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News Advisory

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Nine Partners Join Together to Galvanize a National Effort to End Long-Term Homelessness

Washington, D.C., November 23, 2004

An unprecedented collaboration of nine national foundations, nonprofit organizations and financial institutions today announce a partnership to galvanize leadership and dollars to bring an end to long-term homelessness over the next decade. The Partnership to End Long-Term Homelessness will dedicate more than \$37 million in grants and loans to the Corporation for Supportive Housing (CSH), the National Alliance to End Homelessness (NAEH) and other groups working to end long-term homelessness. The Partnership also aims to leverage several billion dollars from the public and private sectors for the capital, operating, and service costs of supportive housing.

At the same time, new data is being released from nine cities across the country that builds on earlier data which demonstrated that "supportive housing" can be a cost-effective solution to long-term homelessness. The new data was prepared by The Lewin Group, a policy analysis organization in the Washington, D.C. area.

The Partnership includes The Conrad N. Hilton Foundation, The Rockefeller Foundation, Fannie Mae, The Robert Wood Johnson Foundation, Melville Charitable Trust, Fannie Mae Foundation, and Deutsche Bank - each of which have committed \$1 million or more to the effort. It also includes the Corporation for Supportive Housing and the National Alliance to End Homelessness, that will be responsible for implementing the Partnership's strategy to end long-term homelessness by raising public awareness and creating 150,000 supportive housing units across the nation within ten years.

"The Partnership was established in recognition that chronic homelessness is an issue that cuts across many funders' interests from housing, to health and health care, to mental illness, to child welfare, to prisoner reentry, to poverty and community development, as well as homelessness. No single funder or provider can do it alone and we cannot do it without the involvement of both the private and public sectors," said Risa Lavizzo-Mourey, President and CEO, The Robert Wood Johnson Foundation. "We encourage other foundations, corporations, and providers at the national, state and local levels to join us and work together to put in place a solution to chronic homelessness."

Approximately 250,000 individuals and 15,000 families in the U.S. are believed to be chronically homeless. Many people who face chronic homelessness also confront severe mental illness, drug addiction, or chronic illness such as HIV/AIDS, and many are victims of trauma. They are people who become homeless on multiple occasions and often for years on end. They cycle through shelters, jails, emergency rooms, treatment centers and end up living on the streets at a tremendous cost to themselves and to society. Supportive housing is a cost-effective and proven strategy to break that cycle. It encourages independence by combining permanent housing with health, social and employment services that help stabilize and support residents.

"As Americans gather for Thanksgiving this year, it is a good time to recognize that supportive housing presents a cost-effective solution to the seemingly intractable issue of long-term homelessness," says Carla Javits, President and CEO, Corporation for Supportive Housing. "Fast forward ten years. If we fully leverage the opportunities created by this unprecedented Partnership, we will sit down at the Thanksgiving table in 2014, grateful that our poorest, most vulnerable citizens are now living in decent housing with the support they need to be as healthy and independent as possible."

A financial analysis by the Lewin Group examines the daily cost of supportive housing in San Francisco, Los Angeles, Atlanta, New York City, Columbus (OH), Chicago, Boston, Seattle, and Phoenix. The results show that a day in supportive housing costs significantly less than a day in a shelter, jail or a psychiatric hospital. For example, in New York City, a day of supportive housing costs \$31.23, compared to a day in jail (\$164.57), a psychiatric hospital (\$467) or community hospital (\$1,185).

Previous studies have shown that when formerly homeless individuals use supportive housing, they experience a 58 percent reduction in emergency room visits; 85 percent reduction in emergency detoxification services; 50 percent decrease in jail time; and a 50 percent increase in earned income. More than 80 percent stay housed for at least one year.

"The time is right to take advantage of a rare consensus about the solution to long-term homelessness, and growing momentum as the Administration, Congress, and communities across the nation have adopted the goal of ending chronic homelessness in ten years," says Nan Roman, President and CEO of the National Alliance to End Homelessness. Many states, cities and county governments are developing ten-year plans to end homelessness. The Congress is considering new bipartisan legislation (the Services to End Long Term Homelessness Act) to increase the funding offered for supportive housing by the U.S. Department of Health and Human Services - Substance Abuse and Mental Health Services Administration.

With the new funding, the Corporation for Supportive Housing will expand its role as a financial and technical assistance intermediary to spur the development of supportive housing nationally, primarily by:

1. Working with and funding local organizations to create more supportive housing.
2. Simplifying public and private sector financing and creating incentives to encourage greater development of supportive housing.
3. Continuing to develop cost-effectiveness data to encourage increased investment in supportive housing.

New funding for the National Alliance to End Homelessness will help it to broaden its focus on supportive housing as an alternative to long-term homelessness by:

1. Leading efforts to ensure that there are adequate federal resources to provide rent subsidies and funding for supportive housing.
2. Working with cities and states to engage them in the initiative to end long term homelessness.
3. Promoting awareness of the factors that contribute to long-term homelessness.

Together, the two organizations will:

1. Build the capacity of states and communities to prevent people from becoming homeless for the long term.
2. Help state and local governments work together, with the goal of making sure frequent users of hospitals, jails and other institutions are moved to supportive housing rather than homelessness.