



Emergency financial assistance prevents homelessness

Key Results

- Receiving emergency financial assistance (EFA) reduces shelter entry.
- EFA reduces homelessness.
- EFA had less impact after the onset of COVID-19, likely due to federal and local homelessness initiatives.

Context of the Issue

In late January of 2019, nearly ten thousand individuals were experiencing homelessness in Santa Clara County (SCC), California.¹ This was a 31 percent increase from 2017 and the highest number seen in the county in over a decade. Eighty-two percent of these individuals were unsheltered, or living in places not meant for human habitation, while the other 18 percent were in homeless shelters. SCC has the fourth largest homeless population in the United States. SCC is also the fourth richest county in terms of household median income, with a median monthly rent of \$2,392.²

One approach to fighting homelessness is to provide shelter to individuals who are already homeless, such as those reported in the SCC Homeless Census and Survey. However, once an individual or a family becomes homeless, they face even more difficulties, like finding permanent housing, basic necessities, and healthcare. They are more likely to become involved in the criminal justice system and to have frequent hospital visits.

Current Efforts: Destination: Home

Because of these devastating effects, the fight against homelessness also includes a preventative approach, which

focuses on helping those who are on the brink of homelessness. Destination: Home is a non-profit organization that operates Santa Clara County's Continuum of Care.³ Their homelessness prevention program, which began in 2017, is operated by a network of non-profit organizations that cover the geography of the county. The program provides one-time emergency financial assistance (EFA) to clients who face imminent risk of losing their housing. The program also provides non-financial assistance to families who would become homeless without receiving such support. These services may include legal help, case management, and other services like financial counseling and landlord dispute resolution. When a client seeks help from Destination: Home, they meet with a case worker who helps determine if they are eligible for the program. After confirming their imminent risk of homelessness, clients complete an eligibility screen called the Prevention/Re-Housing Vulnerability Index - Service Provision Decision Assistance Tool (PR-VI-SPDAT). This tool includes questions about the client's family structure, housing history, and financial situation. Households who are at higher risk according to the PR-VI-SPDAT are automatically eligible for EFA, and those who are at lowest risk are not considered for EFA.

¹ This information was provided by the Santa Clara County Point-in-Time Homeless Census and Survey, which is conducted every two years. The 2021 Census has not yet been released.

² This is according to the 2019 American Community Survey (ACS).

³ A Continuum of Care is a local entity that coordinates funding for housing and services for individuals and families experiencing homelessness. More information can be found at <https://www.hudexchange.info/programs/coc/>.

LEO's Study

LEO conducted a randomized controlled trial (RCT) to evaluate the impact of one-time EFA on families in Destination: Home's homelessness prevention program. LEO researchers worked with Destination: Home to set up a lottery that randomly allocated EFA between July 2019 and December 2020. Families eligible for the study had moderate risk scores on the PR-VI-SPDAT and were also ineligible for other prevention programs as they could not demonstrate the ability to pay rent in the future. When individuals sought help from Destination: Home, they were informed of the ongoing study and given the opportunity to enter the lottery. Of those who agreed to take part in the study, one group was offered the Destination: Home program, while the other group received standard case management services and community referrals. The study controlled for participants who received EFA from an agency outside of the Destination: Home network. LEO used data on individuals from SCC's Homelessness Management Information System (HMIS) and data on addresses from Infutor Data Solutions.

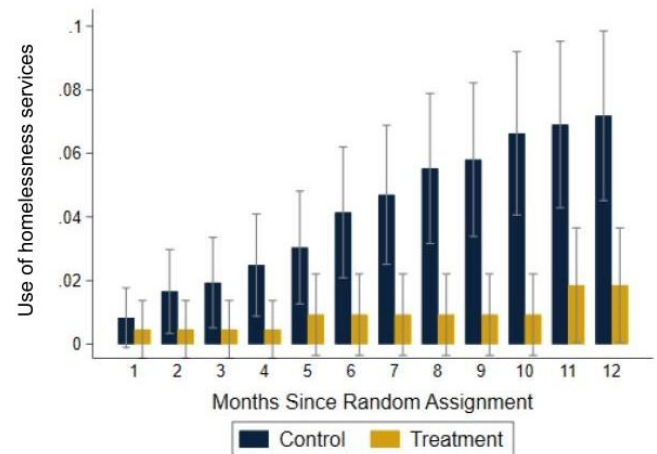
Major Findings

- ✓ Decreased homelessness: EFA recipients were 3.2 percentage points less likely to access homelessness services⁴ than those who did not receive EFA within 6 months of enrolling in the program (0.9 percent vs 4.1 percent). This indicates that temporary financial assistance prevents returns to homelessness.
- ✓ Decreased shelter entry: EFA recipients were 2 percentage points less likely to enter a homeless shelter than those who did not receive EFA within 6

months of enrolling in the program (0.5 percent vs 2.5 percent).

- ✓ Decreased homelessness persists over time: EFA recipients were 5.3 percentage points less likely to access homelessness services than those who did not receive EFA within 12 months of enrolling in the program (1.9 percent vs 7.2 percent). This indicates that assistance has a lasting impact over time rather than just delaying homelessness.
- ✓ Decreased impact of EFA after COVID-19: EFA had a smaller effect on the use of homelessness services after the onset of the COVID-19 pandemic. This might be due to several federal policy efforts like federal eviction moratoria and financial assistance outside of the homelessness system.

Housing Outcomes over Time: Homeless Program Use, Pre-March 2020



Key Takeaways

- Destination: Home is a homelessness prevention program, like others around the country, that provides one-time financial assistance to individuals and families at imminent risk of homelessness. It has demonstrated impact in a county with high rates of homelessness as well as an expensive rental market.
- Emergency financial assistance decreases the likelihood that a recipient will need to enter a homeless shelter.
- Emergency financial assistance decreases homelessness over time, thus preventing a return to homelessness rather than just delaying it.

⁴ Homelessness services include homeless shelters, street outreach programs, rapid-rehousing, permanent supportive housing, and transitional housing.