



# Homeless System Response: How to Design, Scale, and Fund a Homelessness Prevention Program During COVID-19

## Table of Contents

<b>Purpose</b>	<b>2</b>
<b>Operational Steps to Design, Scale, and Fund Your Homelessness Prevention Strategy</b>	<b>3</b>
Convene Partners	3
Identify Resources	4
Define Target Groups	4
Design Program	6
Contract with Providers	7
Scaling Strategy	8
Track Outcomes and Engage in Continuous Quality Improvement	9
<b>Conclusion</b>	<b>10</b>
<b>Further Reading About Homelessness Prevention</b>	<b>10</b>

## Purpose

The economic downturn caused by the COVID-19 pandemic has led to an increased demand for housing assistance, especially among low-income households who have lost income and are at risk of eviction when local and federal eviction moratoria expire. The circumstances precipitating this crisis have also highlighted the need to center racial equity in the response, as COVID-19, its economic repercussions, and homelessness all disproportionately impact Black, Indigenous, and people of color (BIPOC).

While the need for financial assistance in every community is high, prevention programs only reduce homelessness when they are both [effective and efficient](#), meaning that they provide assistance to those most likely to end up in homelessness response systems *and* successfully help to stabilize their housing. Designing an effective *and* efficient homelessness prevention program means targeting assistance to specific households who have demonstrated risk factors for homelessness and ensuring there is enough funding to fully serve those in the identified segment.

In response to COVID-19 and its impacts, the Federal Government has made new resources available through the Coronavirus Aid, Relief, and Economic Security (CARES) Act to assist households at risk of losing their housing. Many state and local governments have made funding available as well. As these new resources flow into communities, there is an urgency to distribute resources quickly. However, large but poorly targeted prevention programs without clear goals may have little impact on entries into homelessness and may not result in equitable outcomes.

Most households that appear unstably housed in a housing crisis [manage to avoid shelter and the homeless system](#), even without services. This document provides an overview of how to design and fund a prevention program to reduce inflows to homelessness, using CARES Act Emergency Solutions Grants (ESG-CV) and other funding sources.

The term “prevention” is sometimes used to refer to preventing evictions and sometimes to refer to preventing homelessness, and often those two things are treated as the same. This document focuses specifically on [homelessness prevention](#), encompassing the following:

- **Primary prevention strategies** that address or mitigate direct causes or contributing factors to the risk of homelessness. This includes *selected group strategies* that aim to keep marginalized populations housed (e.g., those with prior criminal justice involvement, BIPOC), as well as indicated group strategies that target resources to those most likely to enter the shelter system.
- **Secondary prevention, or diversion, strategies** that help households who are on the verge of entering the emergency shelter or crisis system to find safe alternatives and paths back to housing without need of shelter or ongoing support from the homelessness response system.
- **Tertiary prevention**, which encompasses stabilization services to those who have previously experienced homelessness to prevent reentry to the system.

Homelessness prevention strategies that encompass one or more aspects of the framework above can be *effective* in that they may help households stabilize during a crisis. However, without careful planning and targeting, such strategies may not *efficiently* reach those who were most at risk of becoming homeless.

## Operational Steps to Design, Scale, and Fund Your Homelessness Prevention Strategy

Step (with link to section)	Key Activities
<a href="#">Convene Partners</a>	Gather a group of decision-makers and representatives of impacted populations who will design your homelessness prevention strategy and help determine target recipients. Make sure this group includes diverse stakeholders, including those with lived experience of homelessness, who are compensated for their time.
<a href="#">Identify Resources</a>	Explore a broad range of funding sources rather than just allocating ESG or ESG-CV to broad homelessness prevention efforts.
<a href="#">Define Target Groups</a>	Analyze local data and known risk factors for homelessness to set clear criteria for homelessness prevention eligibility. Use local and national data to estimate how many people are likely to fall into the target group.
<a href="#">Design Program</a>	Create policies regarding length of assistance, when cases will be reviewed, and referral systems for additional services. Determine the amount of funding needed to fully serve your target population.
<a href="#">Contract with Providers</a>	Work with culturally responsive partners to develop an outreach strategy that is most likely to reach the target group. Avoid broad advertising. Create a process map or workflow to communicate how participants will be connected with resources.
<a href="#">Scaling Strategy</a>	Scale the strategy by reassessing resources. Determine if the level of assistance the homelessness prevention program is providing is “just enough” to avoid homelessness.
<a href="#">Track Outcomes and Engage in Continuous Quality Improvement</a>	Use HMIS to capture the outcomes of your homelessness prevention effort. Disaggregate data by race, ethnicity, and other demographics to review for equitable outcomes.

