

Housing First

Will Help End Homelessness

In June, 2005, United Way of Dane County and the Housing in Action Leadership Team approved a plan to reduce the rate of family homelessness in Dane County 50% by 2010. One of the four main strategies of the plan was a model of housing called Housing First. This program places families as quickly as possible in permanent housing, and then provides intensive home-based case management and stabilizing support services to prevent a recurrence of homelessness.

The purpose of this Impact Report is to present the case for implementation of the Housing First model and methodology to implement it throughout Dane County. Our original plan was to serve 30 families annually beginning in the third year of the aforementioned plan and permanently place 90 families by the end of the fifth year. Upon further evaluation, we now propose a Dane county solution that will serve 45 new families each year. The annual cost will be \$420,000 the first year, with slightly increasing costs each year until full implementation in the tenth year, at which point maintenance mode costs will be greatly reduced as we will have eliminated the back-log of need.

Expenditure	Total Budget
Real Property Leasing	\$146,425
Support Services	\$210,500
Operations	\$45,000
Administration	\$17,428
Total	\$419,353

Moving Beyond Managing Homelessness

The traditional approach to addressing family homelessness in Dane County has been managing the problem by providing case management services once a family seeks emergency shelter. This typically includes the following services: shelter and basic necessities, assessment, development of a service plan, referrals for services, on-site medical clinics, child care, employment assistance, adult education/training, on-site food pantry, assistance with transportation, tenant education workshops, financial assistance to help pay application fees and security deposits, and linkage to transitional or permanent affordable housing. These programs are important in that they address many vital needs of homeless families. Nevertheless, recent research has brought the quality of this approach into question.

Annually, over \$9 million of public and private funds are spent on the homeless shelter system in Dane County. Despite these ongoing expenditures, there continue to be nearly 500 homeless children served annually in Madison Schools ('05-06 data) and 1,432 families with children who are homeless in our community. Of the homeless in our community, 41% are in families, including minor children, while 42% are single men and 15% single women.

Given the growth in both the numbers and proportion of children and families who are homeless, the cost to the system and especially the cost to those children, it is time we rethink our approach and our goals related to homelessness. As a community, we must move from managing homelessness to reducing homelessness.

The Housing First Model

Traditionally, when families are first homeless and in shelter, the focus has been on providing them with services to make them “housing ready,” then moving them into permanent housing. Housing First flips this approach, re-housing families as soon as possible and providing services second. This approach to service provision eliminates or minimizes the negative effects that shelter life has on families and children. The logic behind the Housing First approach is that many families cannot have a sense of stability until they have permanent housing. The feeling of instability caused by homelessness makes it difficult for families to concentrate on other aspects of life, such as employment, substance abuse treatment, or mental health treatment. Children in homeless families are unable to concentrate on learning at school. Helping families access permanent housing at the front-end of services allows them to focus their full attention on their other needs. As a result, they are more likely to be successful in addressing these issues in the long-run.

The Housing First model has three critical components¹:

- 1) First, provide crisis intervention, emergency services, screening, and needs assessment. Case managers at intake identify the challenges and resources that will affect a re-housing plan.
- 2) Next, help the family access housing. This may include help finding units, accessing subsidies, negotiating leases, and overcoming poor tenant history and bad credit discrimination.
- 3) Finally, provide traditional case management services, such as employment-related services. Case management may be short-term or long-term depending upon individual need. These case management services continue even after a family is re-housed (whereas, services in the

traditional approach end once a family leaves shelter).

Housing First Vs. the ‘Old Model’		
Service Area:	Old Model:	Housing First:
Housing services	Stabilize families in transitional housing (shelters) first. Family saves up for rent and security deposit	Quickly get people quickly into permanent housing. Offer services to both landlord & client.
Crisis Intervention	Focus on creating a short term solution, focus on other than housing search	Only a small and time-limited component prior to acquiring housing
Financial Aid	Not a primary focus until out of shelter.	Help people access it to cover move-in costs and help with short-term rent.
Case Mgt. and Service	Most intense when in shelter, seldom available after housed.	Continue support after they have been re-housed, up to 1 year

The Housing First model has been implemented with positive results in communities across the United States, including Boston, Chicago, Columbus, Philadelphia and Minneapolis.

