



HUD NEWS

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HUD RELEASES 3-YEAR STUDY OF STRATEGIES TO END FAMILY HOMELESSNESS

Housing vouchers most effective intervention while Rapid re-housing proves least costly

WASHINGTON – When a family with children seeks emergency shelter, there are a number of interventions to address their homelessness. Today, the U.S. Department of Housing and Urban Development (HUD) released the results of an exhaustive study to identify the most efficient and cost-effective ways to house and serve these families. After tracking more than 2,200 families over a three-year period, HUD found that a long-term subsidy, typically a Housing Choice Voucher, led to far better outcomes for reducing family homelessness and improving family well-being.

HUD’s *Family Options Study: Three-year Impacts of Housing and Services Interventions for Homeless Families* discovered that 37 months after enrolling into the study and being randomly assigned to one of four interventions, the families offered a long-term subsidy experienced significant reductions in subsequent homelessness; housing and school mobility; adult psychological distress; intimate partner violence; and food insecurity. Families offered community-based rapid re-housing or project-based transitional housing had similar outcomes to families offered ‘usual care’ (defined below), but community-based rapid rehousing programs proved to be significantly less expensive than the project-based transitional housing and emergency shelter options in the crisis response system.

“The evidence from this study indicates that having access to deep long-term housing subsidies produces substantial benefits for families,” said Kathy O’Regan, HUD’s Assistant Secretary of Policy Development and Research. “While we continue to seek more housing subsidies to help families experiencing homelessness, we must also recognize that rapid rehousing is proving to be the most cost-effective tool that we have available within the crisis response system.”

About the Report

HUD launched the Family Options Study in 2008 to test which interventions work best for families with children that are experiencing homelessness. Abt Associates, in collaboration

with Vanderbilt University, designed a rigorous random assignment study to measure the benefits and costs associated with four responses to family homelessness—long-term housing subsidy, community-based rapid rehousing, project based transitional housing, and usual care, which left families to find their way out of shelter without priority access to a program that would provide them with a place to live. Over a 37-month period (between September of 2010 and October of 2013), a total of 2,282 homeless families (including 5,397 children) enrolled into the study from emergency shelters in 12 communities nationwide:

1. Alameda County, California
2. Atlanta
3. Baltimore
4. Boston
5. New Haven and Bridgeport regions, Connecticut;
6. Denver
7. Honolulu
8. Kansas City, Missouri
9. Louisville, Kentucky
10. Minneapolis
11. Phoenix; and
12. Salt Lake City.

After spending at least seven days in an emergency shelter, these families were randomly assigned to one of four interventions:

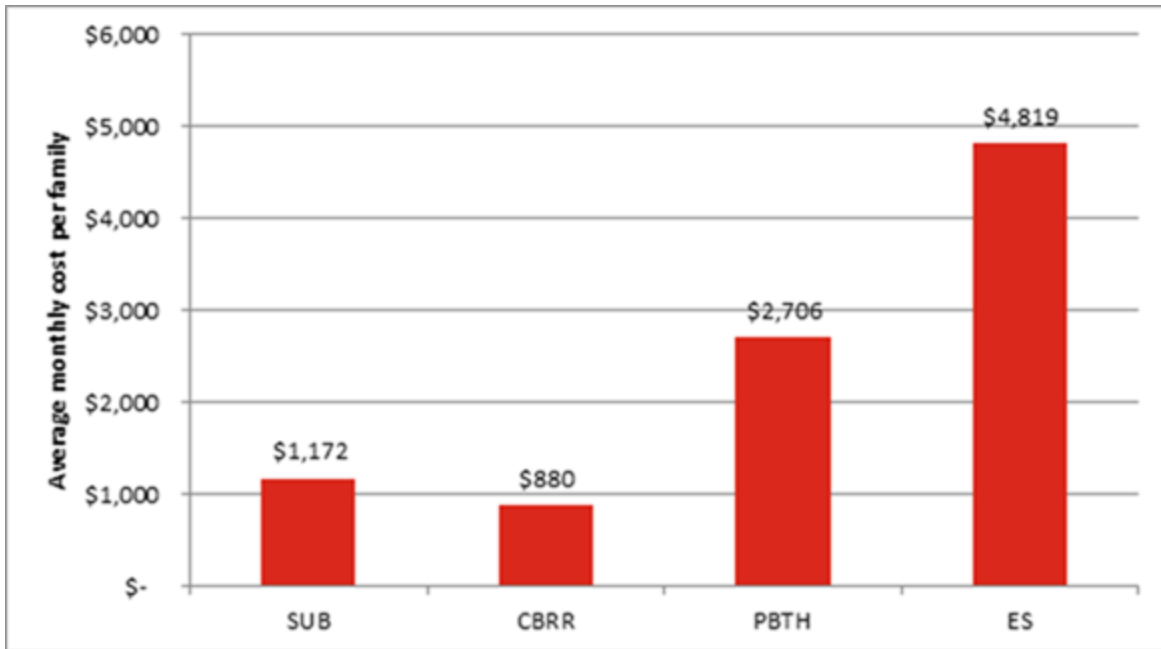
1. Long-term housing subsidy, usually a Housing Choice Voucher, which could include help finding housing but no other supportive services.
2. Community-based rapid re-housing, which provides temporary rental assistance, potentially renewable for up to 18 months, paired with limited, housing-focused services to help families find and rent conventional, private-market housing.
3. Project-based transitional housing, which provides temporary housing for up to 24 months in agency-controlled buildings or apartment units paired with intensive supportive services.
4. Usual care, which is defined as any housing or services that a family accesses in the absence of immediate referral to the other interventions. Typically, this includes at least some additional stay in the emergency shelter from which families were enrolled.

