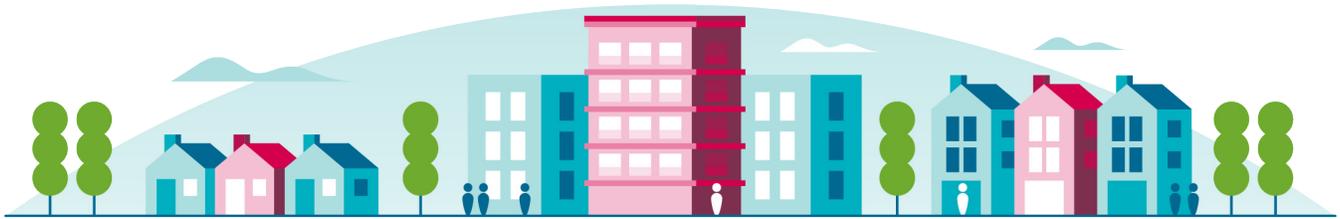


A Centralized Approach:

Using a scaled model of diversion to address homelessness in King County



The **Centralized Diversion Fund (CDF)** is a common-sense, cost-effective solution to homelessness that is transforming lives and strengthening communities in King County. It is the mechanism for supporting the strategy of **Diversion**, a core response to the county's state of emergency on homelessness.

In little more than a year, the CDF—operated by Africatown International, a local nonprofit with deep connections to communities of color—**has helped more than 540 families and individuals in King County successfully exit homelessness** by providing fast and simple access to funds they need to secure a safe and stable place to live.

By increasing housing options for people in historically underserved communities, the CDF also is helping **reduce racial disparities in homeless services and housing outcomes**, thereby mitigating some of the effects of systemic racism in King County.

The infrastructure for the CDF already is in place. It is helping people get stably housed right now. But unless new public and/or private funding is secured for the CDF, our momentum of progress will be lost. We cannot let that happen—especially during this critical time of COVID-19 when an increasing number of people are losing their homes and will need more help, not less.



of those who obtained financial assistance through the CDF successfully exited homelessness to permanent housing¹



of those served through CDF are people of color²



Many King County citizens have been left reeling from the disproportionate economic and health devastations brought about by COVID-19. This is precisely the time we need to sustain a solution to homelessness that we already know is working effectively in our communities and helping to advance racial equity.

D'Artagnan Caliman, Executive Director, Building Changes



¹ Building Changes analysis of Homeless Management Information System raw data, obtained June 2020 from Africatown International.

² CDF project data, as of August 25, 2020. Percentage based on the 557 households for which race/ethnicity data was available.

BENEFITS OF THE CENTRALIZED DIVERSION FUND



Expands Options for Exiting Homelessness

- Identifies creative housing solutions outside of the conventional supports offered through the homeless system
- Gives people hope at a time the homeless system is woefully under-resourced



Addresses Racial Disparities and Systemic Racism

- Expands access to homeless services for people in communities that historically have been underserved
- Supports people of color to receive homeless services from trusted organizations within their own communities
- Strengthens the capacity of community-based agencies that primarily serve people of color



I had a client, a mother with four kids, and the whole family was living in a car, sleeping in a car, because they had to immediately move out of the unsafe living situation they were in. She had to go to a friend's house just so she could give her kids a bath. She had a job but couldn't afford the upfront costs to move into a new place. The lady calls me crying one day, and I'm able to tell her about this fund that can help her with those move-in costs. When the mom came to meet me, all four of her kids were with her, too, because they had nowhere else to go. About 24 hours after our meeting, I submitted a funds request to the CDF, and about eight hours later, the lady got her check. She was so happy. She hugged me and said, 'Oh my God, you saved my life!'

Vanessa Kukelemeya, Housing Navigator, Therapeutic Health Systems





Gets People Housed Quickly

- Disburses funds that people need to secure permanent housing, often within 24 hours of the funds request



Simplifies and Standardizes Processes

- Operates through a single entity, which reduces administrative burden on direct-service providers
- Places no arbitrary caps on the amount of financial assistance people can receive in support of their pursuit to become housed



I don't like to engage in 'comparative suffering' with my clients. Having no monetary cap on the funds recognizes that people have different needs—it validates their needs. The fact that one of my clients needs \$100 or \$500 more than another, well, that should not mean I cannot help her. We have to recognize that people desperately need housing, whatever it takes.

