



STRENGTHENING
At Risk and Homeless
Young Mothers and Children

Cost Study Executive Summary

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An initiative of the Conrad N. Hilton Foundation, in partnership with The National Center on Family Homelessness, National Alliance to End Homelessness and ZERO TO THREE: National Center for Infants, Toddlers and Families.

Family¹ homelessness is an urgent public health issue. There are more than 159,142 homeless families in the United States,² comprising approximately one-third of the overall homeless population.³ The recent economic downturn has made it increasingly difficult for low-income families to find and maintain affordable housing and earn a livable wage. The needs of homeless families are complex and numerous, often extending beyond just housing to include mental and physical health, child development, and education. For homeless and at-risk mothers attempting to stabilize their families, accessing resources to meet these needs can be extremely challenging because the service systems addressing them are typically fragmented and disparate.

The Conrad N. Hilton Foundation (Hilton Foundation) created the *Strengthening At Risk and Homeless Young Mothers and Children Initiative* (“the *Initiative*”) to integrate service systems in four communities across the country and improve the health and well-being of at-risk families. The four pilot sites built collaborations among agencies working in child development and those involved with homelessness services, combining each partner’s

expertise to offer young mothers and their children comprehensive wrap-around care. The sites maximized the Hilton Foundation’s initial contribution by raising matching contributions from local funders, partnering with community agencies, and leveraging resources. This initiative resulted in four distinct, innovative, and cost-efficient service models that succeeded in helping 398 families and 684 children meet their goals and achieve greater stability. The intent of this summary is to present the cost effectiveness of this project.

Strengthening At Risk and Homeless Young Mothers and Children

Strengthening At Risk and Homeless Young Mothers and Children sought to improve the housing, health, and development of homeless and at-risk young families. The *Initiative* focused on families headed by mothers aged 18-25, with at least one child five years or under. Services were provided through collaborations and partnerships of community agencies with expertise in housing, child development, and family support services.

1. A family is defined as one parent with one or more children.
2. Annual Homeless Assessment Report to Congress. (2009). US Department of Housing and Urban Development Office of Community Planning and Development. Retrieved from: http://portal.hud.gov/hudportal/HUD?src=/press/press_releases_media_advisories/2010/HUDNo.10-124

3. Annual Homeless Assessment Report to Congress. (2010). US Department of Housing and Urban Development Office of Community Planning and Development. Retrieved from: <http://www.hudreh.info/documents/2010HomelessAssessmentReport.pdf>

Economic and Social Challenges

The *Initiative* chose four pilot sites across the country: Chicago, IL; Minneapolis, MN; Pomona, CA; and Antelope Valley, CA. While the social and economic context is different in each community, all experienced similar challenges:

- **Lack of affordable housing** – Barriers to finding and maintaining affordable housing have intensified in recent years nationwide. For example, in LA County apartment rental vacancy rates fell from 5.5 to 4.5 percent between early 2010 and early 2011.⁴ In Minneapolis, while overall rental vacancy rates have held relatively steady, the vacancy rate for multifamily rental housing has recently fallen significantly, from 7.2 percent in late 2009 to an estimated three percent in late 2010.⁵
- **High unemployment rates** – All four sites face high unemployment rates of at least 7 percent (in Minneapolis)⁶ and as high as 11.8 percent (in LA County).⁷ In LA County, this rate is over twice that of 2000.
- **Increasing homelessness** – These and other economic and social factors combine to create high levels of homelessness.

The costs of family homelessness are extremely high for both individuals and communities. Costs associated with health care, long-term shelter stays, and low levels of educational achievement for children are just a few of the economic and social implications of family homelessness. Each of the *Initiative*'s pilot sites created an integrated service delivery model that offset these costs. For example, the sites provided long-term care for families at an average cost that was significantly lower than that associated with shelter care.

