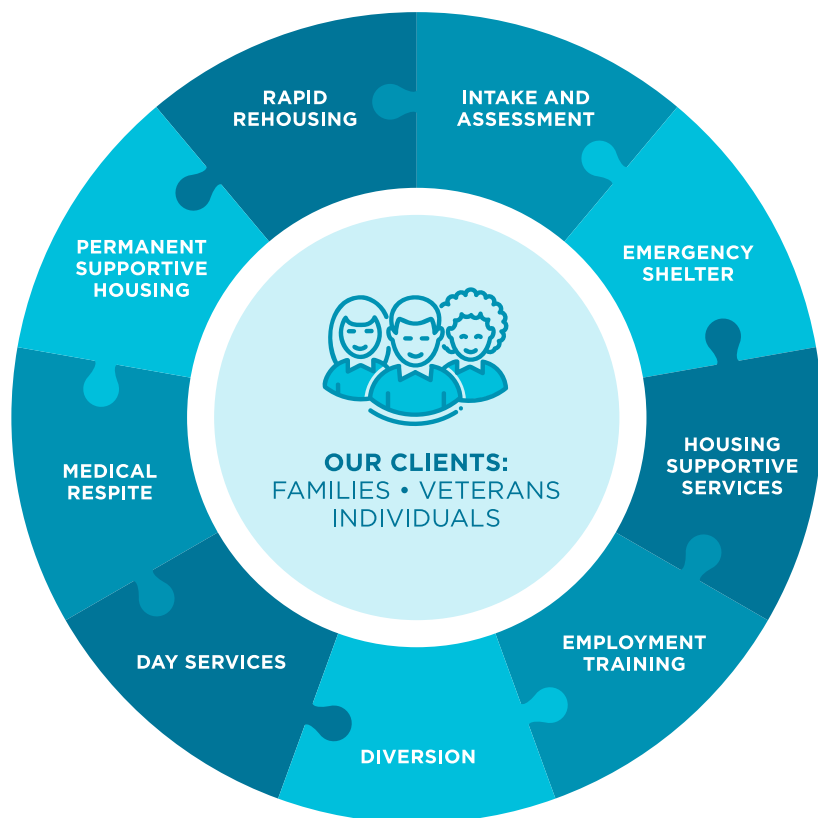
We serve individuals, veterans and families in the County of Santa Cruz who have been affected by housing insecurity. This includes those who are at risk of homelessness or are currently unhoused, as well as those who have recently experienced homelessness.

### What We Do

We partner with individuals, veterans and families with a wide variety of needs to identify and overcome barriers to housing, culminating in a transition out of homelessness and into stable housing; our programs and services each are designed to support this pathway to housing. Our

## HOUSING MATTERS PROGRAMS AND SERVICES

Personalized support, from first touch to permanent housing



**INTAKE & ASSESSMENT:** Connection to programs and services countywide

**EMERGENCY SHELTER:** A safe place to sleep with support toward housing

**HOUSING SUPPORTIVE SERVICES:** Personal support in getting connected with housing and staying housed

**EMPLOYMENT TRAINING:** Helping clients get more job ready

**DIVERSION:** Identifying alternative housing solutions

**DAY SERVICES:** Bathroom, showers, and mail room

**MEDICAL RESPITE:** Shelter focused on recuperation from a hospital stay

**PERMANENT SUPPORTIVE HOUSING:** Long-term housing with onsite support

**RAPID REHOUSING:** Short-term financial assistance



programs and services are robust regardless of location; we can also look more specifically at which programs are available countywide, and which are based on our north county campus.