### Convene Partners

When developing targeted homelessness prevention strategies, communities should use the urgency of the moment to bring together a diverse group of stakeholders representative of those most impacted by funding decisions to set clear goals for what the community should achieve with homelessness prevention funding. Partners should participate in building a homelessness prevention framework that addresses the most pertinent needs in the community and provide knowledge about key target groups.

When developing a local homelessness prevention strategy, it is critical to partner with a variety of local stakeholders to ensure the plan is rooted in equity-based decisions. Follow a [Racial Equity Impact Assessment](#) model to ensure those most impacted by funding and eligibility decisions are involved in the planning, design, and implementation of your strategy. Key partners to consider include:

- Homeless system funders and coordinators: Continuum of Care (CoC) and ESG leadership working in close coordination to determine ESG and ESG-CV budgets and analyze data about homelessness and housing instability.
- Support service providers: Representatives from both government and community agencies such as health, social services, job training, and anti-poverty organizations. This group should not be limited to the groups currently providing prevention services and should particularly include organizations that are culturally responsive and representative of the populations that experience homelessness.
- People with lived experience and those disproportionately represented in the homeless system, including people in the group targeted for homelessness prevention: It is important to have [people with lived experience](#) of homelessness and those who are overrepresented in your homeless population participate

in planning processes such as determining eligibility criteria and target populations. This can also help create [more equitable](#) homelessness prevention programs. Persons with lived experience should be compensated for their time.

Partners should meet throughout planning and implementing the homelessness prevention strategy. ESG and CoC leads may already be collaborating on COVID-19 infection control and rehousing strategies. Including additional key partners from community organizations will help create a [successful and equitable homelessness prevention program](#).

Examples of Diverse Partnerships for Prevention:

- [Metro Denver Homeless Initiative](#)
- [Snohomish County Prevention Strategic Plan](#)

## Identify Resources

Because of the current and anticipated need for crisis assistance, communities may be inclined to invest some or all of their ESG-CV resources in homelessness prevention programs. Since homeless-targeted funds alone are insufficient to meet the needs of everyone experiencing housing insecurity, communities will need to find additional resources to be able to serve that larger group of people who are likely to face a housing crisis. Many mainstream resources can be used for homeless prevention efforts, including [Temporary Assistance for Needy Families \(TANF\)](#), Coronavirus Relief Funds (CRF), and Community Development Block Grants (CDBG). Additionally, communities often have established eviction response, landlord mediation, and philanthropically funded programs that help low-income households resolve rental arrears or a potential eviction but serve those less likely to become homeless, who would be a lower priority for homeless system prevention dollars. Invite representatives from these other resources to join the homelessness prevention effort as partners.

Consider incorporating the following non-homeless-sector resources:

- [TANF](#): TANF is a federal program designed to provide cash assistance and other [support to low-income families](#) with children. Depending on state law, TANF funds may be able to fund short-term rental assistance or one-time payments.
- [Community Services Block Grants \(CSBG\)](#): CSBG is a federal block grant program designed to alleviate poverty. Allocated to states, territories, tribal governments, and some community action agencies, CSBG may provide some forms of housing assistance.
- [Community Development Block Grant \(CDBG\)](#): CDBG provides annual funding to states, cities, and counties. Designed to improve housing and economic development for low- and moderate-income households, CDBG may be able to provide short-term rental assistance.

