

Inside Philanthropy



The State of  
American Philanthropy

Giving for  
Housing and  
Homelessness

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## ABOUT INSIDE PHILANTHROPY

Inside Philanthropy is a digital media site that covers the world of charitable giving. We report daily on foundations, major donors, and trends in philanthropy. Through our GrantFinder resource, we also profile and track thousands of funders working across key issue areas and geographic regions. Inside Philanthropy is supported by reader subscriptions and advertising. We do not receive funding from any other source. Learn more at [insidephilanthropy.com](https://insidephilanthropy.com)

## ABOUT THE STATE OF AMERICAN PHILANTHROPY

The State of American Philanthropy is a series of background papers on important topics and trends in U.S. philanthropy. The papers draw on past research and reporting by IP writers, as well as new interviews, grantmaking data, and other sources. Learn more at [insidephilanthropy.com/state-of-american-philanthropy](https://insidephilanthropy.com/state-of-american-philanthropy).

**AUTHORS:** Nicholas Williams with Fundraising Now contribution by Holly Hall

**EDITOR:** Michael Hamill Remaley

**COPY EDITOR:** Chris Packham

**GRAPHICS & DESIGN:** Sue-Lynn Moses

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# EXECUTIVE SUMMARY

Philanthropy's role in funding for housing and homelessness isn't new. It dates back to the progressive era (1890-1920s) with a focus on ameliorating the most visible systems of poverty, including the creation of settlement houses, "model tenements" and helping to catalyze the social work profession.

Yet in recent years, as the ranks of homeless populations have grown in cities, and millions of low- and middle-income families that had once owned their homes became tenants instead, the importance of philanthropy has taken on new resonance. (For instance, compared to 2016, [25% more households were renting](#) their homes than in 2006, which is attributable to the 2008 housing collapse).

Philanthropy's response has been courageous in some ways and neglectful in others. It has invested heavily in evidence-based solutions including permanent supportive housing and "housing first" models, yet it has been slow to make connections between the lack of affordable housing and homelessness, and is only now looking further upstream to issues of wealth, health, income inequality and systemic racism and injustice.

Even so, philanthropy is stepping up in important ways and beginning to fund the kinds of programs necessary at the grassroots level to change systems, combat NIMBYism and confront the effects of gentrification, all while carefully balancing the need to build strong and inclusive communities. It is also funding efforts aimed at the treetops to encourage policies and provide resources that engender such communities.

## Who's Giving

- The type of philanthropic players operating in the housing and homelessness space is perhaps more mixed than funding for other issues.
- Corporate philanthropy is heavily involved in funding for housing development, and to a lesser degree, direct commitments to ending homelessness. Obligated in part by the Community Reinvestment Act, banks are the biggest players in the space.
- Notably absent, however, are corporations, private foundation and living donors that made their fortunes in the real estate market.
- The usual large, endowed foundations play a critical role, including the Ford Foundation and others, as do smaller foundations like the Harry and Jeanette Weinberg Foundation and the Melville Trust.

## Who's Getting

- The largest share of dollars to the intertwined issues of housing and homelessness is for housing development.
- Independent foundations have also given generously to community development corporations.
- However, such grants and contributions have often been made with an explicit social justice lens focusing on fair and equitable housing for marginalized communities.

- The vast majority of homeless shelter programs are funded by federal grants. Due to the inflexibility of government funding, philanthropic dollars tend to be most helpful filling funding gaps.

### The Big Issues & Funding Trends

- Funders are increasingly thinking about how to address issues related to housing insecurity and affordability, which is not only a means to economic mobility, but also a necessary strategy to stem the rising tide of homelessness.
- Critical to housing affordability are the exclusionary effects of gentrification, which force low-income households to move to lower cost neighborhoods with fewer resources.
- In addition to grants, funders have pursued a variety of strategies, including lending and other program-related investments to housing developers and intermediaries, funding advocacy and narrative change work, and organizing coalitions to build the field.

### Equity in the Sector

- Redlining as an officially sanctioned practice ended in the late 1970s, but systemic racism and the legacy of disinvestment in Black and brown communities has continued relatively unabated.
- Philanthropy is starting to play an important role in supporting efforts to shift how the nation thinks about housing and racism.
- While philanthropy has intermittently emphasized “placed-based” approaches to economic development designed to lift up low-income communities over the years, housing justice—with an explicit focus on racial injustice—has only recently taken center stage.

Individual (living) donors have also come forward in significant ways to address housing affordability and homelessness, including the likes of Jeff Bezos, Bill Gates, Marc Benioff, Priscilla Chan and Mark Zuckerberg. The size, speed and flexibility of these mega-donors’ gifts have almost immediately overshadowed longstanding commitments of others, yet questions arise about how deliberative or inclusive the process for giving such large gifts has been, as well as the degree to which the means to their prosperity have contributed to the problems of housing affordability and homelessness.

More collaborative and deliberative approaches, including participatory approaches, and efforts focused on changing the narrative about the causes and consequences of homelessness — moving from an individualistic frame to systemic reform—are all on the cutting edge of what lies ahead for housing philanthropy. This brings with it new opportunities for making connections across issue areas including housing, healthcare, income inequality and fair tax policy.

# Introduction

On a single night in January of 2019, more than a half-million Americans were experiencing homelessness. The U.S. Department of Housing and Urban Development’s “point-in-time” [amalgamated count](#) of the nation’s homeless population isn’t some anomaly, but a bleak indicator of the difficulty the wealthiest nation on Earth has in ensuring that all of its citizens are adequately housed. Nearly half of all individuals experiencing homelessness sleep outside or elsewhere in places not intended for human habitation; one in five are chronically homeless, which means they have been experiencing homeless for at least a year, often also struggling with serious mental illness, substance use disorder or physical disability.

The risks of homelessness are not evenly distributed. Pacific Islanders, Native Americans, African Americans and Hispanics/Latinxs are more likely to be homeless than both white Americans and the general population. By some estimates, African Americans account for more than [40%](#) of people experiencing homelessness, despite comprising only 13% of the total U.S. population. Veterans also comprise a disproportionate share of individuals experiencing homelessness ([11%](#) of the adult homeless population compared with 7% of the U.S.). Unaccompanied youth (under 25), who are at substantial risk of becoming victims of sexual exploitation as well as chronically homeless, represent 6% of the homeless population nationally. Research indicates that between [20–40% of homeless youth are LGBTQ](#), and that queer kids are [120% more likely to become homeless than their straight counterparts](#).

Inexorably linked to homelessness is an affordable housing crisis that is growing worse as inequality gaps widen and the country confronts a pandemic that has placed millions of Americans out of work. While the causes of homelessness are myriad, and the length of time spent homeless varies, a missed paycheck or rent payment can mean the difference between sleeping in a home or sleeping on the street. Recent statistics bear this out. At the beginning of 2020, nearly [11 million renter households](#) reported paying over 50% of their income in rent, with another 10 million or so paying over 30%. At the same time, evictions have been rampant, coming at a rate of [seven per minute](#) across the nation in 2016 in the middle of a much-lauded economic recovery, a figure sure to worsen in the context of the COVID-19 pandemic.

This State of American Philanthropy brief focuses on understanding the role philanthropy has played in addressing the issues of housing affordability and homelessness, the most extreme form of housing scarcity. It draws from an exploration of Candid data, relevant research, news and discussions with leaders in the field to examine who gives, how much and for what purpose. Naturally, homelessness is closely connected to the availability and affordability of housing, so the report closely examines the significance of housing development funding, particularly around affordable housing.

Of critical note, while philanthropic support has historically been, and still remains, an important catalyst for addressing access to affordable housing and preventing homelessness, ensuring adequate housing and providing support to individuals experiencing homelessness remains solidly outside the domain of philanthropy alone. Philanthropy’s

contributions are a small fraction of funding when compared to government support for public and subsidized housing, as well as the overwhelming majority of the country's social safety net, from Medicaid to unemployment insurance that helps to keep Americans housed. While individual and institutional donations to homeless shelters and direct service providers are critical, some of the leading foundations and philanthropists working on issues of housing and homelessness recognize the important role they can play to encourage public-sector investments in housing assistance, mobility and service programs that result in individual and family independence. They also see how they can help to incentivize investments from the private sector for more, better and fairer access to housing for low- and middle-income Americans.