### What We Do: North County

- Shelter Programs
  - Paul Lee Loft
  - Page Smith Community House
  - Recuperative Care Center
  - Rebele Family Shelter
- Day Services

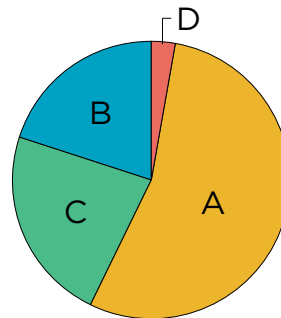
### What We Do: Countywide

- 180 Together Initiative
- Employment Program
- Outreach
- Supportive Housing Services
- Advocacy in the Community

### How We Support This Work

We leverage diverse funding sources, including:

- A) Government — federal/state/local/city (55%)
- B) Contributions — unrestricted funding (23%)
- C) Foundation & Corporate Grants (20%)
- D) Earned income (3%)



### Our Competitive Advantage

We are the only nonprofit organization in Santa Cruz County focused on whole system flow for a person or family experiencing homelessness—from outreach and intake to housing placement—as we meet people where they are and guide them along the path to housing.

### What We Learned

Our initial assessment, research and reflection yielded insights about the organization’s strengths, challenges, and opportunities, informing our strategy development.



#### Key Strength

Our campus is a major resource that enables us to provide a breadth of services meeting essential needs, leading with a Housing First approach. Our community-based programs benefit from our campus and its role as a central location for professionals and clients to collaborate with one another.



#### Key Challenge

Housing and homelessness policy is controversial but necessary for wider solutions. We can’t do it alone.



#### Key Opportunity

By being better partners and system leaders, we can build upon and amplify our strength as service providers and as advocates for our clients, our community, and our mission.

# **PART II: OUR FUTURE**

A look at the Three Pillars of this strategic plan,  
our decision-making screen, and how we fit into  
the larger picture

# Our Future Direction

We understand the extent to which Housing Matters is known for—even *known as*—our Coral Street campus. Our vision is about delivering services that are not bound by a single location but meet people where they are, anywhere in the county. Our strategic direction includes, but is not limited to, an expanded vision for our existing campus and a plan to develop a navigation center that goes beyond the traditional model. The expansion of this campus will also serve our community-based programs, as increased capacity results in more collaboration, greater expertise, and a stronger organization overall.