Examples of Diverse Funding Approaches for Prevention:

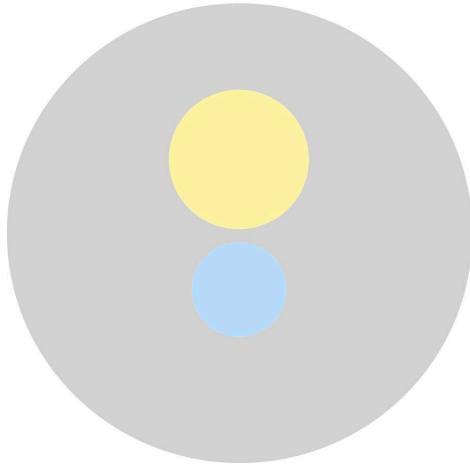
- [Homebase Prevention](#)
- [HomeStart, Inc](#)

## Define Target Groups

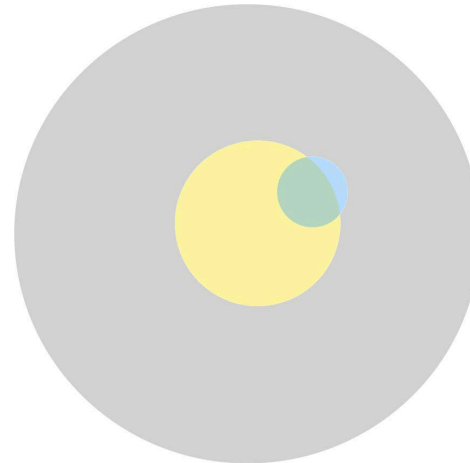
Because housing crises are common among low-income households, and homelessness frequently does not follow, it is difficult to predict *who* will become homeless as a result of a housing crisis. Eviction notices alone are a poor predictor of who will enter shelter or reside in an unsheltered location. [In one study of Chicago residents](#) who were served an eviction notice but did not receive prevention assistance, only 2.1 percent actually became homeless.

Communities can analyze their system data on who is experiencing homelessness to set clear criteria for homelessness prevention eligibility, as this will provide evidence of who is at the most risk locally. Well-designed homelessness prevention targeted to those who most frequently experience homelessness will also [promote equity while](#) responding to environmental and structural factors that result in disproportionate rates of Black, Latinx, and Indigenous households experiencing COVID-19 illness, housing instability, and homelessness.

### Example of Inefficient Targeting



### Example of Efficient Targeting



#### Key

- People facing a potential housing crisis
- People who will become homeless and seek assistance
- Homelessness Prevention



**Primary homelessness prevention** aims to keep housed those who otherwise would likely enter an emergency shelter or stay in an unsheltered location because of their current circumstances and other factors that lead to a higher risk of homelessness. Communities that offer homelessness prevention must determine how to target eligible households who are at the highest risk of becoming homeless and incorporate this prioritization into local coordinated entry (CE) systems. [Common risk factors for homelessness identified in previous research](#) can be used to design homelessness prevention strategies and include previous experiences of homelessness, living doubled up and not being a leaseholder, high levels of rental arrears, and having young children, among others.

While common risk factors identified in research should help inform homelessness prevention targeting, the best evidence for which groups are at the highest risk lies in local data. Analyzing current Homeless Management Information System (HMIS) data or [Stella P](#) will show which populations are overrepresented in homelessness compared to the general population or those experiencing poverty in the area. Other local data can help pinpoint common characteristics (e.g., presence of a disabling condition, extremely low or no income) of those entering and staying in the system, as well as identifying neighborhoods where people are most likely to become homeless. This local data can be used along with national datasets that capture the impact of COVID-19, such as where the [highest levels of job loss are occurring](#). A [national database of eviction filings](#) shows areas where housing loss is most likely to take place, though communities may also use local court records for this information. Using these types of data together to set eligibility or prioritization criteria for prevention will help direct resources to those at the highest risk and reduce racial disparities.

Working with partners in criminal justice, health, and foster care systems to [integrate data](#) and identify common clients can also help communities target resources to those most at risk of homelessness. A Racial Equity Impact Assessment before and during operations can help communities continue to refine the approach based on local data.

**Sizing the Program:** In addition to identifying the risk factors to target homelessness prevention, local data can be used to estimate how many people will meet these criteria and how to size the program. Being explicit about targeting criteria will also help communities identify which funding sources the target population may be eligible to use. Knowing the amount and type of resources to be invested can help the community estimate the number of households that can be served. This information can help determine which risk factors or other criteria the community will use to ensure that funding is adequate to meet the defined need.

The example below incorporates data on geography, job loss, rental arrears, and housing barriers to estimate the number of people likely to have high rates of risk factors for homelessness.

