

STRATEGIES TO SECURE AND EXPAND FUNDS FOR RAPID RE-HOUSING



This brief is designed to help Continuums of Care (CoCs) identify successful strategies to increase resources to expand RRH. The brief includes tips to build community support for this expansion and key action steps for community and homeless system leaders to increase funding for RRH.

<u>Rapid re-housing (RRH)</u> is a homeless assistance intervention that has proven effective in enhancing a community's ability to decrease homelessness and the amount of time people spend homeless.¹ It has three core components:

- Housing identification
- Rent and move-in assistance
- Case management and services

The evidence that RRH is a valuable and cost-effective strategy to end homelessness has led the federal government to make significant investments in the approach, including within the McKinney-Vento Homeless Assistance and Supportive Services for Veteran Families (SSVF) programs, as well as the Homeless Prevention and Rapid Re-Housing (HPRP) program, which ended in 2012. At the local level, communities are using an array of strategies to expand RRH including:

- Improving use of dedicated homeless assistance resources
- Identifying and leveraging mainstream resources
- Securing new dedicated funding

GETTING STARTED

Expanding rapid re-housing (RRH), either by attracting new resources or by reallocating dedicated homeless assistance funds, requires deepening support for the program model among key stakeholders and developing an infrastructure to drive change. Community leaders that have expanded RRH have identified the following tips to build local momentum and support for expanding the intervention.

- 1. Establish a five year strategy for increasing investment in RRH. Know that large-scale change will not happen immediately. Use setbacks as an opportunity to make adjustments to the approach. Ensure that the local plan includes measurable indicators to monitor progress. Expect to modify the plan over time in response to what is learned along the way and to improve outcomes.
- 2. Assign responsibility for supporting the change effort to a dedicated staff person. This individual is responsible for guiding the initiative's vision and strategy. They should cultivate opportunities to form partnerships and improve integration across systems, promote regular communication and activity

¹ For more in-depth information on the core components of rapid re-housing, its history, and the evidence of the effectiveness of the model, see Rapid Re-Housing: A History and Core Components.

alignment across stakeholder groups, and establish shared means to measure success. This individual should also be tasked with building public will and support for RRH, aligning local and programmatic policy with this shared vision, and mobilizing resources.

- **3.** Recognize that increasing resources is the most significant driver of change. Significant expansion of RRH is unlikely until funding opportunities are aligned accordingly. This must be a key focus of work.
- **4. Understand and use local data.** Develop a close relationship with the Homeless Management Information System (HMIS) vendor to ensure that quality data is readily available. Examine and use data frequently to determine what is and is not working well in the community and to help agencies improve their performance.
- 5. Communicate the importance of expanding RRH to end homelessness. Be explicit about how RRH is a crucial element of the community's broader strategy to end homelessness and not a stand-alone boutique program. Communicate the messages that resonate with key audiences. Examples may include:
 - RRH gets people housed quickly. And when you're housed, it's easier to find a job and get settled at school.
 - RRh breaks the cycle of homelessness by providing support to keep people in their homes and out
 of shelter.
 - RRH costs less than other interventions. That means your community can provide more people with the help they need.
- **6. Build on local successes.** Look for opportunities to build on what is already working within the community. Local programs may elicit more support and excitement than national models. This strategy can also leverage the pre-existing partnerships, champions, and local expertise of those program leaders which otherwise might take time to cultivate and can be difficult to import from other communities.
- 7. Seek help if needed for difficult decisions. Consider whether engaging an independent, neutral entity might be help facilite difficult conversations in the community. An entity that is neither a funder nor direct service provider and has no conflicts of interest can help with decisions such as how to reallocate funding. Examples of neutral entities are a consultant, technical assistance provider, or intermediary organization.
- 8. Build trust. Remember that change happens at the speed of trust; people adopt new practices because someone they trust taught them how. Actively seek ways to develop strong working relationships and build trust across all involved funding and provider agencies, including regular communication structures. Be sure these strategies are aimed at building relationships and creating common motivation among staff at all levels within each relevant agency.
- **9. Cultivate champions.** Create mechanisms (e.g. regular meetings) to develop relationships with critical stakeholders and champions at various levels across government as well as direct service, advocacy, and other stakeholder organizations. These relationships and champions will be essential to overcoming obstacles.
- **10.** Seek opportunities to ensure that the change initiative outlasts leadership changes. Identify ways for diverse political leaders to take pride in their contribution to the local effort to improve homeless services. Consider, for example, strategically timing major initiatives to fall across two administrations, allowing the successor to claim early credit for significant victories.
- 11. Be persistent. Significant change takes time. Focus on making progress each year and do not get discouraged by setbacks. Instead, use setbacks as learning opportunities and make adjustments accordingly.