# The Lay of the Land

## Who’s Giving

According to Candid data, overall giving to housing and homelessness from institutional philanthropy is concentrated among 50 foundations, which cumulatively comprised 33% of all giving to the issue from 2014 to 2018. The top 10 largest funders –including Donor Advised Funds (DAFs) such as Fidelity and the National Christian Charitable Foundation and the congressionally chartered Neighborhood Reinvestment Corporation—made up 16.25% of all giving to housing and homelessness-related causes.

Overall giving to these two issues doubled from 2014 to 2018, according to Candid data. From 2014 to 2015, funding from all grantmakers increased from \$1.08 billion to \$1.74 billion, or 61%. However, giving has grown more modestly since then, at an average of 24% annual growth. For the five-year period from 2014 -2018 data from Candid shows grants totaling \$8.65 billion to address housing and homelessness provided to more than 11,000 nonprofit recipients across the country.

The biggest funders of nonprofits focused on housing and homelessness (2014–2018) is a mix of corporate foundations, donor-advised funds, large private foundations, and at a local level, community foundations and place-based funders. As the visibility of homelessness has grown, particularly on the West Coast, individuals have also begun to step up in significant ways to address issues of housing affordability and homelessness.

Banks and other financial institutions are among the largest funders, including Wells Fargo Foundation, the Bank of America Charitable Foundation and JPMorgan Chase, as well as three of the largest holders of donor-advised funds: Fidelity Charitable, Schwab Charitable and the National Christian Foundation, a [mission-driven DAF](#) focused on “mobilizing resources” for Christian causes. Other corporate philanthropies have also been significant funders, including the Home Depot Foundation (THDF II, Inc), Cisco, Microsoft, Apple and Amazon.

As with most causes in which institutional philanthropy plays a role, the largest national private foundations are among the top givers to housing and homelessness-related causes. The Ford

**Cumulative Funding: Housing and Homelessness 2014 - 2018**<sup>2</sup>

Year	Dollar Value of Grants	Total Number of Grantmakers	Total Grants Awarded	Total Number of Recipients
2014	\$1.08B	14,445	52,044	8,009
2015	\$1.74B	17,581	79,296	10,117
2016	\$1.79B	17,644	85,457	10,950
2017	\$1.86B	16,672	54,218	9,921
2018	\$2.18B	17,803	58,515	11,215

Source: Candid



and Kresge foundations and the Lilly Endowment have traditionally been among the nation’s top givers. Several foundations with much smaller endowments are punching far above their weight. For instance, the Harry and Jeanette Weinberg Foundation, with an endowment about one-fifth the size of the Ford Foundation, gave more than \$33 million to housing- and homeless-related causes in 2018, and more than \$104 million between 2014 and 2018. Similarly, the JPB Foundation has given substantially toward poverty amelioration—including housing- and homeless-related issues over the same time period (\$34 million).

<b>Top 10 Funders: Housing and Homelessness 2014 - 2018<sup>1</sup></b>	
Grantmaker	Dollar Value of Grants Awarded
Wells Fargo Foundation	\$343.70M
Ford Foundation	\$156.60M
Harry and Jeanette Weinberg Foundation	\$104.05M
Lily Endowment	\$96.15M
Bank of America Charitable Foundation	\$87.77M
JP Morgan Chase Foundation	\$83.50M
Kresge Foundation	\$81.37M
Habitat for Humanity International	\$63.73M
Conrad N. Hilton Foundation	\$61.06M
Bezos Day One Fund	\$57.50M

Source: Candid

Just as most institutional funding for housing and homelessness is channeled to the local level, contributions by major donors—whether as individuals, LLCs or through family foundations—are also prone to fund in their own backyards.

Prominent donors to housing- and homeless-related causes in recent years include: Marc and Lynne Benioff, who have given \$66 million to the city of San Francisco and to area nonprofits for affordable housing and services to address homelessness; the richest person in the world, Jeff Bezos, recently established the Day 1 Fund, which has given \$105 million to nonprofits across the country related to homelessness; it has quickly become one of the largest homeless funders in the country. Another of the richest families, Mark Zuckerberg and Pricilla Chan, have stepped up CZI’s philanthropic giving for affordable housing in the Bay Area to \$50 million, as have Charles and Helen Schwab, who recently pledged \$65 million to address homelessness in San Francisco.

Encouragingly, a 2020 Inside Philanthropy survey of funders and fundraisers revealed that close to half of all respondents working on issues related to homelessness saw these issues as gaining momentum in philanthropy with less than a third seeing funder interest and resources as waning (either as a general trend or as a result of COVID). The IP Survey also found that one-third of respondents in the housing and homelessness space saw growth in giving by “new wealth” (living donors) to the issues. One foundation professional who responded to the survey summed up recent trends this way: “The pandemic has laid bare the dire circumstances of so many in our community, and nationally, who live with housing instability and the threat of eviction—the need for affordable housing is more important than ever.”

Funder collaboration is also increasing. According to the IP survey, nearly half of respondents reported that funder collaboration is increasing, and roughly 2 in 10 said it was “about the same, with good amounts of collaboration.”



Yet, for all its billions, philanthropy is still only a bit player in this arena when compared to government and the sheer magnitude of the problem. As one fundraising professional pointed out in the IP survey: “There have been some Silicon Valley commitments to fund housing, but in general, this is not a donor-driven business; it is highly dependent on federal, state and local government.” Even so, philanthropists have played a role as early supporters of permanent supportive housing and wraparound services. And it has begun to address issues of scale, with grantmakers increasingly involving themselves in public-private efforts to house the homeless and bring down housing costs.

## Who’s Getting

Funders have long provided gifts and direct service grants to social agencies, religious organizations and other groups to provide emergency services to homeless persons, including shelters and soup kitchens. They have also played a critical role in helping to expand the capacity of community-based housing development agencies that have enabled nonprofits to rehabilitate, construct and manage more affordable housing. More recently, rising homelessness and a shortage of affordable housing have created a sense of crisis in many places, which in turn has spurred private funders to action with new community initiatives and cross-sector partnerships at both national and local levels.

The largest share of dollars to the intertwined issues of housing and homelessness is for housing development. This category of philanthropic funding, which received \$4.02 billion according to Candid data (2014–2018), includes areas such as foreclosure prevention, public housing, home ownership programs, public housing, and building of affordable rental and purchasable housing. Making housing more readily available to middle-

### Top 10 Grant Recipients: Housing and Homelessness 2014 - 2018<sup>2</sup>

Recipient	Dollar Value of Grants Received
Habitat for Humanity International	\$102.48M
Gene B. Glick Housing Foundation	\$61.76M
Living Cities	\$58.36M
Indianapolis Neighborhood Housing Partnership	\$58.23M
BRIDGE Housing Corporation	\$46.30M
Star of Hope	\$45.61M
Corporation for Supportive Housing	\$40.86M
Local Initiatives Support Corporation	\$39.44M
Fisher House Foundation	\$36.07M
Enterprise Community Partners	\$35.72M

Source: Candid

or low-income individuals and families is a strategy that is often executed not by philanthropic giving alone, but also through impact investments and concessional lending.

Banks are frequently the largest contributors to this strategy, in part because of the Community Reinvestment Act, which encourages lending to low- and moderate-income communities where the banks do business. One of the major beneficiaries of such giving over the last decade has been the Neighborhood Reinvestment Corporation (also known as NeighborWorks America), a nationwide network of community development organizations chartered by Congress to back local projects and to assist homeowners at risk of foreclosure.

Independent foundations also gave generously to community development corporations. However, such grants and contributions have often been

made with an explicit social justice lens focusing on fair and equitable housing for marginalized communities. For instance, Enterprise Community Partners helps to develop, invest and support affordable housing and has received substantial gifts from philanthropy over the years to increase the housing supply with a focus on racial equity and upward economic mobility (\$35.7 million from 2014–2018). Other community development corporations include Housing Partnership Network (\$21 million from 2014–2018), which blends impact-driven housing investment with progressive housing advocacy. Another frequent recipient of institutional grants for housing development work has been Local Initiatives Support Corporation (LISC), which was originally conceived by the Ford Foundation to advance homeownership by providing financing to local partners and affordable housing developers.