**Example Estimates**

Targeted Area	Estimated Population
Target assistance to households in two zip codes in a sample community that has experienced the highest job loss rates	Estimated 1,000 households in the geography who have recently experienced job loss from a low-wage sector
Additional Criteria (Indicated Strategy Risk Factors)	Estimated Population
Those with rental arrears or an eviction notice	500
Those with an additional housing barrier or background challenges such as a past criminal conviction, a previous eviction, or significant credit issues	350
Those with a risk factor for homelessness, such as a previous episode of homelessness, a disabling condition, or a history of experiencing interpersonal violence	200

Examples of Targeted Prevention Tools and Strategies:

- [Supportive Services for Veteran Families \(SSVF\)](#)
- [Washington State Targeted Prevention Eligibility Screening](#)
- [Predicting and Prevention Homelessness in Los Angeles](#)
- [Urban Institute: Where to Prioritize Emergency Rental Assistance to Keep Renters in Their Homes](#)
- [Montgomery County, MD—Homeless Prevention Index](#)

**Design Program**

Once communities have identified available resources and determined the target population(s) for the indicated homelessness prevention strategy, the next step is to design the program to deliver assistance. Program design considerations include what direct financial assistance will be used, how long participants will be assisted, what type of services will be offered, and what kind of connections to other programs and resources will the assisted households be offered to support continuing housing stability.

A key factor in program design is to determine the amount of assistance that will be offered and the length of time households will be potentially eligible for assistance. Inequities faced by BIPOC in both the risk of severe illness and homelessness should inform the decisions being made so that communities are addressing, and not perpetuating, disproportionate impacts. This may mean introducing greater flexibility or the ability to return for later assistance as needed, even if this was not the community’s previous practice.

In the planning example above, using available data and the additional targeting criteria, the community determined there are approximately 200 households within the target zip codes who may need and be eligible for prevention assistance. Use local information to estimate an average cost of assistance to prevent homelessness and stabilize housing for one household. This estimate should take into account environmental factors, such as the median rent in the area, as well as any past experience in the community. Building on the above example, data from previous homelessness prevention programs and current rental rates indicate households will need approximately \$1,500 *on average* to prevent homelessness and stabilize their current living situation. With 200 households in the target group, the community will need to dedicate \$300,000 in direct financial assistance to fund the homelessness prevention program. Note that the average should not be the same as a cap or maximum; with \$1,500 as the average, some households will be served for less and others will require more. Communities will need to track expenditures closely to ensure they reach their target number of households.

In addition to the financial assistance, the program will need to cover administrative costs, including direct services to the households and administrative staffing, additional phone or website expenses, and other expenses for materials such as brochures or mailings. Where possible, communities will want to leverage existing capacity (especially since CARES Act funding is time-limited), but additional capacity may be needed to meet the need and to ensure access and culturally appropriate services in communities that have been previously underserved. [Case management ratios](#) will vary depending on the population, location, and anticipated intensity of services and length of support; ideally, it will be between 20 to 50 active households per staff member.

Funding sources (such as those outlines above) may be combined, with participants matched to an appropriate funding stream. For example, if a program is able to incorporate TANF funds, qualifying families with children may be served with these funds, but a single adult would not be.

### ***ESG and ESG-CV funds could be used to fill the gap for populations that other sources cannot cover.***

Depending on the need, homelessness prevention support may range from one-time payments to longer-term engagement. Communities should implement models that provide just enough assistance to prevent a household from losing a safe place and having to stay in a shelter or spend the night on the streets. Once stabilized, the household can be supported via links to community-based resources to promote long-term stability. This will enable programs to fully serve all of those in their target group. A program that pays all past-due rent regardless of the household's ability to contribute, for example, will provide more than is needed to some households and deplete resources more quickly, leaving others unserved. Use a [progressive engagement](#) approach where a small amount of assistance is provided first with a flexible design that does not prohibit households from getting more support if needed. Each household's circumstances should be reviewed periodically and frequently (e.g., monthly) to decide if additional assistance or a referral to a more in-depth service is necessary.

Communities also need to plan for the end of homelessness prevention assistance for those who have resolved their immediate housing crisis, as well as referral systems for those who do not qualify for prevention but are nonetheless experiencing housing stability challenges. Including healthcare providers, public benefits programs, and legal or mediation service providers as partners will help integrate these services into homelessness prevention programs. Training staff on crisis resolution strategies that include a focus on personal safety, motivational approaches to encourage self-resolution, and supporting concrete actions a person can take toward their own solutions will help a great number of households even without added funding. Strong connections to resources outside of the homeless system can help families resolve their housing crisis without needing to enter a shelter or rely on other targeted homeless system resources.

