



# HUD NEWS

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## **NEW HUD REPORT FINDS HOMELESS FAMILIES OFFERED VOUCHERS FARE BETTER THAN FAMILIES PROVIDED OTHER ASSISTANCE**

*Costs of voucher comparable to or substantially less than other options*

WASHINGTON – Each year, it’s estimated that more than 150,000 families experience homelessness and are forced to seek emergency shelter for themselves and their children<sup>[1]</sup>. Today, the U.S. Department of Housing and Urban Development (HUD) published the short-term results of a study designed to examine how homeless families in emergency shelter responded to various interventions designed to help them exit homelessness. HUD’s [\*Family Options Study\*](#) found that 18 months after enrolling into the study and being randomly assigned to one of four interventions, the families offered a housing voucher experienced significantly better outcomes than those families randomly assigned to any of the three other options.

HUD discovered that families offered a *Housing Choice Voucher* were less likely to reenter homelessness or experience housing instability, and experienced reduced school mobility for their children. When compared to families who elected to remain in emergency shelter, families offered a voucher also experienced significant reductions in child separations from parents; adult psychological distress; domestic violence; and food insecurity. HUD also found that the costs of the voucher were comparable to or substantially less than the other interventions over the course of the follow-up period.

“The results of this study demonstrate the wide-ranging benefits of supporting families experiencing homelessness with stable and enduring rental assistance—such as the assistance provided through our Housing Choice Voucher Program,” said Kathy O’Regan, HUD’s Assistant Secretary of Policy Development and Research. “We will continue to study the efficacy of these interventions to see if the longer term outcomes mirror those we see in the short term.”

HUD will host a briefing to present the report’s findings at 1 p.m. EDT on Wednesday, July 8<sup>th</sup>. [This briefing will be webcast live, and will be available to access on HUD’s website.](#) Following this briefing, the briefing will be available on [HUD’s YouTube channel.](#)

### **Methodology**

Over an 18-month period (between September of 2010 and January 2012), a total of 2,282 homeless families (including more than 5,000 children) enrolled into the study from emergency shelters in 12 communities nationwide:

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

These families were randomly assigned to one of four interventions:

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

Random assignment provided families with a direct referral to one of four different interventions—but families were not *required* to accept this referral and were free to pursue alternate arrangements. HUD measured outcomes for families in five domains: housing stability, family preservation, adult well-being, child well-being, and self-sufficiency, and compared the outcomes of families assigned to each of the four interventions. Extensive data has been collected from the head of household, as well as from children directly, through surveys or direct child/parent observation in the home. Impacts shared in this new report document the outcomes of families roughly 18 months after random assignment, but HUD is continuing to follow the families for at least three years and will report on the 36 month outcomes in 2017.

### **Major Findings: 18-Months Later**

- Families offered a Housing Choice Voucher experienced significantly less homelessness and housing instability than families offered any of the other interventions.
- When compared to families assigned to usual care, families offered a Housing Choice Voucher experienced significant reductions in subsequent homelessness; housing and school mobility; child separations from parents; adult psychological distress; domestic violence; and food insecurity.
- The total costs incurred by families assigned to the Housing Choice Voucher intervention were comparable to the costs incurred by families assigned to usual care, slightly higher than the costs of families assigned to community-based rapid re-housing, and substantially lower than the costs of families assigned to project-based transitional housing.
- Families randomly assigned to community-based rapid re-housing experienced similar outcomes to those families who were assigned to usual care, achieving no statistically significant reductions in subsequent

emergency shelter use or housing mobility.

- Families randomly assigned to project-based transitional housing with intensive support services experienced reductions in emergency shelter use relative to families assigned to usual care, but achieved no better non-housing outcomes.
- Emergency shelter programs had the highest average per-family monthly costs of approximately \$4,800, compared to transitional housing at \$2,700, a voucher at \$1,160 per month, and rapid re-housing at \$880 per month.

## **Policy Implications**

On a single night in January 2014, volunteers across the country counted more than 216,000 people in just over 68,000 families who were experiencing homelessness in shelters or on the streets, representing 37 percent of all homeless persons.<sup>[2]</sup> [\*Opening Doors: The Federal Strategy Plan to End Homelessness\*](#) establishes an ambitious goal to prevent and end homelessness among children, families and youth by 2020. Until now, there has been little empirical evidence comparing outcomes among various interventions designed to address homelessness among families to guide policy and decision makers.

HUD's 18-month evaluation findings offer striking evidence that offering homeless families a voucher yields measurably better outcomes at similar or even lower costs than the other interventions. Due to recent evidence documenting the high costs of transitional housing, HUD has encouraged local communities to review, and likely reduce, the number of transitional housing beds they support. Findings from HUD's *Family Options Study* will likely continue the Department's effort to press state and local planners to target their limited resources to those strategies that demonstrate the best outcomes for families and their **children**.