Top 5 Funding Priorities: Housing and Homelessness 2014 - 2018 <sup>2</sup>	
Subject	Amount Funded
Housing Development	\$4.02B
Homeless Services	\$2.27B
Homeless Shelters	\$1.77B
Supportive Housing	\$1.50B
Elder Housing	\$1.29B

Source: Candid

Another area of significant funding, using Candid’s definitions, is homeless shelter support, which includes community shelters, missions, emergency shelters, motel voucher programs and other programs that provide homeless persons a place to stay (typically on a temporary basis). A total of \$1.77 billion was granted from 2014–2018 to 3,981 organizations that Candid defined as homeless shelters.

The vast majority of homeless shelter programs are funded by federal grants administered by the HUD’s Continuum of Care program, and the nonprofits receiving funds are referred to as CoCs. Providers use these funds to add beds and services for different individual and family programs. Due to the inflexibility of government funding, however, philanthropic dollars tend to be most helpful as unrestricted gifts and grants that can be used to fill funding gaps. Critical to the strength of the country’s shelter system are faith-based organizations, which are estimated to provide 30% of emergency shelter beds for families and single adults in cities and towns across the country.

Supportive housing, which uses housing as a platform for services to improve the lives of the most vulnerable homeless populations, such as chronically homeless persons with co-occurring mental illness and physical disabilities, is an increasingly popular area for philanthropic funding. In Candid’s definition, this includes a host of living arrangements that also provide programs, including domestic violence shelters, housing for persons with disabilities, supportive housing and orphanages. From 2014 to 2018, some 12,231 organizations received \$1.5 billion in funding. Like homeless shelter funding, supportive housing is largely funded through the CoC and thus reliant on public sector resources.

Funding for permanent supportive housing is predicated on evidence that those experiencing homelessness are much more likely to remain housed when it is coupled with wraparound supportive services. One of the largest recipients of funding in this area is the Corporation for Supportive Housing, which started with support from the Pew Charitable Trusts, Robert Wood Johnson Foundation and the Ford Foundation.



CSH was among the first to establish a model linking housing and intensive case management with healthcare, workforce development and child welfare, an approach that has become critical for the most prominent funders working to address homelessness over the last decade. The supportive housing framework also embraces the “housing first” model, which suggests homeless persons should not be subjected to preconditions like sobriety before placement in permanent housing. This is a rallying cry from housing advocates that has also caught on with funders of housing services.

Though it does not make the list of funding priorities (it is sixth) an area of significant funding, is homeless services, which received \$810 million from 2014 to 2018. Candid defines “homeless services” as organizations that care for “individuals and families who are homeless or which work with people who are at risk for homelessness in an effort to prevent them from losing their permanent residence.” This includes funding for facilities like showers and public restrooms, drop-in day centers and other basic services. This category also includes funding to nonprofits with emergency financial assistance programs that support individuals on the verge of becoming homeless, including subsidized rental payment and loan programs.

Many large youth-serving organizations that offer housing or residential programs are also among the largest recipients of housing and homelessness-related “supportive services” grants. For instance, Youth Villages, one of the biggest nonprofit behavioral health providers for children and young people, includes residential treatment facilities that qualify under the Candid classification. Similarly, Father Flanagan’s Boys’ Home serves homeless youth, providing housing, healthcare and other services for young people in crisis.

## The Big Issues and Beyond

As philanthropy has evolved, the scope of issues that funders see as connected to housing and homelessness has also changed. Even housing and homelessness have often been seen as separate issues. Today, funders are increasingly thinking about how to address issues related to housing insecurity and affordability, which is not only a means to economic mobility, but also a necessary strategy to stem the rising tide of homelessness.

Even during periods of strong economic growth, housing affordability has been a persistent problem for millions of Americans. In 2018, over 80% of households making under \$30,000 a year were paying between 30 to 50% of their monthly income on rent; and 12 million Americans were paying more than half of their monthly income on rent or did not have a home at all. This already acute housing affordability crisis is likely to be exacerbated by the pandemic. For example, in May 2020, the National Low Income Housing Coalition estimated that 13.3 million low-income renter households had been negatively impacted by job or income loss. Temporary moratoria on evictions, forbearance on federally backed mortgage loans provided by the CARES Act have offered some temporary relief, but many Americans remain in dire straits and little relief appears in sight.

Ostensibly, much of the work to address housing affordability is being done by increasing the supply of affordable housing. This is the work that the big banks have often done, especially in areas where they have a presence, as well as some national foundations like Ford and Melville Charitable Trust, which have helped to support the significant work of community development corporations and other intermediaries that help to increase the availability of affordable housing.

Most of the approaches to address housing affordability have emerged at the local or regional level in response to local market conditions. In 2018, for instance, the Chan Zuckerberg Initiative helped to seed \$40 million to LISC to create an investment fund for low-cost capital that would produce and preserve affordable housing as part of the Partnership for the Bay's Future. So far, that fund has received significant financial commitments and buy-in from the likes of Hewlett, Packard, Silicon Valley Community Foundation and Kaiser Permanente.

Critical to housing affordability are the exclusionary effects of gentrification, which force low-income households to move to lower-cost

### Issue Spotlight: Pandemic Safety in Congregate Housing

COVID-19 has the potential to diminish or completely wipe out much of the progress that philanthropy has made to address housing and homelessness. In addition to the economic toll, which has forced millions of Americans out of work and raised the prevalence of eviction and homelessness, individuals experiencing homelessness are at higher risk of becoming seriously ill. Moreover, self-quarantine, social isolation and stay-at-home orders are difficult, if not impossible, to follow when you don't have a home. Thus, the CDC has offered guidance on how best to serve people in sheltered and unsheltered locations. Yet, meeting COVID-19-related health needs is putting new strain on homeless services systems, especially those serving large numbers of infected people. Predictably, the impact of the pre-COVID affordable housing crisis will follow familiar patterns of inequity.

neighborhoods with fewer resources. The gentrification caused by the tech industry's presence in the Bay Area and Seattle, for example, has played no small part in the very problem (the high cost of housing) that the founders of Facebook, Salesforce, Microsoft and Amazon are trying to solve through their philanthropy.

Beyond affordability, one of the top concerns of housing and homelessness funders is emergency financial aid to prevent homelessness, which has been particularly important in the context of the pandemic. For instance, another Bay Area effort that has garnered attention is the First of the Month campaign, a community-generated fund that began in Silicon Valley. Organized in March 2020 by Live in Peace, DREAMer's Roadmap and Kafenia Peace Collective, [the fund](#) was created to provide rental assistance to support families struggling to make ends meet during the pandemic. By the beginning of July 2020, they had raised \$2 million with the support of the Silicon Valley Community Foundation, The Anne Wojcicki Foundation and Susan and Peter Pau of Sand Hill Property Company, Twitter CEO Jack Dorsey, and Box co-founder Aaron Levie and wife Joelle Emerson, as well as Zoom founder Eric Yuan. Similar funds have also been developed in other major cities like Los Angeles, Seattle and New York.

For funders focused on homelessness, there has been an increasing emphasis on finding housing for individuals who are chronically homeless—that is, individuals who are homeless for a prolonged period of time, who often experience physical disabilities, mental health challenges, substance use, or combinations of the three. Not surprisingly, the needs of this population are drastically different from those of people who become temporarily homeless because of job loss, temporary financial

hardship, or fleeing domestic violence. Each of these situations might require emergency shelter or some type of transitional housing program, but may not require permanent supportive housing. By contrast, studies in cities and towns across the country repeatedly demonstrate that providing a permanent home with wraparound supports for chronically homeless persons is the most cost-effective strategy to address the issue. As a result, foundations and other major donors have donated more time, energy and dollars than ever before toward permanent supportive housing and for coordinated entry systems that help cities and counties to efficiently match the availability of housing with the needs of individuals experiencing homelessness in the community.

