

Recommendations: Using the New Prevention and Re-Housing Funds

Congress recently passed an economic recovery act that includes \$1.5 billion for a Homelessness Prevention Fund to pay for homelessness prevention and re-housing. This fund provides a tremendous opportunity to prevent or end homelessness for many Americans that will otherwise become homeless because of the recession. However, even with a \$1.5 billion allocation, there are not enough resources to adequately serve everybody who is homeless or at risk. Below is an overview of the Alliance's principles for achieving the maximum benefit from these funds.

Prevention, Diversion, Re-housing. An effective prevention and re-housing system has three layers: prevention, shelter diversion, and Rapid Re-housing. Balancing these activities ensures that people do not have to enter shelter to receive assistance and that people can still get assistance if they do become homeless.

Targeting Prevention to People Most Likely to Become Homeless. Prevention programs that have an impact serve people who have a significant likelihood of becoming homeless. Local data about the pathways into homelessness is ideal for targeting prevention assistance. Risk factors that have been identified in several communities include:

- Income below 15 percent of area median income
- Families with children who are secondary tenants (doubled up)
- Have a young child (under age 2)
- Prior episode of homelessness
- Experienced domestic violence in the past 30 days
- Serious mental illness
- Currently experiencing a housing crisis (dangerous conditions, eviction)
- Experienced 2 or more moves in the past year
- Under age 24 and were in foster care at some point
- Eviction from public or assisted housing
- Missed 2 or more appointments with a caseworker

Flexibility and Outcomes. Communities that have successfully implemented prevention and re-housing programs have the following common elements.

- They encourage flexibility to help overcome a variety of obstacles to permanent housing;
- They focus almost exclusively on the outcomes of preventing homelessness and quickly moving people into permanent housing; and
- They provide just enough assistance to prevent or end an episode of homelessness, stretching resources as far as possible.

Coordination with Other Resources. Numerous other resources are available to supplement Homelessness Prevention Funds. For example, States are receiving additional funding for Temporary Assistance to Needy Families (TANF) that can be used to provide short-term rent assistance and other help that effectively prevents or ends homelessness.

Systems Transformation. In addition to preventing increases in homelessness due to the recession, the Homelessness Prevention Fund offers a once-in-a-generation opportunity to transform homeless assistance to be more effective and efficient. Communities can capitalize on this opportunity by setting up a common way to assess housing needs and shifting the focus from providing shelter to preventing homelessness and quickly re-housing people who do become homeless.

More information can be found at www.endhomelessness.org.