Sheltering a family long-term can cost between \$22,000 and \$55,000 per year.⁸ By contrast, the average annual cost of serving a family enrolled in the *Initiative*, which provided a range of supportive services in addition to stable housing, ranged from \$11,150 to \$26,752, with an average enrollment of just over one year (Table 1).⁹

4. United States Department of Housing and Urban Development. (2011). *Regional Reports*. Retrieved from: http://www.huduser.org/portal/periodicals/ushmc/spring11/USHMC_1q11 Regional.pdf

5. PD&R and Economic & Market Analysis Division. (2011). *Market at a Glance: Minneapolis-St. Paul-Bloomington*. Retrieved from: [http://www.huduser.org/portal/MCCharts/MsasCharts.html?msaID=273346,33460&msaName=Minneapolis-St.%20Paul-Bloomington,%20MN-WI%20CBSA&dt=April%2029,%2020211](http://www.huduser.org/portal/MCCharts/MsasCharts.html?msaID=273346,33460&msaName=Minneapolis-St.%20Paul-Bloomington,%20MN-WI%20CBSA&dt=April%202029,%2020211)

6. Minneapolis Trends, A Quarterly Review of Socioeconomic and Housing Trends in Minneapolis, fourth quarter 2010.

7. PD&R and Economic & Market Analysis Division. (2011). *Market at a Glance: Los Angeles-Long Beach-Santa Ana, CA*. Retrieved from: <http://www.huduser.org/portal/MCCharts/php/pdf/063110.pdf>

8. Culhane, Metraux, Park, Schretzman, and Valente (2007). Testing a typology of family homelessness based on patterns of public shelter utilization in four US jurisdictions: implications for policy and program planning. *Housing Policy Debate* 18(1): 1-28. Also, Heading Home: Hennepin. Best Practices. Retrieved from: <http://www.headinghomeminnnesota.org/hennepin/our-progress/best-practices>. Unfortunately, there is a lack of further site-specific data on costs of sheltering families long-term.

9. See Table 6 for more detail. Note: This annual cost excludes costs during the sites' start-up periods.

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Table 1: Comparison between cost of sheltering a family in the U.S versus the cost of providing housing and wrap around services to families by the *Initiative* and each program.

Program/Service	Average Annual Cost
Sheltering a family ¹⁰	\$22,000 to \$55,000
The Initiative	\$15, 611
Family Assertive Community Treatment	\$26,752
Hope & Home	\$15,825
Strengthening Our New Generation	\$11,150
Strengthening Young Families	\$14,919

I think the best thing they do is what their name is: they strengthen young families. They make us stronger parents and people who we never thought we would be. They give us hope, and they're just—they're always there for us, no matter what. The program opened a lot of doors for me... I think it will help me be where I always wanted to be in life.

A SYF client, June 2011

10. Culhane, Metraux, Park, Schretzman, and Valente (2007). Testing a typology of family homelessness based on patterns of public shelter utilization in four US jurisdictions: implications for policy and program planning. *Housing Policy Debate* 18(1): 1-28. Also, Heading Home: Hennepin. Best Practices . Retrieved from: <http://www.headinghomeminnesota.org/hennepin/our-progress/best-practices>. Unfortunately, there is a lack of further site-specific data on costs of sheltering families long-term.

Creative Growth of Resources

Over the course of its pilot programs, the *Initiative* accessed a total of \$8.2 million in funds from a combination of sources. The sites were creative and effective in generating funding. The Hilton Foundation provided a solid base of \$3.04 million in total for the four programs. This represents about 37 percent of the *Initiative*'s total resources. The programs drew a greater proportion of their funds locally—primarily from matching funds and leveraged resources. The four sites raised a combined \$3.52 million in matching funds, exceeding the *Initiative*'s 1:1 matching requirement by 16 percent. The partner agencies at each site also contributed significant resources to ensure the *Initiative*'s success. They amassed over \$1.64 million in leveraged resources, which included additional programs and staff that benefitted *Initiative* families but were not funded by the program. These proved essential to the *Initiative*'s success and testified to the programs' commitment to the well-being of families. Table 2 summarizes the total resources allocated to the individual pilot programs and to the *Initiative* as a whole.