Examples of Programs with Strong Referral Pathways:

- [Technical Assistance Collaborative - Maryland](#)
- [Mississippi Home Corporation](#)

## **Contract with Providers**

To deliver the program, funders will generally need to contract with one or more providers in the community. They may look to providers within the homelessness response system or hire specialized agencies that have expertise in specific services, such as a legal aid center. To ensure assistance reaches the households identified by the targeting criteria, contractors must connect with, and reflect, the populations most at risk of homelessness. This may mean seeking and adding new and non-traditional partners who have the trust and relationships with the households most in need of assistance. Thoughtful contracting can help [increase racial equity](#) in the delivery of housing and services by forming relationships with organizations that have more contact with target populations and are more representative of marginalized people.

Funders and contractors should work together to execute an intentional, *targeted* outreach strategy to reach those most likely to need a homelessness prevention program. Open call-in lines and widespread advertising are likely to attract a high volume of interest with a significant portion of callers who do not meet target criteria and are disappointed, as well as overwhelming phone lines or intake staff.

Many people who are at the highest risk of unsheltered homelessness do not seek prevention assistance or help from the homeless system, so working with outside partners can help reach those with the most need. One way to do this is to place prevention assistance at the homeless system's front door (at CE and with shelters). In addition, referral or collaborative partnerships with community-based services, food pantries, correctional

facilities, hospitals, and human service agencies that offer public benefits may help programs identify and intervene for those who need assistance the most. It is important to communicate to all stakeholders, including new partners in marginalized communities and mainstream agencies, the population(s) that are targeted for homelessness prevention programs and what kind of assistance is provided. Clear and transparent information will improve the program’s effectiveness and efficiency.

### Outreach Examples

Targeted Population	Outreach Partners and Strategies
People exiting jails, prisons, or other institutions	Partnerships with probation and parole, re-entry and faith-based organizations, and other institutional stakeholders
Households experiencing domestic violence (DV)	DV/victim services agencies, law enforcement and first responders, and children’s services social workers
Low-income and doubled-up households experiencing job loss or financial crisis	State unemployment agency, community services outreach in low-income neighborhoods, food access sites, and community and faith-based organizations
Populations at high risk of serious illness from COVID-19	Hospitals, public health, and community clinics

It may be helpful to have a graphic to share with stakeholders, outreach partners, and other frontline staff. The graphic should be a visual representation of your workflow and include:

- Outreach partners, sites, and methods;
- Targeting and key eligibility criteria;
- Required application paperwork and documentation;
- Referral points to outside services (e.g., health care, mental health, public benefits, nutrition assistance, etc.); and
- Service offerings, including case management and community linkages.

Examples of Homeless Prevention Outreach:

- [La Puente](#)