Mobile/Community Advocate for DAWN, which serves survivors of domestic abuse in South King County

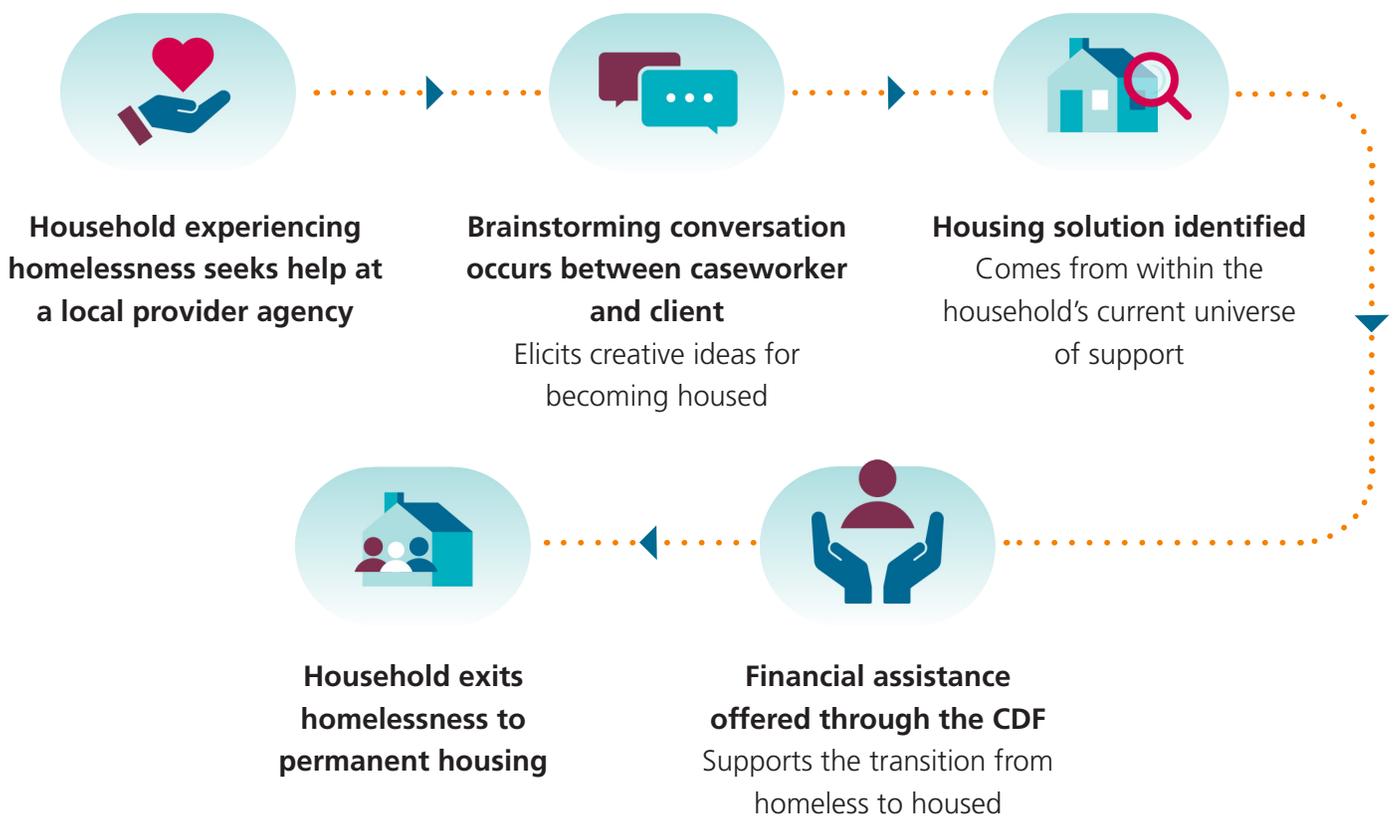


DIVERSION: AT THE HEART OF THE CENTRALIZED DIVERSION FUND

Diversion is more than just the CDF's middle name. It is a promising homelessness strategy that **capitalizes on people's strengths** to resolve their housing crisis successfully.

Diversion is particularly effective for families, individuals, and young people who likely would not otherwise receive housing assistance from the homeless system due to prioritization of services and the scarcity of resources. Sustaining the CDF would cement Diversion as a core response to homelessness in King County.

