Laying a New Foundation

Changing the Systems that Create and Sustain Supportive Housing

by Debbie Greiff, Tony Proscio and Carol Wilkins

Corporation for Supportive Housing
July 2003
Dear Colleague,

We are pleased to make available *Laying a New Foundation: Changing the Systems that Create and Sustain Supportive Housing* to supportive housing providers, government representatives, and other partners in the field. The manual was commissioned, edited, and produced by the Corporation for Supportive Housing (CSH) with funding from the Surdna Foundation, the Robert Wood Johnson Foundation, the Melville Charitable Trust, and the U.S. Department of Health and Human Services’ Substance Abuse and Mental Health Services Administration.

*Laying a New Foundation* is part of CSH’s effort to broadly disseminate lessons learned about promoting policy reforms and developing coordinated systems to support the creation and sustained operation of supportive housing.

Without the luxury of being able to design a new system from scratch, it is up to local, regional, and national advocates to push for changes to the systems that are already in place. This manual shares approaches to system reform that have been tested by CSH and our partners around the country. Our aim is to provide supportive housing providers, people working in government, and other allies with strategies and examples that can be adapted and applied on many levels and across diverse regions.

The vision we share with our partners and the people we serve is to end homelessness—and a critical element is the creation of much more supportive housing around the country. To take supportive housing to the scale needed, we can, and we must work together for the necessary investment of resources, and an integrated, coordinated, routine process by which supportive housing is planned, authorized, funded, developed, and maintained over time.

We are grateful to co-authors Debbie Greiff, Tony Proscio, and Carol Wilkins for creating this manual—a valuable tool in making that vision a reality.

Sincerely yours,

Carla I. Javits
President
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Preface

In over a decade of work helping to end homelessness in communities around the country, the Corporation for Supportive Housing has learned much about the need to reform existing public systems and create new systems better suited to the needs of supportive housing tenants and providers. This study represents an effort to distill some important lessons from the successes and challenges we have encountered along the way—lessons that we hope will prove useful to our many partners in the growing national movement to end homelessness.

To create this report, the authors gathered documentation and interviewed participants who shared their perspectives about major systems change efforts that have been championed by CSH and our partners in communities from coast to coast. These contributors were generous with their time and their experiences, suggesting useful strategies and lessons learned for supportive housing advocates and policy-makers. This publication would not have been possible without the contributions and efforts of these individuals in all eight of the states where CSH works: California, Connecticut, Illinois, Michigan, Minnesota, New Jersey, New York, and Ohio.

In particular, we would like to thank the participants in the groundbreaking supportive housing initiatives we drew upon, including the Health, Housing and Integrated Services Network (HHISN) in California; the California Statewide Supportive Housing Initiative Act (SHIA); the Connecticut Supportive Housing Demonstration Program; the Connecticut Supportive Housing Pilots Initiative; Working Toward Innovative Supportive Housing (WISH) in Illinois; the Michigan Supportive Housing Demonstration Program; Hearth Connection in Minnesota; the Monmouth County Supportive Housing Collaboration in New Jersey; the campaign for the New York/New York Agreement; the New York Capacity Building Program; and Ohio's Rebuilding Lives initiative as well as many other state and local supportive housing program initiatives.

There are more details about many of these examples available in other publications. Please see the bibliography at the end of this report for a list of additional resources.

Although all of the lessons and strategies we offer here are culled from specific real-life experiences, we have decided not to name names in our examples. We did this for two reasons. First, we wanted to make sure that everyone we interviewed could speak with total candor about their experiences, positive and negative, without worrying about how it would affect ongoing collaborations or perceptions of their efforts. Second, we wanted to focus on strategies that could best be transferred from one place to another, without being overwhelmed by the specifics that make each of these situations unique. We believe that the lessons here can be adapted widely, and we wanted readers to focus on those lessons without worrying about the differences between their communities and the cities and states we write about here.

We hope that this study will be useful, not only for supportive housing advocates, but for anyone who works in the larger context of integrated services. We hope that this report proves that we can achieve all of our goals more effectively by working together—and provides a road map for making social change a reality.
Introduction: What System Change Is, and Why It Matters to Supportive Housing

After two decades of rising accomplishment, growing public acceptance, and careful growth and refinement, supportive housing in the United States stands at a puzzling impasse: Having begun as an improvised, grassroots approach to critical social problems, the field still finds itself, 20 years later, in the limiting niche of a social experiment—well respected, even admired, but not firmly established as a standard, mainstream feature of any system of public finance or regulation, federal, state, or local. Supportive housing—among the most successful new ideas in American social policy in two generations—remains a product without a system to produce it.

Sources of support, both financial and political, are now far more numerous, but not much more effective or integrated, than they were ten or fifteen years ago. Now, as then, a typical supportive housing project can involve a dozen mostly unrelated sources of funding. Three or four come from federal housing development and rent-subsidy programs, three or four from state and local housing and services agencies, two or three from private philanthropy, and often one or two from social insurance programs like Medicaid or disability insurance. Few of these programs are intended, in any explicit way, for supportive housing—and those that are meant for supportive housing are normally small, special appropriations, separate from the normal, recurring funding streams. Each project must use a different combination of sources, because eligibility rules may vary from place to place and year to year. When projects do manage to piece together a replicable funding package, they are sometimes well advised to keep their success to themselves. Sharing information with others might call unwanted attention to the fact that they have used funding sources in ways that weren’t officially intended.

Meanwhile, people who have been homeless often or for long periods typically have many needs that can, in many cases, be addressed separately by various programs, but rarely by any single source of service. Their needs may include medical care, mental health services, addiction treatment, income support, training and employment, suitable housing, and a steady community to which they can belong. Outside of supportive housing, there are programs for many, though not all, of these things. But those programs are administered and funded by separate authorities with different kinds and levels of eligibility. Each of them must be separately applied for, and nearly all are subject to sudden termination or change, with or without notice.

Few current programs have regulations or competitive criteria designed to provide housing and supportive services in a coordinated package. The fact that supportive housing exists at all is a tribute to individual developers, providers, planners, public and private champions, and others acting outside the usual systems and markets. When conventional programs are used to create supportive housing, they are, in essence, being manipulated—usually with the funder’s knowledge and approval—to serve a purpose for which they were not intended.
In short, the supportive housing “system” is a mirage. It is invented, ad hoc, every time a housing developer or service provider, or some combination of the two, begins patching together the multiple programs that make supportive housing possible. With each new development—and later, with every rule change in one of the underlying funding programs—the “system” has to be re-invented, piecing funding sources, eligibility requirements, compliance reports, and incompatible funding cycles into a single financial and management plan.

This paper describes some ways of changing that. It does not offer a picture of a thoroughly completed or reformed system, because none yet exists. A truly new system would make housing and service dollars available through a single application, or a set of synchronized applications. It would rank and reward projects based on how efficiently they house and serve homeless people with long-term needs, not according to how closely they resemble the other, unrelated goals of other systems. A reformed system would recognize a body of conditions or needs for which supportive housing was a normal, cost-effective response, and would organize public bureaucracies and private services so that people are routinely referred to supportive housing when appropriate. A supportive housing system would combine elements of today’s disparate mechanisms for housing, mental health services, social services, employment, income support, and addiction treatment, and probably a few others. But it would not be dependent for its survival on the voluntary cooperation and creativity of individual actors in all these systems.

That degree of reform is, for now, a distant goal. Along the road, however, there are interim stages, rather like mile markers, that represent material improvement and that point the way toward further change. The first mission for a determined system reformer—and the first of many goalposts, so to speak—is pressing the old, established systems into more effective collaboration with one another. Next would come more accurately targeted support, and further along, more flexible or streamlined methods of funding. These are all steps in system change, and they can be prompted by any determined participant with enough patience, persistence, and attention to the nuances of other people’s interactions and goals. Eventually these small steps lead to the larger goal. But unlike that goal, they can be achieved relatively soon, at least in many places.

This publication will deal primarily with the most available avenues of influence for those who seek a more stable environment for the production of supportive housing: the state and local systems of funding and regulation with which supportive-housing providers work most closely. A truly reformed system would of course include a revamping of federal programs as well. That, however, requires a concerted national effort beyond the scope of local players acting alone, and relies more on the art of wielding influence in Washington than on the skills of effective development and program management.

Even so, there is no question that promoting an effective supportive housing system in Washington would be far more effective, and in some ways much simpler, if examples of such a system were visible in several states and localities. Besides, given the federal government’s increasing reliance on state and local governments for setting specific goals and allocating dollars, changes in national policy would not mean much without corresponding state and local systems to use federal programs in productive ways. For all these reasons, this paper mostly leaves the challenge of federal reform to another treatment, and concentrates primarily on influencing state and local policy.

First, and very briefly, we begin with a few definitions and core ideas—mainly what a system is, how to recognize its main elements, and how to envision changes that will bring about thoroughgoing reform.
The Elements of System Change

For the purposes of public policy, a system is any arrangement of funding, regulation, and evaluation by which work is done in the public interest, with any combination of government approval, subsidy, oversight, management, or direct labor.

Barring some cataclysm, public policy systems transform themselves over a period of years, often decades, not months. Achieving a real change in a system is different from making the system do something new. A real change in a system is one in which people habitually do the new thing, using resources, authority, technology, and ideas that are routinely associated with the new activity. You can recognize system change more easily when it is complete, or nearly complete, by these five signs:

- A change in power: There are designated positions—people with formal authority—responsible for the new activity (not just committed or skillful individuals who happen to care about it).
- A change in money: Routine funding is earmarked for the new activity in a new way—or, failing that, there is a pattern of recurring special funding on which most actors in the system can rely.
- A change in habits: Participants in a system interact with each other to carry out the new activity as part of their normal routine—not just in response to a special initiative, demonstration, or project. If top-level authorities have to “command” such interactions to take place, then the system has not absorbed them, and thus has not yet changed.
- A change in technology or skills: There is a growing cadre of skilled practitioners at most or all levels in the delivery chain, practicing methods that were not previously common or considered desirable. These practitioners are now expert in the skills that the new system demands and have set a standard for effective delivery of the new system’s intended results.
- A change in ideas or values: There is a new definition of performance or success, and often a new understanding of the people to be served and the problem to be solved. The new definition and understanding are commonly held among most or all actors in the system, such that they are no longer in great dispute.

Convincing evidence of a truly changed system comes in several—and, eventually, usually all—of these five categories.1

To achieve a fundamental, self-sustaining change in a system, it can be helpful to start with compelling mandates from high levels—federal officials, state cabinet officers, courts, legislation—or at least significant senior pressure on hesitant participants. For example, it’s sometimes necessary to persuade top superiors to compel their subordinates to engage in these new activities and work with new colleagues, until the subordinates either become habituated to the new regimen, or come to believe that it is intrinsically worthwhile, or both. In other cases, the pressure comes from below—from constituents and nonprofit groups demanding collaboration from middle managers who eventually acquiesce, but not necessarily with enthusiasm. Ultimately, though, it is the changed habits of people within the system that mark real system reform. Those habits of behavior and funding develop slowly, and only if persuasion and coercion are successfully and consistently applied, and the natural opposition along the way is handled deftly and persuasively.

1. In academic and industrial circles, systems dynamics are typically quantified and modeled on computers, to show the probable repercussions of changing any component of the system. That is a level of complexity beyond the scope of this paper. But for an entertaining sample of how such computer modeling works (and possibly for a provocative way of thinking about social-service and housing systems), try the family of computer games called SimCity®, Sim Earth®, and the half-dozen related simulation games published by Electronic Arts. In these games, model systems from urban development to safari parks, and health care to family relations, can be manipulated to better or worse effect, with “scores” for each player measured in property values, service costs, species lost or gained, or rates of personal and social problems. (Memo to Electronic Arts: Sim Housing should be next.)
As a result, most of the time, system change starts with activity that is not at all systemic, but is forced, ad hoc, uncomfortable. It usually flows from extensive rule-making and -revising, or from explicit agreements in which parties commit only to certain extraordinary activities, which they may regard as concessions or sacrifices. Often the change is overly reliant at first on the attention and direction of top-level supervisors or persistent advocates at lower levels, and often both. This interim stage, where authority and pressure predominate, is usually far more fixated on the production of specific numbers and types of end products, in order to teach participants how to produce these things and to prove that the products are valuable. Establishing credibility—of the new idea, of the product, of the participants, and of the people who advocate for all of these—is normally the top-most priority in the system-reform process as it is unfolding. Later, in a truly changed system, the external pressures and enforcement of rules gradually become less necessary, as more and more people come to order their normal expectations, values, and activity around the new activity.

A real change in a system is one in which people habitually do the new thing, using resources, authority, technology, and ideas that are routinely associated with the new activity.

The main goal, in other words, is not necessarily to produce the ideal plan—the plan should be good, but need not be perfect. The main goal is to produce a better and better-working relationship among the participants. That is what system reform will ultimately consist of. When that happens, the quality of the plan will probably be better, but it will fluctuate, as all things do, from cycle to cycle.

Take another common system-change device: the specially empowered ombudsperson or steering committee. These are essentially empowered true believers, whose job it is to evangelize and cajole and, in some cases, strong-arm reluctant but necessary people into participating in the new system. These special-purpose people and bodies are, in the short run, highly useful to system reform, because they can start and sustain a behavior-modification process. But in the long run, they are the antithesis of system reform. A real system has only the most peripheral need for evangelizers or coercive agents—because the new system embodies people’s normal understanding of their job descriptions. The special-agent or “ombuds” tactic is necessary to get the system reformed, but then, in most cases, the special function withers away, or becomes part of a routine function like ongoing staff training, quality assurance, or planning.

The pattern here is that the tools of system change are not necessarily the tools of a changed system. Some are catalytic, transitory, and high-maintenance. They work by sustained effort, but the measure of how successful they are is how quickly they alter routine behavior, and then, sometimes, how soon they fade or even disappear. Other tools may become permanent—planning bodies may prove continuously useful, mechanisms for coordinating funding may become indispensable. But it isn’t necessary—and often it’s impossible—to launch a system reform effort with the same techniques and structures that will eventually characterize the new, permanent system.
A Supportive Housing System: Confronting the Obstacles

From here on, our focus will be specifically on creating a system of supportive housing for homeless people. This need not mean the creation of a Supportive Housing Department, or the obliteration of other, categorical funding streams in favor of a discrete new, omnibus Supportive Housing Budget. It does mean the creation of a routine process, with regular participants and normal procedures, by which supportive housing would be planned, authorized, funded, developed, and maintained over time. We will view the challenge primarily from the perspective of the reformers as catalysts of system change in this field. Even so, the aim is to describe not just what they can do to reform systems, but what must be done in general to bring about an effective supportive housing system.

Even so, no change is without its discontents, and any attempt to reorient old practices and procedures will trigger the first “given” of any system change: the survival impulse of old systems. Even when a system reform effort isn’t meant to eliminate existing structures and agencies, it still aims at something more profound and unsettling than just producing a desired end product. It also entails the disruption and replacement of old habits, and the principles and values that caused those habits to form. In organizational terms, disrupting habits is a partly violent thing, and people will naturally defend themselves against it, consciously or not. In supportive housing specifically, the job of system change consists of nudging people into collaborations with agencies whose goals and methods they have habitually resisted, or simply never shared, in the past. The challenge of supportive housing is partly—often primarily—a job of systems coordination and integration, and of altering the boundaries that separate one person’s duties from those of another. Often the “threat” of a system reform is not that someone’s job will be eliminated, but precisely the opposite: that the job will become more burdensome once it’s no longer shielded from the alien concerns of other systems.

Most states and localities have well-established delivery mechanisms for human services and for housing. (They usually have more than one mechanism for each. Service systems include elements for addiction treatment and mental illness, for example, that are frequently as alien to one another as they are to housing finance.) The historic separation of these functions, at least half a century old, has led to many hermetically isolated groups of activity that may be able to treat discrete social and psychiatric problems, or to provide affordable housing—but cannot typically do all of this for the same people in any coordinated way, or with any provision for long-term stability in both housing and social functioning.

Successful supportive housing combines the service and residential needs of homeless people in a way that helps them maintain stability over the long term. It requires a fusion of the disparate underlying philosophies into one common, recognized set of responsibilities—one that views homeless people and their housing needs as a single problem, with a single, albeit complex, avenue of solution.

As in the physical sciences, such fusion can be combustive. Human-services agencies view housing finance and development as impersonal and suspiciously profit-driven. Housing agencies normally view human services as imprecise, subjective, and inconclusive. Services focus on individuals and their peculiarities, measuring success differently in each case, by unique standards dictated by each person’s life and circumstances. Housing development typically focuses on projects and on larger-scale, highly standardized assets like money, land, and contracts. Bridging those contrasting styles and viewpoints—and the unspoken prejudices they often engender—requires persistent diplomacy, patience, and very subtle training and persuasion.

For a time, each side is likely to see the fusion process as corrupting its standards, downgrading the quality of its work, and jeopardizing the professional reputation of its participants. Often, the various sides will raise seemingly insuperable obstacles to cooperation—regulations, funding rules, or eligibility restrictions that render one system’s clients potentially ineligible for another system’s services. Resistance
may be fierce or subtle, depending on the players, their current rules, and their organizational culture—but it is likely to be tenacious. As each side comes to understand the other’s work and the value of that work to one’s own clients, the distrust erodes a little, and methods of communication gradually improve, leading in time to habits of actual cooperation. That is the slow, tortuous path of system change.

Overcoming Inertia: One State’s Experience

To illustrate the pace of change, and the kinds of speed bumps likely to occur along the way, an example may be helpful. In one state where the effort to create a supportive housing system is fairly recent, the original call for a system change came from exceptionally high levels of state government, in both housing and services. At the level where the reform originated, budget authority and regulatory power were, at least in theory, more than sufficient to command a sweeping new response from service and housing agencies across the state. These senior officials personally signed an interagency agreement that committed their funding and regulatory authority to the production of a precise, ambitious number of supportive housing units by a certain date.

The high level of support seemed propitious, but in reality it proved no match for the defensive forces in lower realms of the state bureaucracy, and especially for semi-autonomous county and municipal agencies. In this state, by long-standing practice, localities usually have the upper hand in setting social service and mental health priorities in their districts—a practice that is gaining popularity elsewhere as well. As in many places, this local hegemony worked differently for different services. Depending on the type of service, local authority may be regional or municipal; some local agencies or boards had formal budgetary power of their own, others were advisory but still powerful. Some were heavily influenced by elected officials, and some operated almost entirely outside politics.

Housing functions, by contrast, were more centralized in the state capital, though even there, separate fiefdoms had developed around different aspects of housing finance, production, and subsidy. Between services and housing, there was the usual cultural wall of separation. Local service providers had long steered clear of the housing market, partly out of a concern—not altogether misplaced—that long-term housing costs could devour their budgets. Many service providers also believed—again, with some reason—that affordable housing organizations were not attuned to the needs of service clients, and may not even be sympathetic. Housing providers, meanwhile, feared that service agencies would use subsidized apartment buildings as surrogate institutions—“last-resort” placements for people who were not, in reality, able to function in a home of their own. Here, too, the fear had some basis in real experience.

To deal with these crosscutting divisions of power and attitudes, the state enlisted the Corporation for Supportive Housing (CSH) to help organize interagency planning and coordinating bodies at both the state and local levels, starting with a few local demonstration projects. State officials tended to see the exercise as a way of reusing existing resources in new ways. They relied on the local planning groups to come up with different uses of current budgets and to get members to consult more deliberately with one another. Local leaders, on the other hand, started off more wishfully, seeing the exercise as a way of getting more money for their current programs—from the state, from CSH, from federal grants, or from some combination. No one had promised anything of the kind, but in hindsight, it seems that some localities had been allowed to form overly optimistic impressions without a clear rebuttal.