In Spring 2006, two representatives from Hennepin County (Minneapolis) came to Madison to speak at a housing case management symposium about the Housing First program in their community, which is named Rapid Exit. The Rapid Exit program works primarily with families with “high” to “severe” housing barriers, yet has a 91% success rate after one year and 85% after two years. (Success is defined as a family not returning to shelter.) For those families that did return to shelter, the average stay was less than ten days.² Similar success rates have been reported by Housing First programs in other cities.

¹ National Alliance to End Homelessness, 2006

² Hendrickson, 2001

United Way of Dane County initiated Madison's pilot Housing First model in the fall of 2006 by providing funding to Porchlight, Inc. The first three homeless families that came to the attention of the Madison Metropolitan School District in November 2006 were referred to Porchlight for housing and services. Porchlight owns the apartments that are being leased to these families, and therefore, the agency is both the service provider and the landlord, which is not true of all Housing First programs. Porchlight paid the security deposit for these families and rent will be subsidized to equal 30% of the families' monthly income, even if that means \$0 with the funding from United Way. While families are living there, they are required to work full-time (or have approval to work fewer hours) and complete a money management course. According to Steve Schooler, the executive director of Porchlight, two of the families have excelled in this program. The third family had initial struggles, but they are "making small improvements in terms of outcomes."³

Implementation

The three Dane County agencies providing emergency family shelter developed this model, based on successful models elsewhere. It will be a collaborative effort between the Salvation Army, Interfaith Hospitality Network, and the YWCA. It will serve low-income homeless families. There will be two goals for families accepted into the program: 1) move them quickly out of shelter into permanent housing, and 2) help them successfully maintain stable housing. It will serve 45 families per year.

As a measure of success, we aim for 80% of participating families to maintain housing for 12 months.

Services will include:

- Assistance in finding an apartment (each family will sign its own lease)

- Ongoing case management for 12 months
- First month's rent, security deposit, and sliding scale rent subsidies during the following 11 months
- Employment and training services
- Tenant and financial education
- Development of an savings account, incorporating matching Individual Development Accounts when possible
- Outreach and incentives to landlords, including help with eviction costs as needed

Program Participants

Participants will be obtained through school referrals and homeless family shelters in Madison. During the first few appointments, participants will be assessed by case managers to determine eligibility, including relationships with the Dane County community. Once eligibility has been determined, participants will be referred to the program. Some families may be referred directly from the shelter waiting lists. All participants served will be very low-income (<30% county median income) homeless families from Dane County who have requested shelter.

% of County Mean Income	Below 30%
Income per month, based on HUD '07	Less than \$1,658
Income for rent (30%)	Less than \$497
Common Occupations within income level	Food Prep, Dishwasher Cashier, Parking Lot Attendant, School Bus Driver, Wait Staff Home Health Aide

Funding

The community investment is \$465,990 in year one, to successfully provide rapid re-entry and case management for 45 families. If we could make this goal for 10 years for 45 new families each year, we could effectively make family homelessness a rare and short-term problem for this community: 45 families x 10 years = 450 families. That would eliminate the back log of Dane County families, the numbers of which have grown substantially in recent years. The ten year cost of \$5,709,667 is based on the current level of homelessness, including seriously compromised doubled up families in our community. It adjusts for increased repair and maintenance costs.

³ S. Schooler, personal communication, December 14, 2006

National Results


In 2000 LaFrance Associates¹ conducted systematic research into existing programs operating under the model called Housing First. As discussed earlier in this report, this model places families as quickly as possible in permanent housing, and then provides intensive home-based case management and stabilizing support services to prevent a recurrence of homelessness. The results found by LaFranc Associates demonstrated that 80% of families moved into permanent housing retained their housing for at least one year.

