



Marlena Mareno

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Homeless Prevention Programs: Emergency Solutions Grants and Financials

Homelessness prevention looks to assist individuals and families before eviction and shelter entry become a reality. The best practices in prevention include different aspects of cash assistance to stabilize these homes. The effectiveness of the different programs is difficult to assess, however tracking recipients and analyzing their needs can provide a best measure of the program.

Scope of the Problem

Homeless prevention programs strive to aid individuals and families in retaining a stable household before eviction becomes a threat. Many programs focus on providing some type of cash assistance to recipients. The U.S. Department of Housing and Urban Development (HUD) defines families and individuals that pay more than 30 percent of their income on housing as ‘cost burdened’ and an estimated 12 million households pay more than 50 percent of their income on housing alone. Cash assistance is crucial as it enables families to pay their bills and remain stably housed. These programs allow these individuals to keep their current housing without the threat of eviction or foreclosure. Scholars have determined factors that might increase the usage of these programs, including variables of “young age, being pregnant or having a child younger than 2 years, frequent moves in the past year, and not holding a lease” (Shinn et al. 2013). Homelessness prevention looks at these specific factors and attempts to avert the problem with practices that are both effective and efficient (Busch-Geertsema & Fitzpatrick 2008). However, the difficulty of prevention is determining just how effective and efficient these programs are. This is associated with the ability to “target-well.” In order to “target-well,” prevention programs must aid those who have the highest risk. Once the services have been administered, it is difficult to assess whether the assistance was effective because one cannot speculate whether the individual would have become homeless if the services were not provided. Scholars state, “we often do not know whether a household would have managed to avoid homelessness, either through their own actions or with informal help from friends or family” (Busch-Geertsema & Fitzpatrick 2008).

Despite the difficulty in assessing the effectiveness, scholars suggest utilizing measurements by identifying those who still became homeless despite receiving aid and analyze what other assistance was needed to prevent their homelessness. Scholars also suggest forming a “community-wide system” in which include information sharing across different agencies and organizations to collaborate and help individuals find the appropriate services. By collaborating, resources can be maximized, which can improve the effectiveness of the programs. How effective the programs are can also be determined by how motivated the community is. Those “communities with the strongest publicly held motivation to prevent homelessness did the most to develop community-wide prevention strategies” (Burt 2005). Other tools such as checklists and site protocol templates can be used to measure a program’s effectiveness.

Policy

Successful prevention programs have the ultimate goal of creating policies and programs to “provide cash assistance” to “avert housing loss” by covering “rental, mortgage and utility payments” (U.S. Department of Housing and Urban Development 2005). Rental assistance can be short-term, lasting up to three months, or medium-term, in which the assistance would last longer than three months, but no longer than 24 months. Other housing assistance includes payments for security deposits and assistance in paying utility bills, such as heating and electricity.

With the implementation of the Homelessness Prevention and Rapid Rehousing Program in 2009, \$1.5 billion was dedicated nationally to homelessness prevention. This allocation of funds is directly associated with a one percent decrease in homelessness between 2009 and 2011, when the state of the economy might have otherwise caused an increase in homelessness (Shinn et al. 2013).

HUD administers the Emergency Solutions Grants Program or ESG. ESG is an extension of the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 and funds five program components, one of them being prevention. ESG funds can aid in housing relocation and stabilization services, as well as, short and/or medium-term rental assistance in order to prevent an episode of homelessness (HUD Exchange 2014). Individuals who fall under the category of “at risk of homelessness” and have an annual income below 30% of the median family income in the surrounding community may be recipients of this program.

Unfortunately, “the costs of homelessness prevention are only eligible to the extent that the assistance is necessary to help the program participant regain stability in their current housing or move into other permanent housing and achieve stability in that housing.” Eligible costs consist of “rental assistance and rental arrears, financial assistance, including rental application fees, security and utility deposits and payments, and moving costs.” Other eligible services include “housing and search placement, housing stability case management, landlord-tenant mediation, tenant legal service, and credit repair” (HUD Exchange 2014).

New York State offers and funds numerous programs that aid homelessness prevention by paying for basic needs, rent and energy bills, and other needed assistance. Some of these programs include the Home Energy Assistance Program (HEAP), Heating Equipment Repair or Replacement, and Solutions to End Homelessness Program (STEHP) (Need Help Paying Bills 2016).

Best Practices as Recommended by the Department of Housing and Urban Development

- **Housing Subsidies:** Because affordability is the primary cause of homelessness, housing subsidies have been proven to be the most effective strategy compared to others in homelessness prevention. Studies have found that by subsidizing housing costs, “80–85 percent of homeless families or chronically homeless single adults have achieved housing stability.” Housing subsidies protect families and individuals from facing eviction.
- **Cash Assistance for Rental Arrears and/or Utilities :** This is used for those who still have their housing but now face the threat of losing their homes. Assistance may include deposits for the first and last month for rent, payment of utilities such as heating and electricity, and payment of moving costs. An individual could visit the Albany Community Action Partnership, United Tenants of Albany, Colonie Senior Resources, or the Commission on Economic Opportunity for the Greater Capital Region to receive assistance.
- **Mediation in Housing Courts:** Mediation within housing courts has proven to preserve tenancy of families even after the landlords have filed for eviction. This method has been successful in the Hennepin County Housing Court and the Western Massachusetts Tenancy Preservation Project, where 69% of cases filed were settled and families were able to preserve their housing, 85% of individuals suffering from mental illness who also faced eviction utilized mediation in housing courts and reduced the proportion of becoming homeless by at least one-third, respectively.

Case Study

Dr. Marybeth Shinn and her colleagues (2013) looked to develop a model that would provide prevention services more efficiently to families. They kept track of 11,105 “families who applied for community-based services in New York City from October 1, 2004, to June 30, 2008.” Results found that by “serving the same proportion of applicants but selecting those at the highest risk increased correct targeting of families entering a shelter by 26% and reduced misses by almost two thirds.” These scholars suggest utilizing an empirical risk model to increase the most efficiency in homelessness prevention services (Shinn et al. 2013).

Community Policy Institute

The Community Policy Institute builds capacity surrounding policy within the Capital Region. We provide researched-based policy information to our community partners who use the information to modify best practices and advocate for policies that will further the development and effectiveness of direct community engagement.

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Marlena Mareno
Robert DeFillippo

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