This emphasis on supportive wraparound services has in many ways become a lynchpin that connects a whole range of foundations with different missions—including those focused on health and wellness, foundations that emphasize economic mobility and workforce development, and foundations most interested in children and families. One clear example of this is the increasing connection between health, housing and homelessness. A diverse collection of public, private, nonprofit and philanthropic interests, including health funders like Robert Wood Johnson, the California Endowment and others, characterize housing as a key determinant of health and wellbeing. Critically, for-profit health companies are also starting to fund affordable, supportive housing development. For instance, Portland's [Housing Is Health](#) initiative is a partnership of six prominent health organizations that have contributed \$21.5 million to construct and maintain 382 affordable supportive housing units for homeless individuals. The idea of this effort and others is to extend preventative

healthcare to vulnerable residents living in subsidized housing, which in turn can help to lower the costs to healthcare providers.



While funders have found success in encouraging private and public investment in supportive housing facilities, one perennial problem—no matter the type of housing provided—is NIMBYism. Community members, many of whom may have voted in favor of providing shelters and permanent housing for homeless persons, simply don't want those services provided where they live ("Not In My Back Yard"). Instead of community activism, grassroots persuasion or strategically planning the spread of homeless and low-income housing, this has, in some cases, led to controversial practices like building housing for homeless persons far from where they live, or even [busing homeless persons](#) out of communities entirely.

Veterans are another important population for funders of housing and homelessness. For example, the Home Depot Foundation, which employs about 35,000 veterans in its stores, is especially attuned to the issue, having given at least \$18 million since 2014. Fortunately, the number of homeless veterans has been on the decline since 2009—thanks to nonprofit providers like Volunteers of America, which serves over 7,700 homeless veterans nationally in 15 states, as well as a concentrated effort by the federal government to

care for veterans. Other foundations giving to housing homeless veterans include the Weinberg Foundation, the Hilton Foundation, the Murdoch Foundation, the Peabody Foundation and Citizens Charitable.

## Funder Trends and Strategies

Funders have pursued a variety of strategies around housing and homelessness with direct funding for service providers, lending and other program-related investments to housing developers and intermediaries, funding advocacy and narrative change work, and organizing coalitions to build the field of nonprofits that can develop, manage and maintain adequate affordable housing, emergency shelters, transitional housing and permanent supportive housing programs.

Most funding for housing and homelessness is placed-based and remains directed at the local level. Such action usually takes place in the form of direct grants to local agencies. *For example*, the late Paul Allen committed \$30 million for supportive housing in 2017 to his native Seattle. Other funders have also advanced programs, including a major housing initiative by Microsoft as well as

grantmaking by the Bill and Melinda Gates Foundation and the Raikes Family Foundation.

In other cases, local issues related to affordable housing and homelessness are being addressed via loans and other program-related investments (PRIs). For example, the McKnight Foundation has directed hundreds of millions in impact investments toward housing over the last decade. At a local level, PRIs have long been a critical tool for community foundations, like California Community Foundation and others, to try and increase the supply of affordable housing in communities. Similarly, in Chicago, the MacArthur Foundation has been a significant private player in housing through its [impact investing programs](#), which it has used locally, as well as to support the development of a broader impact investing ecosystem.

Another strategy by banks and others has been in community development work, a field unto itself. Particularly critical to the area of housing has been investments in intermediaries by Wells Fargo JPMorgan Chase and other banks. The Ford Foundation, which has not invested as much in housing construction as the banks, has placed,

## COLLABORATION SPOTLIGHT



The Partnership for The Bay's Future launched in 2019 to grapple with the high cost of housing in the Bay Area. It focuses on policy changes to protect renters and promote more affordable, equitable housing for all its residents, as well as, on housing investment, development, and perseverance to increase the housing supply. It has already raised \$500

million with plans to expand and protect 175,000 households in the next five years and add another 8,000 affordable homes within the next decade. The San Francisco Foundation leads the work, providing “backbone” support and guiding policy, including the grantmaking program to advance racial equity and affordable housing policy in local governments. The Bay Future Fund, administered by LISC, serves as the chief investment arm, offering different financial products in the form of low-cost loans to mission-aligned developers and nonprofits.

significant resources into supporting intermediaries focused on equitable community development, mostly through support for community development corporations like Enterprise Community Partners, Housing California and the Housing Partnership Network and other equity and impact-focused intermediaries. One important funder collaborative working on these issues is Living Cities, where a long history of community development funding informs a present-day push to center racial equity in local governance.

Funders are also looking to catalyze policy change, increasingly with an emphasis on advocacy and narrative change. For example, Ford's prominent role in funding around inequality is leading to additional investments in a variety of housing-related systems-change initiatives via funding for advocates of affordable housing, tenants' rights, financial empowerment and an end to exclusionary patterns of development. Some examples include Smart Growth America, Living Cities, Fair Share Housing Center and PolicyLink. Another funder of policy and narrative change work is the Kresge Foundation, which funds both policy advocacy and research for housing and community development on the ground. Kresge is leveraging its experiences in the community development "petri dish" that is Detroit by making significant grants around housing and progressive and highly inclusive community development work. Newly emergent coalitions like Funders for Housing and Opportunity are dedicating their efforts to narrative change around housing with an emphasis on breaking down how funders and the wider community think and talk about housing and homelessness.

Movement and coalition building in localities across the country is critical to the work happening with national funders. Such initiatives are resulting in new policies and new forms of funding. On a policy level, the McKnight Foundation helped to prop up the local affordable housing and community development ecosystem in Minneapolis, which in turn helped Minneapolis become the first major city in the U.S. to eliminate single-family zoning; the policy has been replicated in other places, including the state of Oregon. In Los Angeles, philanthropy acted as a bridge to bring multiple players to the table, including the banks and other lenders, local businesses and the public sector through [Home for Good](#), which was led by the United Way of Los Angeles and supported by the Hilton Foundation, Weingart Foundation, the California Community Foundation and others. The group worked to build an infrastructure to build up supportive housing for L.A.'s large homeless population and has helped to organize a grassroots campaign that resulted in the passage of two significant ballot measures: Measure H and Proposition HHH, which resulted in \$4.7 billion in funding over 10 years.

## THE KRESGE FOUNDATION

*"The Black Lives Matter movement makes crystal clear the stakes of justice in our community and in our nation. This is the time where we're going to meet the movement, to deepen our investments related to racial equity and racial justice in the city of Detroit. The expansion of opportunity that we seek cannot come without racial and economic justice. We must redouble our commitment to provide the next generation a more equitable city."*

—Wendy Lewis Jackson, managing director, Detroit program, Kresge Foundation

## Perspectives on Equity

Redlining, the practice of outlining areas with sizable Black populations in red ink on maps as a warning to mortgage lenders, officially ended in the late 1970s, but systemic racism and the legacy of disinvestment in Black and brown communities has continued relatively unabated. This and other systemic factors have resulted in lower rates of property ownership (and therefore wealth) in Black and Latinx communities, but also in the isolation and neglect of low-income public housing.

While philanthropy has intermittently emphasized place-based approaches to economic development designed to lift up low-income communities over the years, housing justice, with an explicit focus on racial injustice, has only recently taken center stage. This has partly been in response to a burgeoning movement around issues of equity across philanthropy, but also a result of the pandemic, which has disproportionately harmed Black and Latinx populations and has exposed the widening inequities in housing policy. **For instance**, Black and Latinx people faced higher levels of eviction and housing instability before the crisis and are at greater risk of eviction during the pandemic.

Advocacy organizations and philanthropic affinity groups are increasingly pushing philanthropy to meet the moment and to capture the zeitgeist of social and racial justice with a focus on creating a fairer housing system. Recent research suggests that beyond the racially driven policies of redlining, racial bias in housing has resulted in massively undervalued real estate in majority Black neighborhoods to the tune of \$156 billion, or an average of \$48,000 per home. The results of racist housing policy manifests in its most extreme form through homelessness, as nearly 40% of the nation's homeless population is Black.

Philanthropy is starting to play an important role in supporting efforts to shift how the nation thinks and ties together issues of racism and housing. The Melville Charitable Trust is spearheading research to build and advance a new narrative to help the public better understand homelessness and encourage people to support policy solutions that ensure everyone has a place to live. Research at the FrameWorks Institute and the [Housing Justice Narrative Initiative](#) are informing how people understand housing and what can be done to create more just systems and outcomes. The Surdna Foundation, Ford Foundation, the San Francisco Foundation and others are also conducting significant work around racial equity and housing.