Table 2. Total resources for the pilot programs and for the *Initiative*

Pilot Name	Hilton Funds	Matching Contributions	Leveraged Resources	Total
FACT	\$684,000	\$929,818	\$1,006,570	\$2,620,388
Hope & Home ¹¹	\$532,185	\$543,922	---	\$1,076,107
STRong	\$912,000	\$1,120,068	\$394,704	\$2,426,772
SYF	\$912,000	\$922,000	\$238,184	\$2,072,184
<i>the Initiative</i>	\$3,040,185	\$3,515,808	\$1,639,458	\$8,195,451

Any problems that you have, you can talk to them. Like me, I don't trust a lot of people. But everybody that's working with the [FACT] staff, I have confided in all of them. I speak to all of them about things that I go through on a daily basis. And my housing, thanks to [the program], I got it.

A FACT client, 2009

11. Hope and Home chose not to report leveraged resources.

Collaboration and Integration Across Service Sectors

The collaboration requirement of the Hilton grant encouraged unprecedented integration among service systems. Agencies cross-trained each other in their areas of expertise, shared resources and knowledge, and built lasting collaborative relationships. At two of the sites, staff from different agencies was co-located at the same office. Even where co-location did not occur, the *Initiative* helped forge a team atmosphere that united the staff and leadership of disparate agencies around the common goal of serving homeless families. Table 3 on the next page illustrates the extensive partner relationships for each site as well as each program description.

Comprehensive Services for Families

All sites provided an array of services that combined case management, counseling, housing assistance, and child development services. Program staff worked with families to create individualized service plans targeted to the needs of each mother and child (see Figure 1 below).



Comprehensive Services for Families

Each of the core services listed above were delivered through innovative service models described in Table 3.

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Table 3. Overview of Pilot Programs

Pilot Name	Location And Dates	Partners	Program Description
Family Assertive Community Treatment (FACT)	Chicago, Illinois July 2008 to June 2011	<ul style="list-style-type: none"> • Beacon Therapeutic Diagnostic and Treatment Center • Heartland Alliance for Human Needs & Human Rights • Mercy Housing • Goldie's Place • Thresholds • University of Illinois, Chicago • Voices for Illinois Children • InnerVoice¹² 	<p>Model: Clinical and Systems Integration</p> <p>Highlights:</p> <ul style="list-style-type: none"> ◦ Rotating team ◦ Housing slots ◦ Therapeutic Child Care slots ◦ Systems integration component <p>Target population: Mothers emancipating from the foster care system.</p>
Hope & Home	Pomona, California April 2009 to June 2011. ¹³	<ul style="list-style-type: none"> • PROTOTYPES • Foothill Family Service 	<p>Model: Clinical Trauma Centered Care</p> <p>Highlights:</p> <ul style="list-style-type: none"> ◦ Therapists provide mental health services for mothers and children, child development interventions, and support groups, and oversee case management ◦ Substance abuse rehabilitation <p>Target population: Young families in which the mother require specialized mental health and/or substance abuse services.</p>
Strengthening Our New Generation (STRong)	Minneapolis, Minnesota April 2007 to March 2011	<ul style="list-style-type: none"> • The Family Partnership • St. Stephen's Human Services • Wayside House, Inc. 	<p>Model: Home Visiting and Case Management</p> <p>Highlights:</p> <ul style="list-style-type: none"> ◦ Rapid re-housing model with supportive services ◦ Parenting education and support services ◦ Comprehensive resources ◦ Therapeutic childcare programs and services <p>Target population: Young families outside of the shelter system.</p>
Strengthening Young Families (SYF)	Antelope Valley, California July 2007 to June 2011	<ul style="list-style-type: none"> • Valley Oasis • Mental Health America • Healthy Homes, a program of the Antelope Valley Hospital • Antelope Valley Partners for Health • United Way of Greater Los Angeles 	<p>Model: Mobile Home Visiting and Case Management</p> <p>Highlights:</p> <ul style="list-style-type: none"> ◦ Intense case management support from staff ◦ In-home Prenatal care from registered nurse ◦ Parenting Education ◦ Intervention <p>Target population: Young, pregnant mothers</p>

