



Homeless Prevention & Re-housing: Effective and Efficient Use of New Federal Resources

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Virginia Coalition to End Homelessness

The Virginia Coalition to End Homelessness (VCEH) is the only statewide organization dedicated to preventing and ending homelessness in the Commonwealth of Virginia. VCEH advocacy and educational efforts have led to the creation of the vast majority of state funded programs for homeless prevention and assistance. We make ending homelessness a priority by bringing together the tools of community collaboration, advocacy, education and resource development and through the combined efforts of our individual and organizational members. VCEH promotes the understanding that there are solutions to homelessness and we can and must put in place a statewide system to prevent homelessness and rapidly re-house those who experience homelessness.

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This brief provides information on new federal resources for homeless prevention and re-housing. The newly established Homelessness Prevention Fund will be distributed through the Emergency Shelter Grants (ESG) program and will be available to communities very soon. The brief presents examples of effective use of the funds based on the best research and data available.

Recommendations

1. Use common program components and indicators across jurisdictions to make possible accurate statewide data on prevention and rehousing. Include a housing stability outcome goal for a certain percentage of clients to remain stably housed six months to one year later.
2. Define client eligibility as an individual or family: with income below 30 percent of the area median income, with insufficient resources immediately available to attain stable housing, has moved frequently because of economic reasons, is living in the home of another because of economic hardship, lives in a hotel or motel, is exiting an institution with no housing options, is residing in emergency shelter, or otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness.
3. Link the new Homelessness Prevention Fund to existing local ten year planning efforts to end homelessness to leverage and maximize resources and create a sustainable community wide system for prevention and rehousing.

Overview

Congress included, as part of the \$787 billion economic recovery package in the American Recovery and Reinvestment Plan, \$1.5 billion for prevention and re-housing activities for a Homelessness Prevention Fund to be administered through the Emergency Shelter Grant (ESG) program. Funding will be available to communities as early as April 2009 (definite dates not yet known.) Eligible jurisdictions¹ will have to complete a plan that outlines how the money will be spent.

The federal legislation outlines eligible uses of the funding in a way that allows for flexibility at the local level to implement a prevention and re-housing strategy that best fits the community's needs. Programs can be designed to include both primary and secondary prevention strategies. Primary prevention prioritizes those at imminent risk of homelessness including those exiting institutions, and secondary prevention focuses on rapid exit from shelter and prevention of lengthy or repeated homelessness and its negative consequences.

Housing Stability Outcomes and Statewide Data

President Obama has stressed that all measures included in the economic stimulus package will be subject to transparency requirements and localities will have to demonstrate effective use of the funds. We therefore must ensure that the Homelessness Prevention Fund is effective at preventing homelessness and reducing the number of people who experience homelessness in Virginia. The only sure way to assess whether or not the program is effective is to prove it with housing stability

¹ ESG funding is distributed by formula to state and several local governments in Virginia. For a list of Virginia's "eligible jurisdictions" (those who receive ESG funding,) see the "New ESG Funds - Purpose and Uses" section of this brief.

outcomes that demonstrate the percentage of people who remain stably housed after prevention assistance has been delivered (e.g., 90 percent of clients remain stably housed six months later.) This new funding also presents an opportunity to collect statewide data on prevention and rehousing and strengthen our case in the short-term future for additional funding for prevention and re-housing. But we will only have accurate statewide data if programs are consistent across Virginia.

Targeting

According to numerous national studies, the most common failing of local prevention strategies is that they target too broadly. “The people receiving the intervention are not uniformly at very high risk of homelessness, so relatively few would actually become homeless even without the intervention. Based on the goal of prevention, a prevention strategy is not efficient and “wastes” resources if it uses them to assist people who would not have become homeless without the service. Briefly stated, poor targeting leads to an inefficient strategy and inefficient strategies are rarely effective.”²

In addition, a study comparing poor housed and homeless families found that the single factor “facing eviction” predicted homelessness only 20 percent of the time.³ Additional indicators must be taken into account to ensure that prevention strategies target those most likely to experience homelessness. Two examples - one from Hennepin County, Minnesota, and one from Virginia Supportive Housing in Richmond - are included in this brief to assist communities with effective targeting.

Coordinating, Leveraging and Maximizing Resources

An effective prevention strategy leverages and connects to mainstream, private, and existing homeless assistance and housing resources and includes a plan for sustainability. Coordinating resources and programs stretches dollars further and maximizes impact.

Many Virginia communities have created local ten year plans to end homelessness⁴ that have begun implementing or have already implemented community wide systems, coordination strategies and prevention and re-housing programs. Local plans for the use of the Homelessness Prevention Fund should be aligned with priorities and strategies included in local ten year plans to end homelessness.