Once local government and nonprofit officials started meeting in their cooperative bodies, they confronted the reality that no major new dollars were forthcoming. They quickly came to see one another as competitors for current dollars in a soon-to-be-revamped system, where fiscal pressures were, in fact growing more severe every fiscal year. Nonprofits were competing with county agencies, service
providers were competing with housing developers, and organizations serving one target group were competing with those who serve other target groups. Those dollars, they presumed, would be reallocated by a remote and capricious state government, and some participants would lose support to others. Only a few saw this as an opportunity to produce successful supportive housing, impress state officials with superior performance, and potentially compete for more state resources. The vast majority of participants saw the matter simply as a threat, and responded defensively.

CSH ended up having to work largely outside the local planning bodies, most of which had become bureaucratic battlegrounds shunned by senior officials. Over several years, CSH's extracurricular contacts and sidebar relationships paid off. Those actors who viewed supportive housing as an opportunity came to form alliances and compiled a record of production and successful operation that other people eventually could not ignore. Increasingly, the interagency bodies are re-forming, and becoming a constructive element in an evolving system. But they did not all start out that way, because of the unexpected vehemence of the old systems' defense mechanisms. The story is a stark one, but not otherwise unusual.

In that case, the eventual solution came not through structures but through the persistence of individuals, and their ability to perceive their own needs and opportunities in a new way. All the participants had needs that supportive housing could address more effectively than their old policies and practices. But only a few discerned that at first, and those few ultimately built the rudiments of a system, project by project, through personal commitment and by forming ad hoc networks with one another.

Solutions sometimes come, not through structures, but through the persistence of individuals and their ability to perceive their own needs and opportunities in a new way.

The Human System: Building Personal Relationships

Just behind the formal mechanisms of system reform—the planning bodies, hybrid funding streams, ombudspeople, partnership agreements, research and advocacy programs, skills-training and capacity-building—there lurks a broad, unofficial, sometimes poorly defined, but indispensable challenge of personal networking. The participants in the reforming system need ways to get to know one another that are in some way satisfying to them, personally or professionally or both. The only alternative would be the application of coercion or of overwhelming incentives, sustained over a period of years—a rare event in the mercurial world of public policy.

The tactics of relationship-building are among the less appreciated or well-studied aspects of system reform, but they are both essential and complicated. On one hand, it is not sufficient for individual people in the system to come to trust one another more and to enjoy working together. Those things are necessary—especially at first—but not sufficient. Sooner or later, these trusting and committed individuals will leave their jobs. Unless a system of institutional interaction has grown up around them, their departure will bring down the reform, at least in effect.

On the other hand, starting with such personal relationships is often essential, even if only to solve individual, momentary problems for some of the participants—reviving a stalled project here, filling a service gap there, placating a constituency group somewhere else. The relationships, and the problems they solve, will eventually need to expand to the rest of the system and to the recurring problems that plague it. But that often starts with the successful relationship of just two or three new allies as they get to
know each other better, produce some noteworthy accomplishments together, and draw others into the successful circle of their common activity. Or that activity may just establish a body of precedent that slowly begins to guide other people toward different but complementary methods of cooperation and integration. Either way, personal networking and alliances can start a chain reaction, though the participants (and maybe some outside force) probably need to keep fueling that reaction for several years to make it durable.

**Will, Money, & Know-How: Widening the Circle of Change**

Forging personal interactions and relationships of trust mainly addresses the crucial factor of habit in the transformation of a system. By growing used to one another, and to the routine of working together, representatives of alien systems like housing, addiction treatment, and mental health can gradually start to think of one another as allies, consider one another's problems as related, and imagine combining one another's resources toward common ends. But building that realization outward—moving beyond the individual chemistry to the whole system—generally requires changes in the other four elements we outlined at the beginning of this paper: power, money, technology, and values.

### The Key Components of Systems and Indicators of a Changed System

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<thead>
<tr>
<th>Component</th>
<th>Indicator</th>
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<tr>
<td><strong>Power</strong></td>
<td>People who have formal authority and responsibility for new activities</td>
</tr>
<tr>
<td><strong>Money</strong></td>
<td>Funding is available and reliable</td>
</tr>
<tr>
<td><strong>Habits</strong></td>
<td>People and organizations interact with each other to carry out new activities as part of their normal ongoing routines</td>
</tr>
<tr>
<td><strong>Technology &amp; Skills</strong></td>
<td>Skilled practitioners at all levels can effectively deliver results</td>
</tr>
<tr>
<td><strong>Ideas &amp; Values</strong></td>
<td>A new understanding of the problem to be solved and new definitions of performance or success are widely shared</td>
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For the individuals who begin the process of system change, all these elements may already be in play—their individual power, the resources they personally control, and the skills and values they bring to their jobs may grow more and more in harmony as they work together over time. But leaping from personal alliances to the engagement of whole systems requires determined political will in some locus of power—the governor or legislature, the courts, heads of state agencies, local elected officials, and eventually some combination that includes the public at large. Building a new system demands new appropriations of money and/or a substantially altered use of current resources. Whether through new money or old, the change will affect budgets that are traditionally governed by separate sets of law and regulation, supported by different executive departments and centers of legislative power, and championed by different professional lobbies and consumer groups. Penetrating those budgets—finding a secure place for supportive housing among their eligible uses—does more than just produce resources for projects. The regular allocation of money is how bureaucracies define what they own—the things whose success they are responsible for. Money does not merely fuel systems, but the use of money often defines the system, what
it’s for, and what its limits are. Change the lines in the budget—whether or not the total amount changes—and the system is unlikely to stay the same for long.

But bringing about changes in power and money will almost always depend heavily on mastering the technology of supportive housing, and promoting that mastery among all those who will need to participate in the reformed system. That means, on one end, raising the ability of nonprofit organizations—housing developers, social-service groups, or hybrid supportive-housing agencies—to plan, finance, develop, and manage quality supportive housing, often in partnerships of more than one organization per project. It also means cultivating a clear understanding among regulators and funders, both public and private, of what quality supportive housing entails and how to legislate, fund, regulate, and promote it. In many states, that can mean training both nonprofit and government groups in the most fundamental skills required for supportive housing—how to choose suitable locations, plan and build appropriate units, design and staff an effective service component, and so on. Or, in luckier places, there may already be some organizations with the right skills, and the challenge may be to refine the technology and spread it to more practitioners and funders. Either way, the solution is likely to lie at a more micro level, not with governing bodies, elected officials and budget-writers, but with trainers, technical advisers, mid-level government managers and compliance officers, peer-to-peer networks, and persuasive advocates.

Ultimately, to bind these elements together and enlarge them into a system that meets the whole need, there needs to be a change in values, manifested in common definitions of the problem and ideas of how society ought to address it. This is the least tangible and yet most solidifying aspect of system change: an alteration of principle, in the mind of both the public and the professionals, about what constitutes good practice and desirable outcomes. So long as the prevailing social value for, say, criminal justice is punishment alone, discharge planning will rarely be astute enough to lead to sustainable housing and long-term support and stability. Supportive housing won’t be in the tool box of criminal justice planners, not because they’re opposed to it, but because it plays no role in their idea of success. If the prevailing concern for the mentally ill is the effective treatment of crises, supportive housing is unlikely to show up among the regular solutions. The mental health system will occupy itself devising better, more efficient, and more economical treatments, to the neglect of prevention and long-term stability.

**Envisioning a ‘Tipping Point’—The Trajectory of System Change**

The five elements of system change that we have discussed are not steps in a process; they are overlapping targets, at which many strategies and techniques can be aimed. All of them take time to change, and each will change differently in different places. In some places, one or two elements may never change much—thus placing even more of a burden on the other three or four elements. But most of the time, system reformers find themselves starting either with just a few elements at first, or with very modest steps on all five fronts, until momentum builds.
So what does the reform process look like? One helpful way to envision it may be as a gradually spreading change in common perceptions, a widening and deepening belief that supportive housing is not just a luxury for fat times when budgets are flush, not just worthwhile as a handful of special projects, but necessary as a core part of an effective response to homelessness or to the needs of people with disabilities. That is a progression similar to one that advocates for any new idea pursue—from marketers of the latest electronic gadget to advocates for a change in foreign policy—as they press their ideas on opinion-makers, communications media, and power brokers. In his best-selling book, *The Tipping Point*, journalist Malcolm Gladwell describes how ideas spread and ideological “epidemics” form, based on three major factors: the talent of the “salesmen” pushing the idea; the receptiveness of the audience, and, crucially, the “stickiness” of the message—its ability to burrow into the prevailing consciousness and discourse, so that people sooner or later have to take note of it. The pursuit of such a tipping point is one way to conceive of the challenge of system change for supportive housing.

The remainder of this paper will list tools or tactics that, besides producing more supportive housing, can cultivate talented salespeople, pique the interest of a wider audience, and deliver a message that genuinely “sticks” with people who can alter systems. These tools—we call them “building blocks”—have already advanced system change in some places, and that experience provides some idea of what they can accomplish and what problems can arise when they’re used. This list begins to form, in a sense, the rudiments of a “science” or “engineering” of system change. We will end with some observations on the “art” of reforming systems as well, which is the harder part to describe and practice: how to recognize opportunities for change, ways to motivate others to join and advance the change process, and how to create opportunities for reform where few currently exist.

Even in communities with fairly advanced system-change efforts in place, supportive housing advocates have not yet produced (at least to their own satisfaction) a fully reformed system. That is partly because the systems they are undertaking to reform have very long roots in national history and values (government housing policy dates to the 1930s; health and human service systems go back much further). Another reason is that the traditional systems have such starkly contrasting methods of practice and units of analysis—people and feelings in the world of human services, projects and dollars in the world of housing. But it is also because systems actually change in stages, and it is possible to achieve and recognize a degree of success well before the whole system “tips” to become a fundamentally new structure.

In many places system reformers have created a policy atmosphere, at least, that now understands and values supportive housing as a desirable, if still difficult, solution to the most intractable problems. That falls short of the ideal world, in which supportive housing would be a normal, commonly available solution to the long-term needs of many groups of homeless or disabled people. But it is a giant step ahead of where the United States was just 20 years ago, when housing and services organizations had little or no common ground and the most rudimentary ideas of supportive housing were practiced, if at all, only by maverick organizations belonging to neither established discipline.

Along the way, nonprofit providers and intermediaries have pioneered interim stages of supportive housing, all of which are necessary to the long-range goal, and each of which is an accomplishment in itself. Each stage represented, in effect, an adjustment in popular values about who should be served, with how much money, and with what set of rules and restrictions.

At the earliest and most basic stages came supportive residences that were limited to tenants already on successful regimens of medication and addiction recovery, and often whose main ongoing problem was poverty. For this population, some human-service agencies and some affordable-housing and community-development groups already had a well-established body of practice and sense of mission.

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Their only remaining challenge was to learn how to work with one another. Further down the road came supportive housing for tenants with somewhat higher levels of need, but for whom services were mandatory as a condition of tenancy. Here, the alliances among service and housing providers were more difficult to forge, but the relationship between providers and clients was, at least, relatively familiar to both: Tenants remained clean and sober and used the prescribed services consistently; and both the rent and the service costs were paid regularly; or else the tenant moved elsewhere.

As experience with these models increasingly demonstrated both their value and their shortcomings, more and more places came to experiment with other approaches that genuinely address the deepest and longest-term needs—where voluntary services and harm reduction are part of the mix. That has proven the greatest departure from conventional practice—and, more importantly, from conventional values—in the realms both of services and of housing.

For mental health and social service providers, low-demand environments mean that a tenant isn’t necessarily using their services consistently, and thus isn’t necessarily triggering the reimbursements such services would bring. For housing providers, a low-demand residence means that tenants may not act as predictably as the property managers would normally wish. For both, the challenges are as much philosophical as financial, in that the new model demands that they change old assumptions about who “deserves” or can benefit from housing and services, and conduct business in ways that had formerly been considered not just impractical but wrong.

This evolving approach to supportive housing tracks a similar progression in the way system reformers have gone about their work. As popular values about homeless and disabled people reflected the lessons of experience, year by year, the scope and design of supportive housing adapted accordingly, and demands on the contributing systems moved in tandem. At each stage, the job of system change meant encouraging old systems to think differently about more and more people whom they had previously treated as unworthy, unlikely to succeed, or simply categorically ineligible for their resources or services. In this respect, changing popular ideas and values about who ought to receive what kinds of public support was a crucial part of system reform—in fact, it became the platform on which a new system could be built. Ultimately, at the far frontier of this process, the challenge is not just about methods or costs, but about values.

Yet it would be a mistake to see successful system change as a remote, overwhelming ideal unconnected to today’s accomplishments. Even at earlier stages of supportive housing, each step did in fact change old systems—at least to the extent of incorporating into those systems some ideas and some collaborative practices that hadn’t existed before. It is important, in considering a mission of system change, not to set the bar so high that achievements of this kind don’t count. But it’s just as important to keep alive, at least in formative discussions, the more expansive goals toward which the incremental or interim steps can lead.

Whether the most complete kind of reform is possible—one that produces a stable, identifiable system of supportive housing for the most vulnerable and hardest to serve population, from reasonably consistent funding sources, year after year—is yet to be determined. This paper focuses primarily on the evidence so far that certain tools are leading to visible progress toward that end. A more complete blueprint for a fully re-engineered system will have to await the work of the next several years.
Building Blocks:
The ‘Engineering’ of System Change

To move the five elements of a typical system—to change the use of power or money, the habits of public and private actors, the common skills and standards of practice, and the prevailing ideas and values—it’s usually necessary to influence the people who control or live most closely with those elements. People’s ideas, habits, and behavior are changed not merely by evidence and persuasion, but also by any number of related tools: People can be lured with altered incentives, coerced by superior orders, prodded by political action, gradually habituated by slow experience, or shamed into change when old methods are exposed as manifestly inferior. By one or more of these means, policies are altered and systems redesigned.

In any given place and time, some of the five critical elements will be more ripe for change than others, and some tools will be more or less available to affect them. System change is therefore the strategic use of the available methods and tools to affect the greatest possible number of elements. Here, we outline a number of tools, or “building blocks,” that have worked for system reformers in supportive housing. In each case, we describe briefly what the tool has done, and which elements of the system it has affected—which levers it pulls, in a sense. The list is not meant to be exhaustive, but it gives a fairly detailed cross section of what options reformers may have at their disposal, and what effects they might hope to accomplish with each.

1. Collaborative Planning/Consensus-Building

In the previous section, we described a case in which CSH had hoped to build consensus around supportive housing by organizing local interagency planning groups, but ran into obstacles along the way. It is important to note that, even in that case, a few of the interagency groups proved useful right away, and eventually nearly all of them came to be important for sustaining and enlarging the early successful projects. The rough spots in that story are useful precautions to consider, but they don’t detract from the essential usefulness of collaborative planning as a spur to system change.

6. Research & Data
7. Communication and Advocacy
8. Cultivating Leaders, Champions, & Advocates
9. The Irresistible Force
10. An Intermediary as Neutral Catalyst
What it is: Collaborative planning generally consists of regular meetings of senior or mid-level managers of the key systems that deal with people who have been homeless for long periods—to build relationships among people from those systems, plan projects, get commitments of funding and other support, and develop a working structure that will contribute to growth and improvement in supportive housing. The short-term goal is to alter the ideas and values, establish new habits, and eventually change the use of money, power, and skills, of those around the table. Because the exercise touches on all five elements of a system, collaborative planning and policy-making groups are often the central vehicle on which a system-change effort is based.

The assembling of a good planning body is a triple balancing act. Organizers have to blend production goals with a system-change agenda; they have to weigh the value of inclusiveness with the need for a workably small, collegial group; and they have to find participants who are neither too high nor too low in the hierarchy, who are equally at home with big visions and fine details.

Who participates: To the careful system reformer, these bodies have a dual purpose from the day they are created: They aim to plan and complete some projects, but they are also crowbars for opening old systems to new purposes. Consequently, the members of the collaborative bodies need to be people who can deliver on funding and understand the technicalities of producing and managing supportive housing. But they must also be people with some leverage over the system in which they work. The most senior and powerful people in those systems usually aren’t the right choice: They have plenty of leverage, but they aren’t likely to stick with the process through all the technical stages of planning and production. But the technicians at the front lines may also not be the right choice: They know exactly how to finance construction or assign counseling caseloads, but as agents of change they may be too far removed from the centers of power in their systems. The trick is to find adroit people in the middle: those who have good channels to the centers of power in their field, but who are also comfortable with the details of planning, funding, and production.

In short, the assembling of a good planning body is a triple balancing act. Organizers have to blend production goals with a system-change agenda; they have to weigh the value of inclusiveness with the need for a workably small, collegial group; and they have to find participants who are neither too high nor too low in the hierarchy, who are equally at home with big visions and fine details. The problem with this balancing act, in actual practice, is not just that it’s difficult, but that the important complexities often become obvious only after it’s too late—after the planning group is already formed, and the membership proves to be out of balance in one way or another. The art, therefore, lies in scrutinizing and controlling the membership in advance as much as possible.

Yet no choices, no matter how carefully planned, can be foolproof. Some of the balancing equation will ultimately work only in theory. Actual human beings don’t sort neatly into the categories that have to
be balanced. And in any case, people tend to change jobs faster than some supportive housing can be developed, so the “ideal” members may disappear before long. In most situations, the best result will realistically be a group that includes a mix of skills, hierarchical levels, native talents, and degrees of commitment, and can be adjusted through attrition over time. From that point on, the “art” of the process shifts from careful selection of members to deft chairmanship.

Who leads: The leader of an effective collaboration needs to embody the group’s dual purposes: creating supportive housing and changing systems. That person need not be—often cannot be—the most passionate champion or the most neutral outsider. The former might not be trusted enough by the less-passionate types, and the latter may not be motivated enough to keep the momentum going. The chair needs to be someone who has the trust of at least some people in both housing and human services, and who is at least roughly conversant with more than one field. But most of all, the chair needs to be a deal-maker: the sort of person who can spot other people’s needs and interests and can negotiate arrangements that offer them something they consider valuable. At some risk of repetition, it’s worth restating that this person’s job is not just to cajole the participants into contributing to some number of supportive housing units. The job is to persuade the various participants that supportive housing serves their needs and ought to become a regular part of their own systems.

Leadership of an effective planning body is likely to change over time, not just because leaders take other jobs and move on, but also because the leadership challenge itself changes as the process evolves. At first, the task mainly consists of building trust, creating a common language and set of expectations, and clearing a path toward an initial production goal. Soon after, it broadens to include winning the personal enthusiasm of the members (and of the people they represent), encouraging their independent initiative and leadership, and ensuring that the component systems come to “own” the process and the product—that they grow to regard supportive housing as their accomplishment, part of their mission. Over time, therefore, leadership should decentralize, so that co-chairs, committee chairs, and individual experts around the table increasingly exert influence over pieces of the process that “belong” to them. That means, among many other things, that the initial leader will need to be someone who can delegate and surrender control as time goes on.

The initial agenda: A typical collaborative body would have a work plan that includes these elements:

- Identifying the need (types of households, geography, service needs, etc.)
- Establishing numeric goals to meet identified needs within a specified time period
- Compiling a plan to achieve those goals
- Developing a strategy for community participation and education
- Estimating the costs of various goals and strategies
- Developing a Memorandum of Understanding that codifies roles, responsibilities, and commitments to implement the plan

We have already pointed out that practitioners in the housing and services systems don’t normally speak a common language, use common units of analysis, or think about success in similar terms. But even within those two broad realms, there are subcultures that are similarly disjointed. The first purpose of collaborative planning bodies is therefore to bring people together around a common statement of a need.
or problem—one on which they may not initially agree about every detail—and invite them to design a system, or at least some products, on which they are all working constructively together toward a solution, specifically a solution that includes supportive housing. The next steps include planning who will do what, and who will commit how much in resources and activity to creating and implementing first the products, then the new system.