12. By the end of the third year, Beacon and Heartland were the only service partners, University of Illinois remained was the evaluation partner for all three years. Goldie's place was a partner only during the second year.

13. The Hope & Home program received approval from the Hilton Foundation and The National Center to redesign the program in the last quarter of 2008, after receiving two years of funding from the Hilton Foundation.

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The start-up phase of the programs (or the first year) was a crucial period during which the sites developed strong collaborations and robust service delivery models. Dedicating resources for start-up ensured that collaborations were sufficiently prepared to serve clients and to respond quickly and flexibly to families' needs. Start-up funds also allowed the programs to hire, train, and cross-train qualified program management, clinical, and service staff. Overall, the *Initiative* used about 23 percent of their total funds during start-up. Table 4 shows the start-up funding used by each pilot. The Hope & Home program does not appear on the table due to its redesign and restart. The start-up costs for the whole initiative were not calculated because Hope and Home could not be figured in these calculations.

Table 4: Start-up costs listed by program

Program	Start-up Cost	Percentage of Total Program Cost ¹⁴
Family Assertive Community Treatment (FACT)	\$613,956	23%
Strengthening Our New Generation (STRong)	\$474,668	23%
Strengthening Young Families (SYF)	\$553,568	23%

[Hope & Home] helped me learn parenting skills. It made me realize that I still have time to change things. And I did—I started working, going to school, I started being more [of] a parent. They helped me a lot. I needed diapers? They provided me with diapers. I needed transportation? They provided me with transportation. If I needed [to go to] court, they found a way to take me to court. For my apartment, they were the ones who helped me with my apartment.

A Hope & Home client, 2011

14. The total cost for each program varied based on the model they used and the matching and leveraged resources each program could draw upon. Details can be reviewed in the site based cost reports available on The National Center website.

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The programs devoted the bulk of their resources to serving families. The *Initiative* programs used an average of 87 percent of their total resources to provide direct services and an average of 13 percent for administrative purposes. Table 5 shows the allocation of funds between direct services and administration for the four pilot programs and for the overall *Initiative*. Because each program operated for a different amount of time, the total costs of direct services vary significantly from site to site.

Table 5. Resources for Direct Services to Families in the Pilots and in the *Initiative*

Pilot Name	Direct Services		Administration	
	Funds Allocated	Percent of Total Resources	Funds Allocated	Percent of Total Resources
FACT	\$2,242,555	86%	\$377,833	14%
Hope & Home	\$870,000	81%	\$206,107	19%
STRong	\$2,131,897	88%	\$294,875	12%
SYF	\$1,872,786	90%	\$199,398	10%
the <i>Initiative</i>	\$7,117,238	87%	\$1,078,213	13%

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The average cost per family in the *Initiative* was approximately \$15,611—reflecting the cost of providing support to a typical family on an annual basis, not including start-up costs. See Table 6 for enrollment trends and average costs per client.

Table 6. Enrollment and Average Cost of Serving a Family for Pilots and the *Initiative*

Pilot Name	Families Served	Average Annual Cost of Serving a Family	Clients Served	Average Annual Cost of Serving a Client
FACT	70	\$26,752	206	\$8,878
Hope & Home	68	\$15,825	177	\$6,080
STRong	163	\$11,150	445	\$4,198
SYF	97	\$14,919	254	\$5,865
the <i>Initiative</i>	398	\$15,611	1,082	\$5,930

For three out of the four programs, the average annual cost per family decreased as the enrollment increased. This suggests that the programs adjusted to serve families more cost-efficiently over time.

