

# we can end homelessness.

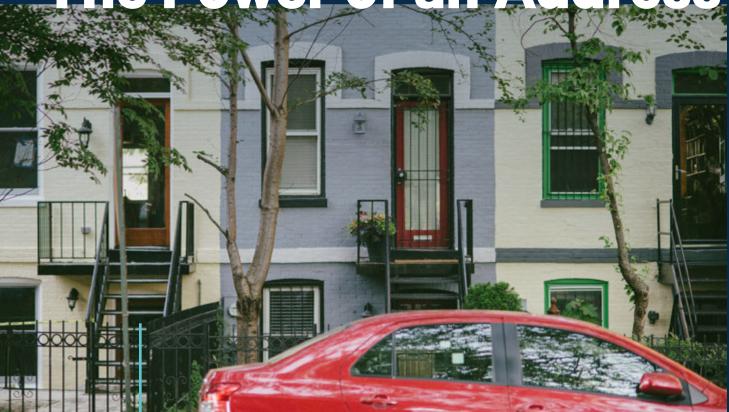
The Case for the Partnership to End Homelessness







### The Power of an Address



Washington, DC is one of the most prosperous and vibrant cities to live in the U.S. and home to many of the most powerful addresses in the world. Yet next to the Capitol, national monuments and embassies, and among our streets lined with luxury condominiums and upscale retail and restaurants, many of our neighbors do not have a home to call their own.

Having an address is powerful—whether you are a world leader, a business owner, or a childcare worker. An address is required to register to vote, to enroll your children in school, to get a government I.D., or to apply for a job. And we know from research that an address, a place to call home, provides us with so much more—stability, a sense of belonging, a connection to community, and dramatically better health, education, and employment outcomes. However, between our high-profile addresses—the embassies, the monuments, the museums, and the transit corridors—are people who are locked out of the opportunity that an address provides. And, thousands more are precariously housed, in jeopardy of losing the places they call home, or living in temporary shelters without the benefit of a stable address.

## Ensuring an Address for Those in Need: A Building Block for a More Inclusive and Equitable District of Columbia

In many ways, Washington, DC has always been the front door to the prosperity of our nation. Historically, many of the battles for Fair Housing and other Civil Rights related to housing, have been fought here. And, this is a region where despite a history of systemic prejudices and racism (through redlining, restrictive covenants, and exclusionary policies), even families of modest means have historically been able to afford homes to raise their families in strong communities with access to public transportation.

However, the door to prosperity has been closing on many who call Washington, DC their home. As housing costs have outpaced local incomes, we have also seen a significant loss of affordable housing units. DC is experiencing gentrification and displacement at a rate faster than almost all other cities across the nation. The battle to find affordable housing is creating more racial tension across neighborhoods, worsening outcomes for children growing up in our region, and making it almost impossible for those at the lowest ends of the income spectrum to stay stably housed. Homelessness is a reflection of the severe shortage of affordable housing and statistics show that this shortfall disproportionately affects people of color.

If we want our city to be diverse, equitable, and inclusive, we have to address housing as a fundamental investment that ensures the best outcome for everyone. More specifically, building a region that continues to be vibrant and thriving, requires that we intentionally create a diverse mix of housing to meet the needs of all residents.

#### We Can and Must Do Better

We must work together to ensure that homelessness in our city is rare, brief, and non-recurring. In a city as prosperous as ours, with so many prominent leaders and some of the wealthiest addresses in the world—we can and must do better. This should not be our reality and it cannot become our new normal.

A small number of cities across the country are ending homelessness by working together in multi-sector collaborations to redesign the systems that were meant to address the housing needs of their residents. **Now is the time**: time for Washington, DC to join these cities that are tackling the issue of homelessness and making real progress. The best investment we can make in our city's future is securing a foundation of strong communities and stable homes for all.

As you will see in the plan we outline below, we've engaged many residents and stakeholders on this issue across the region, asking them about the solutions they want to see reflected in their communities and what critical gaps remain unmet. By addressing these gaps, the Greater Washington Community Foundation, working in deep partnership, intends to play a critical role in making homelessness rare, brief, and non-recurring in DC. We recognize the ambitious nature of this work and feel both the urgency and imperative to do our part. As the region's largest local grantmaker we seek to partner with those who have a shared vision and commitment to this work and know that together we can make a difference.



of DC residents think the availability of affordable housing is poor.

We must work together to ensure that homelessness in our city is rare, brief, and non-recurring.



DC residents personally know someone who has experienced homelessness or who is at risk of becoming homeless.

