Ending Homelessness: An Overview for Funders

Homelessness is a complex issue but it is not an unsolvable problem. It can be ended and philanthropy has a vital role to play.

Who is Homeless and Why?

People become homeless when they can't find housing they can afford. There is a scarcity of affordable housing in the United States, particularly in urban areas where homelessness is more prevalent. But the lack of affordable housing is only part of the picture. Poverty and unemployment usually are factors. And significant mental or physical disability, substance abuse, and severe trauma, such as domestic violence, often play a role as well.

For most people experiencing homelessness, it is a temporary crisis, usually lasting a few weeks. Most turn first to their personal support systems—staying with family or friends, for example—while trying to get back on their feet. But when those social supports fail, people turn to public resources in their community as a last resort. A fraction of people become "chronically homeless," which means they develop a long history of repeated homelessness and often struggle with a serious disability. People identified as chronically homeless are more reliant on public resources for emergency shelter and other crisis care.

Homelessness, temporary or otherwise, touches everyone—children and youth, people with diplomas and degrees, people with jobs and careers, people with immediate and extended families. This diversity presents a challenge to defining the size and scope of the problem of homelessness, but many communities now use point-in-time counts to gain a clearer understanding of homelessness.

A point-in-time count is an unduplicated count on a single night of the people in a community who are experiencing homelessness, including both sheltered and unsheltered populations. The U.S. Department of Housing and Urban Development (HUD) requires communities receiving certain federal homelessness assistance funds to conduct point-in-time counts every other year, but many communities do them annually. As part of the counting process, communities must identify each person counted as an individual, a member of a family unit, or an unaccompanied youth under the age of 18. In addition, communities must identify if a person is chronically homeless, indicating long-term or repeated homelessness and the presence of a disability.

According to HUD's *2011 Annual Homeless Assessment Report to Congress*, which relies on point-in-time counts for its data, nearly 640,000 people were homeless on a single night in January 2010—a two percent decrease over January 2010. Further, nearly 1.6 million people spent at least one night in an emergency shelter or transitional housing program in 2009.

Of the nearly 640,000 people who are homeless on any given night:

- Almost two-thirds are individuals;
- About 17% are chronically homeless;
- About 14% are military veterans; and
- More than one-third are in families (236,181 people comprising 77,186 families).

Further, the number of unaccompanied homeless youth is one of the most difficult to pinpoint because they are largely unconnected to public services, such as emergency shelters that often serve only adults or families. The U.S. Department of Education reported that more than one million homeless students were enrolled in local schools in the 2010-2011 academic year.

What Works to End Homelessness

Until recently, responses to homelessness largely served to manage the problem rather than end it. Dramatic increases in homelessness in the 1980s, coupled with the lack of affordable housing, meant that emergency shelters necessarily focused on giving people a place to sleep for the night. But, while access to temporary shelter is a very important part of the public safety net for people in crisis, we know that it doesn't prevent or end homelessness.

What does end homelessness is increasing access to affordable housing as well as preventive and supportive services that help those most at risk stabilize their lives. These "housing-based solutions" include:

- **Permanent supportive housing**, which combines affordable housing with supportive services that target the specific needs of an individual or family. HUD attributes national reductions in chronic homelessness (down 13% since 2007) in part to the increase in permanent supportive housing beds (up 42% since 2007).

■ **Rapid re-housing and stabilization services** focus on quickly moving people experiencing homelessness out of temporary emergency shelter and into permanent rental housing and providing supports to help them remain housed.

■ **Prevention** strategies, which keep at-risk people from becoming homeless, and **diversion** , which help those about to enter emergency shelter identify better options, are also important. These strategies include: military and institutional discharge planning, rental subsidies, emergency cash assistance for rent and utilities, help with locating housing and negotiating with landlords, short-term case management, and connections to mainstream social services.

Philanthropy's Role

You, as both funder and community partner, have an important role to play in promoting, sustaining, and amplifying the movement to prevent and end homelessness. We know what works: housing-based solutions combined with the right supports. Your role—philanthropy's role—is to be catalytic, to not only make effective grants to prevent and end homelessness, but to help lead our communities—through education and advocacy, coordinating, collaborating, and convening—toward the necessary systems changes that must accompany what works.

Grantmaking to End Homelessness

According to a 2004 report by the Neighborhood Funders Group, about one percent of total annual philanthropic funding goes to homelessness. Further, during the 1990s, more than 80% of that funding was focused on direct, temporary human services that ameliorated the effects of homelessness rather than preventing or ending it.

Given significant shifts in philanthropic priorities and the reductions in homelessness in some communities in recent years, we know that philanthropy has improved on that 80% figure and is now directing more of its funding toward what works to end homelessness. We also know that since 2004, organizations represented on the board of Funders Together to End Homelessness, collectively, have directed more than $200 million toward effective grantmaking to end homelessness.

Specifically, their efforts are focused on:

■ **Funding what works.** Proven solutions to homelessness include permanent supportive housing and rapid rehousing. Housing-based solutions like these must be accompanied by the supportive services—such as medical and mental health care and employment supports—necessary to help people remain in their homes. Also important is a coordinated process for entering the homeless response system as well as prevention and diversion strategies, such as rent subsidies and case management.