### Inside Philanthropy August 2020 Survey

*“With regard to affordable housing, the pandemic has laid bare the dire circumstances of so many in our community, and nationally, who live with housing instability and the threat of eviction. The need for affordable housing is more important than ever.”*

—Foundation professional, Philadelphia, Pennsylvania

population, whose members are more likely to become homeless—and once homeless, more likely to endure discrimination and harassment that extends the length of their homelessness—have often been overlooked by institutional philanthropy. Nevertheless, foundations like the Arcus Foundation, the Gill Foundation and the Harry and Jeanette Weinberg Foundation have stepped up, with a particular focus on the country's estimated 4.3 million LGBTQ homeless youth. Individual donors and LGBTQ activists like Cyndi Lauper have also created organizations with a particular focus on youth homelessness—Lauper co-founded True Colors United. Other prominent recipients include the Trevor Project and the Covenant House.

# A Closer Look at Funder Types

## Private & Family Foundations

Private endowed foundations comprised slightly less than half of all giving from the top 50 funding institutions from 2014–2018 to housing- and homeless-related causes. About \$1.3 billion in all from the 30 grantmakers, or about \$260 million per year. The average grant size of the 2,548 grants made by private and family foundations over the time period for housing- and homeless-related causes was \$520,000, large by most any standard. The biggest independent funders included Ford Foundation (\$120 million), the Harry and Jeanette Weinberg Foundation (\$104 million), the Lilly Endowment (\$96 million), the Kresge Foundation (\$81 million) and the Conrad N. Hilton Foundation (\$61 million).

Interestingly, among the top 10 biggest givers to housing and homelessness in 2018, the most recent full year of grantmaking data available from Candid, only two were independent foundations without living donors: Weinberg (No. 2) and the Lilly Endowment (No. 3). The meaning of this is impossible to generalize based on a single giving year, but it certainly suggests that, when compared to other areas of institutional philanthropy, independent foundations don't represent the outsized role they often do for other issue areas.

Yet, even smaller private foundations, which don't give as much as the big foundations or banks, are making a significant impact. For instance, Melville Charitable Trust, has been among the most prominent advocates of a housing-first approach in the country. Even though much of Melville's

grantmaking takes place on the ground in Connecticut, it is perhaps the leading national funder advocate for ending homelessness, spearheading a variety of initiatives to catalyze collaboration and break down siloed thinking.

“Housing is a basic need. It is foundational to all the best efforts we have for advancing outcomes related to economic mobility, health and learning. People need a stable place to live in order to prosper,” Susan Thomas, president and CEO of the Melville Family Trust told Inside Philanthropy.

The Conrad N. Hilton Foundation, like many other foundations, has concentrated its grant dollars for work to end homelessness in its home region of Los Angeles County, but has also worked to build the field of permanent supportive housing more broadly. Others, like the MacArthur Foundation, have shifted from a direct grantmaking approach and are using other institutional assets to support housing by helping build up the impact-investment ecosystem. And at the state and regional levels, private foundations are making an enormous impact as conveners and facilitators, as well as funders—for example, the work that the Lilly Endowment has done for Indiana around housing and homelessness and the work that the Irvine Foundation has begun in California's Inland Empire. There is also convergence among foundations focused on other areas of philanthropy through Funders for Housing and Opportunity (FHO) and other efforts, for example, health foundations, youth-focused foundations and education-focused organizations. Private and family foundations are making a significant impact on local homelessness rates as conveners and leaders, even if they can't build affordable homes for everyone.

## Corporate Giving

Overall, corporate foundations comprised 10% of the top 50 institutional givers to housing- and homeless-related causes from 2014–2018, amounting to about \$605 million over five years of Candid data. The extent of giving related to housing and homelessness by corporate foundations, which together make up only 3% of all foundations and 9% of all foundation giving, is substantial. The average size of those gifts was nearly \$33,000, a significant sum for corporate funders that typically give small grants to local funding needs. Given the size of corporate giving and the highly localized nature of housing and homelessness funding, there were just 19 corporate giving programs from 2014–2018 in the Candid database, totaling \$13.2 million, led by Kaiser Permanente for the Southern California Region (\$4.4 million), Google (\$1.5 million) and Charter Communications (\$1 million).

Banks are among the biggest corporate funders. Leading all housing and homelessness funding is Wells Fargo, which has been one of the largest housing funders of the past decade. It's not all philanthropy, though, since much affordable housing funding takes the form of impact investments or concessional lending. But the scale of the bank's commitments is substantial nonetheless, and it's set to continue to the tune of \$1 billion in philanthropy through 2025. One major beneficiary over the past decade is the Neighborhood Reinvestment Corporation (also known as NeighborWorks America), which received more than \$140 million for housing-development-related grants, mostly from Wells Fargo (\$137 million) from 2014–2018. Habitat for Humanity International and Enterprise Community Partners are some of Wells Fargo's other frequent beneficiaries.

## Funder Spotlight:



In 2018, the James Irvine Foundation began exploring how it could address the ongoing housing crisis in California. According to Irvine, it is “unsuitable and inequitable for working Californians to spend more than 30%, on average, of their paychecks on housing.” During its exploratory grantmaking phase, it awarded more than \$9 million in grants supporting organizations such as Housing California, Residents United Network and Turner Center for Housing Innovation.

JPMorgan Chase is another significant donor that spreads its donations around with a focus on large metros in a way that draws on its financial expertise, immense reach, and its network of branches and employees on the ground. Those are advantages private foundations mostly lack, and a big reason that banking giants appear on this list.

Beyond the banks, the Home Depot Foundation (THDF II, Inc) is another significant corporate funder of housing and homeless; it has made substantial contributions to ending veteran homelessness (e.g., it gave \$27 million to ending veteran homeless in 2018). Other corporate contributors of note include a pledge by Cisco of \$50 million over five years to Destination: Home, a Silicon Valley-based nonprofit focused on housing homeless people. At the time of its pledge (2018), it was the largest single charitable donation ever to fight homelessness, and it encouraged further six- and seven-figure donations from Apple (\$50 million) and others. Similarly, Microsoft pledged \$500 million in loans and donations to address housing in the Seattle area in 2019.

Habitat for Humanity International has been a major recipient of housing development dollars from corporate philanthropy. Habitat, which now works across all 50 states and in 70 countries, received over \$100 million in grants for housing from 2014 to 2018, including 19 seven-figure gifts, mostly from corporate foundations like Lowe's, the Home Depot Foundation, Dow Chemical, PepsiCo and Bank of America. Nearly half of Habitat's institutional giving is from corporate donors.

What is strikingly missing from the list of major corporate donors to affordable housing and homelessness nonprofits is the real estate industry and the billionaires who have come up through it. Given the vast amount of wealth generated by the real estate industry, its leaders' expertise in the systems that produce housing scarcity for vulnerable populations, and the general proclivity of corporate givers to direct funds to mitigate some of the consequences of their business practices, it seems logical that at least some real estate moguls would fund in this area. That does not seem to be the case.

## Community Foundations

From 2014 to 2018, community foundations comprised about 20% of all giving to housing- and homeless-related causes from the nation's top 50 funders. Over the five-year period, those community foundations administered nearly 9,647 grants totaling \$294.5 million. The average grant size from community foundations was around \$30,500. Significant community foundation funders over the period include the Chicago Community Trust (\$41 million), the Greater Houston Community Foundation (\$38 million), the Cleveland Foundation (\$31 million), and the Silicon Valley Community Foundation (\$29 million).

A closer look at Candid data shows that year over year, community foundations from across the country were often among the biggest givers, a pattern that fits with the substantial funds raised for housing development projects and campaigns focused on homelessness in any given year.

While the San Francisco Foundation is not the largest community foundation working on housing and homelessness in the country, it has worked to build several significant public-private collaborations on housing involving municipal government. The foundation also leads the policy fund of the [Partnership for the Bay's Future](#), a region-wide funding initiative centered on inclusivity. Another strong community foundation that is doing interesting work on housing and homelessness is the Foundation for the Carolinas, which recently [rolled out an investment fund](#) to match rising public commitments to affordable housing in Charlotte. The city's many financial sector firms have been quick to back the fund. That demonstrates the potential for positive feedback loops on housing between wealthy local interests, community funders and the public sector—even in cities not known for their housing troubles. Other community foundations putting significant funding into housing and homelessness include the California Community and Boston foundations.