Creating some products—that is, some number of supportive housing units, adequately funded and with a responsible mix of services—is the first goal for two main reasons. The first and perhaps most obvious is that winning support for supportive housing, or for any innovation in public policy, is vastly more likely when people can see the idea in action. When people can see for themselves that something functions efficiently, has a satisfied constituency, and can demonstrate results, they are more likely to move from skepticism to support. But the second reason for starting with production targets is subtler and more profound: People need success—even if only small successes—to justify continued hard work. Volumes of scholarly literature on human motivation agree on this point. They encourage setting small, achievable tasks, awarding lots of prizes, declaring victories whenever possible—at least until people's ambitions have gelled and their confidence in the effort has been internalized.

The contrary approach can be disastrous. In one community, several years ago, local advocates for supportive housing formed a new collaborative body that included several passionate champions—an encouraging sign, to be sure. But because of the deep and long-held beliefs of several members, the group decided that its first job should be a consensus statement on the philosophy of supportive housing. Nothing should be developed, they reckoned, until they all members shared a set of common ideals. Although the ideological differences around the table weren't big by most people's standards, the chair allowed every disagreement to grow into a Great Question that required resolution. Two years later, they were still fighting over the Great Questions, and not accomplishing much else. Most members had stopped attending after the first few meetings, and those who were left were barely speaking to one another.

Not far away, a similar group was lucky enough to have a more alert chair. After the first quarrel over philosophy, the chair assigned the nettlesome “vision” questions to a subcommittee of people with a philosophical frame of mind. Meanwhile, the rest of the group moved on to design and develop projects. This group is now larger, with more participating agencies and interests around the table, and is working on its third generation of supportive housing. Both groups seem to have achieved about equal consensus on philosophy—which is to say, they agree on some things and disagree on others. But only one group has advanced significantly toward the combined goals of production and system change.

None of this is to say that consensus-building isn't important. The opposite is true. But “consensus” in this context most often means a desire for a collective achievement, not a complete philosophical harmony. The other key word in the phrase is building—meaning gradual convergence, not instant unanimity. Agreement on vision often comes from serial accomplishments, and from the practiced discipline of working productively together despite minor disagreements or differences in priorities.

Meanwhile, it's important to clarify and ratify the forms of consensus that do emerge. Collaborative planning groups normally need a few members or close allies who can, from time to time, deliver an official stamp of approval from the higher-level authorities who are not regular members, but who have some formal policy-making power. These occasional ratifications are sometimes necessary for purely practical reasons: Some high-level official normally needs to approve budget modifications officially,
to sign contracts or cooperative agreements, to grant zoning approvals or tax abatements, or otherwise to perform the formal government functions on which production depends. But as in many other aspects of this work, the ratifying function is also important as a motivational tool. A signature on a Memorandum of Understanding, a city council resolution, or notice of a budget authorization all represent visible achievements, milestones by which members can see a success firsthand and feel emboldened (and supported) for the next challenge. The process of getting a formal ratification can also provide an opportunity to broaden support for the goals established in the planning process, and especially to engage people with direct influence over power and money.

**The long-range agenda:** As a technique of system change, collaborative work on planning and production is a process of learning and habituation—coming to terms with the various challenges and resources of the production process, developing routine ways of dealing with them, and learning to rely on one another to resolve the challenges and use the resources wisely. The process needs to be habit-forming, which may demand several years of practice, including a good deal of trial and error, to take hold.

In one state, for example, after several years of successful work on supportive housing projects, leaders began to shift toward a more ambitious goal, one that would move, in the long run, from developing successful projects to systematically reaching all homeless people with disabilities—in other words, to go from providing supportive housing to establishing supportive housing as the normal response for a generally agreed-on group of people. By this time, supportive housing enjoyed a good reputation in this state, and had proven itself, at least within a small niche, as an effective part of state and local policy. But supportive housing remained small, relative to the need, and continued to hold a “boutique” status—a high-quality but relatively rare feature of the policy landscape.

Meanwhile, other forms of health and mental health services were increasingly being funded through a statewide mandated system of managed care, in which supportive housing as yet had no role. Old systems had changed, in other words, in that they had adjusted to the possibility and value of supportive housing. And old systems were changing other aspects of their mission and funding structure in potentially far-reaching ways. But a new system had not yet emerged for making supportive housing part of the state’s mainstream approach to serving homeless people with long-term needs.

To that end, a few of the more ambitious leaders called together a 20-person team to envision and plan the next leap in transforming the system. The group consisted of one or more participants from each of the relevant sectors, including consumers, advocates, managed care plans, county governments, supportive housing providers, foundations, landlords, advocacy groups, and the state agencies who fund, regulate, operate, or use the current systems serving homeless people with disabilities. The participants all agreed to provide access to their data for planning purposes, and agreed to an unusual degree of confidentiality—ideas weren’t to be attributed to particular participants or agencies outside the meeting.

They hired a facilitator to keep the discussions focused and to lead them toward a consensus, with plans for just seven meetings over five months, rather than an ongoing commitment. Other staff included a health policy consultant, an affordable housing specialist, and one staff member serving as liaison with the three consumer members, to clarify the technical material and help them communicate with constituents who had chosen them as representatives. The staffing was unusually deep and relatively expensive. But that proved to be a useful test of the group’s commitment: Foundation grants provided only one-third of the staffing costs, and the participants had to ante up the remainder.

The exercise notched several impressive successes: It produced a detailed plan for a pilot project, with commitment from nearly every member to participate. Participation by relatively senior officials in the
discussion, the high quality of the staffing, and the ability of the facilitator to keep the work flowing toward resolution all contributed to a workable result. Yet even so, one prominent member of the group ultimately decided not to sign on—despite months of participation with little sign of dissent. It may have been that the participant at the meeting couldn’t deliver the full cooperation of the people he represented, a common risk of such bodies. But organizers of the group also felt, in hindsight, that they had not done enough early on to find out whether this member’s agency was really embracing the process and its goals. The pilot project went forward, but with a significant gap, and a chastening lesson about how vulnerable such a group can be to the ambivalence of even one constituent group.

The long-range agenda—another example: Some years ago, a group of supportive housing producers and funders set out to ratchet up their system-building effort a notch, but with a significantly altered game plan. A recent election had eliminated their greatest asset in their earlier work: a senior elected official whose powerful budget office had championed supportive housing. No longer able to rely primarily on official power and money as their levers for moving the system, they shifted their primary emphasis to technology and values. They convened housing and service providers of many kinds, along with consumer representatives, in large regional meetings all over the state—including as many as 200 people at a time. The meetings offered training in various aspects of supportive housing production and solicited participants’ priorities for types of housing needed and target groups to be served in each region. Later, they gathered providers into regional task forces around each of the priority areas highlighted by the larger group. Eventually, the practitioner groups in each region produced a four-year strategic plan identifying target populations, service strategies, housing types, and local partnerships. Each plan set measurable goals, whose realistic scope and specificity impressed observers in government and the public. And the participants, after working together through this process, were prepared both technically and strategically to get started on the plans.

What made this effort especially significant—and in the long run, highly successful—is that it helped balance the system-change strategy. What had been mostly a top-down approach (where high-level officials had embraced and mandated supportive housing) switched to more of a bottom-up alternative, in which community coalitions developed plans of their own and advocated upward for official support. Both approaches were useful, but by offering training, organizing work teams, and generally building local capacity to tackle supportive housing projects, the strategy in effect organized a political constituency—and a voice for policies that had ceased to be top priorities for those in power. In the end, the resulting production was actually greater than what had been accomplished in the early years of high-level official support. Those early years had built some experience and technical skill around the promotion of supportive housing at high levels. The bottom-up exercise of later years added both an increase in productive capacity among nonprofit providers and the political skill to press the system change further than top officials might have considered doing on their own.

The point of both these anecdotes is partly that collaborative planning exercises can and should work for more than one objective—not only to help people from disparate worlds build relationships and work together, but also to set concrete goals that participants actually embrace, and to organize the participants and their constituencies into a potent political force. But just as important, collaborative exercises are complex—and grow more complex the more people from different fields and points of view participate. Such exercises require skilled staffing and careful management. The worst mistake can be to imagine that the mere act of gathering people and starting an open discussion will lead to breakthroughs. The size of the group, the seniority of the participants, the number and kind of constituencies represented, the amount and quality of staffing, and even details like the place of the meeting or the personality of the host or chair can determine whether anything worthwhile comes out of the discussions, or whether the whole process becomes aimless, counterproductive, or even divisive.
2. Investment and Leveraging of Resources

The lack of a system for supportive housing gives rise to many practical problems, but none is so obvious, or so hard to overcome, as the lack of usable funding streams. We began this report with the observation that a typical supportive housing project weaves together a dozen or more sources of funding for housing and supportive services, but that is, in a sense, only half the story. Not only are these funding sources many and small, but in many cases they are administered in ways that put supportive housing at a disadvantage. Worse, some funding streams remain completely out of reach, even though their resources could actually be used more effectively in supportive housing than elsewhere.

In this section, therefore, we describe the first of two elements of system change related primarily to money: the search for dollars that have not previously been available for supportive housing, or that have been available only on unfavorable terms. The next item in this list of building blocks will address the effort to make better use of dollars for which supportive housing is already eligible, but with no system of coordination or integration to make those sources work efficiently together.

This building block seeks to build a better supportive housing system by drawing in money from new places—by encouraging other programs, streams, and systems to redefine who and what is eligible for their resources, to target homeless and disabled people more deliberately than before, and to consider how supportive housing can suit their goals and improve their odds of success. In brief, simple terms, the point of this building block is *causing money to be used in new ways*—even if only one-time, ad hoc, improvisational uses to seed demonstration projects, and even if those uses are heavily influenced by incentives like special grants from philanthropy or small appropriations from other systems or from unobligated general revenues.

The real goal, of course, is long-term funding that is neither ad hoc nor special-purpose. But to get to that point, the system reformer must apply both new money and old, even in temporary ways, in whatever mix will produce the product, demonstrate how a new system would work, and keep those accomplishments functioning effectively for long enough so that old systems and sources of funding gradually pay attention.

Of the five essential elements of system change that we have been addressing, this one is most concerned with *money*—and with the *power* to dispense money, and the *ideas and values* with which money is distributed. It may also involve the *technology* by which money is allocated and awarded—the ability of a given set of managers to understand the issues and opportunities that supportive housing raises, and to administer their funds accordingly, or apply the complex technical rules that govern federal programs.
such as Medicaid to use these resources to pay for supportive housing. Making such changes in the current system is crucial not just for the obvious reason that it takes money to develop and run effective projects. For a system reformer, changing the way money flows can be the most powerful route to changing the way systems define and pursue their goals.

More and more evidence shows that current programs and funding streams already spend significant money, often ineffectively and sometimes wastefully, on the population that supportive housing serves. For those who struggle to create a better system for that population, or to make an effective place for supportive housing within other systems, it is essential to demonstrate that money can and should be allocated differently—with better results that plainly contrast with the status quo.

We will consider two ways of seeking money to fuel a reformed system. The more obvious, but probably harder, course is to find “new” money—money from previously untapped sources that is not being reallocated from some other use. There aren’t many sources of truly “new” money. Examples might be surplus general revenues from a state or local government,3 a share of the increase in a federal block grant program, a legislative appropriation for a new program, or a first-time foundation grant. Much more plentiful are the sources of “old” money: funds already being spent (in many cases on the same population) through established systems and programs. When supportive housing advocates seek support from “mainstream” programs, this is what they usually mean: using already-allocated money in new ways, for greater results, through supportive housing. Such reuse of “old” money starts as merely a funding reform, usually as a change in eligibility or targeting. It becomes a system change when the use of power, the framing of ideas, and the technology and habits of allocation all coalesce around the new use.

In many cases, the most important role of a new grant or special-purpose appropriation is that it demonstrates a palpable vote of confidence from someone with power, capital, or both.

New money and its potential: A new system is unlikely to be built mainly with brand-new funding sources—that is, with newly minted dollars that weren’t already being spent on something else. New federal and state appropriations are rare, and foundation grants are never large enough to sustain a system of supportive housing that is even remotely proportional to the need. Yet truly new money, even in small amounts, can be an invaluable asset as a spur to system reform.

New money can, by its timing and application, provoke other actors and other systems to rethink old methods and ideas. In some cases, the timely offer of new money significantly raises the odds of winning funding from some much larger, “old” source. For example, a new foundation grant for supportive housing, contingent on a match of government funding and delivered just at the moment when a federal agency issues a new Notice of Funding Availability, or a funding bonus to encourage communities to prioritize supportive housing in their federal grant requests, could entice state or local government agencies to make an allocation from existing funding streams, and in the end each of the funding partners will regard their money as having been well “leveraged.”

New money can also be crucially timed or targeted to help prepare the way for infusions of “old” money later. Some special appropriations or foundation grants are specifically time-limited, but if used wisely,

3. Although few states and local governments are facing true surpluses, there are sometimes unspent funds available toward the end of a budget cycle. Faced with a “use it or lose it” situation, state or local government agencies may allocate “leftover” funding for supportive housing on a one-time basis. These one-time allocations have in some places become a reasonably predictable funding source for supportive housing projects for several years, until a track record can be established to build support for a more routine allocation of funding as part of the budget process.
their limited life span can provide enough time and resources to build a case for investment by “mainstream” programs. One example: a three- to five-year grant can help launch services and build administrative capacity so that a program can eventually get ongoing support through Medicaid reimbursement. Time-limited support can cover unique start-up expenses or provide a cushion during the creation of a new program or service. All of these small or brief applications of new money can have a longer-range effect on surrounding systems, but only if they are timed, used, and publicized effectively.

The investment of even a small amount of new seed money or incentive capital can also make it easier for sources of old money to rethink their current criteria and methods of allocation. The seed grant can lower the cost of participation for traditional programs and systems, and it can pay for things they feel unable to fund. But in many cases, the most important role of a new grant or special-purpose appropriation is that it demonstrates a palpable vote of confidence from someone with power, capital, or both. Even very entrenched systems will usually take that kind of signal seriously—at least, seriously enough to consider the possibilities.

The circumstances under which new money reaches supportive housing are usually significant in their own right. Normally, new funds are the result of a major foundation providing a grant, a public official spearheading a new demonstration project, a special grant or “bonus” from a federal agency, or a state executive allocating a share of block grants or other partly discretionary funds. In each of these cases, the source of the new money is not just a check-writer, but also, just as important, a potential champion. As a source of money, these individuals or agencies may be able to help for only a short time. But their investment makes them a visible player from the beginning, and a successful use of their money could keep them as committed advocates and partners even when they are no longer able to write any more checks.

**Approaches to old money:** The timely infusion of new dollars is an obvious, potent—but at first, probably small—lever of system change. The far greater opportunity lies in the altered use of current sources of money. At their most basic, the main ways to change the use of existing resources are (in increasing order of difficulty) targeting, changing eligibility, ensuring reasonable renewal and increasing investments.

**Targeting:** Targeting consists of creating incentives for current funding programs to aim their resources more explicitly toward supportive housing for people who are homeless or at risk of long-term homelessness and who have long-term special needs. Targeting can happen in one of two ways (or sometimes both): (a) with the creation of set-asides of money specifically reserved for supportive housing tenants, projects, or services, or (b) with the provision of some special consideration to supportive housing applications, even if no special funds are reserved exclusively for them. Either of these approaches is more likely to succeed, of course, in programs that already treat homeless and near-homeless people with disabilities as eligible populations, at least in principle. (Examples include Medicaid or income support, allocations of Low Income Housing Tax Credits or HOME dollars, rental assistance, or block grants for mental health programs.) But in some cases, a degree of targeting can also be achieved simply by making it explicit that supportive housing tenants, providers, and activities are included at all among the permissible or desirable uses of funds.

**Changing Eligibility:** Funding programs that share the goals of supportive housing may be hard to access because of eligibility issues. For example: a tenant may be deemed ineligible for certain subsidized services because of his or her disability status; a sponsor may not be eligible for certain forms of funding because of certification issues; or services of a supportive housing project may not fit existing eligibility rules for funding because of the ways in which they are delivered. This presents a harder challenge than the effort to re-target money that is already allowed to be spent on supportive housing and its tenants.
But eligibility changes are often at the heart of system change, and, in most cases, an assault on the eligibility restrictions of old systems will sooner or later be inescapable.

In many cases, people who need supportive housing are being poorly served (or not served at all) by traditional systems. That may be because legislators or program administrators simply don’t understand the relevant needs and responses well, and fail to see how supportive housing fits the goals they want to achieve. It may be because separate service systems and government agencies, with good intentions, set their own priorities in a vacuum without adequate attention to the homelessness and co-occurring problems faced by the people they are trying to serve. In these cases, the system reformer’s job is to provide opportunities to consider doing things differently, to persuade leaders to modify the rules where possible, or to help them apply the current rules more creatively and with better effects.

Yet it is necessary to acknowledge that leaders sometimes understand supportive housing perfectly well, and nonetheless regard its services or residents as simply less deserving than other possible uses of money. That may be a simple side effect of politics: Residents of supportive housing, and those who care about them, are often too invisible on the political landscape to command much concern from officials who answer to more-powerful populations. Sometimes, though, the problem is not purely one of pragmatic politics, but also one of ideology and prejudice. That is the point when the discussion ceases to be primarily about money, and becomes much more concerned with ideas and values.

**Removing Barriers to Eligibility**

Using old money in new ways for supportive housing often requires identifying and resolving eligibility issues. Sometimes eligibility restrictions are based in laws, regulations or federal program requirements, which can’t be changed overnight by local officials even if they are willing to consider new approaches. But when officials agree about the need for change, program rules and even state policies can be rewritten over time, and often, closer scrutiny can lead to more flexible interpretations or opportunities for waivers or exceptions.

Systems reformers may need to address eligibility rules as they apply to the tenants, sponsors, or services in supportive housing.

In many places, the tenants of supportive housing may not be eligible for some essential service or subsidy that’s crucial to their long-term stability and well-being. For example, those who are not yet in prolonged recovery from addiction; those who have—or lack—particular disabilities; those who have no children; or those who have used certain services for a maximum permissible period may all be categorically excluded from one form of essential support or another.

Supportive housing often contains a diverse population, with some tenants who are eligible for a particular resource and others who are not. Although the long-term goal may be to broaden eligibility criteria to include all of the tenants who have similar needs, a first step may be to develop or clarify program rules that allow funding for a portion of program costs based on the level of participation by tenants who do meet current eligibility criteria.4

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4. This often requires developing a thorough understanding of the technical requirements and eligibility restrictions of mainstream funding programs, particularly categorical federal programs, and designing manageable approaches and replicable tools for aligning and combining funds from these programs to maximize their use for eligible people and activities. Part of the solution can be the strategic use of flexible funding from state or local government to fill gaps in eligibility.
Removing Barriers to Eligibility (continued)

In other cases, supportive housing developments or sponsors are not eligible for certain forms of funding for the housing or services they deliver. For example, supportive housing providers may lack the certification or contract relationships needed to access some sources of revenue. Licensing or certification requirements attached to some funding streams which could pay for supportive services may impose requirements which would make the project ineligible for housing subsidies or other funding needed to make the supportive housing project feasible.

Where supportive housing serves the same needs as existing programs that do qualify for funding, it becomes necessary to explain how supportive housing works, and why supportive housing sponsors should be eligible recipients of funding. One solution to this challenge is to identify an alternative set of standards that establish provider eligibility for a source of funding and are comparable to current requirements. Alternatively, supportive housing providers can be offered assistance in meeting current requirements for accessing an existing funding stream.

Finally, certain services or functions within supportive housing are sometimes deemed ineligible for support from categorical funding programs. This can arise, for example, when providers offer voluntary counseling or support groups that all tenants are free to use or not. Sometimes such programs are deemed ineligible for funding because supportive housing providers impose no restrictions on who may use the service and no requirement that it be used at all. Sometimes, supportive housing providers are unable to obtain funding for services which could be reimbursed if delivered in clinic settings or in licensed treatment facilities—in other words, they are ineligible precisely because the services are integrated into supportive housing. Counseling to address addiction, legal problems, employment goals, or disputes with a neighbor or property manager may be more important than focusing on psychiatric symptoms, but may be harder to fund.

