

*Homelessness Prevention Study*

**Prevention Programs  
Funded by the  
Homelessness Prevention  
and Rapid Re-Housing Program**

*Executive Summary*



## Executive Summary

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Launched in 2009 to help American families survive a deep recession, the **Homelessness Prevention and Rapid Re-housing Program (HPRP)** enabled the first ever large-scale implementation of homelessness prevention programs. HPRP distributed \$1.5 billion in grant funding to 535 states, counties, cities, and U.S. territories, and approximately 2,500 other entities, mostly direct service providers, were subgrantees. As of September 30, 2011 (2 years into the 3-year program), HPRP had provided 909,192 people in 359,192 households with financial assistance and supportive services designed to prevent homelessness.

The **Homelessness Prevention Study (HPS)** documented the first 2 years of HPRP homelessness prevention. It included a nationally representative survey of HPRP grantees and subgrantees, analysis of HUD-required Annual Performance Report data, and 17 indepth case studies of local prevention programs.<sup>1</sup> The communities chosen for case studies represent a range of approaches to homelessness prevention, as well as geographic diversity and a variety of special target populations. This report on the HPS combines a national-level overview of HPRP with insight into community-level implementation and challenges of HPRP-funded prevention programs and develops implications for research and policy development in homelessness prevention.

- 70 percent of HPRP assistance funds went to prevention, i.e., to households that at program entry were deemed in imminent danger of losing housing (66 percent) or unstably housed (34 percent).<sup>2</sup>
- Most households received prevention services for less than 6 months, and 61 percent of prevention clients who exited before September 30, 2011, were judged stably housed at exit.
- Children accounted for 45 percent of people served by HPRP prevention programs.
- Most prevention clients received both financial assistance and case management, with 82 percent receiving case management, 62 percent receiving rental assistance, 21 percent utility payments, and 16 percent security or utility deposits.
- Indepth case studies in this report highlight the promise of innovative program components received by relatively few households such as housing locators, legal assistance, and credit repair.
- Implementing HPRP, communities built prevention capacity, increased centralization of intake systems, and fostered partnerships among homeless service providers and other welfare agencies, including public housing authorities, mental health agencies, Temporary Assistance for Needy Families, U.S. Department of Veterans Affairs Medical Centers, school homelessness liaisons, and child welfare agencies.
- Providers of homeless prevention services struggled to determine which households would become homeless without the assistance, yet would do well with short-term financial assistance and light-touch case management.

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<sup>1</sup> Survey findings presented in the HPS report are weighted to represent all grantees and subgrantees.

<sup>2</sup> "Assistance funds" means funds spent directly on assistance and does not include funds spent on administration and management information system costs. HPRP assistance funds went to prevention or rapid re-housing (i.e., for clients already homeless).

- Providers tried to serve clients who would sustain housing on their own after receiving HPRP assistance, which sometimes resulted in requirements (such as having an income) that may have denied assistance to the households with the most needs.
- 70 percent of HPRP grantees reported planning to continue homelessness prevention activities after HPRP funding ended.
- HUD requirements for data collection did not result in data sources sufficient for impact analyses, so we do not know if HPRP prevention programs reached those households most likely to become homeless.
- Future research should focus on understanding how programs can target those most likely to become homeless and what mix of services is most cost effective.
- Research options include using existing data for retrospective analyses, and creating a demonstration to test particular program models, such as shelter diversion, neighborhood-based prevention services, prevention services offered at the point of institutional discharge, and a shallow housing subsidy to all households meeting income requirements.

## **HPRP Prevention Programs**

Because HPRP was designed as a formula program, funding was awarded to states, counties, cities, and U.S. territories instead of to the Continuums of Care (CoCs), the entities charged with coordinating regional responses to homelessness that receive HUD's competitive homelessness funding. Most of the 535 HPRP program grantees were housing and community or economic development-related government agencies. Grantees made awards to about 2,500 subgrantees, most of which were non-profit direct service providers. The amount of funding potentially available for prevention efforts far exceeded what had ever been available before. Many communities, however, had little experience with prevention and there were no established models to guide their new or expanded prevention efforts.