Random assignment provided families with a direct referral to one of four different interventions—but families were not required to accept this referral and were free to pursue alternate arrangements. HUD measured outcomes for families in five key areas: housing stability, family preservation, adult well-being, child well-being, and self-sufficiency. HUD compared the outcomes of families assigned to each of the four interventions.

Major Findings: 37 Months Later

- Families offered a long-term subsidy experienced significantly less homelessness and housing instability than families offered any of the other interventions.

- Families offered a long-term subsidy continued to demonstrate significantly improved non-housing outcomes compared to families offered usual care, including adult well-being (reductions in psychological distress, intimate partner violence), child well-being (reductions in school mobility, behavior problems and sleep problems, and more pro-social behavior), as well as increased food security and decreased economic stress.
- Families randomly assigned to community-based rapid re-housing experienced similar outcomes to those families who were assigned to usual care, achieving no statistically significant reductions in subsequent emergency shelter use or housing mobility, but at significantly less cost than usual care.
- Families randomly assigned to project-based transitional housing with intensive support services experienced reductions in emergency shelter use relative to families assigned to usual care, but achieved no better non-housing outcomes.
- Families offered a subsidy or community-based rapid re-housing spent significantly less time in transitional housing than families assigned to usual care.
- Families assigned to usual care used roughly \$41,000 in housing and services over the full 37-month period of study. Families assigned to the community-based rapid re-housing intervention incurred the lowest costs, using \$4,000 less in housing and services than families assigned to usual care. Providing priority access to housing subsidies cost nearly \$4,000 more over the three-year study period than families assigned to usual care, but that additional cost yielded substantial benefits. Costs of the housing and services provided to families assigned to project-based transitional housing exceeded the costs for families assigned to community-based rapid re-housing or usual care, but were slightly cheaper than the costs incurred by families offered a subsidy.
- Emergency shelter programs had the highest average per-family monthly costs of approximately \$4,800, compared to transitional housing at \$2,700/month, a voucher at \$1,172/month, and rapid re-housing at \$880/month.



CBRR = rapid re-housing programs. ES = emergency shelter. PBTH = transitional housing programs. SUB = permanent housing subsidies.

The evidence documenting the high costs of transitional housing, coupled with the lack of demonstrated benefits to families, has led HUD to encourage local communities to review, and likely reduce, the number of transitional housing beds they support. Findings from HUD's *Family Options Study* will continue to guide the Department's effort to press state and local planners to target their limited resources to those strategies that demonstrate the best outcomes for families and their children.

Meanwhile, HUD's proposed Fiscal Year 2017 budget includes a request for \$11 billion over the next ten years to enable HUD to rapidly rehouse nearly 550,000 families with children through targeted, evidence-based interventions. [Read more.](#)

HUD will host a briefing to present the findings of its Family Options Study at 2 p.m. ET on Tuesday, October 25th. [This briefing will be webcast live, and will be available to access on HUD's website.](#) Following this briefing, the briefing will be available on [HUD's YouTube channel.](#)

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HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all.

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