These problems can sometimes be addressed by provoking a re-examination within the bureaucracy, or between bureaucracies. It may help to find the services for those same tenants which are eligible for funding—in settings like emergency rooms, detox centers, shelters, or jails, for instance—and then create opportunities for officials of the different programs to compare notes. The participants would be encouraged to discuss, in effect, “Why is this person being ill-served here, when she or he could be well-served there?” This requires a delicate form of shuttle-diplomacy—bureaucracies and systems of care are usually well defended against this kind of incursion—but it can be surprisingly effective when attempted with care. The challenge is to ask all sides to consider how they might achieve their goals for a given population more effectively by working through supportive housing.

Ensuring Reasonable Renewal: Providing ongoing revenue for existing projects that have year-by-year funding can make it difficult to leave room for new projects seeking funds from the same source. This problem is most widely discussed in connection with federal programs that now fund supportive housing, especially Shelter-Plus-Care or HUD’s Section 811. But there are a number of state programs that raise similar concerns: How does a program provide consistent renewal of support to ongoing projects without shutting the door to new applications?

In the case of state programs, the task can be even more challenging: Some state programs don’t continue indefinitely, but “sunset” every three or four years, thus prompting a struggle for the survival of already-funded programs. In the process, any discussion of new development inevitably takes a backseat. The system reformer’s goal is therefore not merely to expand the programs year by year, so that renewals don’t consume all the available money, but also to build more predictability into the renewal process, so that funded projects are at less risk of an annual surprise when renewal time approaches.

As with other legislative challenges, the task here is primarily one of careful argument and astute politics, for which later sections may prove helpful.

Increasing Investments: Adding resources to programs that work, and establishing new programs to use existing resources in new ways, are the most difficult of the approaches to “old” money that we describe here, especially in lean economic times. It is most likely to succeed when enough of a constituency and
The challenge, in all these approaches, is not so much securing a budget appropriation, winning a grant, or altering a funding procedure, but proving a case: that today’s unmet need could be met—permanently—if today’s expenditures were redirected to more effective, wider-reaching, or longer-lasting solutions in supportive housing. Thus, for example, when trying to persuade managed-care programs to fund services in supportive housing, one approach may be to ask for “new” funds: special-purpose money or discretionary grants to fund a demonstration. But the long-range purpose of that special, temporary grant is to show that the managed-care providers could be getting more from their routine expenditures for homeless people by redirecting their policies toward supportive housing. This only works, of course, in places where managed-care providers already are already required to enroll people who need supportive housing. But when that is the case, the demonstration would need to show, by the time its funding runs out, that the funder’s mission and mandates would be much better fulfilled through supportive housing than through its current, fragmentary payments.

The same calculation can work with the mental health system, addiction treatment, public housing and rent subsidy programs, and development finance systems like Housing Finance Authorities and agencies that allocate Low Income Housing Tax Credits. In each case, the point is not simply to seek a place for supportive housing among the things these agencies are willing to fund, but to demonstrate that their normal criteria for allocating money could be netting them better results if supportive housing were among their regular channels of activity. The point, in short, is to affect not only the way the system uses money, but the ideas and values that govern the money, and ultimately the bureaucratic habits that make money consistently available.

One recent example of a success in that regard is the latitude that HUD now gives local housing authorities to award project-based Section 8 rent subsidies to supportive housing projects. Although this is still a long way from being a consistently available and reliable supportive housing rent subsidy program—and in fact is still completely dependent on the attitude and competing priorities of each housing authority—it represents a formal judgment from HUD that supportive housing deserves this special consideration. That’s not definitive, but it is one more ratification of the superior effectiveness of supportive housing compared to traditional uses of money. What would seem, on the surface, just a welcome chance at more operating revenue for providers and tenants is actually, because of HUD’s policy statement, a step toward altering the rent-subsidy system.

The general pattern, which will unfold differently from place to place, is that the search for resources generally begins with some unique combination of public and private funds for small, time-limited,
boutique demonstrations. The initial impetus may come from a well-aimed foundation grant, intended to prompt state or local officials to contribute matching funds. Or it may come from a state or local leader's surgical use of general fund dollars or other discretionary funds to seed a special effort and compete for new federal funds. Often, the demonstration provides only one or two of the sources of money needed to produce effective projects. But those may be precisely the pieces that are missing: the essential ingredients that let project sponsors assemble the complex funding package needed to create and sustain supportive housing. The prominence of the demonstration—combined with persistent work by providers, intermediaries, advocates, and official supporters—can then be enough to cause other sources to contribute, even if only grudgingly, to launching a few pilot projects.

In a second stage, when the pilot projects are completed and occupied, and a cadre of providers has been proven to be reliable, the process can move toward somewhat more conventional (though still complicated) funding patterns. At this point, regular, ongoing programs may begin—with some encouragement and persuasion—to make room for supportive housing in their allocation plans. State or local government agencies that administer federal programs like HOME, Low Income Housing Tax Credits, or social service block grants; state housing finance or public housing authorities; and agencies for income support, employment, mental health, or substance abuse programs—some combination of these may come to look more favorably on supportive housing proposals as a better way of achieving their fundamental mission.

Normally, in this middle stage, program administrators may create a priority or carve out specific set-asides for supportive housing, but more likely they will simply become more welcoming, cooperate a bit more willingly with other agencies, and recognize (at least in concept) how their individual programs fit into the overall vision of supportive housing and the needs it serves.

Only in a third, advanced stage do the various systems come to recognize a regular, annual need to produce, operate, and sustain a supportive housing capacity as a permanent feature of state and local policy. They may respond to this recognition in more or less formal ways—departmental recommendations, administrative rule-making, executive budget priorities, or even specific legislation—but the end result is a presumption that supportive housing defines a standard of performance and a set of results that the state or locality wishes to maintain. At this point, for example, Medicaid program rules may be adapted to provide reimbursement for services in supportive housing. Some managed care programs may pay for some aspects of supportive housing services. The number of units they support may not be adequate. The funding structure may still be punishingly complex. But at this stage, supportive housing has moved from tentative to regular status on the public agenda—in a sense, it has ceased to be a theory and become a fact.

At that point, given enough time, it’s reasonable to expect that a fourth stage may eventually emerge—a true supportive housing system—with dedicated funding included in the recurring baseline of agencies’ annual budgets, with the routine involvement of managed-care payment systems, perhaps a trust fund of its own, and perhaps with specific provisions in zoning, taxation, and institutional discharge policies. In this stage, the production of supportive housing would involve the routine cooperation of the various funders and regulators whose approvals would be delivered in an orderly sequence.
Moving up the chain of “normalcy” for supportive housing funds—going from special-purpose grants to routine, statutory, or contractual funding—is a crucial avenue (arguably the main avenue) of system change. As the allocation of money becomes more and more tightly intertwined with habitual, normal public functions, and particularly with the usual purposes of budgeting, contracting, and payment, the system will inevitably follow the dollars.

3. Coordination, Streamlining, and Integration of Funding

Even when supportive housing sponsors gain entrée to available sources of money for capital, operating costs or rent subsidies, and supportive services to meet some tenants’ needs, those various sources often have nothing to do with one another. That is, they aren’t designed for the same uses, available on complementary schedules, allocated by similar criteria, or controlled by related authorities. For that matter, they are often not even controlled by mutually cooperative authorities, but in many cases are the zealously guarded domains of separate, distrustful bureaucracies, professional disciplines, levels of government, and political constituencies. Each believes that its current needs far outstrip its resources, and that any proposed change in the use of those resources could be a profound threat to its mission. The gaps between funding sources can seem like a no man’s land: Gaining consideration from one program or agency can sometimes make it even harder to get a hearing from some other funder, who may regard the two sources of money as an either/or choice.

In this case, the issue is not primarily the amounts of money involved—the available totals may not actually change much—but the ideas and institutional habits that govern how and where money will flow, for how long, and through what process of payment and monitoring. The aim is to reduce the number of qualifying hurdles that supportive housing has to leap in order to be adequately funded, to close the gaps between the time when costs are incurred and the time when they are reimbursed, and to establish supportive housing as a routine category of product with a set of outcomes to which public funds are efficiently directed.

Approaching this goal, a system reformer’s ultimate vision might, to imagine a fairly unrealistic case, involve the pooling of many available sources into a single, omnibus fund that can be used to pay for capital, operating costs or rent subsidies, and a broad array of supportive services. But that is still a remote dream, if it is achievable at all. As a first step, in most places, it would be a valuable reform if the separate sources of funding could just acknowledge a single common set of outcomes that suits their various missions and that supportive housing can accomplish.
That preliminary form of interagency cooperation would mean that the various sources of money would come to use a common set of definitions, compatible sets of outcome or performance measurements, and a consistent idea or model of how the pieces should come together, in what order, and toward what goals. Even if they are not able, at first, to change the timing and method of funding, the first sign that a system change is under way is usually some joint acceptance of some common goals, and an acknowledgement that supportive housing is at least one good way to achieve those goals. That can, by itself, at least make it easier for supportive housing sponsors to speak consistently to the various agencies and programs that fund them.

From there, an effective system reform would advance the relationship among these funders through three further stages—coordination, streamlining, and integration—in roughly this order.

**Coordination:** Once funding agencies recognize a common stake in supportive housing, they can begin to consult one another more consistently and to take one another’s procedures into account when they make their decisions. Even while funds continue to be managed separately, with separate application and disbursement routines, funders can interpret and organize their various eligibility rules, application forms and deadlines, and compliance regulations in a way that lowers the obstacles for supportive housing projects. The goal in this case would be that at least one funding source would cover each essential kind of cost in a typical supportive housing project, and that they would work together to see that their funds leave no major gaps in a typical project’s budget. This would seem, to an inexperienced eye, merely an obvious tenet of good public management. But in reality, supportive housing straddles many government programs, systems, and funding streams that normally have nothing to do with one another, and whose officials are often completely unaware of how other agencies do business. Bringing the respective agencies to a better understanding of how they all function, and then leading them to some degree of mutual consultation and cooperation in distributing money, is by itself a significant step in the system change process.

**Streamlining:** From there, it is possible to imagine—and in a few places, actually to observe—a deliberate combination of various agencies’ procedures into a single application, decision, and disbursement process. The participants still retain control over their separate funds, and award money according to each program’s particular laws and regulation. But to the extent permissible, they might (a) create a single application form to satisfy all their various needs; (b) accept the form at a single time and at a single address; (c) as much as possible, issue decisions at the same time, or at closely coordinated intervals; and even (d) time the disbursement of funds so as to create the least cash-flow trouble for the providers.

This may sound, at first, like an arrangement made solely for the convenience of supportive housing providers (an unlikely rationale for such a complicated reform). But for an effective system reformer, it is important to see the advantage of this process to the participating agencies—to the effectiveness of their programs and their ability to discharge their mission. The streamlining described here actually saves money and delivers more value for the money that is spent. By reducing delays in construction payments or reimbursement of services, streamlining can reduce costs and can encourage more providers (and thus more competition for quality) to enter the field. The participating agencies will be able to recognize these opportunities—with help from an effective agent of system change—largely because of the coordination and consultation they developed in the previous stage. Once they recognize that cooperation on supportive housing suits their purposes, they can begin to see how streamlining their process can produce more and better supportive housing, and thus meet more of their needs.

An effective system reform would advance the relationship among these funders through three further stages: coordination, streamlining and integration.
Integration: In the long run, as these earlier stages take root and produce better results, legislatures and executives may come to see the virtue in simply combining some sources of money into a single supportive housing fund, with a single set of managers all accountable for the same ends. That is, as we said earlier, purely a theory at this point, and it may take many years of preparatory work at the previous two stages before this becomes a realistic goal. Still, it is worthwhile to keep this ultimate aim in mind, if for no other reason than to illustrate how much less difficult the other two stages actually are, and how much cooperation is still possible, even without changing legislation or creating whole new funds.

The most common method for achieving those goals, at least initially, is to orchestrate interagency agreements or Memoranda of Understanding between funding authorities, targeting some portion of their funding and rule-making specifically at supportive housing. The key factors in creating these written agreements and making them work are the commitment of top-level executives in the participating agencies and some broader, lower-level recognition, among line staff, that supportive housing is valuable for that agency's purposes. The agreements typically pledge the signatories to a handful of crucial changes that make the funding and regulation of supportive housing more explicit and rational. For example:

- Consistent standards of eligibility for the target population, providers, and projects or activities, and a shared set of priorities or selection criteria and desired outcomes;
- A single procedure for soliciting proposals to various related funding sources, like a unified Notice of Funding Availability or Request for Proposals (even if the proposals still must be separate, just having them solicited at one time, under one set of competitive standards, would be a step forward);
- An established calendar for issuing approvals and disbursements that corresponds to the actual sequence of project development (to eliminate the often incompatible expectations about whose money will go in first or last);
- Shared decision-making about projects that need funding from multiple sources; and
- Agreements about ongoing oversight and evaluation of projects and consultation about policy.

The objective in structuring these agreements is that each participating agency should expect to benefit from the agreement somehow, not simply to do a favor for other funders, or to bow to political priorities that the agency itself does not share. Ideally, each agency should see supportive housing as a better way of achieving its own goals, and should see the agreement as a way of getting cooperation from other agencies toward that end. But that ideal isn't always realistic, and winning active support from each signatory sometimes has to be treated as a long-term goal.

The agreement is normally backed by an interagency governing council of funders (something like the coordinated planning bodies described in Building Block 1 above, but for funders alone, concentrating solely on financial cooperation). The funders' council provides a formal structure not only for carrying out the agreement, but for monitoring, enforcing, and adjusting it over time. Some Memoranda of Understanding (MOUs) provide two levels of funder councils: one at the operating level, where the day-to-day coordination takes place, and another at the supervisory or executive level, to handle monitoring and course-correction. The reason for limiting membership solely to funders is that people with fiscal and regulatory responsibilities over public dollars often prefer to discuss their institutional needs, priorities, and decisions only with people who share a similar responsibility. The goal, at least initially, is to provide these participants with a secure, encouraging atmosphere in which to discover the merits of the process on their own terms.
The funders’ council is most likely to be successful if there is at least one participant who is well versed in supportive housing and in the funding obstacles that need to be removed. That role might be played by someone from an intermediary organization like the Corporation for Supportive Housing, or by a knowledgeable foundation officer or consultant. Best of all would be participation by a public official who understands supportive housing and wants to promote it (see Building Block 8, “Cultivating Leaders, Champions, and Advocates”). In any case, it’s crucial to have at least one—and preferably more—funders at the table who understand the problems and have some clear ideas about how they can be solved. And if those leaders share some institutional affiliations, professional responsibilities, and/or hierarchical parity with the other members, all the better.

Creating a Funders’ Group

A funders’ group, like other collaborative bodies, can start with small steps and move toward bigger objectives over time. A funders’ group may begin by agreeing on common funding priorities. Over time, the group may be able to:

- Agree on matching ratios that govern how much funding each participant contributes
- Agree on which aspects of production and operation each funder will support
- Divide responsibilities among funders to ensure a smooth and effective collaboration
- Provide for a common application procedure
- Agree on standards of eligibility for qualifying projects
- Establish a single common process for applications, funding decisions, and monitoring requirements

Over time, as members grow from being funders to being active supporters, they may become effective agents in broadening the circle of cooperating agencies and seeking participation from new sources.

One especially ambitious version of financial coordination started with a blue-ribbon panel set up by a city government, business and civic groups, philanthropy, and nonprofit organizations to work on various issues of homelessness. Because the promotion of supportive housing has become a primary focus for the group, the funders around the table have set up a kind of subcommittee specifically to work on coordination, streamlining, and potential integration of the resources under their control.

The funders’ group consists of people senior enough to make commitments and deliver on them. Members collectively allocate and monitor development, operating, and service funds for supportive housing. Through their participation in the larger body, they also work on community planning, guide technical assistance to providers, and help seek out other sources of support as well—in this case, specifically for homeless single men, for whom local government has set a major target for the production and operation of new units. With the funders’ participation, the larger group also has set standards for quality development and operation, and has taken the lead in preserving political and administrative support for supportive housing in government and philanthropy.

5. Among all the case studies, cost-benefit analyses, and program descriptions written about supportive housing, one kind of useful report is relatively rare: a clear, chapter-and-verse narration of “horror stories” in which successful supportive housing developments have to run a long, partly irrational gantlet for approvals and funding. Legislatures, heads of executive agencies, and other policy-makers are often surprised, sometimes shocked, at the funding procedures that supportive housing providers routinely live with. A useful communications challenge would be to write and illustrate these problems more vividly, and circulate the more telling examples as part of a wider system-change effort.
The combination of the funders’ group and the broader coordinating body has created, in effect, a one-stop clearinghouse for nearly all of the diverse local funding streams and centers of policy-making applicable to supportive housing for single men—including capital investors, sources of rent subsidy and services funding, zoning and permitting authorities, and representatives of health-care and criminal justice systems that regularly deal with homeless people. The group provides a confidential forum where funders can confer, coordinate, and make decisions. The larger group, in which the funders participate, operates as a full-service intermediary where the sources of funding can see firsthand how their dollars are put to effective use, and can spot new needs and opportunities as they arise.

In short, the group is a combination of collaborative planning and policy-making with the coordination, and in some cases integration, of funding. It gathers power and money around a common technology and set of values. It might just as readily have appeared under Building Block 1, above, as an example of good coalition-building (or a good locally based and mandated intermediary). But what makes it remarkable is its ability to allocate and combine funding. It is very close to the ultimate stage of system reform, in that the end result is the concerted application of power, money, ideas, know-how—and even, increasingly, bureaucratic habits—to the express goal of ending homelessness for one segment of the homeless population, including a major reliance on supportive housing. Still, at the time this is written, the coordinating group is relatively new, and time is always a critical test of any system.

Another community enjoyed a similar level of coordination and planning at the state level for several years, thanks largely to the commitment of one governor’s administration to that goal. The number of agencies involved, the level of authority at their disposal, and the ability to alter and combine funding sources were all comparable to the local model described in the last few paragraphs. But in the state-level case, much of the progress was undone by one election. A new administration with other priorities, and a changed political environment overall, saw the effect of the coordination gradually erode, and funding relationships that had grown under the coordination regimen became weaker when the executive-level pressure slackened off. The state-level case was also not a permanent body—it was convened and designed only to oversee a time-limited demonstration project. Once the projects were up and running, there wasn’t an ongoing role for this body, and any hope of creating such a role ended when the new administration took office. At that point, it became necessary to create a new program with the new governor’s stamp on it—including a new coordinating body to design and oversee it.

By contrast, the local-level coordinating committee described earlier rests on so many different bases of power that it now seems permanent. If it manages, in the long run, to fully integrate the component agencies and funding streams represented around the table, it will be a textbook case of successful system change. But even if those components remain independent but mutually cooperative, the distinction may prove unimportant. On a practical level, if this collaborative funding and policy structure becomes truly routine, it could be, for all intents and purposes, a complete system reform for supportive housing at a local level, using local resources as well as state and federal program funds that are subject to local control. That still leaves the challenge of integrating decision-making at the state and federal level, but it’s a significant achievement.

At the opposite end of the spectrum of coordinated-funding arrangements, some supportive housing advocates have found it all but impossible to get funders around a common table to alter their funding procedures, or even to acknowledge that current procedures aren’t as effective as they could be. In some of those cases, where supportive housing providers have hit a brick wall in trying to move big institutions and bureaucracies, they have taken the initiative for funding coordination themselves. In one state, for example, the various systems of mental health, social services, and housing continue to fund supportive housing projects separately, with little consultation or coordination. But in a few localities in that state, the organizations that receive funding from these separate systems have formed their own coordination group,
They started informally, as a mutual support group that, little by little, began tackling common problems. Over time, the effect has been not only to make the members’ use of funds more effective—by finding ways, within the various regulations, to pool or synchronize expenditures—but more broadly, to demonstrate how and why a higher-level coordination among public and private contributors would be better still. In some cases, some local government officials have actually joined the group—a promising step toward a higher level of coordination.