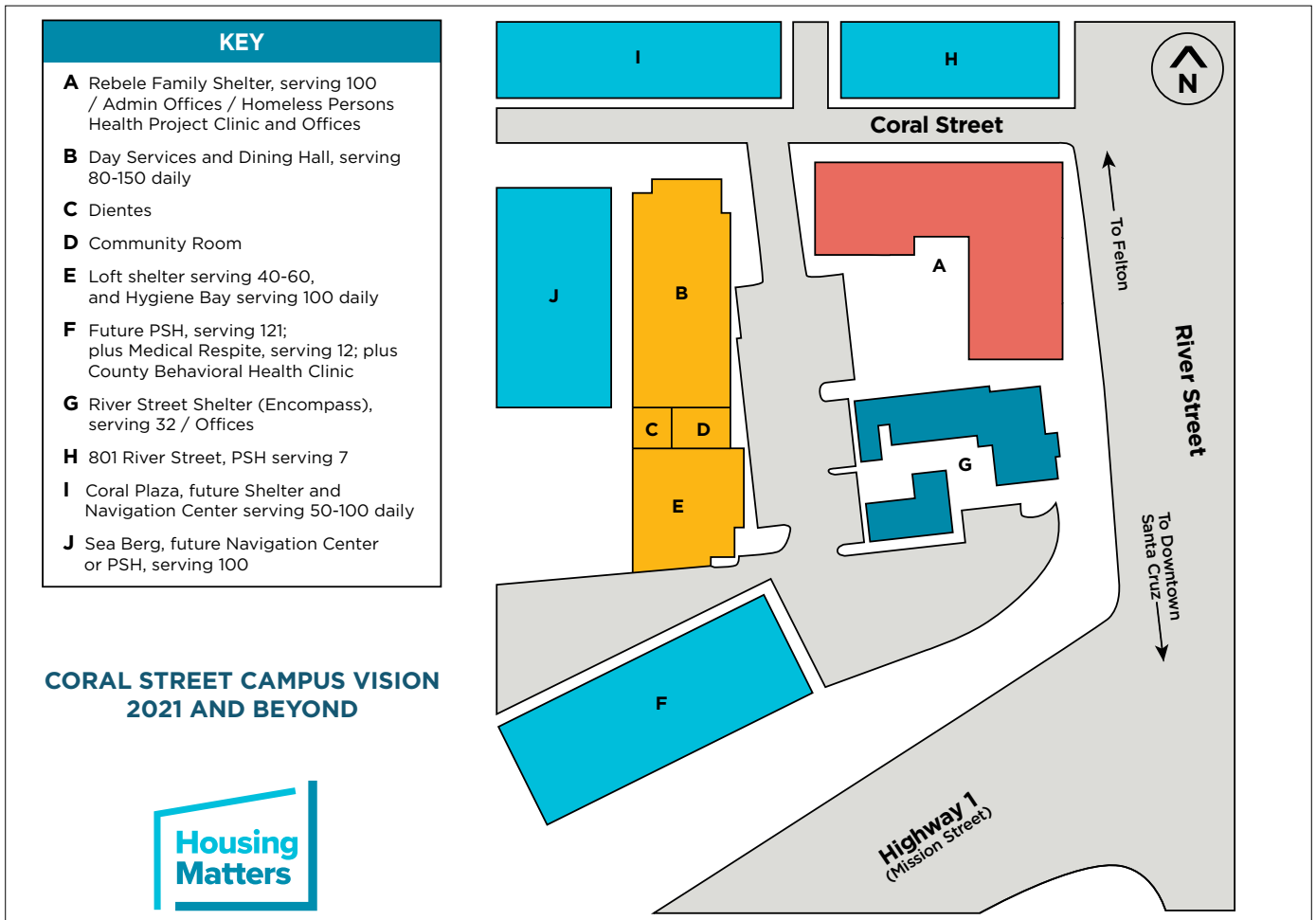
## A Two-Pronged Expansion of Services

We are focused on two main objectives during this plan. These objectives are supported by the Three Pillars, and will take place in the context of our history and any additional opportunities that may arise.

### 1) Enhance and Evolve our North County Campus

We are rethinking and redesigning our North County facilities to best meet evolving needs and opportunities. In 2020, we have already experimented with Pallet shelters as part of our COVID-19 response and are leaning into our clients’ feedback, specifically around the opportunity the Pallet shelters allow to have private space. We have secured property adjacent to our Coral Street campus, including the former Polar Auto site and 801/803 River Street. We will continue to grow and evolve our campus use to maximize our impact and improve how we serve clients.

Our strategic vision is to act creatively and deliberately in assembling and equipping a successful mix of programs and services at this expanded campus complex.



## 2) Establish a Navigation Center of the Future

Housing Matters will establish and be the operator of a new navigation center. We envision the navigation center as one of our most valuable tools for connecting people with housing and keeping them housed. A navigation center will also enable us to achieve expansion of our shelter capacity.

The COVID crisis has revealed the vulnerabilities of the traditional navigation center model, relying as it does on congregate shelter facilities. We will help redefine what the navigation center of the future can look like as a portal for moving people forward on their pathway to housing.

## Decision Making: Strategy Screen

We work in a dynamic environment where new challenges and opportunities emerge every day, and we are energized to meet them. As we focus on the strategic direction in this plan, we will remain attuned to developing circumstances so we can be responsive and adapt to meet the needs of our community.

As part of our strategic planning process, we developed and have implemented a set of criteria and questions to guide our assessment of emerging opportunities and determine what to say yes and no to. This will include a deliberate exploration of the following questions.

### *How does a new strategy or opportunity...*

...help us advance our mission?

...align with and advance the Three Pillars?