With HPRP, communities had flexibility to design their own prevention assistance packages, including limiting the duration of financial assistance, setting the share of rent to be paid and maximum expenditure levels, and making financial assistance contingent on progress toward goals. Developing a prevention program also included determining responsible entities, geographies to cover, organization and delivery of services, intake and triage, targeting and eligibility criteria, and types and amounts of financial assistance and services to offer. Some HPRP communities chose to serve households with greater housing barriers but gave them more or longer assistance. Others served households with few barriers and provided just enough to cover rental arrears and help them through an immediate housing crisis.

To participate in HPRP-funded homelessness prevention programs, HUD required that households have incomes below 50 percent of Area Median Income (AMI), that they be at risk of homelessness, that no appropriate subsequent housing options be identified, and that they lack the financial resources and support networks needed to obtain immediate housing or remain in existing housing. HUD advised providers to consider whether the household would become homeless "but for" this assistance and whether the household could be expected to sustain housing on its own after assistance ended.

## **Structuring Financial Assistance**

Most grantees designated individual caseworkers as responsible for determining what assistance packages—within established parameters—to offer each household. Some grantees tried to facilitate consistency across caseworkers, using methods such as training (Maine; North Carolina; Rhode Island), automating the process (Philadelphia), and having a committee make final decisions on assistance packages (Arlington County, Virginia; Kalamazoo, Michigan).

To encourage progress toward client goals, caseworkers reported that it was useful to make financial assistance contingent on meeting expectations. Even if a provider judged that a household would need more than 3 months of assistance, caseworkers would offer only 3 months of assistance at first, and make renewal contingent on the household remaining eligible at the HUD-required 3-month re-evaluation of eligibility. Where committees held final decision-making power, caseworkers could tell clients that the committee was unlikely to approve renewal without evidence of progress toward goals. Programs terminated non-cooperating households.

## **Targeting**

One of the biggest challenges for grantees and subgrantees was determining whom to assist. Grantees could establish eligibility criteria that were stricter than HUD's criteria. In addition, the HPRP Notice emphasized that HPRP should be used to assist those who would become or remain literally homeless "but for" the HPRP assistance.<sup>3</sup> At the same time, the HPRP Notice encouraged grantees to use HPRP assistance for those who were most in need of the short- and medium-term rental assistance that HPRP provided and who were more likely to sustain the housing after the assistance ended. HPRP was not intended to provide the higher level of assistance necessary for those who would need long-term, permanent supportive housing. However, many communities expressed difficulty identifying people who were both at imminent risk of homelessness and likely to maintain stable housing on their own after HPRP assistance ended. In fact, a number of grantees adopted targeting and screening approaches to limit assistance to those households they believed would have a greater chance of retaining the housing. More than half (54 percent) of surveyed direct service providers adopted sustainability criteria, such as employability and compliance with self-sufficiency activities, as requirements of participation. Consequently, households deemed too needy to succeed with short- or medium-term financial assistance and light-touch case management were screened out of some HPRP prevention programs.

To target effectively, a prevention program must identify what it is trying to prevent—loss of current housing or literal homelessness—and determine whether the goal of the program is to provide short- or long-term assistance. If the goal is to prevent immediate housing loss (i.e., stopping an eviction) and help a household to keep its housing for at least another few months, then an outcome evaluation of HPRP would probably find that the program was successful. If stable housing into a longer-term future is

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<sup>3</sup> The term "literally homeless" refers to persons who are sleeping in emergency shelters, transitional housing, or on the streets or other places not meant for human habitation, i.e., paragraph 1 of the definition of homeless in 24 CFR part 576.2. This is consistent with HUD's use of the term in other guidance. See <https://www.hudexchange.info/resource/1927/hearth-esg-program-and-consolidated-plan-conforming-amendments/>.

the goal, then there is much less evidence for success. The few communities among those visited that tried to find clients 3 to 6 months after the end of assistance could not find a significant share of them, suggesting that the housing HPRP helped them to retain was not stable. If preventing literal homelessness was the goal, then almost certainly many HPRP programs set their entry criteria and verification practices to select the wrong people.