4. Building Provider Capacity

A supportive housing system can be said to exist when it operates at a scale at least reasonably proportional to the need. One provider operating a dozen units in a city with a million residents may offer excellent supportive housing, but to build a system, that city will need many more providers, able to produce a significant number of units every year and to manage those units and the associated services in perpetuity. Creating a system demands many changes—in funding, policy, regulation, public attitudes, and so on—but none of that is even remotely likely without a visible capacity to produce and manage supportive dwelling units, and advocate for those who need them. In some ways, capacity comes first. Without it, money and programs have no use and won’t be sustained.

Most places with any hope of creating a supportive housing system already do have skilled providers with at least some experience and reputation. Most, however, would still need more than that to provide the production machinery of a fully reformed system. That is why training, technical assistance, management support, expert consulting, and professional networking are all essential tools of system reform, not just of quality production. It is safe to say that a locality without some organized, consistent means of building provider capacity is unlikely to build a production system worthy of the name. The two things are all but inseparable.
Different places necessarily take different approaches to this aspect of system reform, since providers have varying sets of strengths and weaknesses in each place, depending on their history and the resources traditionally available to them. In some places, for example, decades of neighborhood affordable-housing development have led to a broad network of skilled housing developers, but not a comparably skilled, united coterie of mental health or human service groups. In a few places, service organizations have learned to develop housing on their own, but partly as a result, a working alliance between service agencies and housing developers has been slow to form. Many communities have extensive service experience and capacity in some areas but not enough in others. Some service providers have experience serving highly motivated consumers, or those who have a single disabling condition, but may lack experience serving those who have co-occurring disorders, including problems related to ongoing substance use, or others who are more challenging to engage and serve effectively. And in most places, there is little experience in creating and sustaining partnerships between housing and service organizations.

In some ways, capacity comes first. Without it, money and programs have no use and won’t be sustained.

Capacity-building agendas are unique to each community. Where the challenge includes a change in habits, technology and values—that is, where it’s necessary to inculcate a basic aptitude for producing and operating supportive housing—the benefits usually can’t be delivered en masse to all of a community’s providers. They often need to be custom-fitted to individual organizations, to their current level of skill, and to their organizational style, culture, and project needs.

Nonetheless, large convocations, seminars, conferences, and the like can help raise consciousness about the need for skill-building, and can make participants more aware of the technical resources available to them. It can introduce a large group to some basic concepts in a new field (which they then must study in more detail on their own). It can bring them up to speed on emerging issues, give them opportunities to build peer relationships, compare notes and share experiences, establish some common definitions and standards, and build a sense of common technology and shared values. In a field that has so much job turnover, people often move between organizations. Training together can provide opportunities for people to see themselves as part of an industry or a movement with shared technology and moving toward shared values that can lay the groundwork for emerging quality standards.

One pioneering capacity-building program for supportive housing, which combined all the elements listed above, started out solely as a solution to a production crunch. It was not, initially, designed to change systems, but simply to increase the development and management potential of supportive housing providers, to help them take advantage of new state and local funding to house people with mental illness. The capacity effort was funded with a handful of grants from major foundations and the federal Department of Housing and Urban Development. As it persisted and grew over several years, the providers’ increased skill and sophistication, their mounting inventory of well-regarded supportive housing developments, and their rising access to centers of influence and funding all led to substantial change in the systems within which they worked.

The program was divided roughly in half between making improvements in program-delivery functions and improving overall organizational effectiveness. Several provider groups used administrative grants to hire a deputy director, chief financial officer, or other senior manager. Some improved their management information systems or other communications technology, and trained staff to use the new systems.

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6. Even in private industry, vertical integration is difficult, and attempting to accomplish this by creating partnerships between organizations with different “businesses” is extremely difficult and fraught with risks, and frequently fails.
Meanwhile, frequent meetings among the participating providers gave them the opportunity to exchange ideas about what improvements were most urgent and most effective, and to learn from one another’s successes and setbacks.

After several years of increasing skill and growing production, the providers had established themselves as masters of a new, increasingly valuable technology. Seeing their success, centers of power and ideas increasingly saw to it that money flowed into additional projects. Among providers, at least, the habits of effective fundraising, producing and managing projects, improving service, and negotiating with public and private partners were increasingly taking hold. By that route, what started as just a way of boosting the supply and quality of supportive housing eventually became a way of altering the systems under which that housing was funded and governed.

It’s important to note, however, that the overall growth of supportive housing in this locality wasn’t only a matter of effective training and capacity-building. In the same place, over many years, other building blocks of system reform had also been at work: planning and coordinating bodies, new and better-coordinated funding streams, increasingly effective public advocacy, superior data-collection and analysis, and several others. Building a more sophisticated and effective provider network was crucial, but it was not, by itself, the first or most influential lever of system reform.

In another city, by contrast, supportive housing providers and advocates did find themselves relying primarily on capacity-building as the route to system change, mostly because other building blocks had received a chilly reaction (at best) from state and local government. Forced to make do with traditional systems and some allies among intermediaries and small, private funders, providers set out to build their skills at using the money and programs that were available. They gradually improved both the quality of their product and their ability to build and operate supportive housing—up to a point—mainly by learning how to apply for money more effectively, use it more efficiently, and manage programs and properties with ever-increasing skill. A national intermediary and some local and national foundations were central to this effort, and the results were impressive.

Yet provider capacity and skill can lead only so far. Without some corresponding change in the priorities and responsiveness of local funding and regulatory systems, providers still found it hard—sometimes impossible—to develop supportive housing for the hardest-to-serve. Only in much more recent years, as local systems have begun to notice and respond to the providers’ accomplishments, has there been a realistic push toward more ambitious and urgently needed models of supportive housing, particularly for people with multiple, long-term disabilities. In this case, it seems, building capacity—and using that capacity to establish a credible supportive housing industry—eventually got the attention of traditional systems and nudged them toward a broader reform. By itself, the capacity effort wasn’t enough to do the whole job—but it may have been enough to get the process started.
5. Quality Assurance: Establishing and Monitoring Industry Standards

Often, the first goal of any system-change effort is demonstrating that a new system would be markedly superior to the old one, in terms of both cost and quality. Cost, for probably obvious reasons, usually gets the most attention in this regard, particularly in the beginning, and we will have more to say about it below. But demonstrating superior quality of outcomes is also crucial to system change, and a natural first step in the creation of a supportive housing system. Yet examples of systematic, organized quality-assurance regimens, based on widely agreed-upon standards and consistent monitoring, are still relatively rare.

On the surface, the setting and maintenance of quality standards might seem to be mainly an internal matter for supportive housing providers, consumers, and funders. The issue would seem to be: How well is the housing being managed and operated, and how content and stable are the occupants? Are all the regulations being satisfied? Is the supportive housing being delivered as cost-effectively as possible? Those who are not actually engaged in these projects—including the heads of agencies and systems that are not yet funding or participating in supportive housing—might be expected to care about such things only if money is being misspent or the property is starting to harm the surrounding neighborhood.

Yet quality standards are in fact crucial for attracting the attention and support of people with no current stake in the projects. As such, quality is a system goal, not just a project goal. The reason is that systems will gravitate toward a new model or idea mainly when participants in the old system are impressed, surprised, or embarrassed by the superiority of the new model, compared to the old ones enshrined in current policy and practice.

To return to Malcolm Gladwell’s framework in *The Tipping Point*, the “stickiness factor” for supportive housing—what makes the message take hold in the mind of policy-makers as an important, durable idea—is its quality and performance, as measured by its superior usefulness to the public, the government, homeless people, and those who know or care for them. The point is that supportive housing actually solves a problem that people had come to accept—grudgingly and sadly—as intractable. Proving that point—not just with data, but with visibly, consistently first-rate projects—is crucial for pulling several of the key systems levers: it influences ideas, inspires those in power, and promises a superior return on public money.
Why systems need standards, and vice versa: One of the challenges of system change is to build the capacity of government and other funders to recognize and adopt meaningful standards of excellence, and to set expectations according to those standards. That is not necessarily because supportive housing providers need new forms of external scrutiny (some may; many do not). It’s because the existence of such standards and expectations highlights supportive housing’s strengths. It draws interest and support from traditional systems, by setting forth clearly what they can expect to get for their money and why that expectation is superior to other alternatives. (It also introduces an element of “self-policing” that old systems often find novel and attractive—thus beginning a dialogue that can, in time, alter the old system in fundamental ways.) The better government agencies and private funders become at recognizing quality, the greater will be the advantage for the best supportive housing providers—in effect, certifying them as trustworthy. That, in turn, will help them draw more resources, expand their work, and improve the field further.

Standards and enforcement, in practice: An example of how a good quality-assurance system can be used to spotlight the advantages of supportive housing comes from a community we described earlier in Building Block 3 (“Coordination, Streamlining and Integration of Funding”)—the city with the powerful local coordinating body. Among the achievements of that coordinating group was the creation of a set of quality standards and a model good-neighbor agreement for all supportive housing to be developed in the city. A 50-person community advisory committee first wrote the standards and the good-neighbor agreement for emergency shelters, then later modified and expanded these to supportive housing.

These standards address, in detail, aspects of program development and operations and compliance with local regulations. They require agencies to have a clearly defined evaluation process for each development, including an evaluation of the effectiveness of programs and implementation of policies and procedures, a mechanism for resident critiques, a routine needs assessment, exit interviews and surveys—in a way that ensures accuracy and security of the data, and confidentiality for the consumer. A template for Good Neighbor Agreements, included among the standards, lays out a process by which shelter and housing providers must reach out to neighbors and include them in planning and evaluation of the overall program.

The whole regimen, set out in capsule form, may sound onerous. But in fact, most participating providers seem to value this level of extensiveness and detail, primarily for two reasons: First of all, most providers generally would have done these things anyway—but having the standards means that other people who care about quality service now have a list of things to look for and pay attention to, and thus have a reliable way of seeing what “quality” means in action. Second, providers of first-rate supportive housing too often see their work lumped together with other approaches to serving the homeless, including some that are less complete and shorter-lasting. In this community, though, the standards effectively “certify” supportive housing providers as responsible for a unique, high-value achievement. Best of all, that certification comes from representatives of the community at large, not just from sympathetic colleagues.
Every year, the public/private shelter board, the locally based intermediary that administers the funding, conducts on-site inspections and reviews performance data from all supportive housing developments. The board then compares those data with a set of “ends policies”—essentially outcome goals that define what the board hopes to achieve by supporting such projects. The “ends” typically include evidence that basic needs are being met in a non-congregate environment; that resources and services are sufficient to maintain stable housing; that consumers are remaining consistently housed and not returning to emergency shelter; that each residence maintains consistent good relations with its neighborhood; and that the pool of community resources is being used efficiently. Each of these goals has numerical benchmarks that providers know about all year long, so that they can adjust their management and policies along the way if performance begins to slip.

All of these requirements are spelled out in the contracts for the board’s coordinated funding. Any deficiencies are spelled out in writing, and the provider then has two weeks to submit a plan of correction. Where needed, agencies are offered technical assistance. The board’s reviewers respond with a follow-up report indicating whether the plan of correction is acceptable. If it is not, or if the agency has not brought the program into compliance in a reasonable amount of time, the provider is notified that the funding contracts will not be renewed.

This regimen unquestionably raises—or at least consistently maintains—the level of housing and service that consumers receive in supportive housing, and that is its express purpose. But it serves another, equally important purpose as well. It sends an impressive (call it “sticky”) message to those of an inquisitive or skeptical frame of mind: Supportive housing provides solid, quantified, enforced value. Few other uses of public dollars offer anywhere near this kind of hard-and-fast evidence of return on investment, of careful self-policing, and of persistent concern for the opinions and interests of their stakeholders.

What started as an enforcement mechanism becomes, precisely because of its rigor, a valuable persuasion mechanism. That is the point at which promoting project goals becomes a route to advancing system goals. Success, in that light, consists not only of maintaining a high level of performance, but in making that performance obvious, verifiable, quantifiable, and undeniable in the eyes of a much wider public.

**Why firm quality standards remain elusive:** This example, given its specificity and elaborate monitoring and correction procedures, is well outside the norm, at least for now. In the still-short history of supportive housing, it has been prohibitively difficult in most places to establish a single set of standards on which the whole spectrum of project sponsors, service providers, funders, regulators, consumers, and advocates can agree. The reason for this is related to the very reason why system change is necessary in the first place: Supportive housing constitutes a fundamentally new way of approaching the needs and possibilities of homeless disabled people. It doesn’t correspond neatly to the established patterns, standards of practice, or input-output calculus of traditional systems. For most of the last few decades, the challenge for providers has been to fund and develop supportive housing and keep it operating, and the challenge for most funders has been to manage their relationship with a new and unfamiliar kind of product. There has as yet been little time, and even less funding, for setting up systems of performance measurement, monitoring, enforcement, and quality assurance.

Even if a complete rulebook has yet to be written, there are nonetheless more and more expectations about quality—rooted in the emerging ideas, values, and technological standards of the field—that are well recognized across many localities and types of projects. An approach to quality assurance need not be as formal or rigorous as the one described earlier to accomplish some of the same system goals. In some cases, for example, collaborative planning bodies or supportive housing trade groups routinely exchange observations and concerns about quality standards and exercise peer pressure in addressing problems. Intermediaries often compile and disseminate “best practices” and introduce innovative service delivery and housing models that reflect those practices. Where providers and intermediaries have engaged in these
discussions and made note of superior practices, the result has been an important first step toward an eventual set of recognized standards. Meanwhile, public funders and regulators—who often work in systems that have even less well-developed standards and enforcement—have taken notice.

They have also, in some places, helped to advance the process. More and more often, state and local agencies have come to write RFPs and other guidelines for funding that set explicit standards for the projects to be developed and managed with public funds. In one state, for example, the regulations for a special funding initiative set forth standards for each type of supportive housing, whether developed or renovated, existing, transitional, or permanent. The regulations set criteria for affordability, condition of the property, available transportation, neighborhood safety, supportive services, and staff-to-client ratios, among other things. Although these are mainly up-front standards, without a sustained, formal method of monitoring compliance, they set a level of expectations by which all projects tend to be measured, whether new or already operating. Even without strict enforcement, the expectations alone influence the way providers plan and manage their own projects and the way they speak and think about one another's work.

An underlying challenge to supportive housing in most places is that public agencies tend to be frightened of many of the problems that supportive housing addresses: chronic substance abuse, mental illness, long-term homelessness. These issues are frequent sources of scandal in public and private programs, and many funders and government officials are wary of being identified with any possible new source of embarrassment. Cumbersome, duplicative, fragmented funding systems are often a defense against any one funder having to take too much responsibility if things go wrong. Against those defenses, supportive housing has one overriding counterweight: It brings far more experience in preventing crises, promoting stability, and ensuring quality than do many other long-standing systems.

To make its message “stick,” system reform necessarily demands some way of defining, monitoring, enforcing, and highlighting the quality of its outcomes. The complete, wide-ranging example of local quality monitoring that we offered earlier is a valuable goal, but the process can begin with much simpler steps. The essential ingredient is a kind of obsessiveness about effectiveness, efficiency, consistency, and value. Fortunately, that obsessiveness is one of the things that tends to draw people into the field of supportive housing in the first place.

Codifying those standards, and forming a clear message about them among providers, funders, and regulators, is a challenge still being confronted in many places. The authors of any set of standards need an intimate knowledge of the technology they are trying to measure and regulate, but they also need a diplomat’s skill for building consensus around whatever measures they develop. But precedents are beginning to accumulate, and awareness, at least, is on the rise.
6. Research and Data: Building the Case for Supportive Housing and System Change

Most of the time, no single factor alters a discussion like the introduction of a little sound data. Even weak data can set the agenda and the boundaries of debate, at least for awhile, and the more verifiable and undisputed the numbers are, the greater their potential effect on all sides of an issue. It’s not that numbers can’t lie, which isn’t true, or that numbers can adequately capture all the important issues in human services and social policy, which they obviously can’t. But numbers bring an argument into focus for people who aren’t already steeped in the issues. Even when data don’t change people’s minds and behavior, they tend to concentrate attention, both pro and con, on whatever phenomena the numbers purport to measure.

That is one reason why system reformers carefully seek out and cultivate sources of data on both new systems and old, and why they work hard to disseminate that information to everyone with even the remotest stake in the issue. But there is also another more pragmatic reason for gathering and disseminating data: Most current systems of public policy, especially in the human services, are starved for concrete information on what they accomplish, whom they serve, how much they really cost, and what outcomes they lead to. The lack of good data on most public and civic activities tends to make public officials especially attentive to even partial information on any of these things. Most of the time, a new idea backed by reasonably good data can trump old ideas (even fairly good ones), simply because the latter often have no hard figures with which to defend themselves.

Admittedly, plenty of public policy isn’t made in the rational realms of analysis and learned debate, but in the sausage factories of electoral and bureaucratic politics. Yet even in those circles, there are few assets more valuable, at least in the long run, than some good, defensible numbers on what works, at what cost, and why. Even in bare-knuckles politics, it is hard to ignore evidence that something achieves better results, solves problems more consistently, and costs no more or even less than current practices. Sooner or later, in politics as in most other fields, quality research pays dividends.

A practical approach to data: In supportive housing, as in most areas of social policy, the most exhaustive, conclusive kind of research can be difficult, expensive, and time-consuming. Several efforts to collect wide-ranging data on the effectiveness of supportive housing have recently been published, most of them having taken several years to complete. These publications are enormously valuable, but they are

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7. By “weak” data we mean studies that use relatively small samples or limited amounts of data, or those based on less sophisticated research methods.
beyond the reach of many states and localities. A typical such study takes a sample of formerly homeless people now living in supportive housing for a period of years. Where feasible, the study also identifies a similar “comparison group”—a selection of people who are still homeless and living in emergency shelter, transitional housing, residential treatment programs, psychiatric hospitals, the streets, and whatever other settings meet the definition of homelessness in that locality. For each of the two sample groups, researchers collect data on the public costs incurred—the cost of providing the housing and services, plus the costs that residents incur in other public systems, like medical and mental health care, criminal justice, income support, addiction treatment, and so on.

Types of Research Analyses

When data are collected over the same period of time for supportive housing tenants and a control group, two types of comparisons are available. The side-by-side comparison attempts to show whether the group in supportive housing enjoyed greater stability, suffered fewer emergencies and disruptions, needed few emergency or institutional services, or otherwise had an improved quality of life, compared with those who remained homeless. The time period of the study may also allow for a before-and-after (or pre-post) comparison—that is, researchers might collect data for some months or years before residents entered supportive housing, and compare those data with the period after moving in. The two different comparisons aren’t mutually exclusive. Depending on the amount of time for which data are available, some studies measure people’s experience before and after entering supportive housing and also measure the experiences of a comparison group during the same months or years.

With increasing sophistication, these studies have shown that supportive housing offers consistently superior outcomes while producing substantial savings in other systems. Understandably, that information has had an enormous impact on the debate over homelessness and housing, well beyond the jurisdictions where the data were collected and analyzed. But it’s important to note that other studies, far less complicated and expensive, have also had important effects on public policy and private funding. It can be very useful—in some ways ideal—to have a really thorough, scientific, multi-year study published by some unimpeachable source. But that is far from the only way to use data to influence system change. In fact, it is often the hardest and most costly way. Other alternatives are more immediately practicable and timely.

One city has provided a recent example of a persuasive use of quick, simple research to make a critical point. A local collaborative group working on homelessness had some basic demographic information on homeless single adults from its regular work with emergency shelters and outreach services. The group sorted its information into categories that corresponded to those used in a far more exhaustive research project in New York City, by Dennis Culhane of the University of Pennsylvania,8 and then made some elementary, rough calculations.