How Diversion Works



I had a client who came to us after he was asked to leave his foster home. He had a job and some income, but no idea how to navigate the housing system, which can be so complex. This was his first time being homeless. It was a shock and draining on him. In our Diversion conversation, I tried to make him feel comfortable. I asked him what he needed and let him lead our conversation. We wrote a budget together, figured out who supported him in the community, and identified what was realistic for him in terms of housing with Seattle rental prices being what they are.

Charese Jones, Senior Program Manager of Engagement Services, YouthCare's Orion Center



SUCCESSSES OF DIVERSION

In 2018, Building Changes evaluated two Family Homelessness Initiative Diversion pilots in King and Pierce counties. The research found that **Diversion offered a permanent, cost-effective solution to family homelessness, and reduced the amount of time that families stay homeless.**



Among those able to secure housing through Diversion, the vast majority remained housed.



did not return to homelessness within six months



did not return to homelessness within one year



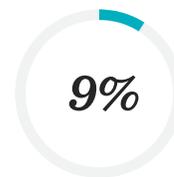
Most of the families successfully housed through Diversion moved into their own rental unit without subsidy.



in a rental, no subsidy



in a rental, with subsidy



living with family/friends permanently



Costs to successfully house a family through Diversion were far less, when compared to other interventions.

\$1,668

Diversion

\$10,641

Emergency Shelter

\$10,743

Transitional Housing

\$14,407

Rapid Re-Housing



Families spent less time homeless when they pursued Diversion as an approach for getting housed, when compared to other interventions.

37 days

Diversion

69 days

Emergency Shelter

211 days

Rapid Re-Housing

443 days

Transitional Housing



I work with young people up to age 25, and for some of them, this housing will be the first thing stable in their lives ever, or at least for a long time. I don't want them bouncing back and forth, in and out of housing. That's not the goal. I want to make sure they are signing appropriate leases so they are set up for long-term success.

Charese Jones, Senior Program Manager of Engagement Services, YouthCare's Orion Center

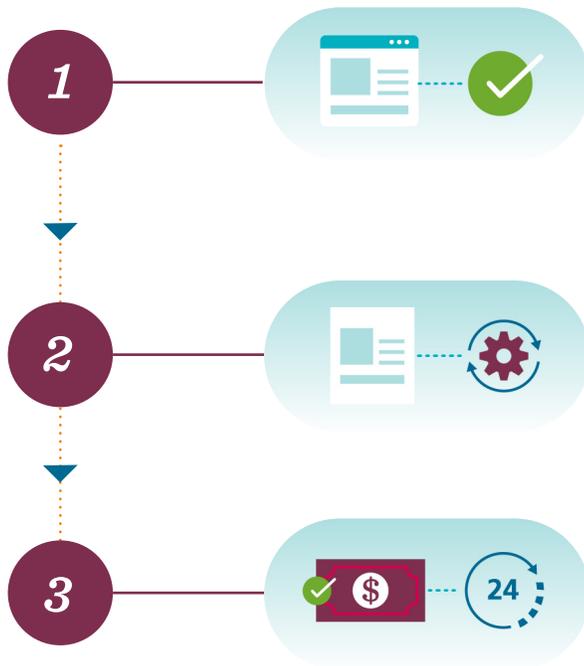


For an overview of the Building Changes evaluation, including data citations, go to: bit.ly/bc-diversion-overview

CENTRALIZED ADMINISTRATION

With about 100 provider agencies in King County offering Diversion to their clients, **administering the CDF through a single operating entity**—Africatown International—has proven efficient.

How CDF Operates



On behalf of the client household, provider agency makes request for one-time financial assistance from the CDF

Provider fills out a simple CDF funding request form, which is accessible through the Africatown website

Africatown processes the funding request

Determines whether it should be approved or requests supplemental information from the provider

Africatown disburses the funds to help the household exit homelessness quickly and successfully

Often can cut a check within 24 hours of receiving funding request



I work with survivors of domestic abuse who may be in very lethal situations. Urgency can make the difference between life and death. For example, a client may need some funds in order to flee to another city or state—wherever safe housing and support is available to her. Once, it was another country and I submitted a request to the CDF so my client could obtain an international passport. The speed at which I am able to get funds from Africatown to support my clients is life-saving.