¹ 2002-2007 LaFrance Associates, LLC
Research on Housing First Results

Special Cases

A study of the NY Families First program in Westchester County New York found that homeless mothers with mental health or substance abuse problems who are together with their children can achieve better mental health and housing outcomes when rapid placement into community housing is augmented by short-term case management.

6 Key Housing First Elements:

		
Crisis Intervention and Assessment:	Begin at referral vs. after housed	<small>what matters.</small>
Housing Search:	Who provides services Who provides subsidy Blend or separate from Case Management Incentives for Landlord	
Services and Case Management:	Voluntary vs. mandatory Partnership vs. Not Length of time available When to replace with mainstream and community	
Financial Assistance:	What level if any to provide Housing related Stability related	
Leasing:	Participant leaseholder vs. agency Lease vs. sublease vs. subsidy agreement	
Housing:	Scattered site vs. project based Owner operated vs. market rentals Mainstreamed/Mixed Use vs. dedicated/ isolated	

The following table contains data for five existing Housing First model programs. Their success is evident.

Individual Program Data Results from "Housing First" Model Research	
Program:	Results:
Beyond Shelter	Assessed three years after housing placement
Anchorage, AL	88% were still in permanent housing
	66% were still in their same apartment. Participants who had moved were living in similar or improved housing.
	80% were paying their rent on time
Rapid Exit	Assessed two years after program entry, 85% of families remained in permanent housing.
Hennepin County, MN	For families who did return to homelessness, homeless episodes were reduced from 30 to 10 days
Community Partnership for the Prevention Homelessness Montgomery County, MD	Placed 199 homeless families in permanent housing in from FY 2000-02
	77% of all families (199 out of 259) served were housed in permanent, safe, and stable housing.
Family Housing Collaborative	Between July-December 2002, 128 households were served.
	128 families served, 51 of 71 families who exited the program were in permanent housing at time of exit. Ave. stay 17 days (80% success)
	Moves families out of shelter within an average of 17 days.
Shelter to Independent Living	In 2003, 78% of families who entered the program moved into permanent housing.
	On average, 70-80% of the families move into permanent housing.
	Of these, 70-80% retain their housing for at least one year.
Lancaster, PA	

Further Analysis

Models for our Housing First exist, but United Way's application of the Housing First model is cutting edge in nature:

- It originates from the homeless shelter system with the greatest potential for system change
- It includes the gatekeeper for all family homelessness in the community
- It is supported by the entire Homeless Consortium, the continuum of care for Dane County, placing it in the mainstream of community services.
- It includes case management and financial counseling as a core element.

While community partners in Dane County have widely accepted eviction prevention as a priority and most include it in case management services, many local service providers have been apprehensive to accept the Housing First model. Some feared that this model is what the Institute for Children and Poverty at one point described as a "formula for failure," based on their fears of what it would do to the core shelters providing service. With continuing research and implementation, United Way educates partner agencies regarding the successes of this model in other communities and to encouraged partners to implement it here in Dane County. From a policy perspective, United Way has been a progressive force that has obliged homeless service providers to be innovative and to offer evidence-based interventions.

One of the exciting aspects to this approach to reducing homelessness is that it is strength-based. The ability to focus on eviction prevention and re-housing families quickly relies on the belief that at-risk or homeless families have the ability to remain in permanent housing. Eviction prevention and Housing First strategies recognize the resourcefulness and resiliency of families and incorporate these strengths into case plans.

Impacts of Shelter on Family

Throughout most of the year, there is a waiting list for Dane County's homeless family shelters. In 2006, as many as 130 families per day were waiting for shelter during the busiest summer months. Once in shelter, families have a difficult time finding permanent housing, often due to low or no income and poor housing references. The average length of stay in family shelters ranges from 56 to 71 days. While in shelter, families receive case management services, but in most cases, those support services end when the family leaves shelter.