They argued, in effect, that patterns in Culhane’s findings about the social and administrative costs of homelessness—based on separate calculations for transitional, episodic, and chronic users of emergency shelter—probably apply equally well to their own city in roughly similar ways. So they reasonably applied the assumptions, ratios, and formulas from Culhane’s study to the known data from their city, and came up with a far more complete estimate of the costs and outcomes of homelessness—including not only the costs of emergency shelter, but of all the other systems that Culhane had painstakingly studied, like medical care, psychiatric services, addiction treatment, and incarceration. Using Culhane’s cost and outcome comparisons, the group built a compelling case for a more effective, economical alternative: a housing stabilization system heavily reliant on supportive housing.

It’s unlikely that anyone could have earned a Ph.D. with this exercise—it was too quick and approximate to meet the highest standards of professional researchers. But the point wasn’t to impress a dissertation committee. It was to impress (and persuade) public policy-makers who generally found this use of data superior to anything else crossing their desks. They took it both as an argument for supportive housing and as an objective way of putting supportive housing in the context of other alternatives, costs, and measurable outcomes—a context in which most public officials usually find themselves fumbling in the dark. It is the policy-makers’ and the public’s standards, not the standards of the National Academy of Sciences, that research for system change needs to satisfy.

Strong studies have had prominent, sustained attention paid to their findings—front-page news coverage in one case, repeated citation in public debates in another case, and always an eager response from public officials desperate for any hard evidence of program performance. One state appropriated significant new money for supportive housing largely on the strength of a data-gathering exercise that, of necessity, eliminated some useful cost data, yet nonetheless showed impressive cost-effectiveness for supportive housing. Another state expanded its supportive housing efforts based on a study that made only a partial case for cost-effectiveness, but was able to show convincingly that supportive housing contributed to neighborhood stability and property values. Neither of these studies was perfect, but both were painstakingly done, overcoming many obstacles. And they paid off in greatly improved public policy.

Ultimately, in formulating and disseminating a case for supportive housing, every one of the levers of system change comes into play. Information on effectiveness calls into question the fundamental ideas and values of traditional systems. Information on costs and benefits challenges traditional uses of money and the entrenched power and bureaucratic habits that keep traditional systems from changing. Data about people and communities—the evidence of personal and social improvements that flow from supportive housing—put a human face on the technology of production and funding, and help people understand what would come from a reformed system. Taken together, the effects of solid information and effective presentation can have a seismic effect on traditional ways of approaching public policy. Without them, almost no other combination of forces is likely to work as effectively.
7. Communication and Advocacy: Delivering a Powerful Message About Supportive Housing and System Change

Good data can focus any conversation and draw the attention of supporters and opponents alike—but even the best data will accomplish very little in a vacuum. To get the greatest impact from any set of numbers, even a highly convincing set, it is essential to present those numbers in an engaging way to an interested audience, with a clear set of interpretations and recommendations. Merely circulating the numbers may simply stupefy the audience. Merely circulating the recommendations and ideas without the data could well leave them unpersuaded. The combination of research findings and policy recommendations is most effective when it is part of a carefully packaged and organized communication and advocacy strategy, one that can have the effect of reorganizing the most fundamental definitions on which old systems are based.

Communication and advocacy are crucial: As the community cited in the previous building block illustrated, good data can build a powerful argument for supportive housing. But it’s important to note that compiling a good study was far from this community’s only use of data in organizing a system of care and housing for homeless people. The whole collaborative planning and funding exercise in that city revolved around performance measurement, management information, and accountability (their case is described more thoroughly in Building Block 5). Then, once this community had built up its case, it was able to spread its message effectively. The collaborative planning and funding group made a point of using the data to evaluate their own work and, most important of all, of circulating the data widely and regularly, in “report cards” to the community, and in monthly newspaper articles, site visits and speaking venues. Their aim was to demonstrate that their work was based not on faith, but on fact. And the message stuck.

It was helped, unquestionably, by the work of a strategic communication and public relations consultant, working with the collaborative group on a pro-bono basis. The consultant helped in selecting and preparing spokespeople; in writing, designing, and distributing printed information; in establishing consistent language and tone for public statements and publications, so that the message was constantly reinforced and refined; and in seeking reactions from the public, consumers, and local leadership. The important point is that, although the group did not mount a laborious and expensive analytic exercise, it also did not attempt to use data on the cheap. The group put a significant investment into the numbers—not just in collecting and analyzing them, but also in shaping the story they told, and in making sure that story was circulated, understood, and widely discussed.
Effective advocacy requires a long-term strategy: Formal public-relations campaigns are usually time-limited, yet the challenge of system reform typically lasts for many years. So beyond the initial, concerted effort to disseminate a piece of information and stimulate discussion around it, system reformers also need to rely on the longer-lasting, less formal use of advocacy as a way of making their message “stick.” Long after a piece of research has been published, mailed out, and presented at public forums, those who advocate for supportive housing and system change need to keep attention focused on that research and on the story it tells. Advocacy is, of course, a form of communication. But it is too often forgotten when organizations think about “communications planning” around a discrete event or single activity. Even relatively simple messages are unlikely to take root in any lasting way if they are presented only in one or two op-ed pieces, a press conference, a round of media interviews, or a handful of other one-time efforts.

For the more complicated, still-unfamiliar message of supportive housing, a true communications plan has to make a case over time, in many forums and styles. Evidence of supportive housing’s value needs to come before big audiences and small, in public meetings and back corridors, and on terms that may be intellectual in one setting, political in another, and clinical, fiscal, or pragmatic somewhere else. The case needs to be sustained over time, infiltrate many groups and constituencies, and be delivered in a style and tone that befits many different kinds of audience. Organizing advocacy for system change means, in essence, building an army of what Malcolm Gladwell calls “Salesmen”—people who can speak knowledgeably, credibly, and persuasively to the unconvinced. A brief PR campaign, no matter how effective and professional, can at best launch such an effort. It can’t do the whole job.

Good data can focus any conversation and draw the attention of supporters and opponents alike—but even the best data will accomplish very little in a vacuum. To get the greatest impact, it is essential to present those numbers in an engaging way to an interested audience with a clear set of interpretations and recommendations.

Emphasize the personal successes behind the numbers: One of the keys to a successful advocacy campaign is to identify compelling spokespeople and stories. But many veteran providers and public officials who serve homeless people are wary of publicity, sometimes out of a fear of exploiting their tenants and exposing them to unwanted scrutiny, and sometimes out of a distrust of news media. Even well-intentioned reporters have brought such distrust on by treating homeless and mentally ill people as freakish or as objects of pity, a risk that many providers prefer not to take. Others simply aren’t convinced that publicity of any kind does any good. Even a national TV report proved difficult to make because some important participants were unwilling to take part in it.

Hesitancy about publicity is understandable, but it’s surmountable—and it needs to be surmounted, if system reformers are to reap the full benefit of the data and research they are compiling. Moreover, many tenants are eager to tell their stories of success to the world. It can be tremendously empowering for tenants to be given training and opportunities to tell their personal stories, as part of a strategy to educate the public and policy-makers and to impact policies that will create supportive housing opportunities for other people. Concerns about tenant privacy, about stereotyping, and about potential backlash are all manageable with careful planning, good professional advice, and a clear strategy for how information will be used, with what audience, and toward what ends.
Tailor different strategies to carefully selected targets: There are many types of advocacy campaigns, and many types of advocacy targets. A successful advocacy campaign needs to be multifaceted, often moving between forums and localities in order to take advantage of changing opportunities.

For example: When supportive housing advocates needed to secure new resources from government housing programs, they began by identifying their target audiences. In this case, they decided that the most important targets were the elected officials who oversaw housing agency finances, especially the chairs of the relevant budget committee and subcommittee. They arranged lobbying visits with these legislators, and in each meeting they emphasized local needs. Wherever possible, advocates provided data from that member’s district; where local data was not available, they found other research that was as applicable as possible. For each visit, they tried to include a provider or tenant who could describe success stories from the member’s district, or a local champion who could speak to the need and the readiness to replicate successful models from other communities.

Advocates also sought support from allies who could help make their case and add additional pressure. They reached out to local “grasstops”—individuals and organizations who are seen as a community’s opinion leaders, such as local businesses, local elected officials, neighborhood or religious leaders, and newspapers. These powerful allies can help to direct a system’s policies and resources toward recognizing the value of supportive housing. In this case, advocates met successfully with a powerful newspaper editorial board in the community represented by the housing budget subcommittee chairman; soon after, the newspaper wrote an editorial calling on that legislator to support the funding increases. (For more on identifying and cultivating champions, see Building Block 8.)

In this instance, advocates asked their supporters to write letters to their elected representatives, but they focused most of their energies on building pressure through small groups of activists and opinion-makers delivering convincing policy arguments. In general, however, grassroots organizing can also be an effective tool for placing pressure on political figures. By building grassroots support (and votes!) through local mobilization and public education campaigns, advocates can put pressure on public officials to use their power to change systems, while also ensuring that there is widespread support for the values of supportive housing.

Litigation can also be a powerful tool for pressuring a system to change. A successful court case can create an “irresistible force” that can compel systems change (see Building Block 9). And even an unsuccessful case can garner media coverage and bring your issue to the public’s attention. Litigation, however, carries certain risks: It is a strategy that can prove polarizing, and that can alienate public officials who feel under attack.

In general, advocacy can be most effective when it combines an “inside game” that helps policy-makers develop new and improved solutions with an “outside game” that makes clear that constituents are demanding change and that effectively focuses public attention and support on the desired solution. Often, policy-makers seeking change inside a system will appreciate the outside pressure. For example, once local and state government agencies have engaged in collaborative planning and developed shared goals, they
may support the enactment of legislation or budget appropriations—but they will need help from outside advocates to mobilize the political will for such changes among elected officials. Local governments and advocates can work together to make a case for supportive housing and new policies, but advocates can place pressure on legislators in a manner that public employees cannot.

Although a detailed discussion of advocacy strategies could take up its own volume, it is important to remember that an advocacy and communication campaign is usually a critical building block for any systems change effort. Advocacy and communication strategies can ensure that the efforts described here receive the attention they deserve. And without the pressure of critical attention—and the rewards of positive attention—it is often difficult to move a system's components away from the status quo.

8. Cultivating Leaders, Champions, and Advocates

Much of the past progress on promoting a supportive housing system has relied heavily on the determined stewardship and advocacy of one or more persuasive “true believers”—highly placed or influential public figures who advanced the cause of supportive housing in government, the media, and public opinion, and among provider groups. In one state it was a governor who had a family member with disabilities. In another it was the head of a prominent provider agency—an executive director of exceptional reputation who reached out to state and local public officials and to national intermediaries and funders. In yet another case, the most effective advocate was actually a mid-level official in one state agency. Her boss, a cabinet-level executive, had enough confidence in the idea of supportive housing to set her up as an ombudsperson for it—but she then parlayed that position into a sphere of influence well beyond her official title or even her own agency.

Finding, cultivating, and empowering such people is a crucial task of any system reform effort. When the task is to change people's settled opinions and ways of responding to problems, there is no substitute for the advocacy of a trusted individual, someone who commands both the attention and the confidence of a broad circle of influential people. This person's credibility may come from high office, as was the case with the governor, or from a long record of success, as with the nonprofit executive. Or it may simply arise from someone's personal gifts and talents, as with the mid-level official who won allies largely through diplomacy, consistent delivery on promises, a willingness to deflect credit onto other people, and a relentless focus on a single mission.
In short, this is the area where system change gets personal. Some efforts, for example, have been slowed by a misplaced reliance on people who seemed committed but were not sufficiently talented or motivated, and who brought the system change effort to a stall, or even set it back. Rarely, if ever, did this have anything to do with ill will or even lack of sincerity. In one case, the apparent champion/advocate was simply overworked and wasn’t able to be persistent or to follow up promptly on opportunities. In another case, a designated leader was surely among the most passionate of supporters, but was a poor communicator, had little patience for those who disagreed with him, and turned out to be widely disliked.

The value of effective champions is not primarily as articulate spokespeople. Speaking and writing convincingly can be important, but far more influential in the system-change process is someone who can either command the loyalty of others (as in the rare case of the governor) or who can become so useful to others, with resources or personal help or both, that they naturally are inclined to follow along. To borrow from Malcolm Gladwell again, the people most likely to be successful champion/advocates are “Connectors, Mavens, and Salesmen”—people who have one or more of these extraordinary characteristics: They know and can bond with a huge number of relevant people (the Connectors); they have mastered volumes of useful information and are eager to pass it on (the Mavens); or they have a native persuasiveness that wins over the unconvinced (the Salesmen).9

Many supportive housing activists might prefer to have a governor or cabinet secretary as their champion—someone who can bypass connections, information, and persuasion, and simply order systems to change. But politicians usually don’t stay long in office, and old systems have evolved deeply ingrained defenses against political whipsawing. When elected officials leave, whole ranks of officials depart with them, and they frequently leave behind a system more than eager to get back to business as usual. A Connector, a Maven, or a Salesman, by contrast, usually has an effectiveness that is much subtler and harder to dislodge, and can last for many years.

Best of all would be a network of several standard-bearers that includes all three talents and includes people at several levels. In general, supportive housing has advanced the furthest when it has recruited a big-picture supporter at a high level—say, a Connector who has a general understanding of supportive housing, and a sincere enthusiasm about it—with several Mavens or Salespeople in lower ranks of public authority, or among nonprofit organizations, or even independent observers, like scholars, journalists, or civic leaders. Some of the best champions are those who have a clear vision of the problem but no financial stake in the proposed solution—particularly leaders from law enforcement, downtown business partnerships, or friends and relatives of consumers. Among the first challenges for those who seek to organize a supportive housing industry in any locality is to see who might spearhead, or at least support, such a thing. Among those people, who may number in the dozens, only a few will have the passion or skill or connections to be useful champions. But all of those should be brought together, cultivated, and armed with useful information and ideas.

One city with an extensive supportive housing industry started out with no state-level champions in high positions, and had to build its network of supporters and promoters entirely from the bottom up—beginning with local providers and one or two city officials concerned about the homeless (but not necessarily well versed in supportive housing). The example is worth noting because senior-level state or federal champions are relatively rare, and it can be tempting to waste time and energy cultivating lukewarm supporters just because they occupy powerful positions at high levels of government. Sometimes the candidates closer to home will have more to offer, including staying power, and their influence can eventually reach to higher strata.

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9. Gladwell, p. 34.
In this case, local providers spotted potential champions in several local officials, including the mayor, some city agency heads, and a city council member. A former mid-level state official had begun working directly in supportive housing in this city, and she in turn provided entrée to some state officials. But in that case, this person's influence had more to do with her skills as a Connector and Maven than as a public official: Yes, some state officials knew her well enough to return her calls. But that wasn't because of her power and influence (which she had left behind when she left the Capitol); it was because she had interesting things to say, knew the kind of information they wanted to hear, and never tired of dialing the telephone. Soon her influence, and that of other committed local providers, became infectious, at least within city government and, little by little, among some state officials as well. Today, the network of champions in that city—and, increasingly, in the state—numbers in the dozens. On one hand, even after a decade or so of work, the state is still not in the forefront of creating an overarching supportive housing policy statewide. But the local supportive housing community is thriving, and more and more state decisions on homelessness, mental health, substance abuse, and housing include supportive housing in their funding and rule-making. The use of champions and advocates is a slow process, especially when the champions aren't top officials. But the slower route can be more durable, reach further, and drill its message more deeply into the ongoing public debate.

9. The Irresistible Force: Events That Compel Action

In some places, a cataclysmic event or series of events has left old systems with almost no choice but to reform. The most common and powerful example is impact litigation—one or more lawsuits that result in a court-mandated reform, or in court-imposed rules that make reform irresistible.

The extreme case of such litigation is New York’s, where state court rulings in the early 1980s created a universal right to emergency shelter in New York City. The two seminal rulings made no mention of supportive housing, and to this day they mandate only emergency shelter, not necessarily any permanent alternative. Judges have sometimes interpreted the cases as implying a mandate for more permanent housing for families, but then only sporadically, and rarely, if ever, for single adults. Even so, the cost of the shelter mandate has fallen so heavily on New York City and State that they periodically feel driven to seek out less costly, longer-lasting solutions. Supportive housing has been treated relatively favorably in New York City as a result, and the field has flourished.

Yet even in New York, the ruling has been far from a panacea, and it would be wrong to say that a complete system change has occurred. If anything, the courts’ fixation on emergency shelter has often
driven state and local government to a similar fixation. Still, by forcing state and local government to pay for shelter for all homeless people, the court has given them a powerful incentive to think critically about public policy toward homelessness, and to explore (at least episodically) more effective, lasting solutions to the problem.

The Supreme Court’s 1999 decision in the anti-discrimination case *Olmstead v. L.C.* may have similar effects on national policy, at least as it effects Medicaid reimbursement of services for people moving out of institutions into community settings. The Court ruled in *Olmstead* that the Americans With Disabilities Act requires states to provide more timely, less restrictive community-based placement for mentally ill people who are ready to leave institutions. Although the boundaries of the decision are still being tested, the case could cause many states to begin looking more decisively toward supportive housing as an economical, effective way of meeting the ruling’s requirements. Cases pursuant to *Olmstead* are still making their way through the appellate courts, some of which might not only clarify the ultimate ramifications of the decision, but also throw light on supportive housing as an effective response.

In other cases, an overwhelming turn of events can have a similar effect, without the abruptness or drama of a court decree. In a few cities, redevelopment plans or patterns have drawn sudden public attention to a crisis in housing or homelessness. In at least two cities, for example, redevelopment plans that involved the demolition or conversion of single-room-occupancy buildings into higher-cost apartments has resulted in a surge of homelessness. That, in turn, has raised a public alarm over the loss of small, inexpensive apartments—and created a constituency for saving those apartments as supportive housing. In other places, scandals in the nursing-home or board-and-care industry have focused political and public demand on alternative forms of housing and services. In at least one city, hemorrhaging costs of treatment for homeless people in overloaded hospital emergency departments prompted a greater interest among health officials in supportive housing—specifically in the greater health stability that supportive housing residents enjoy.

Sometimes, effective organizing and advocacy can stir up an almost-irresistible force, by placing elected officials or executives in the spotlight and compelling them to take a position on homelessness, housing, mental health, or other issues connected to supportive housing. Organizing and advocacy efforts aren’t usually meant to be quite so confrontational as this (we discuss other approaches to advocacy in the previous two building blocks, under “Communication and Advocacy” and “Cultivating Leaders, Champions and Advocates”). But at the right moment, given an opportunity to win popular support or the votes needed to enact legislation, or to seize the attention of a powerful official, a well-planned use of public pressure can have dramatic effect. In one city, for example, editorial attention from the local newspaper—heavily influenced by supportive housing providers, advocates, and consumers—eventually compelled the governor to commission an interagency plan for combating homelessness.

To make the most of the opportunity that a galvanizing event presents, system reformers need to move swiftly to make a clear, simple, and compelling case that there’s a real solution to whatever problem has just erupted—not just the usual, short-term, fire-extinguishing response, but a lasting solution backed by experience and evidence of success.
an obvious one. These moments of emergency are the times when ideas, values and habits are most susceptible to change—since it’s usually the old ideas or practices that have landed the system in hot water—and when the prospect of a new technology is most appealing to those in control. Since many of these explosive events have to do with money—unsustainable costs, wasted expenditures, court-ordered penalties or spending reforms—the argument for the cost-effectiveness of supportive housing is also likely to be a potent means of response.

But to make the most of the opportunity that a galvanizing event presents, system reformers need to move swiftly to make a clear, simple, and compelling case that there’s a real solution to whatever problem has just erupted—not just the usual, short-term, fire-extinguishing response, but a lasting solution backed by experience and evidence of success. That case needs to be made while the issue is hot, and it needs to be made to the people who are paying the most attention to it: reporters and editorial boards grappling with ideas and values, budget or legal aides struggling to review habits and money, public officials with the power to address the emerging issue, and the constituents, advocates, and practitioners who are most likely to promote a better technology among influential audiences.