- 1) Does it help us house more people? How?
- 2) Does it leverage our advocacy and system leadership role? How?
- 3) Is it financially feasible and sustainable? Can we pay for it? What are the opportunity costs?

...address the needs of constituents we serve?

...leverage and strengthen our key partnerships?

...fit into our organizational capacity for implementation? What will it take?



## The Three Pillars: Priorities and Measurable Goals

### Three Pillars

Our strategic vision sets out the three-year direction for growth in our programs and services. The vision is supported, at its core, by three interrelated Pillars: Programs; Advocacy and System Leadership; and Organizational Capacity.

- Our **Programs** are where we excel in delivering services to clients.
- Our **Advocacy and System Leadership** role allows us to deepen our impact by working with key partners in coordinated, collective action.
- All this depends on our strong **Organizational Capacity**, healthy growth, and sustainability.

While we will continue our work across all our programs and services at Housing Matters, and will remain responsive to emerging needs and priorities, these Pillars serve to shine a bright light in areas that are most critical for us to advance our vision under this strategic plan. For each of the Pillars, we have laid out strategic priorities and measurable goals.

## Pillar **ONE**

### **Programs**

*Deliver effective programs that move more people into permanent housing*

We will continue to develop and deliver high-quality services that support the needs of the community and contribute to the County's priorities and goals.

We prioritize the most vulnerable people in our community in our program and services delivery, and will measure our effectiveness as follows:

- Number of people housed, prioritized by vulnerability index: Increase annual housing placements to 375 people by end of 2023
- How long they stay housed (retention): 90% of housed clients are still housed a year later
- Permanent Supportive Housing: bring online 127 new units by end of 2023
- Make significant progress toward ending family homelessness by 2025 as measured by functional zero for families\*

*\*When the number of families that are homeless is equal to the number of families that enter housing every month.*

## Pillar **TWO**

### **Advocacy & System Leadership**

*Advocate for community-wide collective action to reduce homelessness*

Housing Matters is a leading local expert in solutions to homelessness and a relentless advocate for Housing First principles, though this advocacy work has not yet been formalized. To continue to deepen our effectiveness as leaders across the system, we commit to developing a more robust and formal advocacy function at Housing Matters. To this end, we will:

- Define a policy agenda and priorities for deepening our influence
- Establish a committee of board and staff members to lead this effort, and monitor how we deepen our influence
- Build productive relationships with local, state, and federal policymakers to advance our policy agenda and support Housing Matters work

## Pillar **THREE**

### **Organizational Capacity**

*Build capacity to support organizational growth and ongoing sustainability*

To meet our aspirations in Programs and Leadership, we will work to ensure we have three critical resources: sufficient unrestricted funds, talented and dedicated people (staff and board), and the capacity to engage the community's will to work toward ending homelessness. Key measures will be:

- Create an 'Opportunity Fund' that is a board-designated reserve fund to take advantage of new opportunities
- Develop the skills and professionalism of our staff to meet a case management and program design standard for housing as healthcare
- Continue to develop policies and practices that make Housing Matters an employer of choice in our community, specifically in the social services sector

## Approach to Monitoring Progress

Our service mix and delivery is data-driven, and our commitment to improving our data collection and analysis continues into this new strategic plan. Our robust internal dashboard, which includes



data relevant to the array of our housing services and programs, will continue to serve as an important tool in measuring the Pillars outlined above. Our dashboard allows us to continually assess what we are accomplishing, what is working, emerging trends, and to identify and anticipate opportunities and areas that we need to address to fill gaps.