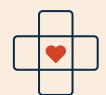
#### The Research is Clear:



Housing Saves Resources.
Housing people experiencing
homelessness can save tax-payer
money – as much as \$20,000
per person in our system.<sup>1</sup>



Housing Improves Outcomes for Youth. Supporting young people's housing stability improves their performance in school and decreases the likelihood that they will experience homelessness later in life.<sup>2</sup>



Housing is Healthcare.
With the stability of housing, individuals experiencing chronic homelessness become less frequent users of emergency services and their health outcomes improve.<sup>3</sup>

- https://www.streetsensemedia.org/wpcontent/uploads/2015/03/Uncovering-Costof-homelessness\_DC\_The-Advisory-Board-Company adf
- 2. https://www.chapinhall.org/research/education-youth-homelessness/
- 3. https://nhchc.org/wp-content/ uploads/2019/08/Housing-is-Health-Care.pdf

#### Building Capacity and Critical Support for the District's Plan

In 2015, Mayor Bowser and the DC
Interagency Council on Homelessness
(ICH) released Homeward DC, a
five-year strategic plan to reform the
District's homeless services system.
This multi-pronged approach focuses on
1) preventing homelessness whenever
possible, 2) ensuring people have access
to safe, dignified emergency housing when
they need it and 3) scaling affordable
housing and supportive services to ensure
people can access and maintain stable,
permanent housing.

Since then, the District has invested hundreds of millions of dollars in organizing and implementing that plan. And this approach is working. According to the 2019 Point in Time (PIT) count, the total number of persons experiencing homelessness in DC decreased by 5.5 percent from 2018, and by 21.9 percent since 2016. Family homelessness decreased by 11.8 percent since last year and by over 45 percent since the 2016 PIT count.

We are encouraged by this progress—but also recognize that there is more work to be done and that local efforts can only go so far without strong philanthropic and private sector support.

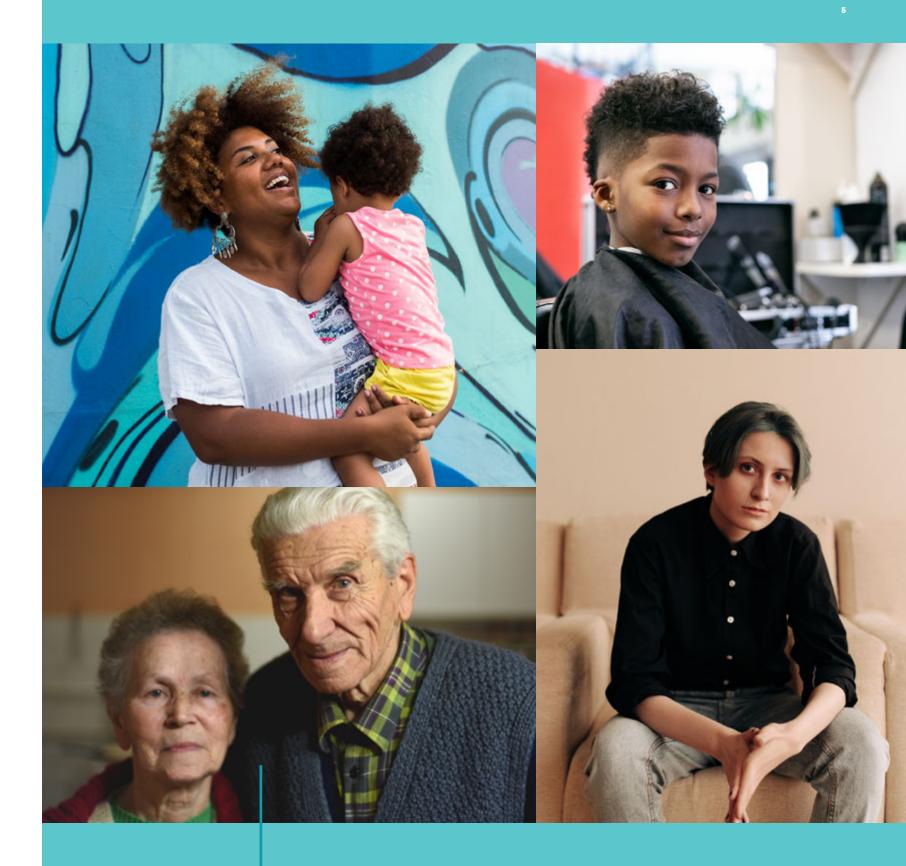
#### To Ensure the Future of Our City for Everybody, We Need Creative Investments Today

Few people who live in DC can deny the appeal of our city. We enjoy vibrant communities, arts and culture, nationalchampionship sports teams, and a dynamic and growing economy that is attracting new businesses and rapid development. Amazon and many other corporate leaders are moving here to find fertile ground in our region and employ our workforce. Yet all of this is in jeopardy if we do not make smart investments to ensure our city's continued prosperity. Nobody wins (not our businesses, our workforce, or our residents), if we fail to address the housing needs that lead to homelessness. Planning for the housing needs of our residents and our growing workforce is a vital infrastructure investment, that will pay dividends for decades to come.