■ **Supporting research and the use of quality data.** We know housing-based solutions work to end homelessness because we have research and data demonstrating their effectiveness. There will always be a need for information about what works, what doesn't, and why. Particularly needed is research on special populations, including youth and the elderly, as well as research on effective prevention programs.

■ **Aligning with other community efforts to end homelessness.** Many communities have or are creating strategic plans to end homelessness that are focused on housing-based solutions. Funders can help launch, support, or otherwise participate in their community's planning efforts and then align their funding priorities with the plan. Funders also can work with other community stakeholders, including government, other funders, and providers, around aligning their own efforts with the plan.

■ **Supporting technical assistance and capacity building.** One of the biggest challenges, and an area in which foundations can play a crucial role, is helping established provider organizations, like emergency shelters and transitional housing programs, reorient their programs and policies and retrain their staff toward long-term housing.

■ **Educating and advocating.** Grantmakers can fund grassroots and other non-profit advocacy organizations to help create broad community support for housing-based solutions to homelessness.

■ **Expanding the supply of affordable housing.** Aside from supporting advocacy and education around the need for more affordable housing, funders can help expand affordable housing supply by working with their communities to establish housing trust funds and by making program-related investments that fund rehabilitation, development, and maintenance of housing units.

Leadership and Systems Change to End Homelessness

Effective grantmaking is the critical role that philanthropic organizations—large and small; family, community, corporate, or private; focused on homelessness or on a variety of social services—can and must play in ending homelessness. Whether you give $5,000 to a flexible fund that provides rent and utility subsidies to at-risk families or $25,000 to help a transitional housing provider become a permanent supportive housing provider or make a $100,000 program-related investment toward affordable housing expansion, your funding organization can help to end homelessness.

But most funders don't just make grants, they engage with their local partners and communities. Some also engage on a regional or national level. Your organization invests not just in individual programs and services, but in the overall success of our neighborhoods, communities, and country. Ensuring that your grants to end homelessness succeed also means helping to change—through quiet conversations or community-wide campaigns—the environment and public systems and policies that make the grants necessary in the first place. Not every funder will want to pursue all of the following suggestions, but these are the activities—aside from effective grantmaking—that define catalytic philanthropy.

Education and Advocacy

Philanthropic leaders, traditionally, have been hesitant about funding advocacy and about becoming advocates themselves. But education and advocacy are necessary to leverage broad-based support—from other funders, policymakers, providers, and the public—for what works to end homelessness.

Advocacy is different from lobbying, which is expressing a position on a specific piece of legislation to legislators or their staff. While funders can't lobby for particular bills, you can advocate on behalf of those who are most vulnerable in our society by educating policymakers and other community stakeholders about issues like homelessness and the potential for housing-based solutions to solve it.

In fact, communicating about what works to solve homelessness—including sharing data and outcomes—is critical to bringing housing-based solutions to scale in our communities.

Examples of education and advocacy activities include:

- Many communities have or are creating strategic plans to end homelessness that are focused on housing-based solutions. Funders can help launch, support, or otherwise participate in their community's planning efforts and then align their funding priorities with the plan. Funders also can work with other community stakeholders, including government, other funders, and providers, around aligning their own efforts with the plan.

- Supporting a strategic, community-wide public education campaign, including targeted messaging directed at policymakers, to build support for permanent supportive housing.

- Creating and disseminating a community-wide report card on homelessness to educate policymakers, providers, other funders, and the public about the quality and effectiveness of the homeless response system in your community, including recommendations for policy and systems changes.

- Funding development and implementation of an advocacy training program for the board members of non-profit organizations focused on homelessness and affordable housing.

Finally, private foundations can support public charities that lobby as long as you follow certain rules. You can't, for example, earmark grant funds specifically for lobbying.

Also, even though you are associated with a philanthropic organization, you still have rights as an individual to participate in the policy process. You may talk to elected officials about issues that are important to you as long as you make it clear that you are speaking for yourself and not your organization.

Funders Together to End Homelessness is developing specific guidelines for funders on advocacy and lobbying, which will be made available soon.

Coordinating, Collaborating, and Convening

Most foundations and other funders are familiar with the concepts of coordinating, collaborating, and convening. "Convening," in particular, is one of the most important functions philanthropy performs in our society, which is made up of many different sectors, systems, agencies, organizations, and stakeholders that often don't have the resources needed to coordinate with each other. The philanthropic sector can play a powerful role bringing together the myriad players, helping to interpret differing perspectives and find common ground, and identifying specific ways to work together for the benefit of all.

Examples of coordinating, collaborating and convening to end homelessness include:

- Sponsoring a community-wide meeting around the creation of a strategic plan to end homelessness or creation of a housing trust to support development of affordable housing.

- Creating a local network of funders that meets regularly to share information, compare notes, and strategize around their role in ending homelessness— ensuring that effective grantees are well-supported, technical assistance and capacity-building are directed toward programs that show potential, and that philanthropy speaks with a collective voice about solutions to homelessness.

- Facilitating the collection, management, and sharing of homelessness data across your community to help guide strategic planning and effective and efficient program operations.

- Developing a user-friendly, online database of homelessness resources in your community directed toward providers and consumers alike.

- Convening providers who target their services to homeless people (such as supportive housing programs) and representatives from other sectors that touch the lives of homeless people (such as health care, education, unemployment offices, and public transportation) to discuss how they can work together more effectively.

- Bringing together public and private sector representatives to better coordinate prisoner re-entry into the local community.