IMPROVE USE OF EXISTING RESOURCES

The primary strategy communities are using to expand rapid re-housing (RRH) is changing how they use their existing local homeless assistance resources. This typically requires an analysis of whether McKinney Vento Continuum of Care (CoC) and Emergency Solutions Grant (ESG) resources are being fully utilized to help people exit homelessness. Each year, localities return money to the U.S. Department of Housing and Urban Development (HUD) that could be used to help people experiencing homelessness.

Communities should also conduct a thorough analysis of:

- How all dedicated homeless assistance resources are being spent locally.
- The outcomes those investments in ending homelessness are yielding.
- A determination of whether reallocating or reforming the delivery of services might enable the community to improve overall outcomes.

Georgia's Department of Community Affairs, in partnership with the Commissioners of the State Housing Trust Fund (HTF) for the Homeless, combines HTF and ESG resources into a single funding source that offers seamless funding for rapid re-housing programs across the state. The HTF provides flexibility, enabling the program to support expenses that are not eligible under ESG.

Shifting homelessness assistance resources can generate a great deal of pushback, so attention to building and sustaining the political will is critical.

ACTION STEPS FOR MAXIMIZING RESOURCES

Successful homeless system leaders and technical assistance providers have identified the following key action steps for community leaders to maximize the use of existing dedicated homeless assistance resources for ending homelessness.

- 1. Update budgeting practices to avoid segmenting funding that cannot be used to address homelessness. Until recently, HUD required CoCs to reserve funds to cover 100 percent of the fair market rental costs (FMR) for each housing unit the CoC supports. Because many tenants pay some portion of their own income toward those housing costs, a large portion of the funds CoCs set aside for this purpose go unused. Since 2013, HUD has permitted CoCs to budget rental assistance projects at less than 100 percent of the FMR. CoCs can now set aside only those funds that will be needed to cover rental costs of existing projects. This frees up resources that can be allocated for other purposes, including expanding RRH.
- 2. Analyze current spending on homeless assistance. Look holistically at all funding streams, how those funds are allocated, and where funds may be underutilized. Do an honest assessment of any "sacred cows." Do not assume that shifting funding from certain programs or activities is impossible. Communities should also take a broad look at budget resources that are not being fully utilized nincluding spending related to rental assistance or programs with low participation levels to identify opportunities to make use of unspent resources.
- 3. Set spending performance targets to improve use of available funds. Communities often adopt performance targets for grantees as part of their project evaluation methodology. This can and should include measures to track and regularly evaluate fund utilization to identify when resources are being underspent and can be redeployed. Communities should strategically examine local program cost and performance data to identify opportunities for maximizing use of unspent resources.

- **4. Use data to make the case for the reallocation of funds.** Analyze program costs per permanent housing exit and other outcome data to determine if the existing mix of programs locally is providing the most cost-effective path to ending homelessness. The <u>Performance Improvement Calculator</u> can be used to demonstrate comparative costs per permanent housing exit for different program types and each project across the jurisdiction. This tool and others like it support communities' efforts to move toward more cost-effective models and programs that demonstrate stronger outcomes.
- 5. Clearly and regularly communicate with key stakeholders. Once the decision to shift funds is made, ensure that all partner agencies (particularly those that are at risk of losing funding) have a clear understanding about the objectives for the dedicated homeless assistance funds and how the shift supports progress toward achieving those objectives. This includes the goals outlined in the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act and relevant local plans and initiatives. Share data and supporting evidence about the need for a shift in funding. Provide details about the supports that will be available to help impacted providers make the shift to a new program model. Ensure a transparent and widely accessible process for notifying current homeless assistance grantees and other interested organizations about new funding opportunities that may emerge from the shift of funds, how they might apply for funds, and how awards to applicants for funds will be determined.
- 6. Bring public and private funders together. Collaboration ensures a community-wide understanding of RRH and improves alignment of funded activities, reporting requirements and expected performance outcomes. As communities use an array of funding sources for RRH, consistency of requirements across funders saves administrative time and enables organizations to focus on improving service delivery. Some of these funder groups have become more formalized as "Funder Collaboratives" issuing joint Requests for Proposal (RFP), coordinating program monitoring, and otherwise aligning requirements to streamline processes and reduce the administrative burdens of "braiding" funding streams.
- 7. Enlist support of high level champions. This may include a mayor, governor, county executive, city council member, government agency commissioner, key staff person from an executive's office, or influential faith, business, or nonprofit leader. Since shifting funds can be politically difficult, champions can be called upon to make personal contact with other key stakeholders as necessary to resolve obstacles to progress and sustain political will when and if there is pushback.