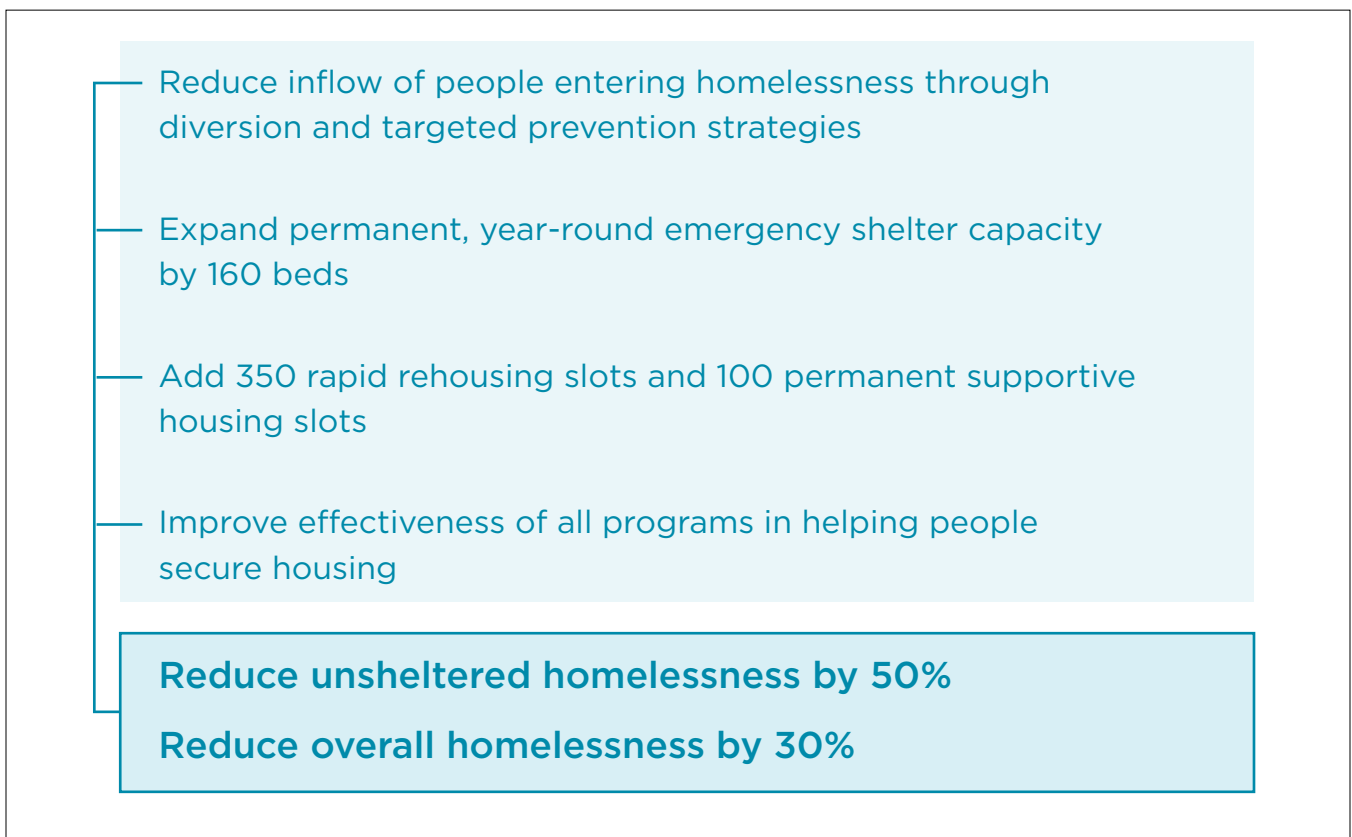
While the existing dashboard primarily supports measurement of Pillar One, we will continue to expand our culture of data-driven management to Pillars Two and Three. Our position as a nonprofit leader in the community provides the opportunity to model the best practice of using data as a management tool, potentially spurring system-wide change.

This strategic plan will be supplemented with a 15-month operations plan that is designed to both be a tool for monitoring progress toward our priorities and goals, as well as a way for us to make adjustments and remain responsive to changes internally and externally.

We are grounded by our strengths: we are data-driven, nimble, and responsive.