Mobile/Community Advocate for DAWN

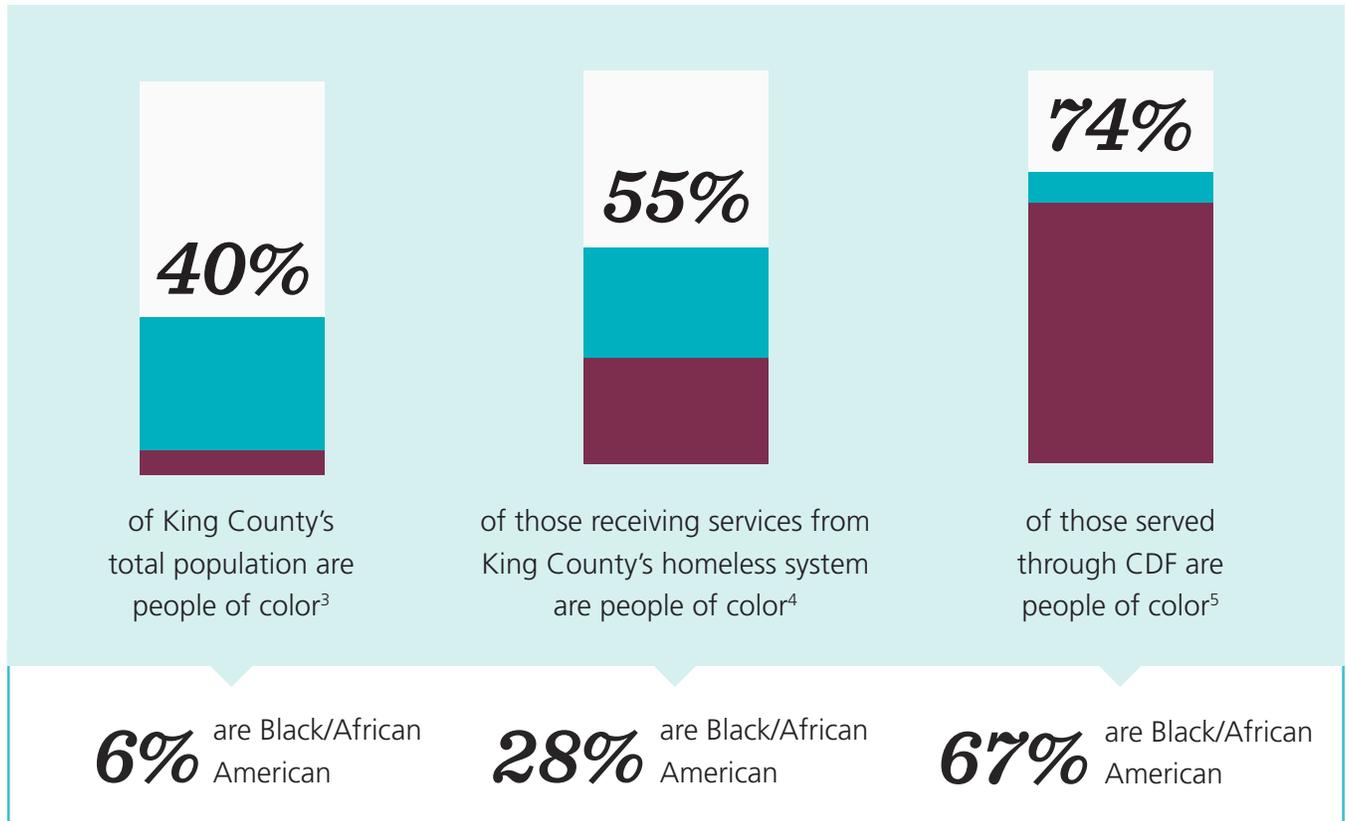


As the CDF administrator, Africatown applies strict controls and protocols to ensure that dollars from the Fund are disbursed with fidelity, and spent in ways that directly result in people becoming housed. Africatown doesn't communicate directly with a provider agency's client household. Instead, Africatown works with the case manager, who does the homework and legwork necessary for Africatown to properly process the funding request, such as verifying sources of income.

By having a centralized model, local direct-service providers are relieved of undue administrative burden and instead can focus on what they do best—**serve people and support communities.**

ADDRESSING RACIAL DISPARITIES AND SYSTEMIC RACISM

The CDF is particularly effective at **reaching people in historically underserved communities** where rates of homelessness are disproportionately high. By increasing housing options to people of color, the CDF reveals itself as a model for reducing racial disparities in homeless services and housing outcomes, thereby mitigating some of the effects of racism in King County's homeless response system.



Prior to the CDF, only a handful of provider agencies—those tending to be larger and already offering homeless services—had been funded to do Diversion in Seattle and King County, severely limiting the number of people who could be served. Now, smaller nonprofits—including several that specifically serve people of color, new immigrants, and refugees—also can offer their clients the benefits of Diversion.