LEVERAGE MAINSTREAM RESOURCES

A wide variety of <u>federal mainstream funding</u> sources and state and local public funds have been used by localities to support, expand, or complement rapid re-housing (RRH) interventions. Examples include the <u>Temporary Assistance for Needy Families (TANF) Program, HOME Investment Partnerships Program, Low Income Home Energy Assistance Program, Community Development Block Grants and the Community Services Block Grants and resources from public housing agencies including Housing Choice Vouchers</u>

Cuyahoga County, Ohio uses county human services levies in combination with federal and state resources to support their RRH programs. This levy funds major human service needs and is generated through property taxes. Use of funds from the levy to support RRH was justified locally by using need and outcomes data from the Homelessness Prevention and Rapid Re-housing Program (HPRP).

Securing funding or improving access to services from these mainstream systems often requires a working knowledge of the purpose and goals of those programs as well as an understanding of how those resources can be used to support RRH. While some of those programs may not be able to pay for RRH, improving access to the services they do offer — such as employment assistance, energy assistance and child care — may help facilitate

transition to housing for low income individuals and families, and promote housing stability. Given the diversity and complexity of many of these funding sources, developing relationships with knowledgeable partners can increase homelessness system leaders' effectiveness in leveraging these resources.

ACTION STEPS FOR LEVERAGING MAINSTREAM RESOURCES

Successful homeless system leaders and technical assistance providers have identified the following key action steps for community leaders to leverage mainstream resources for people experiencing homelessness.

- 1. Form a committee of diverse stakeholders to examine possibilities to leverage mainstream resources to support RRH. Be sure to include the following to ensure a broad perspective on potential funding sources and to build critical relationships among supporters of your effort:
 - ESG- and CoC-funded service providers
 - Service providers funded through other sources
 - CoC and ten-year plan leaders
 - Advocates
 - Currently homeless and formerly homeless people
 - Government and private funders

Key public partners include the agencies responsible for administering TANF, Medicaid, child care, employment, affordable housing and other public benefit and employment programs.

- 2. Look for RRH activities that could be paid for by mainstream funding sources. Inventory all current activities funded through homeless designated RRH sources. Identify what services and supports the homeless service system is paying for that could instead be paid for through another funding source. Some partners may be willing to support one component of RRH if not the entire program intervention. For example, some mainstream providers may be willing to pay for or lend case management services for households in their target population while another partner may be able to provide one to two months of rental assistance. Identify what components of RRH mainstream systems may be willing and able to cover that will allow the jurisdiction to expand RRH programs.
- **3. Identify the most critical unmet needs of households receiving RRH assistance.** Do families receiving RRH have access to child care? Do people require more employment support? Document the services that may be needed to improve the outcomes of people receiving RRH services. This will help identify the key mainstream system leaders that should be approached for assistance.
- **4. Inventory mainstream resources.** These resources can benefit the populations you serve. Detail the types of services those mainstream resources can support. Be creative and include sources beyond those you have traditionally used for homeless services. This should include potential funding sources from:
 - General social service agencies
 - Child welfare
 - Mental health
 - Addiction services
 - Employment
 - Vocational rehabilitation
 - Education
 - Child care

- Legal
- Health services
- Mainstream affordable housing sectors

Pay particular attention to under-utilized resources or resources that are poorly targeted.

- 5. Find areas of alignment with existing strategic plans and missions of key stakeholder agencies. Understanding and communicating how RRH and the goals of the mainstream partners intersect can facilitate support for RRH and prevent potential partners from viewing requests for support as intrusive or imposing additional responsibilities on their systems. Involving mainstream partners in the effort to end homelessness for their target clientele may allow them to take credit for much of the progress already underway locally. Finally, it also allows mainstream leaders to demonstrate that collaboration across systems complements and supports their own missions, which they find to be beneficial.
- **6. Educate key stakeholders.** Let stakeholders from mainstream systems know about how expanding RRH and improved access to support can benefit people experiencing homelessness, including clients that may already be on their caseloads. Demonstrate the overlap across client populations and describe how RRH can help mainstream programs meet their own desired outcomes. Consider tailoring communication documents to the specific interests of leaders of mainstream systems that can be particularly beneficial to expanding or improving RRH.