When an irresistible force rears up, there isn’t normally much time available for assembling an effective advocacy coalition, reaching the right officials and journalists, or compiling clear, concise information to circulate to those casting about for solutions. Organizing consensus around the desired reform and maintaining the necessary relationships to bring it into public focus is a constant duty of quieter times, so that those relationships can be marshaled effectively, to push consistently in one direction as soon as a big opportunity suddenly arises. When that happens, it’s also necessary to have a brief, convincing message at the ready—a capsule case for supportive housing and a plan for timely expansion—before the debate narrows into a choice among simpler, band-aid solutions that bypass real system change.

10. An Intermediary in the Role of Neutral Catalyst

Running through all of this list of building blocks is an underlying theme that deserves to be made explicit: The work of system change usually requires someone from outside the system as a catalyst, someone whose views are clear but whose interests are not tethered to any of the parties who must negotiate and implement a new system. Changing a system disrupts the lives—and often provokes the distrust and defensiveness—of people with experience and credibility in the old system. It also calls for concerted action among many people who were not part of the old system and thus are not accustomed to working together, and may not be accustomed to public leadership. Consequently, having a broker or
A catalyst whom other parties can trust (or at least whom they don’t actively distrust) may be essential to getting a discussion started—and later, may be crucial for keeping the parties involved through the painstaking work of planning and implementation.

Most of the time, the best broker/catalyst is not an individual but an organization, standing as an intermediary between funders and government on the one hand, and project sponsors, advocates, and consumers on the other. What makes intermediaries valuable as system reformers is partly their position in this middle ground—between those with the authority and resources that a new system will require and those who could use those resources more effectively at the front lines if a better system were in place. Their relative neutrality (or at least their perceived independence and fairness) makes it possible for all the various players to trust and cooperate with them. Yet their substantive expertise in the issues at hand—in this case, in homelessness and supportive housing—makes them credible players, sources of ideas and information, and eventual allies in implementing the new system that emerges.

Intermediaries may be national, regional, or local. They may be large organizations or small teams of dedicated people. Because the job of an intermediary requires maintaining channels of communication with many interests and potential participants, it usually takes several people, with different networks and areas of expertise, to play all the necessary roles. To be effective, a good intermediary normally is able to deliver things of value to those at the table—channeling public or foundation dollars, regional or national technical expertise, help with program design and planning, the latest information on successful practices elsewhere, and, most of all, the skills of a constructive diplomat. At their best, intermediaries bring a record of resolving the kind of nettlesome disputes that often keep communities from formulating an efficient, collaborative approach to their problems. Some intermediaries also come with a circle of political or financial backers who lend a degree of stature to the system-reform effort, thus commanding a higher level of attention than might otherwise have been paid to it.

A well-organized intermediary can provide staffing to get a system-reform process through its most labor-intensive early stages. When research needs to be gathered, meetings and conferences held, plans written, consultants hired, proposals or position papers written, or constituencies organized, intermediaries can supply the human resources that other participants either don’t have or can’t spare. When potential participants are unfamiliar with one another, or distrustful, or simply disinclined to work together, intermediaries can sometimes overcome this resistance and draw skeptical parties to a common table.

Words like “neutrality,” “diplomacy,” and “independence” aren’t meant to imply that a good intermediary has no views of its own. Often what makes for the best intermediary for supportive housing is that it is fundamentally committed to the product—or at least to better housing and services for the target population. It needs to have enough expertise to be able to add knowledge and experience to the discussion. It needs to understand the funding and technical problems that providers face, the regulatory constraints under which public agencies function, and the strategic interests of public and private funders. To satisfy those requirements, no intermediary can be completely above the fray—it takes some years of experience to build the necessary technical skills and credibility, and that experience can’t be gleaned from afar. Yet to play the “middle” role effectively, the intermediary should be seen as an ally of all the players, not a partisan of any given approach, constituency, or agency, and not a special interest that expects to benefit from whatever system is built.

The “art” of system change consists of finding the vulnerabilities in the status quo—the points of discontent or stress where participants might be most open to new ways of doing things.
An intermediary’s expertise can be crucial in helping individual provider agencies develop their own skills, and assemble the resources and partnerships they need to create more and better supportive housing. But the intermediary’s value is considerably greater when the focus shifts from individual providers and projects toward overarching systems. The job of system reform, many people believe, is simply too complex and sensitive, with too many interrelated issues and fractious constituencies, to come to fruition without some intermediary acting as broker, problem-solver, and trust-builder.

In fact, an expert intermediary may well take the lead in deploying all of the other building blocks we have just described. It can convene cooperative planning bodies, seek new resources or changes in current funding streams, and help broker relationships among funders for better coordination. It can administer technical assistance and capacity-building programs, help write and monitor quality standards, compile and circulate data on the effectiveness of supportive housing, and recruit leaders and champions from among the people in its networks. This is obviously not meant to imply that intermediaries can do everything that needs to be done, or that they can single-handedly engineer a whole system reform. But they can be the linchpin in all the essential activities of the reform process—provided they maintain their usefulness to the other essential players, and keep the trust of those players long enough to prove themselves.

The intermediary often has (or can gain) access to state and local power, both public and private. It is sometimes in a better position to assemble and redistribute money. Its experience and access to expert talent makes it an authoritative voice in matters of technology and know-how. From this set of advantages, it is much better equipped to help funders and practitioners reassess their entrenched ideas, values, and habits—and begin to envision a changed system in which all of them would benefit.

There are a few intermediaries, including the Corporation for Supportive Housing, that work nationally and are able to play a catalytic role in many communities at once. In many cases, though, a state or locality will deliberately create an intermediary of its own, setting up a new organization or a collaborative body, with expert staffing, to play the various roles we just described. There is value in the presence of a well-respected national institution as intermediary, but there can also be equal value in a home-grown group of leaders and experts whose reputation and ability to build trust have been earned locally. The roles are much the same either way.

The work of most intermediaries would be valuable even if the task were merely developing projects, not changing systems. But the demands of system change make all of these functions more important, because they add an often sensitive human dimension to the various technical requirements of building and managing supportive housing. These human functions—building trust, opening channels of communication, resolving tensions and rivalries, relieving administrative and technical burdens on other players—help establish a common language for the field, prompt people to share information and learn to work together, and cultivate a new way of thinking about homelessness and public policy. All of those things are at the heart of the system-change agenda, and none of them are likely to happen on their own.
Spotting and Seizing Opportunity: The ‘Art’ of System Change

The use of any of the building blocks in the previous section depends, first of all, on spotting where the prime opportunity for influence lies—beginning with which ones of the five elements seem most susceptible to change. In some cases, where official centers of power and money seem immovable, it may be best to start by changing the ideas and values on which traditional systems function—say, by mounting and carefully documenting a demonstration program, and by mobilizing grassroots support and other opinion leaders. Building the skills and capacity of providers may help not only to raise the level of technology for supportive housing, but also to focus the attention—and eventually the political influence—of those providers on changing the systems in which they work. Only time, and sustained effort, can change habits—but finding old habits that are the most dysfunctional could lead to clues about where to intervene.

In short, the “art” of system change consists of finding the vulnerabilities in the status quo—the points of discontent or stress where participants might be most open to new ways of doing things. From there, the challenge is mostly one of inspiring and motivating other people to change their behavior and circumstances: using the building blocks to stimulate the imagination, refine the logic, and alter the rewards and values of people who can bring about change. At any given time, some people will be more receptive to such influence than others. So the first challenge is to find the most likely targets at each place and time.

From that point, one very simple, but possibly useful, way to think about changing their behavior is to consider four basic techniques of motivation:

**Persuasion:** Using information, reason, and education to cause others to embrace new methods and ideas in preference to old ones. This is usually most helpful in changing the level of skills and technology in a system, and sometimes in influencing the use of money and power, at least when those things are governed primarily by objective considerations rather than, say, by political sensitivities, personal values, or the emotions of the moment. The building blocks that rely most heavily on persuasion are capacity-building; quality assurance; developing data; and communications and advocacy (Building Blocks 4, 5, 6, and 7, respectively, from the previous section). These have the most to do with arguing and proving a case—appealing, in a sense, to the mind rather than the heart.

**Incentive:** Altering the rewards and penalties that encourage one form of behavior over another—in essence, changing the players’ underlying calculation of what they get—personally, professionally, materially—from the way things are done. Here, the usual factors are power and money, and to some extent technology: Will changing the system help players stretch their resources further? Win status of official approval from colleagues and superiors? Increase their sense of accomplishment and ability to do their job well? Presenting the carrots and sticks of system reform in a convincing way is partly a matter of persuasion, but mostly, it’s a matter of designing a new system that genuinely improves the workday of those who need to join the reform effort. The most useful building-blocks in that regard are generally numbers 2, 3, and 8 from the previous section: leveraging resources, coordinating funding, and cultivating leaders. Collaborative planning (Building Block 1) is often a vehicle for thinking through and organizing a new incentive structure. And of course an “irresistible force” like court orders or crises (Building Block 9) can sometimes change incentives instantly—though they are usually hard or impossible to plan and control.
**Practice:** Here, we are squarely in the realm of habits: How do participants in the system normally act, time after time, without needing to think about why they do so? Altering such behavior probably will have something to do with persuasion and changing incentives, but mostly it's a matter of helping participants get used to new methods, until those methods become second nature. The most important function of ongoing collaborative planning groups and coordinated funding (Building Blocks 1 and 3 from the previous section) is to help members get used to dealing with one another, and with issues, expenditures, and duties that were formerly considered outside their bailiwick.

**Trust:** Just as persuasion appeals to the mind, trust appeals more subtly to the heart and soul. More often than we care to admit, our behavior is based not on any firm rationale, rule, or reward structure, but on simple “followership”: accepting the example or direction of someone we implicitly trust not to lead us astray. Not everyone is a born charismatic leader, but most people can, by invoking shared beliefs and proving their dependability, encourage others to trust them enough to follow their lead. Being conspicuously reliable—delivering consistent results, routinely looking out for others’ interests, exceeding expectations—is half the challenge here. The other half is something deeper: Before people confidently follow someone else’s lead, they need to believe that the leader shares their values, that he or she stands for something they consider worth the struggle. All the building blocks in the previous section present opportunities to prove reliability, establish shared values, and thus build trust. But a few are especially relevant: Offering the unthreatening, neutral services of a good broker or intermediary (Building Block 10) is perhaps the most obvious and direct tactic, though ensuring product quality, helping others to build capacity, and supporting like-minded leaders and champions (Building Blocks 5, 4, and 8, respectively) are also direct routes to this goal.

**One way to calm defenses and build productive, trusting relationships is to forego credit for the early victories, and direct it instead to veterans of the old system. People are more likely to trust and embrace change if they perceive it as their change, as a boost in their stature and control over their environment.**

**Where to Start?**

There is no formula or guidebook for matching the right motivational tactic to the right activity with the right participants and objectives. Except in the rare case where a single problem or opportunity is so colossal that it commands immediate attention, most of the early work of system reform consists of trial and error on a grand scale: applying as many of the building-blocks to as many pressure points as seem susceptible, until you can gauge the likely response. In time, some will prove more receptive than others, and it will become easier to concentrate and organize future steps around those fulcrums of change. Nearly all of the building blocks listed in the previous section require some years of sustained effort to satisfy their potential. But in cases where the odds of success are especially small or remote, a few months of experimental work may be enough to show that some other line of attack will offer a greater return on invested time and resources.

Exploring the possibilities isn’t as boundless a task as it might seem. Most places have one or two areas where the potential is unmistakably thin (figures in power are momentarily hostile, perhaps, or provider capacity is critically low). Sometimes, one or two points of intervention may seem urgently ripe, and thus become instant priorities (an “irresistible force” has erupted, or a group of officials is dissatisfied with some part of the current system). In between, there are usually several opportunities that need to be explored and tested, but not so many that it’s impossible to plot them out and keep track of them. In some years, a slow economy or a fiscal crisis may discourage any search for new money or increased funding—but that
is simply a reason to focus effort on other building blocks and levers of change, not to delay or shelve the system reform agenda.

All the approaches to motivation or inspiration that we have just described depend on having some relationship with key players—usually, a relationship of value to them. To borrow the maxim of one veteran system-reformer, the challenge is to “offer help for as long as possible without asking for anything.” That is the surest way to open avenues of persuasion, burrow into other people’s systems of incentive and reward, influence their unexamined habits and routine, and, most of all, build the trust by which they might accept and follow your vision of change. Eventually, of course, you may well have to ask for something (resources, staffing, legislative or regulatory action), or advocate something, or at least instigate a process for others to follow. But “for as long as possible,” the first challenge is to be a resource. The work of being an advocate, a leader, or a critic is usually more effective later, and mostly in proportion to one’s earlier success and value as a partner and a support.

To establish such credentials, to demonstrate your own credibility and that of your ideas, and meanwhile to size up the nature and number of possible interventions in any given place, it is usually necessary to be present as much as possible wherever potential participants, collaborators, or supporters may gather. It helps to:

- Join or attend all the planning and governing bodies for key elements of supportive housing, like continuum-of-care councils and subcommittees, Workforce Investment Boards, housing industry groups, consolidated service planning efforts, managed care councils, and mental health and substance abuse groups;
- Testify at hearings of public bodies (appointed and elected; local, state, and federal);
- Speak at conferences, schools, universities, and other places where ideas are formed and debated;
- Meet with current tenants of supportive housing and with consumer groups that represent potential tenants, both to get acquainted and to join in their projects and advocacy efforts when it’s appropriate;
- Join in partnerships for evaluation and other research; and
- Deliver or participate in trainings, workshops, and symposia.

No one of these efforts may make a noticeable difference in the short run. Frequently they will seem circular or repetitive. Your participation in these forums may not always be invited, and sometimes may not even be welcomed by every participant, but it’s only through being present in as many places as possible that helpful relationships will form and the right places to intervene and concentrate will become clear. In the process, this sustained participation—becoming a familiar face, getting to know the needs and strengths of the other players, helping others achieve things that are important to them, demonstrating expertise or usefulness whenever possible—builds credibility and provides a window into the goals and frustrations of people in the current systems.

The Human System, Revisited

Most often, the weaknesses in old systems are felt differently by different participants. Public officials may feel frustrated by a revolving-door effect, a vague sense that they are dealing ineffectively with a group of problems that keep recurring regardless of public expenditures. Foundations and other funders may be impatient for some measurement of outcomes or effectiveness for assessing the efforts they support. Consumers and nonprofit organizations may believe, rightly or not, that they aren’t being heard by those in power, and that their expertise is largely being wasted. It’s possible that no two of these participants,
if asked what was wrong with old systems, would give the same answer. Each may blame the others. They may argue in circles over what solution would be best. Many may have become cynical or exhausted, with no confidence that any productive change is possible. A few may be so deeply invested in old practices that—even despite their unhappiness with the current results—any change would strike them as a personal affront.

Into this morass, any system reformer—but especially one who is new to some or all of these circles—must step very carefully. Even to people unhappy with current ideas and methods, the prospect of wide-ranging change is likely to seem threatening. A suffering patient eager for surgery is nonetheless likely to recoil at the sight of a scalpel. Reform is a partly violent thing, and it is likely to be met with strong, partly unconscious defenses.

One way—perhaps the most reliable way—to calm these defenses over time and build productive, trusting relationships is to forgo credit for the early victories, and direct it instead to veterans of the old system. People are more likely to trust and embrace change if they perceive it as their change, as a boost in their stature and control over their environment. System change depends in large part on the participants gaining stature—either by becoming more effective, appearing more skillful and wise, gaining influence and respect, or simply by having done something that others consider effective and noteworthy. Little or none of that can be accomplished if the accolades, power, and prestige flow to the system reformer, rather than to the system’s main participants.

That is the primary rationale for the final building block listed in the last chapter: the neutral catalyst. Although we listed and described that element as one item in a long series, in many ways it sums up the whole roster of tactics and devices. An effective catalyst or broker of system change brings three advantages that other players can, in time, come to value and trust:

1. The best reformers are usually independent of the old system. They may have had no role in creating it, or have no stake in the way it currently allocates resources, or preferably both. They are, at best, not a devotee of any of the separate disciplines and factions that old systems failed to integrate. To the extent that current frustrations are stymied by mutual accusations, distrust, or bitter competition, the reformer should be able to transcend the worst of the ill feelings and raise possibilities that would have met resistance if they had come from other players. Being a new or outside force can, of course, provoke distrust of other kinds. But coming in from outside the fray—relatively neutral, with no longstanding alliances—has more advantages than drawbacks, and a tactful system reformer can use the pluses to neutralize the minuses.

2. Although it almost never helps to be dogmatic, effective system reformers do have a firm point of view. They usually enter the discussion with a vision and a model of what a successful system reform would look like, and how such a thing could be achieved—although they neither impose nor insist on that model as the discussion unfolds. It’s surprising how often clarity and confidence are lacking in the long-running debates over the inadequacies of old systems. Participants often welcome a leader who, even amid controversy, can say diplomatically but with conviction: This is the way to proceed.

3. For supportive housing in particular, there is by now an increasingly well-documented body of experience to back up the system reformer’s point of view. For example, one of the most effective, if least formal, system-reform activities used by supportive housing funders and intermediaries is the fact-finding field trip. It becomes much less necessary to argue statistics and therapeutic models once participants have seen some successful projects—and the gradual formation of a new system—operating in other places. Field trips are also bonding experiences for those who go on them. At least one key player in a recent system change effort said that “the momentum completely changed” after several state and local officials from unconnected agencies went together on a trip. They visited a city with an extensive network of supportive housing and at least some initial stirrings of a new system taking shape. They spent three days
together touring sites and talking about what might be replicable back home. The level of confidence and mutual cooperation rose noticeably. The point is not just that field trips are useful. It’s that supportive housing—despite having no credible production system of its own—nonetheless has a great deal to show, and that experience can have a galvanizing effect well beyond the information it conveys.

The system-reform arsenal, in other words, includes more than just the tactical building blocks listed in the previous section. It includes all the intangible but formidable assets that a deft negotiator and team-builder can bring to any discussion, including independence, a clear point of view, and proven expertise.

**Conjuring the Vision: What a Reformed System Looks Like**

The most effective system of housing and services for homeless people won’t look the same in each place, but it will have some elements in common. To begin with, in a reformed system, homeless people with special, long-term needs will be an explicit target of public and private policy. People will be able to enter the system through any of several doors—that is, by seeking one component service, they will become aware of the other, related services, including housing, that are available to them. The various components will work efficiently together, meaning that the consumer will not be responsible for figuring out how to combine the things that she or he needs, and service providers won’t need to go to heroic lengths to merge their efforts with those of others.

Funding for the various component services and housing will be allocated based on the needs of this defined consumer group, and on competitive criteria that favor the best-integrated, most effective combination of services for the consumers’ needs. Policy, planning, and evaluation will incorporate the professional judgment and official authority of people in all the key areas: mental health, housing, addiction treatment, employment, income support, and so on. And the component disciplines and programs will derive their authority and funding from a common set of standards and a single, comprehensive plan.

For now, as we said earlier, such a vision is still purely hypothetical. But it is now possible to see, in perhaps a dozen cities or states, measurable steps that lead to such a future. Dwelling too much on the full, elusive goal can sometimes lead to overlooking the encouraging progress already made. Conversely, paying too much attention to the current progress can lead to complacency. Effective system reform depends on striking an ever-shifting balance between conjuring the future and being effective in the present. That is why those who are deeply immersed (and sometimes overwhelmed) in the labor of current systems find themselves at a loss for how to proceed. It’s not that they can’t imagine anything that would work better; it’s that they can’t imagine any route that leads in that direction.