New ESG Funds - Purpose and Uses

The purpose of the funds is to prevent homelessness. There is no language included in the federal legislation that designates this funding only for those that can prove they have been evicted because

² Burt, M., Pearson, C., Montgomery A.E.. May 2005. Strategies for Preventing Homelessness. Washington, DC: U.S. Department of Housing and Urban Development, Office of Policy Development and Research.

³ Shinn, M., Baumohl, J. 1998. Rethinking Prevention of Homelessness. Washington, DC: Practical Lessons: The 1998 National Symposium on Homelessness Research, U.S. Department of Housing and Urban Development and the U.S. Department of Health and Human Services. August 1999.

⁴ Visit www.vceh.org for a list of and links to Virginia’s completed local ten year plans to end homelessness.

of foreclosure. And, as previously mentioned, threat of eviction is not an effective predictor of homelessness. A definition of “at risk of homelessness” includes the flexibility to serve those who are residing in emergency shelter and are at risk of continued and long-term homelessness.

Distribution - Eligible Grantees and Funding Allocation

Originating from the U.S. Department of Housing and Urban Development (HUD), the Homelessness Prevention Fund will be distributed to local and state government through the ESG program using the current ESG funding formula⁵. State government must sub-grant the funding to non profit and faith based organizations while local government can both sub-grant the funding and administer the program itself or choose a combination of the two. Note that not all local government entities in Virginia are eligible jurisdictions for ESG funding. Chart 1 lists Virginia’s existing eligible jurisdictions as well as the total amount of ESG funds received by the eligible jurisdiction in 2008. Chart 2 lists the allocations for the new Homelessness Prevention Funds according to HUD.

We estimate that Virginia will receive an increase of \$25 million over current ESG funding.

CHART 1

Virginia Emergency Shelter Grant (ESG) Awards (2008)	
Location	Amount
Virginia Non-Entitlement	\$1,673,895
Fairfax County	\$265,518
Norfolk	\$231,429
Prince William County	\$84,593
Richmond	\$219,823
Roanoke	\$81,810
Virginia Beach	\$109,437
TOTAL	\$2,666,505

⁵ The Emergency Shelter Grants program is a formula grant program that uses data from the Community Development Block Grants (CDBG) program as the basis for allocating funds to eligible jurisdictions. The CDBG formula uses several objective measures of community need: poverty, population, housing overcrowding, age of housing and growth lag.

Eligible entities for ESG include: (a) States: meaning each of the 50 States, the Commonwealth of Puerto Rico, and the District of Columbia; (b) Territories: the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and any other territory or possession of the United States; (c) Metropolitan cities; (d) Urban counties

CHART 2

New Homelessness Prevention Fund Allocations (HUD 2009)			
Location	Amount		
VA STATE PROGRAM	\$11,389,160	NORFOLK	\$2,097,079
ALEXANDRIA	\$512,214	PORTSMOUTH	\$724,490
ARLINGTON COUNTY	\$728,367	PRINCE WILLIAM COUNTY	\$789,775
CHESAPEAKE	\$507,406	RICHMOND	\$2,044,088
CHESTERFIELD COUNTY	\$515,089	ROANOKE	\$766,017
FAIRFAX COUNTY	\$2,462,398	VIRGINIA BEACH	\$1,010,599
HENRICO COUNTY	\$603,481		
NEWPORT NEWS	\$659,087		

Eligible Uses

The bill language included in the American Recovery and Reinvestment Plan outlines the following eligible uses:

- * Short-term or medium-term rental assistance
- * Housing relocation and stabilization services including
 - * housing search
 - * mediation or outreach to property owners (including after a client has received an eviction notice)
 - * credit repair
- * Security or utility deposits
- * Utility payments
- * Rental assistance for a final month at a location
- * Moving cost assistance
- * Other appropriate homelessness prevention activities (will include case management)

Data Collection

Grantees must collect data on the use of the funds awarded and persons served with this assistance in the Homeless Management Information System (HMIS) or other comparable database

Administrative Costs

Grantees may use up to 5 percent of any grant for administrative costs. Up to 1.5 percent of the total grant shall be available for staffing, training, technical assistance, technology, monitoring, research and evaluation activities

Timeliness

The American Recovery and Reinvestment Plan was signed into law on February 17, 2009, and HUD must issue guidelines within 30 days of enactment of the Act - by March 17, 2009.

Grantees must expend at least 60 percent of funds within 2 years of the date that funds became available to them, and 100 percent of funds within 3 years of such date.