HUD allowed HPRP grantees to accept households with incomes up to 50 percent of AMI, and 9 out of 10 HPRP communities retained this upper-bound criterion and served households with up to 50 percent of AMI. Yet the incomes of households that enter shelter are more likely to cluster around 15 percent of AMI or lower, including many that have no income. HPRP served mostly poor households, but households with incomes still well above those of typical shelter users. Since some HPRP service providers did not make a major effort to verify the absence of any alternative housing resources, it is likely that they enrolled a significant share of clients into HPRP homelessness prevention whose risk of literal homelessness in the short term was low.

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*If preventing literal homelessness is the goal of a homelessness prevention program, then it would be essential to set the income threshold considerably lower than 50 percent of AMI except in rural and other high-poverty areas.*

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Three parameters were at work as communities determined how to target the HPRP funds: an emphasis on “but for” or sustainability, the length of assistance the program wanted to provide, and a household’s barriers to housing stability. Set any two of them and the third necessarily follows. Thus communities that decided they would offer only short-term assistance (up to 3 months) and wanted to see housing stability at the end left themselves with no option other than to limit eligibility to people with previously stable housing and work histories—in other words, the households least likely to end up literally homeless even if they lost their current housing. Communities that gave themselves greater flexibility in setting the length of assistance had more flexibility also in the characteristics of households they could accept and still meet the expectation of sustainability.

A final aspect of targeting is assessment. Communities need guidance on tools for assessment and service planning. As Chapter 5 and Appendix G of this report discuss, it is no simple matter to select, modify, or create an assessment tool and use it correctly to provide needed information and avoid erroneous conclusions about client progress or program performance. Providers need to avoid the twin pitfalls of too-loose administration and too-rigid scoring and score cutoffs, while gathering the information needed to determine assistance packages to help households overcome housing barriers. Measurement needs to focus on the best predictors and avoid collecting too much information.

Communities visited for this study made decisions about what to offer clients using different structures, from caseworkers to committees to automated formulas. Even within those decision-making structures, the practice of deciding what to offer varied considerably. Some communities offered little flexibility; some were systematic in their expectations and even in their tools but flexible in the casework process; and still others let agencies and even individual caseworkers make their own decisions without detailed centralized guidance. If any generalization can be made it would be that the communities using the

tightly controlled approach also did very short-term assistance and served relatively barrier-free households. No community visited whose program design included the expectation that people would stay on assistance for 6 to 9 months took this tightly controlled approach. Nor does it seem as if the inflexible, highly controlled approach would work with longer assistance, because too much could happen to affect lockstep achievement of case goals, and caseworkers would need to have flexibility to adjust plans as needed.

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### **Promising Practices**

*In Virginia, Arlington County's HPRP prevention program had a unique housing locator who engaged in a wide variety of activities, including developing relationships with landlords, recruiting landlords to participate in HPRP and other Arlington County housing programs, delivering checks to landlords, mediating between landlords and tenants, providing housing information to case managers, conducting habitability and lead-based paint inspections for HPRP-assisted units, and staying up-to-date on local housing markets. The housing locator made it easier for clients to find appropriate units quickly in an extremely tight rental market and helped to reassure landlords who might have been less likely to rent to clients with barriers to housing such as poor credit.*

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### **Data and Monitoring**

HUD requirements for data collection encouraged providers to think about monitoring and evaluation, but did not result in data sources sufficient for impact analyses; that is, finding out what would have happened to clients if they had not gotten the HPRP prevention assistance. HUD required grantees and subgrantees to enter data about individuals into the Homeless Management Information System (HMIS) at both program entry and exit; these data captured demographics, health and disability indicators, housing status, income and benefits, and services received.

Some grantees used their HMIS to store supplemental information on participating households. For example, Pima County/City of Tucson, Arizona, stored eviction notices and lease agreements, while Santa Clara County, California, stored self-sufficiency matrix scores. Philadelphia captured data on all households that applied for HPRP assistance and could thus use HMIS data to compare shelter entry rates of households receiving prevention to rates of households not receiving assistance. About half of grantees (52 percent) and subgrantees (47 percent) reported they used HMIS data to track household outcomes. Looking forward, barriers to using HMIS data for evaluation include the challenges providers experience with the system, such as learning the system, maintaining data quality, paying user fees, and reconciling multiple data systems.