It is important to work with organizations that are led by people who share a historical experience with the people being served. This is important for representation and cultural capacity. It is not an empowering model for organizations serving people of color to be led by people who are not.

Yalonda Sinde, Finance Manager, Africatown International



³ 2014–2018 5-Year American Community Survey.

⁴ All Home King County, April 30, 2020.

⁵ CDF project data, as of August 25, 2020. Percentages based on the 557 households for which race/ethnicity data was available.

FLEX FUNDS: A CENTRAL PART OF THE SOLUTION

Funds from the CDF are flexible, meaning they are not weighed down with monetary caps or other arbitrary restrictions that limit their amount or what they can be spent on. The average amount disbursed through CDF, per household, is

\$2,135⁶

Top 3 Uses for Flex Funds



Move-in expenses

May include initial rent payment, security deposit, rental application fee



Payment on a previous housing debt

Helps clear a hurdle for future tenancy



Relocation assistance

Assists those who have secured housing outside of the region

Funds distributed through the CDF often are combined with other supports available in the community, as providers piece together whatever financial and other assistance they can in order to get their client permanently housed.



I was able to help out a young mother with three kids who had gotten behind on her rent and ended up getting evicted. The family was living on a temporary basis with an aunt who wanted them out. The mother found another community agency to help her clear up the eviction, and I was able to help by requesting funds from the CDF to cover her security deposit on a new place. There are only so many pots I can dip in for resources. The CDF fills the gaps.

Dorsey Garner, Counselor/Navigator, Compass Housing Alliance's adult shelter



⁶ CDF project data, as of August 25, 2020.

SUPPORT FOR THE CENTRALIZED DIVERSION FUND

The CDF is a glowing example of successful systems change—exactly the type of reform that King County citizens are demanding to address the region’s homeless crisis. Launched in December 2018, the CDF thus far has been supported through the foresight and generosity of a handful of **mostly private investors**.

The investments total \$1.66 million. Even at that level of support, however, the Fund is nearly depleted because so many people need the help that the CDF can provide. Public entities, including the King County Continuum of Care and the City of Seattle, have been supportive of the CDF—but only a smattering of public dollars have been directly invested in it.

Public entities need to step up now and dedicate a sustainable stream of funding to keep the CDF going. Doing so would evolve the CDF from a private “*ad hoc*” project to **a fully embedded response within King County’s homeless system**.



Pearl Jam’s Vitalogy Foundation

\$750,000



Family Homelessness Initiative, a project of Building Changes and the Bill & Melinda Gates Foundation

\$605,000



Schultz Family Foundation

\$250,000



King County

\$55,500



The Centralized Diversion Fund’s core goal is to make emergency funds as accessible as possible to those facing housing instability. By enabling a broad range of organizations most closely aligned with need to access the funds, it has been able to serve unstably housed BIPOC community members in a way that many other interventions have not. Through the leadership of Africatown and Building Changes, the Centralized Diversion Fund has exemplified the power of human centered design. As a breakthrough model that will serve as a best practice nationally, it is also a great example of how philanthropy, nonprofit service providers, and public agencies can innovate together.

Marie Groark, Director of Programs, Schultz Family Foundation





Africatown International

Africatown International is a community of problem solvers and innovators working together to address the longstanding educational, environmental, and economic crisis facing people of African descent.



All Home

All Home is the Continuum of Care for the Seattle/King County, WA region. All Home’s vision is that homelessness is rare, racial disparities are eliminated, and if one does experience homelessness, it is brief and only a one-time occurrence.



Building Changes

Building Changes works across and within systems to drive and promote equitable responses that address housing crises experienced by people in Washington State, with a focus on children, youth, and families.



Schultz Family Foundation

The Schultz Family Foundation works with like-minded and often unlikely partners to find, develop, and execute innovative, scalable solutions that untap potential, and foster economic and social mobility.



Vitalogy Foundation

The Vitalogy Foundation supports the efforts of non-profit organizations doing commendable work in the fields of community health, the environment, arts & education, and social change.



We started this project with the hypothesis that we would be extending the benefits of Diversion to clients of agencies that aren’t traditionally funded and we might be missing—in particular, those that do work in communities of color. Fortunately, our hypothesis has been proven correct.

Emily Harris-Shears, Senior Manager, Building Changes

