

Chapter 10: Moving On Costs and Funding Strategies

From housing vouchers to transitional services to tenant and landlord incentives, Moving On programs can require a substantial investment in resources and personnel depending on the scope of the program. However, with the total cost (service and housing) of supportive housing ranging between \$18,000 and \$30,000 per year per tenant, the potential cost savings achieved by freeing up just a handful of units are significant and well worth the investment. This chapter discusses some of the costs (non-voucher related) associated with launching and maintaining a Moving On program and offers possible funding strategies.

Service Costs and Provider Incentives

Depending on the scope of the program, launching a Moving On program may require significant staff resources that exceed the existing service capacity of most supportive housing providers. For that reason, many Moving On programs involve some start-up funding for providers to support services, including outreach, assessment, preparation, transition services and aftercare. Seed funding may be especially critical during the first few years of operation when there may be a backlog of tenants living in supportive housing willing and able to move on. Once this pent-up demand is fulfilled, ongoing year-to-year Move-On rates should stabilize to around 5 to 10 percent of the tenant population, requiring less staff resources.

To cover some of these costs, many Moving On programs offer service grants to providers secured through private foundations or public agencies (e.g., department of homeless services, department of human services). Agencies can use these starter grants to build their initial capacity and an infrastructure to operate a Moving On program (staffing, staff training, housing locator services, administration, data tracking tools, client assistance funds, partnerships, etc.). As move outs decrease and stabilize over time, agencies can build off the existing infrastructure to continue these efforts with less investment. Some programs have been able to sustain programs using peer support specialists (including Moving On alumni) or even volunteers to support some of the ongoing services.

The Los Angeles Moving On program partnered with the Hilton Foundation to award \$125,000 in grant funding to three providers participating in the Moving On initiative. For each tenant that was moved on from supportive housing, grantees received \$1500 per tenant to cover services. Similarly, in the first New York Moving On initiative, funded through the Robert Wood Johnson Foundation, providers received a \$2,000 bonus for every supportive housing tenant they moved on. The current New York Moving On program is partnering with the Robin Hood Foundation to provide a one-time grant of \$75,000 to participating providers to transition 25 tenants out of supportive housing. This

grant is meant to cover both service costs as well as tenant moving costs. In the Ohio Unified Supportive Housing System Moving Up pilot, providers were given a housing incentive of \$675 for each tenant successfully transitioned who maintained housing for at least 90 days. While grant funding for services is helpful, there are examples of successful Moving On initiatives ó like those in Atlanta and Detroit ó that do not include any services funding.

Tenant incentives

In addition to service costs, many programs provide tenant stipends to help cover the costs associated with moving (moving truck, purchasing furniture, appliances, utility deposits, security deposit). Given that most supportive housing tenants do not have substantial savings and often cannot afford the up-front costs of moving, these stipends are a critical tool for motivating tenants. Tenant stipends typically range anywhere between \$1,000 and \$2500. These stipends are usually covered through grants from private foundations or public agencies. In cases where grants were not available, programs have turned to churches or other faith-based organizations to donate furniture, appliances and other items to defray moving costs.

Landlord incentives

In communities with particularly tight housing markets, programs should consider incorporating landlord incentives to help tenants secure affordable housing. These stipends may be coupled with service agreements or MOUs between providers and landlords that outline a commitment of limited aftercare services, crisis intervention supports or rent guarantees for tenants they accept into housing. While we are not aware of any Moving On initiatives that have attempted this strategy, other housing programs using this approach have offered incentives ranging anywhere between \$1000 to \$2000.

Los Angeles “Pay It Forward” Fund

The Los Angeles Moving On program created the “Pay it Forward” fund to create a sustainable pool to cover security deposits for tenants moving on from supportive housing. Tenants apply for funds to cover the security deposit for a new unit. For two years after the move occurs, the program provides financial literacy training and periodic check-ins. For those that can afford it, participants are asked to make voluntary contributions to the fund to help future Moving On tenants.

[Chapter 11: Backfilling Units](#)