## Alignment and Coordination with County Priorities

Concurrent with our own strategic planning process, the County of Santa Cruz engaged in an assessment and planning process, working with consulting firm Focus Strategies to strengthen the structure and approach to addressing homelessness countywide. The result of this effort is the five-year Housing for Healthy Santa Cruz Framework below (*information from the Framework document*).



Housing Matters' strategies and goals are closely aligned to and support this framework, and will be a contributing factor in the achievement of the Housing for Health Santa Cruz Framework goals.

Housing Matters is committed to playing a leadership role and working closely with our sister providers and County of Santa Cruz partners to implement the Framework.

In addition to the above desired outcomes, the framework identifies four system-focused goals:

- 1) **Emergency Response/Temporary Solutions:** Stabilize and strengthen the emergency homelessness response, building up on lessons learned and preserving gains from the COVID-19 response
- 2) **Housing/Permanent Solutions:** Scale up capacity to provide housing "Exits" for people in shelter and who are unsheltered
- 3) **Strategies to Reduce Inflow:** Implement diversion and targeted prevention to reduce the number of new people becoming homeless
- 4) **Update System Infrastructure:** Implement a new governance, planning, evaluation, and communication structure

## Onward

After a thorough and unintentionally lengthy planning process, we are more confident than ever in our future direction. We commit wholeheartedly to:

- Enacting our two-pronged expansion of services
- Using our strategy screen for effective decision making
- Investing in the Three Pillars for sustainable, deliberate, and strategic growth
- Continuing to expand our data-driven management processes
- Partnering effectively with the County of Santa Cruz to ensure countywide achievement of mutual goals

We certainly have a busy three years ahead of us. We look forward to contributing to a healthier, more stable Santa Cruz County. Onward!

# **PART III: REFERENCE**

**Appendices and additional information**



# Appendices

## Elements of the Strategic Planning Process

The planning process included:

- Internal assessment: staff and board group discussions; interviews with staff leadership
- Landscape scan and examination of the external environment: research on other similar organizations in the region; key external stakeholder/partner interviews and engagement
- Participation in and monitoring of County of Santa Cruz planning process to ensure alignment
- Scenario planning sessions for COVID emergency response and longer-term strategy adaptation
- Ongoing engagement with full board at monthly meetings and annual board retreat for input

## Expanded Capacity: By the Numbers

This document includes plans to increase our shelter capacity, while also creating housing inventory. Here's a look at how the numbers pencil out.

Program	Current Capacity	Future Capacity	Program Type
Page Smith Community House	40	0	Shelter
Adult Shelter (overall)	57	160	Shelter
Day Services + Hygiene Bay	50	150	Day Services
Permanent Supportive Housing	0	128	Housing
<b>Totals</b>	<b>147</b>	<b>438</b>	<b>(mix of programs)</b>

Note that the above are rough numbers, based on the potential opportunities that may be coming our way during the scope of this plan. The program mix may differ from what is represented above, but the general idea is to increase capacity three-fold, using the Three Pillars and Strategy Screen set out in this document.

## External Stakeholder Interviewees

The following individuals were identified as key external stakeholders and were interviewed as part of the strategic planning process.

- Elissa Benson, Assistant County Administrative Officer at County of Santa Cruz
- Martin Bernal, Santa Cruz City Manager
- Ryan Coonerty, Third District Supervisor for Santa Cruz County
- Justin Cummings, Vice Mayor, City of Santa Cruz
- Zach Friend, Second District Supervisor for Santa Cruz County
- Tony Gardner, Consultant to Homeless Action Partnership
- Drew Glover, Santa Cruz City Councilmember
- Jamie Goldstein, Capitola City Manager
- Mimi Hall, Director, Santa Cruz County Health Services Agency