#### We expect big financial and social dividends from this investment:

- Our investment will help lift the dignity of our neighbors who today cannot harness the power of an address to thrive in our city.
- Our investment will help to better align and leverage the investments that government, nonprofits, developers, and other organizations across the city are making to address homelessness.
- Our investments will build the capacity of the housing delivery system to produce the right mix of housing options to address homelessness in our city.
- ➤ Our investment will help scale relevant solutions faster—accelerating the ability to meet the city's housing needs.
- Our investment will result in costs savings allowing tax dollars to be used more effectively to address this issue at scale.

Our investment will **highlight the city as** a **national innovator**, by demonstrating our ability to end homelessness.



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#### **Before Creating Our Plan, We Listened**

In 2017, The Community Foundation, in partnership with the Urban Institute, embarked on VoicesDMV—a community listening initiative engaging a broad cross-section of people in our region to capture a snapshot of attitudes and perceptions of quality of life in the region. Through the initiative we came to better understand the nature of the challenges facing the region, including how rising housing costs and lack of access to living-wage jobs are preventing area residents from participating in the region's economic growth and how 1 in 5 residents struggle to cover basic needs like food and housing. In parallel, we undertook a listening tour and engaged nonprofits, funders, and advocates to more precisely understand the challenges and opportunities in the homeless services ecosystem.

#### From this work we learned a lot. These three things resonated most:



Government alone cannot end homelessness in the city without the broader support of private philanthropy and the business community.



There are ways to incentivize stronger private sector partnerships in ending homelessness and we can make a major contribution to this part of the effort.



We can play an important role by aligning the work of multiple stakeholders across the city to scale solutions that work.

#### The Community Foundation's Role

As a recognized leader with a long history of galvanizing philanthropy, business, and local government to address urgent community needs, the Greater Washington Community Foundation offers expertise, credible leadership, and essential supports to community stakeholders advancing solutions on the ground. As a continuation of The Community Foundation's long-standing commitment to investing in affordable housing and housing equity for all in our region, here we present our plan to address critical gaps in the affordable housing landscape and stand with others to end homelessness.

#### **Essential Partnership**

The Community Foundation, in partnership with the DC Interagency Council on Homelessness (ICH), has launched a public-private partnership focused on ending homelessness in DC. Spurred in part by the momentum of the DC government's aggressive efforts to address homelessness and housing insecurity, we believe there is an immediate opportunity to align public and private sector resources and strategies to tackle this persistent and complex challenge with renewed vigor and urgency.

Leveraging our experience as a convener, funder, community leader, and advocate, we will bring together key public and private sector partners to determine how the private sector can make critical investments to accelerate our community's response. This work, combined with ICH's current work gathering cabinet-level leaders, service providers, advocates, homeless, and formerly homeless leaders, makes us well-positioned to engage new partners and coordinate cross-sector initiatives to further drive the District's systems change efforts and bring solutions to scale.

Systems change does not happen overnight. It doesn't even happen in a year. It takes years of focused investment and strategic action. We cannot afford to lose this opportunity. If we don't act now and capitalize on the city's momentum, we may miss the opportunity to impact the city's ability to create affordable places to live, resigning our community to the kind of devastating economic inequality that diminishes the potential of the people who live here. We believe that a different path forward is possible for DC and that's why we are asking for your support.

#### Filling Critical Gaps

The initial phase of the Partnership is a three-year, \$35 million campaign to build a platform for private-sector coordination, education, advocacy, and resource mobilization to address the issue of homelessness in DC.

Private sector engagement is critical to the success of this effort. Our landscape analysis showed us that there is a unique opportunity for the private sector to leverage its resources and make an impact on homelessness. There is a critical need for flexible funding, risk capital for investment, business-sector participation, broader-based advocacy and community mobilization, and cross-sector coordination to complement government funding and programming. The solution requires the broader participation of our entire community. We need only look to efforts in communities around the country—in Seattle, Los Angeles, Santa Clara County and others—to see the vital role that private sector partners can have in generating needed resources.

With these investments, the Partnership to End Homelessness is focused on the people most in need in our city (households 0-30% MFI). Our approach concentrates on increasing the supply of deeply affordable and supportive housing more quickly and supporting nonprofit provider capacity to more efficiently and effectively serve people exiting homelessness. Based on what we have learned from our research and our landscape assessment, this means increasing the availability of philanthropic capital for grants, providing funding to support nonprofit and mission driven developers, and creating impact investment options for those who want to support innovative strategies to address our city's affordable housing shortage.