I SECURE NEW DEDICATED FUNDING

Homeless service system leaders are also working to expand rapid re-housing (RRH) by developing new dedicated funding sources. This might entail developing a local or state funding campaign which would rely on local advocates and leaders to push through such an initiative in city or county councils or state legisla-

Waterbury, CT, through their local Plan to End Homelessness, identified gaps in existing resources and established a Flexible Housing Assistance Fund that was administered by the local United Way. The Fund provided for security deposits and other household set up costs not supported by other funding sources.

tures. It might also entail fundraising from the private sector, seeking grants from foundations and faith-based groups or reaching out to individual community members in a general fundraising campaign. Building support from private philanthropy can ultimately help build the political will to invest state and local resources for RRH. Evidence from even small privately-funded RRH initiatives can also be used to demonstrate the effectiveness of the model within the local region.

Making sure potential funders, policymakers or philanthropic leaders are aware of the RRH model and its potential to reduce and end homelessness in the community is key to attracting new dedicated funding.

Successful homeless system leaders and technical assistance providers have identified the following key action steps for community leaders to secure new dedicated funding for RRH

ACTION STEPS FOR SECURING NEW FUNDING

Successful homeless system leaders and technical assistance providers have identified the following key action steps for community leaders to secure new dedicated funding for RRH.

1. Create a working group. This group should explore fundraising opportunities and develop short- and long-term goals and strategies to raise funds and implement the plan. The group should be charged with monitoring progress toward the proposed fund-raising goals and propose adjustments to the plan as needed.

2. Develop public relations materials. Use these materials to educate potential funders about the value of RRH and the impact of their investment. This may include fact sheets and talking points that supporters can use about the benefits of RRH, the outcomes of people served by RRH, system-level outcomes for communities that have adopted it (e.g. reductions in homelessness), and tools to counter myths about RRH. Targeted public relations material may be needed to appeal to the interests of particular funders.

TIP: General purpose funds are among the most flexible funding resources available to state and local policymakers as they are generally not limited to uses restricted by constitutional, statutory, or regulatory requirements. Since general purpose funds are much more flexible, they can be used by local providers to cover expenses that are not allowable under other funding streams.

- **3. Identify potential philanthropic resources that can be tapped to support RRH.** When doing so, community leaders should:
 - Consider non-traditional funders. Foundations that have not traditionally supported homeless service programs may be interested in supporting initiatives that effectively stabilize the lives of individuals and families they are dedicated to serve. This may include low-income families, young children living in poverty, returning offenders, people living with disabilities, and disconnected youth. Homeless system leaders should also be prepared to educate foundation leaders about how RRH can benefit the target population they are dedicated to serving who experience homelessness.
 - Consider what about RRH might appeal to traditional funders of homeless services. Faith-based groups that have traditionally supported holiday drives, fund emergency assistance programs, or provided meal programs may be interested in helping the households they have traditionally helped through supporting RRH.
- **4. Educate homeless, housing, and welfare advocacy groups about importance of RRH.** Encourage state and local groups that represent the concerns of homeless and low income people to include new funding for RRH among their state or local legislative policy priorities. Participate in advocacy efforts and meet with local and state representatives to educate them about the importance of ending homelessness and the role of RRH in achieving that goal.
- 5. Consider proposing and implementing a RRH pilot to build local support. Funders may be willing to invest in a small pilot initiative before they are able to endorse broader use of the program model. It is critical to track outcomes, such as exits to permanent housing, housing stability, and returns to homelessness when implementing pilots. This data can then be used to make the case for RRH. Pilots that demonstrate poor outcomes are unlikely to generate much political support so make sure you invest in quality technical assistance and provide training and support to new implementers of the model.

I CONCLUSION

Ending homelessness requires significant new investment in rapid re-housing (RRH). Getting to the scale needed requires homeless system leaders to embrace all of the above strategies to expand RRH:

- Improving use of dedicated homeless assistance resources
- Identifying and leveraging the use of mainstream resources
- Securing new dedicated funding.

An effective communication and leadership strategy is also needed to educate community members and providers about rapid RRH and explore how implementation can be improved. This will likely represent a sig-

nificant investment of time, but will ultimately be rewarded in the improved performance of the community's homeless service system and improved outcomes for individuals and families experiencing homelessness.

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The National Alliance to End Homelessness is a leading national voice on the issue of homelessness that accomplishes its mission through research and education, policy analysis and advocacy, and capacity building. The Melville Charitable Trust is the largest foundation in the U.S. that is exclusively devoted to supporting solutions to prevent and end homelessness. Housing Innovations is a consulting group that assists communities and organization to develop an implement effective solutions to homelessness.