- Matt Huffaker, Watsonville City Manager
- Chris Krohn, Santa Cruz City Councilmember
- John Leopold, Board of Supervisors, 1st District
- Jessica Mancini, Program Officer, The David and Lucile Packard Foundation
- Monica Martinez, CEO, Encompass Community Services
- Cynthia Mathews, Santa Cruz City Councilmember
- Bruce McPherson, Board of Supervisors, 5th District
- Donna Meyers, Santa Cruz City Councilmember
- Susie O’Hara, Asst. to Santa Cruz City Manager
- Carlos Palacios, County Administrative Officer at County of Santa Cruz
- Rayne Perez, Homeless Services Coordinator at County of Santa Cruz
- Tina Shull, Scotts Valley City Manager
- Stephanie Sonnenshine, Chief Executive Officer, Central California Alliance for Health
- Ellen Timberlake, Director, Human Services Dept.
- Susan True, CEO, Community Foundation Santa Cruz County
- Martine Watkins, Mayor, City of Santa Cruz

*\*all titles/affiliations as of date of 2019 interviews*

## Glossary

The following terms are used throughout this document.

### Homelessness

Homelessness means, at its most basic level, being without a home; however, it’s a bit more nuanced than that. It’s really the experience of lacking fixed, regular, and — here’s the key — adequate housing. Shelter does not equal housing.

People staying in shelters are still homeless.

Homelessness is as diverse as the people living in our community. At Housing Matters we believe everyone deserves a permanent, stable place of their own to call home.

### Housing First

Housing First is a national best practice for ending homelessness, prioritizing housing over everything else. People in permanent housing can more effectively attend to matters of job training, substance abuse, behavioral health, and more. Housing Matters practices Housing First; housing is a foundation from which to tackle all life’s other challenges.

### Transitional Housing

Transitional housing is temporary housing for people that allows households to work on overcoming barriers they face in attaining permanent housing, such as saving money, building credit or rental history, and establishing a support network. It is often thought of as a type of shelter, though it is technically different; however, it is temporary in nature. Along with shared housing, transitional housing participants also receive support services to help them address the issues that may have led to homelessness in the first place. Transitional housing residents often pay a portion of their income toward rent.

## Permanent Supportive Housing or PSH

Permanent supportive housing, or PSH, combines affordable housing with support services to people who need support — without a time limit — in order to maintain their housing. Participants in PSH often struggle with physical disabilities or issues of behavioral health that affect their ability to live independently. PSH often includes access to on-site services.

## Case Management

Case Managers are the dedicated, hands-on coaches who help clients resolve their homelessness. Case Managers partner with their clients to understand and solve the barriers they face in getting housing. Case Managers are problem solvers who know the nuances of social services and housing in Santa Cruz County, and ensure clients are connected to all the services they need. They help clients find better jobs and be better tenants. They even support landlords.

## Supportive Services

Supportive Services is a catch-all term for any service that may help an unhoused person or family with their transition from homelessness into permanent housing. This can include goal setting, counseling, contacting landlords, rental subsidies, and connecting households to other resources. Supportive services also helps people retain their housing.

## Navigation Center

Navigation centers are one-stop-shops for someone experiencing homelessness. People can find shelter and access the supportive services they need to get back on their feet. Housing Matters already acts like an early-stage navigation center, with shelter and supportive services on campus.

## Shelter vs Housing

Shelter is a temporary place to sleep indoors. It is a stepping stone along the path to find permanent housing. Those living in shelters are still unhoused.

A shelter is a calm, stable place for someone to begin the journey to find permanent housing. At Housing Matters, we operate all our shelters as pathways to housing. All our shelter residents must be working on a housing plan. We welcome them with open arms and celebrate the day they leave us for a place of their own.

Shelter residents live in shared spaces. Shelters are temporary. Housing is permanent.

## Vulnerability Index

The Vulnerability Index, or VI Score, is, in essence, an assessment of a person's vulnerability while homeless. In plain terms, it measures how at risk of death while unhoused a person is. This score is used to match people with appropriate services. It also helps service providers triage, ensuring that the most vulnerable people experiencing homelessness receive services first.



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