Positive Change for Families and Communities

Each pilot program provided essential services that promoted better outcomes for young mothers and their children. At three out of the four sites, the majority of families found permanent housing a primary goal of the *Initiative*. The clients in Hope & Home faced especially great challenges in finding independent permanent housing due to severe housing shortages in LA County. The program worked to help clients improve familial relationships, and the majority are now living in safe and stable doubled-up situations. Children in the *Initiative* benefitted from supports and interventions by child development specialists, improving their scores on developmental screenings. The *Initiative* also played a profound positive role in the lives of young mothers. Preliminary outcome results demonstrate significant improvements among mothers enrolled for one year, including improved mental health, increased monthly income, higher levels of education, and reduced parenting stress. Many of the families in the project have continued to receive services after the programs closed due to referrals from program staff to community resources.

The *Initiative* benefitted its four pilot communities by reducing the societal effects of family homelessness, including high costs associated with health care, low levels of academic achievement among children, and long-term shelter stays. National data suggest that long-term shelter stays for families can cost between \$22,000 to \$55,000 per family.¹⁵ In contrast, the *Initiative* served families at an annual average cost of \$15,611. This lower cost included not only housing assistance, but an array of additional services not traditionally associated with shelter care that helped families improve all areas of their lives. The collaborative element, influenced in part by the *Initiative*'s grant requirements, was key in allowing the programs to provide holistic services to young families. The *Initiative* also fostered exchanges of expertise and knowledge between agencies from different service areas, which have achieved lasting impacts on local community service systems. The *Strengthening At Risk and Homeless Young Mothers and Children Initiative* provides valuable insights for the greater community of policy and program managers. Lessons learned from this initiative can inform future programs and initiatives aiming to improve the well-being of homeless and at-risk young families.

“[My son] is developmentally delayed, and so [STRong] has been helping me with him, trying to help me get him to learn how to talk. And they’ve helped me teach him how to feed himself. ‘Cause first he wasn’t walking, he wasn’t talking, he wasn’t feeding himself. And now, by him being in the program, that’s helped him learn how to walk. It’s helped him learn how to feed himself. It’s taught him to come out of his shell.

A STRong client, 2009

15. Culhane, Parker, Poppe, Gross, Sykes (2007). Accountability, cost-effectiveness, and program performance: Progress since 1998. Prepared for the National Symposium on Homelessness Research, March 1-2, 2007. Retrieved from: <http://aspe.hhs.gov/hsp/homelessness/symposium07/culhane/>

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Strengthening At Risk and Homeless Young Mothers and Children is generating knowledge on improving the housing, health and development of young homeless and at-risk young mothers and their children.

The *Cost Study Executive Summary* was written by The National Center on Family Homelessness. The primary author was Annabel Lane, Research Associate, The National Center on Family Homelessness, with support from Sonia Suri, Senior Research Associate, The National Center on Family Homelessness, Ellen Davidson, President, BD Consulting, and Ellen Bassuk, President, The National Center on Family Homelessness. The *Cost Study Executive Summary* is a product of The National Center on Family Homelessness on behalf of the *Strengthening At Risk and Homeless Young Mothers and Children* Coordinating Center, which is a partnership of The National Center on Family Homelessness, National Alliance to End Family Homelessness and ZERO TO THREE. The Coordinating Center provides technical assistance to program sites, conducts cross-site process and outcome evaluations and develops a range of application products from the study sites.

Strengthening At Risk and Homeless Young Mothers and Children is an *Initiative* of the Conrad N. Hilton Foundation.



For more information on this *Initiative*, please contact The National Center on Family Homelessness, 200 Reservoir Street, Needham, MA; (617) 964-3834 or at www.familyhomelessness.org.



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