#### A Snapshot of Our Plan

Through the Partnership, we seek to increase the supply of affordable housing with a priority on extremely low-income households and permanent supportive housing; build nonprofit capacity to help single adults, families, and youth exit homelessness as quickly as possible; change perceptions about homelessness and affordable housing through donor education, community engagement, and advocacy efforts; and leverage private philanthropy and align with public resources and strategies, leading to more nimble, strategic, and sustained investment in the homeless services system. In order to do that, we have identified multiple funding mechanisms.

#### **Investment Opportunities**

The Partnership to End Homelessness is raising funds for two investment opportunities:

#### 1. The Partnership to End Homelessness Grantmaking Fund

The grantmaking fund will award grants to nonprofits working with individuals, youth, and families experiencing homelessness. It aims to fill critical funding gaps, support innovative programs, meet emerging needs, build nonprofit provider and developer capacity, and support advocacy efforts. The Fund will award grants to nonprofits for:

- ▶ Critical Funding Gaps: Funding to assist people exiting homelessness to obtain and maintain stable housing by filling critical gaps, often small expenses that can create big barriers and delays in accessing housing (e.g. transportation to see view units, rental application fees, household furnishings, moving expenses).
- ▶ Innovative Programs: Funding to encourage nonprofits to develop new and innovative solutions that can be evaluated and, if shown to be effective, brought to scale.
- ▶ Emerging Needs: Funding to help providers address emerging needs in the homeless services system and support targeted services to address those needs.
- ▶ Nonprofit Provider and Developer Capacity: Funding will support nonprofit providers and developers to increase their capacity to help more people access permanent housing and increase the supply of affordable housing.
- ▶ Advocacy: Funding will support advocacy efforts focused on strengthening policies that impact housing and homelessness and/or increasing public funding.

#### 2. Affordable Housing Initiatives

The fund will increase and accelerate the production of permanent supportive housing (PSH) and affordable housing for low-income households (o-60 percent MFI, with a priority on PSH and o-30 percent MFI).

The partnership will use innovative funding models including an Impact note, and may also include loans and nonprofit developer capacity building:

- ▶ Impact Investing: The Partnership strives to raise \$10 million in investments to help Enterprise Community Loan Fund, Inc. build and preserve units for hundreds of people across the region. While your charitable giving fund investment earns a fixed return, it will aid in bringing financial resources to assist in the fight to end homelessness and housing insecurity by increasing the production of deeply affordable and supportive housing.
- ▶ Loans: Providing loans for pre-development costs such as property acquisition, legal fees, environmental studies, and surveys.
- ▶ **Nonprofit Developer Capacity:** Increasing capacity of nonprofit affordable housing developers.

#### Aligned Investment

In addition to funding through the Partnership to End Homelessness's vehicles above, we will also work with partners to leverage investments and identify opportunities to align their funding with the District's Plan to End Homelessness and proven solutions.

#### **Beyond the Money**

While financial investment is critical to ensure homelessness is rare, brief, and non-recurring, the Partnership to End Homelessness will also play an essential leadership role in this work. Our investment of non-financial resources, including our staff and board's expertise, convening power, and voice as advocates, will increase coordination and alignment among public and private sector partners and join with advocates to strengthen policies and increase funding for housing and homelessness.

Ending homelessness is possible and the solution is housing. A more detailed look at our strategy and the outcomes we project can be found in our Goals and Outcomes document.

Join the Partnership to End Homelessness and help bring the power of an address to more people in Washington, DC. Your support is vital. Ending homelessness requires a communitywide effort, including the leadership, investment, and innovative approaches that a broader set of partners—civic-minded individuals, companies, and foundations—can and will bring to this work. Together, we can ensure that every one of our neighbors has a safe and stable place to call home.



#### **Educate**

Commit to learning more about what it is like for people experiencing homelessness, the root causes, and effective solutions.



#### **Participate**

Contribute your time and talent to help the Partnership and our nonprofit partners to accelerate our community's response.



#### **Advocate**

Lend your voice as an advocate for more funding and focus on housing as a solution to address homelessness.



#### **Donate**

Invest financially in the Partnership to advance innovative and effective solutions to end homelessness and help more of our neighbors obtain stable housing.

For our nonprofit partners who are interested in learning more about our Grantmaking Fund, please visit our website <u>www.endhomelessnessdc.org</u>.

For more information about contributing to the Partnership to End Homelessness, please contact Angela Willingham, Associate Vice President of Development, at <a href="mailto:awillingham@thecommunityfoundation.org">awillingham@thecommunityfoundation.org</a>, or Tonia Wellons, President and CEO, at <a href="mailto:twellons@thecommunityfoundation.org">twellons@thecommunityfoundation.org</a>.