Studies indicate that living in a shelter has a negative impact on families and further increases dependence on outside systems for assistance. Shelter life puts a strain on relationships. Many families have difficulty adjusting to fitting in, lack of privacy, and disconnection with extended-family, friends and schools.⁴ A family's entrance into the shelter system is characterized by "decreasing interpersonal responsiveness, increasing passivity, and increasing independence on others outside the family system."⁵

Service providers themselves can negatively impact families. Their role in helping may unintentionally cause parents' roles as caretaker, provider, and protector to become fragmented or ambiguous.⁶ This disruption in familial roles and expectations has negative consequences on familial functioning, particularly in regards to deviant behavior and discipline.⁷ Even after families leave shelter and find stable housing, homelessness and shelter life have a "lasting, detrimental effect" on family stability and appear to intensify familial dysfunction.⁸

⁴ Part et al, 2004, research from Nat'l Alliance to End Homelessness

⁵ Grunberg & Eagle, 1990, "Shelterization, Psychiatric Journal

⁶ Davey, Improving Strategic Housing Groups 2004

⁷ Davey, 2004

⁸ Shin & Baumohl, "Rethinking the prevention of homelessness," 1999.

Eviction Prevention

While Housing First works with those families who have just become homeless, it is essential that we also focus on preventing homelessness from occurring in the first place. One of our key strategies is eviction prevention, which is important for the following reasons:

- There is limited affordable housing in our community, and it can often be difficult for a family to find a new home that has affordable rent.
- If a family has a housing subsidy (e.g. Section 8 voucher), they often lose the subsidy when they lose housing.
- An eviction results in poor rental history and an eviction record, which make it much more difficult to lease a new apartment.

United Way and partnering agencies have been successful in identifying and implementing a broad range of tactics aimed at eviction prevention.

One tactic is the maximization of income available for rent through the utilization of community resources. For example, United Way invested 7.9% of its housing budget (\$84,602) in 2006 into two programs that help families to access surplus food and free clothing. Service providers in the community are also helping families increase income by applying for food stamps, utility and energy

assistance, Earned Income Tax Credit, and free- and reduced-lunch programs.

Another tactic is to provide emergency funding or subsidies to families in crisis in order to prevent eviction. By providing support in a time of emergency, we can prevent families from entering the cycle of homelessness, which is better for the family and more cost effective.

An emerging tactic related to eviction prevention is to provide case management services that preserve tenancies by supporting landlords, offering financial education to tenants, and mediating relations between tenants and landlords. In late 2005, United Way provided funding to develop this tactic by piloting the Building Bridges program. Building Bridges works with clients that landlords have identified as facing eviction. The case manager helps these families achieve housing stability through financial counseling and linkage to eviction prevention funds. Landlords allow these families to remain as tenants if they comply with the Building Bridges program. This program has shown promising results and will likely be expanded within the next year.

Nonetheless, even as eviction prevention efforts expand throughout Dane County and show impressive outcomes, families are continuing to become homeless and there is a persistent need for services like Rapid Re-Housing to help these families.

Ten Year Cost Analysis:

Year 1	2	3	4	5	6	7	8	9	10	Total
\$440,990	\$40,000	\$20,000								
	\$454,220	\$41,200	\$20,600							
		\$467,846	\$42,436	\$21,218						
			\$481,882	\$43,709	\$21,855					
				\$496,338	\$45,020	\$22,510				
					\$511,228	\$46,371	\$23,185			
						\$526,565	\$47,762	\$23,881		
							\$542,362	\$49,195	\$24,597	
								\$558,633	\$50,671	
									\$575,392	
\$25,000 ⁹	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
\$465,990	\$499,220	\$534,046	\$549,918	\$566,265	\$583,103	\$600,446	\$618,310	\$636,709	\$655,660	\$5,709,667