## Community-Level Effects of HPRP

Implementing HPRP contributed to building infrastructure for future prevention efforts:

- 74 percent of grantees improved capacity to identify persons at highest risk of homelessness.
- 71 percent of grantees got more involved with their CoC.
- 62 percent of grantees reported increased collaboration between homeless service providers and mainstream agencies.
- 60 percent improved coordination or centralization of their community's intake system.

Most grantees reported that their community was likely to continue prevention efforts after HPRP funding ended.

The information obtained from the 17 communities studied in depth supports this assertion that HPRP contributed to new partnerships being formed among participating agencies and lasting improvements in how they work together. Several direct service providers outside of the homeless assistance system reported greater awareness of populations with special needs and learning for the first time about some of the resources available to help those at risk of homelessness. A few of the case study communities also described revising their 10-year plan or their CoC priorities to include homelessness prevention for the first time, while a few others described increased case management capacity, a lasting legacy of HPRP's online screening and eligibility system, and changes in the court system and landlord cooperation with the prevention program.

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*Subgrantees were sometimes chosen for their specialized services. For instance, in Philadelphia, one of the subgrantees specialized in utility assistance. The subgrantee helped HPRP clients get help paying for utilities without spending HPRP funds and also taught the other subgrantees how to find utility assistance through its network and directly from utility companies.*

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## Lessons Learned and Future Research

The HPRP experience suggests that communities should improve coordination among antipoverty and homeless services agencies and that, further, the meaning of centralized intake is widely misunderstood. HUD and others should clearly communicate that centralized intake couples communitywide systems *with centralized power to allocate assistance*. Effective targeting begins with clear program goals, i.e., preventing housing loss vs. preventing literal homelessness. Responding to providers' struggles to reconcile "but for" and sustainability criteria, this report suggests that the "but for" criterion could be used to establish eligibility and assistance packages could be tailored to help clients reach sustainability. This study also spotlights promising but little-used homelessness prevention practices that should be evaluated, such as housing search and locator services, legal assistance and credit repair. Supportive services intended to prevent homelessness might be most effective when tailored specifically to address barriers to housing stability.

The most pressing questions for homelessness prevention now are about targeting, program impacts, and cost effectiveness. This report proposes several research approaches. Existing data could be used to construct a national retrospective study of HPRP, using difference-in-differences models and

multivariate regression to estimate the impact of HPRP expenditures on homelessness. Another approach leveraging existing data could estimate impacts in communities that collected information on households that did not receive assistance as well as on households that did receive assistance.

Prospective research demonstrations would test particular program models and could answer questions about targeting, impact, individual differences in impacts, and cost effectiveness. The report proposes four program models that should be considered for testing with experimental or quasi-experimental research designs:

1. A shelter diversion program would provide short- to medium-term financial assistance to divert households from entering shelter.
2. A neighborhood-based approach to prevention services for families modeled on New York City's HomeBase program could be tested in neighborhoods with high risk for homelessness.
3. In a systems homelessness prevention program, services would be provided by a mainstream agency—for example jails or prisons, healthcare facilities, or child welfare agencies—to prevent homelessness among its clients.
4. A shallow housing subsidy program would offer an ongoing shallow subsidy to all households who meet income requirements.

## **Appendices**

Appendix A shows how the HPRP funds were allocated across communities. The indepth case studies included in Appendix E offer details about a range of experiences with HPRP and a variety of homelessness prevention program types. Appendix G describes the background of the widely used and adapted Arizona Self-Sufficiency Matrix and elaborates its potential and pitfalls as an assessment tool.

## **Conclusion**

This report documents and analyzes the first 2 years of the first-ever large-scale implementation of homelessness prevention efforts—the HPRP prevention programs. It describes communities' experiences with HPRP prevention programs and draws lessons from these experiences for future efforts to prevent homelessness. It also identifies gaps in knowledge needed to support future policy development. As such, this report offers useful information to practitioners, researchers, and policymakers interested in homelessness and the prevention of homelessness.

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