### Inside Philanthropy August 2020 Survey

*"Google, Facebook, Apple and Microsoft have recently made commitments to funding affordable housing. They and their Silicon Valley brethren could and should commit multiples of what they have already done, both because they can and because they have contributed massively to housing unaffordability in their region."*

—Foundation professional, San Diego, California

## Major Donors

An increasing number of high-net-worth individuals are stepping up and into their philanthropy by supporting causes related to housing and homelessness. Many of the highest-profile donations in the last several years have been from tech billionaires through a variety of funding methods (e.g., through LLCs, giving as individuals, or through private foundations).

The influence of living donors is evidenced by the recent philanthropy of Jeff Bezos and his Day One Fund, and Mark Zuckerberg and Priscilla Chan's Chan Zuckerberg Initiative. Combined, they have donated nearly \$107 million over five years to housing and homelessness. Bezos's Day One Fund, which he started in 2018, made \$57.5 million in recorded grants; Chan Zuckerberg made \$50 million. In total, those two individuals accounted for 4% of all giving among the top 50 grantmakers from 2014–2018. Their gifts were enormous, averaging more than \$6 million apiece administered through just 17 grants.

We also see some of the importance of individual giving to housing- and homeless-related causes by the number of gifts provided through donor-advised funds, which accounted for 13% of all giving among the top 50 grantmakers. The largest donor-advised fund in the world, Fidelity Charitable, gave \$143 million to housing- and homeless-related causes over five years (2014–2018) and Schwab Charitable gave \$55 million over the same period. Gifts from these funds were sometimes more significant seven-figure donations, but the vast majority tended to be small, less than \$1,000. Total funding for housing and homelessness was also reasonably small when compared to DAF contributions to other causes. For example, approximately 2% of all of Fidelity's

giving has gone to housing and homelessness; donations to related issues comprised 5% of gifts from Schwab's DAFs. Anonymized and aggregated data of MasterCard credit transactions also suggest that only a tiny fraction—0.4% of all donations in 2016, and 0.5% in 2017—were for [housing- and homeless-related causes](#).

### Major Donor Spotlight: Marc and Lynne Benioff

Marc and Lynne Benioff recently gave the city of San Francisco \$6.1 million to help the city transform the Bristol Hotel into transitional housing for formerly homeless people. The couple also vowed to raise \$200 million to address homelessness in the city and have donated at least \$11.5 million to the Hamilton Families, which finds homes for homeless families—often outside of the city in cheaper real estate markets; a controversial intervention for many.

Generous mega-donors really have become a key player, especially on the West Coast, in providing community-altering support in this space. One of the most notable benefactors of housing- and homeless-related causes in the Bay Area is Marc Benioff, the chairman and co-CEO of Salesforce, and his wife Lynne. The Benioffs recently gave \$6.1 million to a San Francisco nonprofit focused on developing affordable housing for formerly homeless people, and vowed to raise an additional \$200 million to address homelessness in the city. The couple has also donated at least \$11.5 million to the Hamilton Families, which finds homes for homeless families in San Francisco, often outside of the city in cheaper real estate markets, perceived by many as a controversial intervention. Meanwhile, Salesforce has contributed to the cause, as well, providing at least \$4 million to Hamilton

Families over the last three years. In addition, the Benioffs were vocal (and financial) supporters of a ballot initiative to create a fund to support the city’s homeless, which would be paid for by a tax on San Francisco’s biggest businesses. Voters approved the ballot measure, but whether or not it takes effect will be decided by the courts. If it does, the tax is estimated to **raise \$300 million** for the city’s efforts and, according to Benioff, would add \$10 million a year to Salesforce’s tax bill.

The Benioffs were also among the donors behind a \$100 million push to fight homelessness by Tipping Point Community, a popular nonprofit that raises money and reinvests it in Bay Area nonprofits. Homelessness is one of Tipping Point’s signature causes, with a focus on permanent supportive housing. Most recently, Tipping Point received an enormous gift—\$65 million—from the chairman of financial services company Charles Schwab Corporation, Charles Schwab, and his wife Helen. The donation will fund a 45-unit building for people experiencing homelessness in San Francisco. The Schwabs’ gift—among the largest ever by an individual for the issue of homelessness—will allow the nonprofit and its partner, the San Francisco Housing Accelerator Fund, to complete the project without any upfront government funding.

## Associations & Intermediaries

Collaborative efforts have been among the most promising avenues for philanthropic impact on housing and homeless-related causes. Given the sheer size of housing and homelessness issues, and the astronomical cost, the trend is unsurprising.

The largest and most prominent national philanthropic affinity group working on housing- and homelessness-related issues is Funders Together to End Homelessness. Funders Together has been around for more than a decade and focuses not just on tackling homelessness, but on housing inequality. “The solution to homelessness is housing,” says Amanda Andere, President and CEO of Funders Together to End Homelessness. “Too often, we tend to approach homelessness from a personal responsibility standpoint, whether that is about issues of addiction or mental health as the core drivers of homelessness. In reality, homelessness is a system failure problem.” Funders Together continues to play a critical coordinating role for funders across the sector, most recently developing a substantial set of resources for COVID-19 response, as well as short- and long-term recommendations for housing funders during the pandemic, and is helping to drive collaborative efforts at both the federal and local levels. A key

### Collaboration Spotlight



A newer collaborative effort, Funders for Housing and Opportunity (FHO), was founded in 2018 as a “strategic clearinghouse for philanthropy’s response” at the intersection of homelessness, housing insecurity. While it’s still fairly new and its impact hard to gauge, the collaborative includes some of the biggest names in anti-homelessness and anti-poverty giving—Ford, Annie E. Casey, Hilton, Gates, MacArthur, Kresge and Melville. Among the signature issues FHO is working on now is the Housing Justice Narrative Initiative, which is a philanthropy-led attempt to think bigger about the housing crisis, with the goal of connecting housing across issues of education, health, work, homelessness, children, or older adults.

area of focus for Funders Together now is helping its members to better connect racial justice with housing justice, and to encourage systems thinking and policy advocacy work as they address housing and homelessness at the local level.

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A number of more localized collaboratives have also emerged in recent years. One is the Bay Area Homelessness Funders Network, which was formed in 2020 by Funders Together and Northern California Grantmakers as a way to better coordinate grantmaking around housing and homelessness in the region. The primary fund, housed at the San Francisco Foundation, focuses on “racial justice and uplifting grassroots leaders with lived experience.” Current advisors include representatives from CZI, Tipping Point Community, the Crankstart Foundation and the May and Stanley Smith Charitable Trust. Another prominent local funder collaborative in recent

years was Home for Good Funder Collaborative, which initially formed to bring together Los Angeles’s public and private funders around permanent supportive housing. The group eventually paved the way toward passage of two important bond measures to increase the stock of supportive housing and provide additional resources for city and county services linked to homelessness and homelessness prevention, which spawned similar initiatives across the country.



*“We all know the real estate market is an enormous provider of jobs, including new construction jobs and housing maintenance jobs. But we also know that when children have stable housing they have better education outcomes, they have better health outcomes, and their parents have better job outcomes. Affordable housing is a foundation for good public policy.”*

— Allison Clark, associate director, Impact Investments, MacArthur Foundation

# Fundraising Now

Advocates and organizations working on housing and homelessness have faced new and heightened challenges in the past year, with illness and loss of income making it harder for people to make rent and mortgage payments, and unstable living situations putting people at greater risk of contracting COVID-19. Nonprofits raise money from varying sources, depending on the services they offer, to provide housing and fight homelessness, including individuals, corporations and foundations—which often account for only a fraction of revenues—as well as government funds and other income.

As the first year of the pandemic drew to a close, Inside Philanthropy spoke with several fundraisers working for organizations in housing and homelessness to find out how their philanthropic support is holding up, where it's coming from, and what needs donors are helping them meet. For many, government grants and contracts dwarf private sector donations.