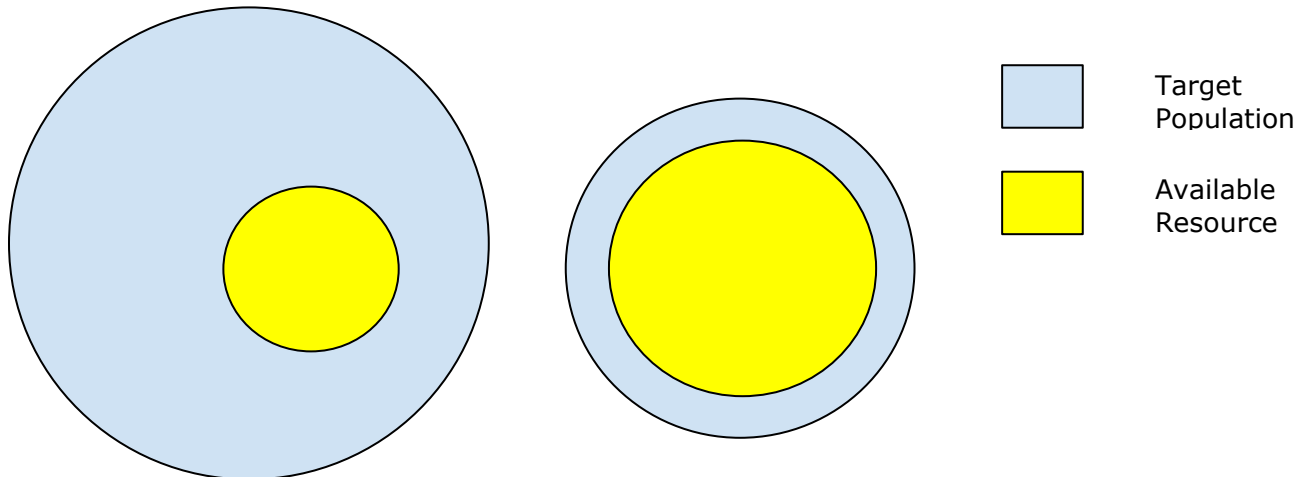
## Scaling Strategy

A properly scaled homelessness prevention strategy means that it is funded at a level to have a meaningful impact on the intended target population. Communities should track the number of applications received and the number approved for homelessness prevention assistance. This information will help determine if initial estimates for the total number of households to be served was accurate and allow a program to continually reassess if the available funding will fully meet their needs. If there are insufficient funds, partners in the homelessness prevention program may need to add additional targeting and eligibility criteria to reduce the households to be served or seek additional resources.



## Improperly Scaled Strategy

## Scaled Strategy



## Track Outcomes and Engage in Continuous Quality Improvement

Each program and community will need to collect data about the homelessness prevention program(s) funded to maintain compliance with each funding stream, communicate with funders and other stakeholders, and assess the overall effectiveness of the effort. Tracked data should include:

- Circumstances facing those seeking assistance (leaseholders, doubled up, leaving institutions);
- Percentage of applications that were approved for prevention assistance;
- Demographic information on participants served (and, if possible, those turned away), including the ability to disaggregate program performance by race and ethnicity;
- Amount of assistance provided and the type of assistance (e.g., rental arrears, utility payments, etc.);
- Number of first-time households seeking assistance; and
- Percentage of those who received prevention assistance who entered (or returned to) the homeless system.

HMIS can be used to quickly and easily track homelessness prevention programs. The [HMIS data and technical standards](#) provide flexibility to [rapidly set up new projects](#) or use existing CE data elements to track prevention, even if it is taking place outside of the traditional CE structure.

Closely watch for inequitable outcome trends for BIPOC, youth, LGBTQ people, and other vulnerable groups who are often less well-represented or served in prevention programs. Review outcomes at frequent intervals and identify inequitable outcomes in who is approved for assistance, how much assistance is provided, and if participants are able to maintain their housing or enter the homeless system. Discuss issues that emerge, including with staff who are responsible for conducting outreach or providing services, and make adjustments to the process to improve outcomes and address any disparities. For example, if data indicates that youth of color often still become homeless after receiving assistance, connect with community organizations close to this population, targeted youth outreach, and other groups trusted by the population that can help refine program rules and foster long-term stability.

Examples of Successful Data Tracking:

- [Michigan](#)
- [Buffalo, New York](#)

## Conclusion

Designing homelessness prevention programs that are efficient *and* effective takes knowledge, effort, the participation of many key stakeholders, and a willingness to use data at the outset for design and tracking outcomes. The upfront investment of time may be greater than investing in less targeted and sometimes expected program models. But the outcomes for both the households served and the homelessness response system are critical to reducing inflows to homelessness. Particularly at this time when COVID-19 and the resulting economic challenges pose a challenge to virtually every community, ensuring that the limited CARES Act resources actually work to reduce homelessness and address racial and other disparities will be time well spent.

### ***Further Reading About Homelessness Prevention***

- [Five Things to Consider When Using ESG for Prevention](#)
- [System Planning: A Framework for Homelessness Prevention](#)
- [Homelessness Prevention: Effective and Efficient Prevention Programs](#)
- [Use ESG-CV to Help Those Currently Experiencing Homelessness First](#)
- [Homelessness Prevention](#)
- [Homelessness Prevention: Creating Programs That Work](#)
- [A New Direction: Framework for Homelessness Prevention](#)
- [Homelessness Prevention, Diversion, and Rapid Exit](#)
- [A Prevention-Centered Approach to Homelessness Assistance](#)

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