Key Elements - Prevention & Re-housing

Listed below are key elements of an effective prevention and re-housing program - one that stretches dollars the furthest and is most likely to prevent people from entering the homeless assistance system. Examples of each element are included.

Determining Eligibility / Assessing barriers to housing stability

The effectiveness of any activity is only as good as the efficiency with which it is targeted to the families and individuals most likely to become or remain homeless without help.⁶ Threat of eviction alone is an ineffectual predictor of homelessness.

Households will be expected to independently sustain housing - subsidized or unsubsidized - after receiving prevention assistance. Barriers must be accurately assessed to ensure that these funds can effectively prevent homelessness and ensure housing stability for the particular household.

Resource: Virginia Supportive Housing - Housing Barriers Assessment

Resource: Hennepin County, Minnesota

Interventions

The new ESG funds can be used for: short-term or medium-term rental assistance; housing relocation and stabilization services including housing search, mediation or outreach to property owners (including after a client has received an eviction notice), credit repair; security or utility deposits; utility payments; rental assistance for a final month at a location; moving cost assistance; case management; and other appropriate homelessness prevention activities.

If a client's housing barriers can not be met by the above interventions, triage can link the client to a resource or program that can (e.g., permanent supportive housing, other longer term interventions.)

Resource: Finding Housing / Outreach to and Mediation with Landlords - Housing Broker Team, Norfolk

⁶ Burt et al

Tracking Housing Stability Outcomes

The purpose of any prevention strategy is to ensure that the family or individual does not enter the homeless assistance system and remains stably housed over a period of time. The only way to accurately assess effectiveness is to track housing stability outcomes. Communities will be required to use the HMIS system or other data collection method to collect data and assess housing outcomes.

Resource: National Alliance to End Homelessness - *What Gets Measured Gets Done: A Toolkit on Performance Measurement for Ending Homelessness*

Incorporating Prevention and Re-housing Into Your Current Programs

If you administer an emergency shelter or transitional housing program, you can incorporate elements of prevention and re-housing into your current programs, and are eligible to apply for these new funds. Several communities have established shelter diversion programs that make use of the current shelter framework. A shelter diversion program assesses the client's needs prior to entry into shelter, determines whether the client can be provided with prevention assistance instead of emergency shelter, provides the assistance, reduces the number of individuals and families entering shelter, and reserves shelter for those with long term barriers that are waiting for longer term supports.

Here are several examples.

* Example - Shelter Diversion - Columbus, Ohio

* Example - Rapid Re-housing in a Rural Community - Lancaster, Pennsylvania

Additional Tools & Resources

Visit www.vceh.org to access the following resources.

1. Visit www.vceh.org to access the examples provided in this brief.
2. For the language establishing the Homelessness Prevention Fund included in the American Recovery and Reinvestment Plan, go to <http://www.vceh.org>
3. For a list of Virginia's *completed* local ten year plans, visit www.vceh.org
4. Burt, M., Pearson, C., Montgomery A.E.. May 2005. Strategies for Preventing Homelessness. Washington, DC: U.S. Department of Housing and Urban Development, Office of Policy Development and Research.
5. Culhane, D., Metraux, S. 2008. Rearranging the Deck Chairs or Reallocating the Lifeboats?: Homelessness Assistance and Its Alternatives. Chicago, IL: Journal of the American Planning Association, Vol 74, No. 1, Winter 2008.
6. For more information on the rapid re-housing program in Lancaster, Pennsylvania, visit the website of the National Alliance to End Homelessness and the archived audio conference "Strategies to End Rural Homelessness"

<http://www.endhomelessness.org/content/article/detail/1954>
7. For more information on a program preventing eviction from public housing administered by Volunteers of America, Louisville, Kentucky, visit the website of the National Alliance to End Homelessness and the archived audio conference "Emergency Prevention Programs"

<http://www.endhomelessness.org/content/article/detail/1988>
8. ESG Desk Guide. U.S. Department of Housing and Urban Development, Homelessness Resource Exchange. hudhre.info
9. Friedman, D.H., Raymond, J., Puhala, K., Meschede, T., Tripp, J., Kala, M. June 2007. Understanding Boston - Preventing Homelessness and Promoting Housing Stability: A Comparative Analysis. Boston, Massachusetts: The Boston Foundation and The Center for Social Policy, McCormack Graduate School at University of Massachusetts - Boston.
10. Culhane, D., Metraux, S. 2008. Rearranging the Deck Chairs or Reallocating the Lifeboats?: Homelessness Assistance and Its Alternatives. Chicago, IL: Journal of the American Planning Association, Vol 74, No. 1, Winter 2008.