“We have not seen a decline in giving to the extent others have,” says Colleen Finn Ridenhour, Habitat for Humanity’s chief development officer. Last year, as the pandemic raged, Habitat for Humanity raised over \$248 million, a tiny dip of less than 2% from the previous year.

A big reason for the home-building charity’s relative fundraising success in the health crisis: strong support from individual donors. That, and many companies that provide money and enlist employee volunteers to build Habitat houses have continued to give generously—even when the organization had to cancel building projects because of COVID-related safety concerns.

The pandemic, Ridenhour says, has had a positive effect in bringing the importance of safe housing into sharper focus for donors. “Housing is now at the forefront of everyone’s thinking,” she says. “The pandemic has put our work in a new light.”

Unlike Habitat, however, many nonprofit housing organizations, particularly those that develop and operate affordable housing facilities, are far more dependent on government aid. They rely on fundraising and charitable donations for only a tiny portion of their overall revenues.

At Mercy Housing, a Denver-based charity that operates affordable housing properties in 21 states, charitable contributions normally account for just 10% of revenues. More than 75% of Mercy Housing’s budget comes from the rent paid on some 24,000 affordable housing units. Much of that rental income is subsidized by the federal government, meaning that a low-income tenant pays a percentage of income for the rent. The government reimburses the landlord, in this case, Mercy Housing, for the rest.

“We fundraise to provide things like financial literacy training, after-school programs and other wraparound services such as childcare options for tenants” that make it more likely people will be able to keep their homes, says Connie Rule, Mercy Housing’s senior vice president of national philanthropy. In an unusual but welcome development, an anonymous donor stepped up and gave a multimillion-dollar contribution last year to create another wraparound program called Rent Relief to help tenants of Mercy Housing stay in their homes in the event of a health crisis or job loss in the face of pandemic-driven unemployment.

Foundations making grants to housing organizations seem most willing to support wraparound services. Kerry Sullivan is president of the Bank of America Charitable Foundation, which has made \$60 million in affordable housing grants since 2017. “A great housing grant application for me would also address support services,” Sullivan says. That demonstrates that the housing organization is able to build a strong network for its clients. “They work with other providers and don’t try to do it all. This is a valuable demonstration of a strong nonprofit, that they can collaborate.”

With philanthropy accounting for a small part of many nonprofit housing budgets, “you have organizations that do not have dedicated fundraising staff, because they are not doing typical fundraising activities,” says Stephen Glaude, president and CEO of the Coalition for Nonprofit Housing and Economic Development, a charity that advocates for affordable housing in the District of Columbia. “The employees who generate funds are people with titles like finance director and project manager.”

Because several foundations and corporations increased their donations and were more generous in giving operating support in 2020 because of COVID, Glaude says, there are signs of pulling back in 2021. While the extra money he raised last year will carry his organization in coming months, “some who gave more in 2020 are uncertain about their ability to give this year,” he says. “And if they don’t renew, 2022 could be a really thin year.”

In many cases, the contributions nonprofit housing groups get come from locally based foundations and corporations, often banks or bank foundations. “Some get local philanthropic support, but usually, it’s not very big,” says Peter Tatian, a housing policy

expert with the Urban Institute. In particular, if nonprofit housing organizations are involved in developing affordable real estate, he says, “that requires millions of dollars from government and/or private investors. So philanthropy is much smaller.”

### Fundraising Spotlight



Habitat for Humanity has a diversified, robust fundraising operation. In addition to corporate support, it relies on direct marketing, large gifts from individuals, grants, workplace giving and planned giving. Some corporate donors have stepped up to support Habitat in new ways during the pandemic. As part of its COVID-relief efforts, Lowe’s gave \$1 million to support mortgage forbearance and general operating support for Habitat affiliates. Republic Services, a Phoenix-based company providing recycling and waste disposal services, gave another \$1 million to 12 Habitat affiliates working to revitalize neighborhoods. And Bank of America contributed \$224,000 for communal hand-washing stations and home repairs.

At statewide organization Housing Action Illinois, headquartered in Chicago, foundation and corporate grants account for about 30% of the nonprofit’s total budget. “All of our foundations are based in Chicago, and our corporate grants tend to come from a regional office here,” says Sharon Legenza, executive director. In 2020, Housing Action Illinois raised slightly more from those sources: \$280,000 from foundations and another \$180,000 from companies.

While affordable housing groups have fewer individual donors, homeless shelters and other

charities that work with the homeless are usually more successful in recruiting individuals, who account for about 80% of all charitable giving nationwide. Homeless No More, a Columbia, South Carolina, charity that helps homeless families with children under 18, operates an emergency shelter. It also has transitional housing where 25 families can stay for up to two years while they get back on their feet.

Last year, “we did see a dip in corporate giving, but we had a major increase from individual donors,” says Elizabeth Dudek, the charity’s director of development. She said Homeless No More pushed

harder for donations because the charity was spending significantly more to help its families in the pandemic: opening a virtual school for children in its shelters, for example, and increasing its feeding program from one to three hot meals per day. Donors responded, giving \$322,190 last year, up from \$130,646 before the health crisis. Dudek says that she and her colleagues paid special attention to people who had given \$50 to \$250 previously, asking them to make monthly rather than annual gifts. About 10% of the donors agreed to monthly donations. “If someone gives you \$100 every year, you can ask for \$20 per month,” which often still give you \$100 at Christmas.”

### Spotlight: Family Homelessness



**HOMELESS NO MORE**  
*putting families first*

Based in Columbia, South Carolina, Homeless No More provides a continuum of care for homeless families ranging from emergency services to transitional and affordable housing. Focusing its efforts on Columbia and Richland Counties, Homelessness No More works toward eradicating homelessness by "providing the support to move each family toward a permanent, self-sufficient solution." According to the charity, from 2018 - 2019 91% of its families moved from transitional to permanent housing.

Like many nonprofit organizations, Homeless No More saw corporate donations decrease in 2020; however, individual donors helped to close this funding gap by giving the charity over twice as much as they had collectively given in 2019.

# An Analysis of Opportunities and Challenges

The scale and complexity of issues linked to housing and homelessness is daunting—not just for philanthropy, but across multiple fields and sectors. The precariousness of safe, affordable housing was thrown in sharp relief by COVID-19, compelling action on the part of philanthropy. However, millions of Americans struggled to pay rent and tens of thousands were experiencing homelessness well before 2020.

Philanthropy has had plenty of bright spots in its approach to housing and homelessness. Among the most prominent is its embrace of housing-first models, permanent supportive housing and equity-focused community development agencies. As is the case with so many areas of philanthropy, funders' strength and influence has often come as a result of direct investments in programs at the local level that show promise for wider scaling by government or through public-private partnerships.

While giving totals by endowed private foundations do not seem to suggest an outsized role, the data from Candid only tells part of the story.

Foundations have demonstrated their power as conveners and bridges to bring public and nonprofit providers, developers and others together to create an infrastructure for action at the local level, whether in California or Connecticut. Staffed private foundations bring to bear an expertise, experience and focus on equity that corporate foundations—despite their prominence in the housing field—sometimes miss.

Even so, philanthropy writ large has still been slow to make even the most basic of connections between

things that might otherwise seem obvious, like linkages between affordable housing and homelessness. A large share of philanthropy—and the public at large—still seem to operate according to the belief that homelessness is a consequence of personal choices rather than widespread systemic failure. This often results in palliative, episodic responses to housing or homelessness crises rather than the well-coordinated, cross-sectoral, intersectional and systematic approach required.

This presents an important opportunity for philanthropy to ramp up approaches that seek to change systems. By widening its aperture, philanthropy as a whole could be more effective in helping other key players and the public understand homelessness as a consequence of system dysfunction. Rather than holding up a single organization or program as a standout model, funders have the opportunity to look further upstream, make connections between issues, and use their influence and power to bring about change—from rent and housing affordability to inclusive community development, income inequality and the social safety net.

Making stronger connections between racial justice and housing justice is another cross-cutting issue for philanthropy to lead on. While some funders like Melville Charitable Trust and affinity groups like Funders Together have adopted anti-racist frameworks as part of their work, philanthropy can be effective by funding grassroots organizations that are organizing to reduce housing segregation and to redress the harms of racist policies like redlining, beyond the handful of private foundations that have already committed to this

kind of work. Real philanthropic commitment to systems change requires more funding for policy and advocacy work, litigation and awareness and education campaigns, which currently receive cents on the dollar compared to community development corporations.