That is the mission of system change in a nutshell: to draw a map, stretching over many years, that points a clear path to goals that some people already share, and that can eventually enlist many other people. Mapping these goals can make them seem clearly achievable—enough so as to inspire a kind of adventurousness among those whose lives will have to change in order for the goal to be reached. Conjuring that vision is a challenge of leadership, salesmanship, and conviction. It is fundamentally a matter of art, of the subtle and partly instinctive reflexes of a determined persuader. But it is bolstered by enough field-tested engineering, with enough history and experience to back it up, so that it should by now be among the first responsibilities of any supportive housing program anywhere in the United States.
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Case Studies and Evaluations (By State)

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For information on California’s Supportive Housing Initiative Act (SHIA), visit the California Department of Mental Health website: www.dmh.ca.gov/PGRE/suphousing.asp.

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Illinois:

Michigan:

Proscio, Tony. Forming an Effective Supportive Housing Consortium. New York: Corporation for Supportive Housing, 2000. (Available at www.csh.org. See also two companion volumes based on the experience of the Michigan Supportive Housing Demonstration Program: Providing Services in Supportive Housing and Developing and Managing Supportive Housing.)

Minnesota:
“Design for a New Partnership: A Pilot Project to Integrate Housing, Support Services and Managed Health Care (Report to the Design Team of the Supportive Housing and Managed Care Pilot).” Minneapolis: Corporation for Supportive Housing, 1997.
Minnesota Department of Human Services, Economic and Community Support Strategies. “The Supportive Housing and Managed Care Pilot, Reports to the Legislature.” December 2001 and December 2002. (For more information, visit: www.dhs.state.mn.us/ecs/default.htm.)


**New Jersey:**

**New York:**


Straka, Doreen, Constance Tempel, and Elena Epstein. Supportive Housing for Youth: A Background of the Issues in the Design and Development of Supportive Housing for Homeless Youth. New York: Corporation for Supportive Housing, 2002. (Available at www.csh.org.)

Supportive Housing Network of New York. The Blueprint to End Homelessness in New York. New York: Supportive Housing Network of New York, 2002. (For more information, visit: www.shnny.org.)

**Ohio:**
Community Shelter Board. Rebuilding Lives: Status Report. Columbus, OH: Community Shelter Board, 2002. (For this and other reports on ending homelessness in Ohio, visit: www.csb.org/Publications/publications.htm.)

Community Shelter Board. Shelter Certification and Program Reviews: Final Report. Columbus, OH: Community Shelter Board, 2001. (This report and other quality assurance tools and shelter resources can be found at: www.csb.org/Agency_Resources/agency_resources.htm.)

**General Reports:**


“The Olmstead Decision and Housing: Opportunity Knocks.” A special issue of Opening Doors (Issue 12, December 2000). (Available at www.c-c-d.org/od-dec00.htm.)


For additional resources, the National Resource Center on Homelessness and Mental Illness has posted a series of bibliographies to the Web. Visit: www.nrchmi.com/bibliographies/default.asp.

For additional publications related to supportive housing, see the Publications List at the end of this report, or visit CSH’s online Resource Library at www.csh.org.
About the Authors

Debbie Greiff is the founder of Debbie Greiff Consulting, which specializes in assisting communities, collaboratives and organizations to build their capacity for community learning and change. She provides consultation and technical assistance directly to organizations, through intermediary organizations and on behalf of foundations involved in community and system change efforts in the areas of: supportive housing; community building and economic development; health care; child care and youth development; comprehensive, integrated services for youth and families; and community responsive philanthropy.

Tony Proscio is a writer and consultant to foundations and nonprofit organizations. In the mid-1990s he was deputy commissioner of homeless services in New York City, and previously worked in various positions on community development, affordable housing finance, and social welfare policy. He was associate editor of The Miami Herald and a member of its editorial board from 1990 to 1995.

Carol Wilkins is Director of Intergovernmental Policy with the Corporation for Supportive Housing. She has more than 20 years of experience in public finance, human services and policy work, including work with the California Legislature's Office of the Legislative Analyst, the State Assembly Ways and Means Committee, as Deputy Mayor of Finance in San Francisco, and as Finance Director for the San Francisco Housing Authority.
CSH Publications

In advancing our mission, the Corporation for Supportive Housing publishes reports, studies and manuals aimed at helping nonprofits and government develop new and better ways to meet the health, housing and employment needs of those at the fringes of society.

Laying a New Foundation: Changing the Systems that Create and Sustain Supportive Housing
Written by Debbie Greiff, Tony Proscio and Carol Wilkens. 2003; 64 pages.
Price: $5 or download for FREE at www.csh.org.
This report draws on CSH’s decade of experience in advocacy and policy work to describe what successful public systems for creating supportive housing might look like—and how to build them. Its lessons include a discussion of ten “building blocks” that have helped change systems.

Developing the “Support” in Supportive Housing
Written by Tony Hannigan and Suzanne Wagner. 2003; 206 pages.
Price: $15 or download for FREE at www.csh.org.
A guide to providing services in housing. This manual addresses core housing tenancy and service delivery issues, with details on employment, mental health, HIV/AIDS and substance use services, as well as chapters on community building and facing crisis and conflict.

The Monmouth County Supportive Housing Collaboration Two-Year Evaluation Written by Tony Proscio. 2002; 72 pages.
Price: $5 or download for FREE at www.csh.org.
This report concentrates on the process of improving interagency and intergovernmental cooperation for the purpose of creating long-term solutions to the housing and human service needs of residents with special needs in Monmouth County, New Jersey.

Connecticut Supportive Housing Demonstration Program—2001 Program Evaluation Report
Commissioned by CSH; Prepared by Arthur Andersen LLP. University of Pennsylvania Health System, Department of Psychiatry, Center for Mental Health Policy and Services Research. 2001; 142 pages. Price: $5
The second annual evaluation of the statewide Connecticut Demonstration Program that created nearly 300 units of supportive housing in nine developments across the state in terms of tenant satisfaction, community impact—both economic and aesthetic, property values, and use of services once tenants were stably housed.

Family Matters: A Guide to Developing Family Supportive Housing
Written by Ellen Hart Shegos. 2001; 346 pages.
Price: $15 or download PDF files for FREE at www.csh.org.
This manual is designed for service providers and housing developers who want to tackle the challenge of developing permanent supportive housing for chronically homeless families. The manual will provide information on the development process from project conception through construction and rent-up. It also discusses alternatives to new construction such as leased housing. It contains practical tools to guide decision making about housing models, picking partners and service strategies.

A History of The New York/New York Agreement to House Homeless Mentally Ill Individuals
Written by Ted Houghton. 2001
Price: $5 or download PDF file for FREE at www.csh.org.
This document provides a description and history of the New York/New York Agreement to House Homeless Mentally Ill Individuals, signed in 1990 by the City and State of New York.

The New York/New York Agreement Cost Study: The Impact of Supportive Housing on Services Use for Homeless Mentally Ill Individuals
Written by Kay E. Sherwood. 2001
Price: $5 or download PDF file for FREE at www.csh.org.

Price: $15 or download PDF files for FREE at www.csh.org.
This manual offers some basic information about the laws that pertain to supportive housing and sets out ways to identify and think through issues to make better use of professional counsel. It also offers reasonable approaches to resolving common dilemmas.

Keeping the Door Open to People with Drug Problems — Volumes I, II and III
Written by Wendy Fleischer, Juliane Dressner, Nina Herzog and Alison Hong. 2001; 180 pages.
Price: $5 Each or download PDF files for FREE at www.csh.org.
This three-part guide offers employment program managers and staff encouragement, strategies and tips for serving people with drug problems. The guide is divided into three volumes to make it easy to read for busy practitioners. Volume I is written with managers in mind. It focuses on the systems needed to train, manage and support staff in a program serving people with drug problems. Volume II is targeted to employment program staff. It covers basic information about drug addiction and treatment, and offers tips for working with people, including sample dialogues and forms. Volume III is focused on employment programs operating in public housing. It discusses the related housing policies and regulations, and some of the challenges and opportunities provided by the public housing context.

The Network: Health, Housing and Integrated Services Best Practices and Lessons Learned
Written by Gerald Lenoir. 2000; 191 pages.
Price: $5 or download PDF file for FREE at www.csh.org.
This report summarizes the principles, policies, procedures and practices used by housing and service providers that have proven to be effective in serving health, housing and integrated services tenants where they live.

Closer to Home: Interim Housing for Long-Term Shelter Residents: A Study of the Kelly Hotel
Written by Susan M. Barrow, Ph.D. and Gloria Soto Rodriguez. 2000; 65 pages.
Price: $5 or download PDF file for FREE at www.csh.org.
Evidence that a subgroup of homeless individuals have become long-term residents of NYC shelter has spurred a search for new approaches to engaging them in services and providing appropriate housing alternatives. The Kelly Hotel Transitional Living Community, developed by the Center for Urban Community Services with first year funding from the Corporation for Supportive Housing, is one pioneering effort to help mentally ill long-term shelter residents obtain housing.
Forming an Effective Supportive Housing Consortium, Providing Services in Supportive Housing, and Developing and Managing Supportive Housing
Written by Tony Proscio. 2000; 136 pages.
Price: $5 Each or download PDF files for FREE at www.csh.org.
These three manuals are designed to assist local communities and service and housing organizations to better understand the local planning consortium, service delivery and funding, and supportive housing development and financing.

Landlord, Service Provider...and Employer: Hiring and Promoting Tenants at Lakefront SRO
Price: $5 or download PDF file for FREE at www.csh.org
This essay provides a close look at Lakefront SRO’s program of in-house tenant employment, as a guide for other supportive housing programs that either hire their own tenants or might want to do so. The lessons of Landlord, Service Provider...and Employer are also of potential interest to affordable housing programs whose tenants could become valuable employees given sufficient encouragement, training and clear policies.

The Next Wave: Employing People with Multiple Barriers to Work: Policy Lessons from the Next Step: Jobs Initiative
Price: $5 or download PDF file for FREE at www.csh.org
The Next Step: Jobs initiative tested the premise that a range of employment services targeted to supportive housing tenants can help them access employment. It used supportive housing as the focal point for deploying a range of services to address the multiple barriers to employment that tenants face. It also capitalizes on the residential stability and sense of community that supportive housing offers.

Between the Lines: A Question and Answer Guide on Legal Issues in Supportive Housing – California Edition
Price: $15 or download PDF files for FREE at www.csh.org
This manual offers some basic information about the laws that pertain to supportive housing and sets out ways to identify and think through issues so as to make better use of professional counsel. It also offers reasonable approaches to resolving common dilemmas.

Supportive Housing and Its Impact on the Public Health Crisis of Homelessness
Written by Tony Proscio. 2000; 40 pages.
Price: $5 or download PDF file for FREE at www.csh.org
This publication announces the results of research done between 1996 and 2000 on more than 200 people who have lived at the Canon Kip Community House and the Lyric Hotel in California. It also looks at pre-occupancy and post-occupancy use of emergency rooms and inpatient care.

Vocationalizing the Home Front: Promising Practices in Place-Based Employment
Written by Paul Parkhill. 2000; 79 pages.
Price: $5 or download PDF file for FREE at www.csh.org
Accessibility, inclusiveness, flexibility, coordinated, integrated approach to services, high-quality, long-term employment, and linkages to private and public sectors are hallmarks of a new place-based strategy to help people with multiple barriers to work find and keep employment. The 21 place-based employment programs featured in this report represent some of the most comprehensive and innovative approaches to employing persons who are homeless, former and current substance abusers, individuals with HIV/AIDS, those with physical and psychiatric disabilities and other challenges.

Connecticut Supportive Housing Demonstration Program—Program Evaluation Report
Commissioned by CSH. Prepared by Arthur Andersen LLP; University of Pennsylvania Health System, Department of Psychiatry, Center for Mental Health Policy and Services Research, Kay E. Sherwood, TWR Consulting. 1999; Executive Summary, 32 pages. Complete Report, 208 pages.
Executive Summary Price: $5 Complete Report Price: $15
This report evaluates the Statewide Connecticut Demonstration Program which created nearly 300 units of supportive housing in nine developments across the state in terms of tenant satisfaction and community impact—both economic and aesthetic—property values and use of services once tenants were stably housed.

The Next Step: Jobs Initiative Cost-Effectiveness Analysis
The report constitutes early findings from a cost-effectiveness evaluation by Abt Associates of the Next Step: Jobs initiative, which provided targeted services aimed at increasing supportive housing tenants’ employment opportunities.

Under One Roof: Lessons Learned from Co-locating Overnight, Transitional and Permanent Housing at Deborah’s Place II
This case study examines Deborah’s Place II in Chicago, which combines three levels of care and service at one site with the aim of allowing homeless women with mental illness and other disabilities to move towards the greatest independence possible, without losing the support they need to remain stable.

Work in Progress 2: An Interim Report on Next Step: Jobs
Work in Progress 2 describes the early progress of the Next Step: Jobs initiative in helping supportive housing providers “vocationalize” their residences—that is, to make working and the opportunity to work part of the daily routine and normal expectation of many, even most, residents.

A Time to Build Up
Commissioned by CSH, written by Kitty Barnes. 1998; 44 pages. Price: $5
A Time to Build Up is a narrative account of the lessons learned from the first two years of the three-year CSH New York Capacity Building Program. Developed as a demonstration project, the Program’s immediate aim is to help participating agencies build their organizational infrastructure so that they are better able to plan, develop and maintain housing, with services for people with special needs.

Next Door: A Concept Paper for Place-Based Employment Initiatives
This report explores the applicability of place-based employment strategies tested in supportive housing to other buildings and neighborhoods in need of enhanced employment opportunities for local residents. Funded by the Rockefeller Foundation, the report explores transferring the lessons learned from a three-year supportive housing employment program to the neighborhoods “next door.”

Not a Solo Act: Creating Successful Partnerships to Develop and Operate Supportive Housing
Written by Sue Reynolds in collaboration with Lisa Hamburger of CSH. 1997; 146 pages. Price: $15
Since the development and operation of supportive housing requires expertise in housing development, support service delivery and tenant-sensitive property management, nonprofit sponsors are rarely able to “go it alone.” This how-to manual is a guide to creating successful collaborations between two or more organizations in order to effectively and efficiently fill these disparate roles.
Work in Progress… An Interim Report from the Next Step: Jobs Initiative 1997; 54 pages. Price: $5
This report provides interim findings from CSH’s Next Step: Jobs initiative, a three-city Rockefeller Foundation-funded demonstration program aimed at increasing tenant employment in supportive housing. It reflects insights offered by tenants and staff from 20 organizations based in Chicago, New York City and the San Francisco Bay Area who participated in a mid-program conference in October, 1996.

This evaluation examines low-demand interim housing programs, which were developed by nonprofits concerned about how to help homeless people living on the streets who are not yet ready to live in permanent housing. Funded by the Conrad N. Hilton Foundation, this report is a 15-month study of six New York interim housing programs.

This educational video is aimed at helping nonprofit sponsors explain supportive housing to members of the community, government representatives, funders and the media. It features projects and tenants in New York, Chicago and San Francisco and interviews a broad spectrum of supporters, including police, neighbors, merchants, politicians, tenants and nonprofit providers.

This manual was developed by the architectural firm Gran Sultan Associates in collaboration with CSH and the New York State office of Mental Health to illustrate an adaptable prototype for single room occupancy residences for people with chronic mental illnesses. Included are eight prototype building designs, a layout for a central kitchen, recommendations on materials, finishes and building systems, and other information of interest to supportive housing providers, architects and funding agencies.

Employing the Formerly Homeless: Adding Employment to the Mix of Housing and Services Commissioned by CSH, written by Basil Whiting. 1994; 73 pages. Price: $5
Funded by the Rockefeller Foundation, this report explores the advisability of implementing a national employment demonstration program for the tenants of supportive housing. The paper is based on a series of interviews with organizations engaged in housing, social service and employment projects in New York City, the San Francisco Bay Area, Washington, DC, Chicago and Minneapolis/St. Paul, as well as a body of literature on programs aimed at alleviating the plight of homelessness.

Miracle on 43rd Street August 3, 1997 and December 26, 1999. 60 Minutes feature on supportive housing as embodied in the Times Square and the Prince George in New York City. To purchase VHS copies, call 1-800-848-3256; for transcripts, call 1-800-777-8398.

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Please visit our Web site at www.csh.org. For more information contact info@csh.org

NATIONAL
Corporation for Supportive Housing
50 Broadway, 17th Floor
New York, NY 10004
TEL.: (212) 986-2966
FAX: (212) 986-6552
information@csh.org

CALIFORNIA
Corporation for Supportive Housing
1330 Broadway, Suite 601
Oakland, CA 94612
TEL.: (510) 251-1910
FAX: (510) 251-5954
california@csh.org

CALIFORNIA SATELLITE OFFICE
Fresno/Madera Counties
550 E. Shaw Ave., Suite 255
Fresno, CA 93710
TEL.: (559) 241-6528
FAX: (559) 241-6543
fresno@csh.org

CALIFORNIA SATELLITE OFFICE
Los Angeles
548 S. Spring St., Suite 301
Los Angeles, CA 90013
TEL.: (213) 623-4342
FAX: (213) 623-4382
laca@csh.org

CALIFORNIA SATELLITE OFFICE
Sacramento County
Corporation for Supportive Housing
c/o PCL
926 J Street, Suite 809
Sacramento, CA 95814
TEL.: (916) 313-5803
FAX: (916) 313-4527
saca@csh.org

CALIFORNIA SATELLITE OFFICE
San Diego County
Corporation for Supportive Housing
1901 First Ave., 2nd Floor
San Diego, CA 92101
TEL.: (619) 232-3197
FAX: (619) 232-3125
sdca@csh.org

CALIFORNIA SATELLITE OFFICE
San Mateo/Santa Clara Counties
Corporation for Supportive Housing
795 Willow Road
Building 323, Room E-101
Menlo Park, CA 94025
TEL.: (650) 289-0104
FAX: (650) 289-0105
mpca@csh.org

ILLINOIS
Corporation for Supportive Housing
1 North LaSalle, 12th Floor
Chicago, IL 60602
TEL.: (312) 697-6125
FAX: (312) 697-6125
il@csh.org

MICHIGAN
Corporation for Supportive Housing
10327 E. Grand River Ave.
Suite 409
Brighton, MI 48116
TEL.: (810) 229-7712
FAX: (810) 229-7743
mi@csh.org

MICHIGAN SATELLITE OFFICE
Detroit
3028 West Grand Blvd.
Suite 4-600
Detroit, MI 48202
TEL.: (313) 456-3607
FAX: (313) 456-3329
mi@csh.org

MICHIGAN SATELLITE OFFICE
Grand Rapids
313 South Division Ave.
Grand Rapids, MI 49503
TEL.: (616) 459-8852
FAX: (616) 459-8922
mrgp@csh.org

MINNESOTA
Corporation for Supportive Housing
2801 – 21st Avenue South, Suite 220
Minneapolis, MN 55407
TEL.: (612) 721-3700
FAX: (612) 721-9903
mn@csh.org

NEW JERSEY
Corporation for Supportive Housing
162 West State Street
Trenton, NJ 08608
TEL.: (609) 392-7820
FAX: (609) 392-7818
nj@csh.org

NEW YORK
Corporation for Supportive Housing
50 Broadway, 17th Floor
New York, NY 10004
TEL.: (212) 986-2966
FAX: (212) 986-6552
ny@csh.org

OHIO
Corporation for Supportive Housing
40 West Long St.
Columbus, OH 43215
TEL.: (614) 228-6263
FAX: (614) 228-8997
oh@csh.org

SOUTHERN NEW ENGLAND
129 Church Street
Suite 608
New Haven, CT 06510
TEL.: (203) 789-0826
FAX: (203) 789-8093
ct@csh.org

WASHINGTON, DC (Policy Unit)
Corporation for Supportive Housing
c/o National Alliance to End Homelessness
1518 K Street, NW, Suite 201
Washington, DC 20005
TEL.: (202) 393-1948
FAX: (202) 393-4326
info@csh.org

Our Mission

CSH helps communities create permanent housing with services to prevent and end homelessness.