Institutional and major donors could also be more publicly introspective about their own practices – from their grantmaking to their investment portfolios—and examine how they may be perpetuating homelessness and housing inequality. For instance, mega-donors in the Bay Area may be making significant gifts to provide affordable housing, but in many cases, their very presence in a community forces up the cost of living and displaces vulnerable people.

Philanthropy should also be focused on further breaking down siloed thinking. The connections

being made between housing and health represent one of the best examples of the field’s evolution. For example, some funders are helping to spearhead a pay-for-success model in Santa Clara, California, including California Endowment, Health Trust, Reinvestment Fund, Corporation for Supportive Housing, James Irvine Foundation and Google.org. Philanthropy is helping to tap millions in private investments to house extremely vulnerable people. Investors will be paid back based on the money saved in healthcare, public safety and other social costs. Similarly, the Green & Healthy Homes Initiative, Calvert Foundation and Johns Hopkins Hospital and Health System in Baltimore have partnered to develop a pay for success contract to reduce asthma-related hospitalizations and emergency room visits in the city. Notably, it’s not just private funders who are intrigued by using PFS to support housing mobility. HUD has put up **\$8.6 million** for state and local initiatives in this area.

### Issue Spotlight: NIMBYism

NIMBY, an acronym for “Not in My Back Yard,” is used to describe situations in which residents oppose the new development or changes in an existing development, that they deem inappropriate and unwanted for their neighborhood. For housing and homelessness, this translates to the opposition of affordable, supportive, and transitional housing .

To combat NIMBYism, advocates are focusing on educating local communities on the benefits for the residents of such developments, as well as, addressing legitimate community concerns and showcasing successes of similar existing affordable, supportive, and transitional housing developments.

Pay-for-success, impact investing and other strategies hold considerable promise for housing philanthropy. By building an ecosystem where equitable impact investing can take root and experimenting in this space, foundations have a chance to better leverage their endowments and deploy risk capital that could help private investors build, develop and sustain more affordable housing units for low- and moderate-income people in cities across the country. Endowed, independently run foundations can also hold government and private sector actors accountable, an especially important role as new private investment vehicles like Opportunity Zones emerge.

Funders can also bolster infrastructure—not just for nonprofits—but for cities and counties grappling with issues of housing and homelessness. For example, one area of opportunity is helping to fund

how governments at all levels collect, share and use data to better deploy limited resources connected to housing and homelessness.

There are also emerging opportunities for funders to shift how and what they choose to fund in their local communities. For too long, community members, including those experiencing homelessness, have been left out of the decision-making process. As participatory grantmaking processes gather steam, it's likely that entirely new models and approaches for grappling with housing, community development and homelessness will emerge.

At a more fundamental level, funders have the chance to step up their grantmaking to fund more grassroots, community-based organizations that know their community and can mobilize against NIMBYism. Funders can also look to support organizations that are BIPOC-led, as well as those that rely on persons with lived experiences to help lead and voice concerns about inequities in housing and homeless-related services.

Funders can continue to build networks across different sectors—business, philanthropy, nonprofit and government—to create coalitions at both the local and national levels to more proactively take on issues of housing affordability, homelessness and all the other equity work happening upstream (e.g., a living wage, universal healthcare). This work includes significant investments for groups doing work around narrative change, which is necessary to shift how the public thinks about housing and homelessness and by leveraging new partners, messengers and platforms. Funders also have a chance to focus on specific policy issues affecting housing and homelessness today, including fighting efforts to

criminalize homelessness and backing vehicles like universal rental vouchers, which provide more agency and opportunity to those experiencing homelessness.

There are limits even to the most successful philanthropy-backed approaches, including housing-first and permanent support housing models. In short, we cannot entirely rely on building our way out of the problems presented in this brief. Long-term solutions lie further upstream with economic mobility, fair and equitable wages, safe and healthy communities and a stronger social safety net, areas where philanthropy can play a catalytic role to spark government and private sector action.

## Funder Spotlight

Melville   
Charitable Trust

According to the Melville Charitable Trust, it is the largest foundation in the U.S. that devotes its funding exclusively toward ending homelessness permanently. Established in 1990, the trust has awarded over \$156 million in grants toward that end.

The Covid-19 pandemic has exacerbated the U.S. housing crisis. In response, Melville has redirected \$100,000 to support emergency responses in its home state of Connecticut; streamlined its grantmaking process, and provided its grantees with the ability to convert project-specific funding into general operating support funding when necessary. The trust has also offered small advances to grantee renewals when needed.

# Resources for Housing and Homelessness Funding

## Reports & Data Sets:

[America's Rental Housing 2020](#). (2020). Joint Center for Housing Studies of Harvard University.

Bailey, P. (January 17, 2020). [Housing and Health Partners Can Work Together to Close the Housing Affordability Gap](#). Center on Budget and Policy Priorities.

Bass, R., Nova, N., Sunderji, S. (October 2019). [Evaluating Impact Performance: Housing Investments](#). Global Impact Investing Network.

Choi, S.K., Wilson, B.D.M., Shelton, J., Gates, G. (June 2015). [Serving Our Youth 2015: The Needs and Experiences of Lesbian, Gay, Bisexual, Transgender and Questioning Youth Experiencing Homelessness](#). The Williams Institute with True Colors Fund.

[Continuum of Care Homeless Assistance Programs Homeless Populations and Subpopulations](#). (September 20, 2019). U.S. Department of Housing and Urban Development.

[Donations Insights](#). (March 2017). Mastercard Center for Inclusive Growth.

[Faith-Based Organizations: Fundamental Partners in Ending Homelessness](#). (2017). National Alliance to End Homelessness.

[Framework for an Equitable COVID-19 Homelessness Response](#). (October 19, 2020). Housing Equity Framework.

Mazzara, A. (January 31, 2020). [Rental Housing Affordability Crisis Worst for Lowest-Income Families](#). Center on Budget and Policy Priorities.

Morton, M.H., Dworsky, A., & Samuels. Chapin Hill at the University of Chicago and Voices of Youth Count. (2017). [Missed Opportunities: Youth Homelessness in America: National Estimates](#).

[The 2019 Annual Homeless Assessment Report \(AHAR\) to Congress](#). (2020) U.S. Department of Housing and Urban Development.

## Websites & Individual Pages with Key Information:

[Funders for Housing and Opportunity](#)

[Funders Together to End Homelessness](#)

[Melville Charitable Trust](#)

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# Thank You

*Thank you to these individuals who were interviewed:*

Amanda Andere, CEO, Funders Together to End Homelessness

Lauren, Bennett, director of communications, Funders Together to End Homelessness

Susan Thomas, president and CEO, Melville Charitable Trust (Tuesday, Nov. 17)

Elizabeth Dudek, director of development, Homeless No More

Stephen Glaude, president and CEO, Coalition for Nonprofit Housing and Economic Development

Valerie Goode, vice president, marketing and communications, San Francisco Foundation

Sharon Legenza, executive director, Housing Action Illinois

Bill Pitkin, consultant, former director, domestic programs, Hilton Foundation

Colleen Finn Ridenhour, chief development officer, Habitat for Humanity

Khanh Russo, senior director, Partnership for the Bay's Future & Great Communities Collaborative

Connie Rule, senior vice president of national philanthropy, Mercy Housing

Silvana Straw, senior community investment officer, Greater Washington Community Foundation

Kerry Sullivan, president, Bank of America Charitable Foundation

Peter Tatian, senior research fellow, Urban Institute

<sup>1</sup>Based on available grantmaker data from Candid. Excludes federal funding, funding by higher education institutions and major donor advised funds (DAFs.)

<sup>2</sup>Based on available grant recipient data from Candid. Excludes government organizations and higher education institutions.

## Feedback?

The State of American Philanthropy is an ongoing project, each SAP brief will be updated periodically to integrate new information, additional data and evolving perspectives. This brief was originally posted to Inside Philanthropy in 2021. It has not yet been updated. If you have comments or information you'd like to share with us, please email us at [managingeditor@insidephilanthropy.org](mailto:managingeditor@insidephilanthropy.org).