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LESSONS IN FAMILY HOMELESSNESS

Making homeless systems more equitable and effective



**BUILDING
CHANGES**

Topic: **Diversion**



Lessons in Family Homelessness

Five guiding principles to establish and elevate Diversion as a core approach to help families resolve a housing crisis:

1. **Make Diversion fundamental to the Coordinated Entry process.**
2. **Centralize the function of flex funds disbursement as a strategy to increase access to Diversion.**
3. **Adapt Diversion for use in service sectors outside of the traditional homeless system to reach more families in need of resolving a housing crisis.**
4. **Apply Diversion as a prevention approach to help families avoid homelessness altogether.**
5. **Prioritize investments to ensure that families led by BIPOC have equitable access to Diversion.**

Diversion is an innovative and effective approach that crisis response systems can use to help families¹ resolve a housing crisis quickly and permanently.

Through the Family Homelessness Initiative (FHI), Building Changes helped develop a Diversion model in King and Pierce Counties. Although the model has evolved to become tailored to each community and central to the region's overall response to homelessness, much more needs to be done to ensure that **families experiencing a housing crisis have unimpeded access to Diversion.**

¹ For purposes of this brief, **family** is defined as a household with at least one member under the age of 18 and at least one member aged 18 or older.

Diversion is not a practical solution for every family experiencing a housing crisis because each family's circumstance is different. But Diversion does give homeless systems—as well as other sectors that often serve families experiencing a housing crisis—an additional tool to help families become stably housed.

Diversion helps families identify realistic housing options from outside the homeless system, usually from within their existing universe of support. As a result of the under-resourcing of the homeless system and the inadequate supply of affordable housing, Diversion may represent a family's best and only chance to secure stable housing.

Diversion does not involve extensive case management. Instead, homeless systems and other sectors utilizing Diversion initiate **problem-solving conversations** with families in a housing crisis. Trained staff share their knowledge of the local housing landscape, and encourage families to bring to the surface their own creative ideas for becoming housed—even as those families are in the throes of crisis.

Staff sometimes will assist a family by mediating a dispute with a landlord, relative, or friend who can provide immediate housing. Staff also may access **flex funds as a one-time offer of financial assistance** to help a family transition successfully into stable housing. Flex funds typically are used to cover upfront move-in expenses, such as first and last months' rent, security deposit, or utility activation, that are beyond a family's existing financial means. In some cases, flex funds can be applied to pay down a previous housing debt to clear a hurdle for future tenancy. Flex funds even can pay for bus passes, car repairs, or child care expenses if that means helping a family maintain the income they need to move into housing.

Crisis creates a cloud over everything. My job is to help people pull ideas out of that cloud. Sometimes, a solution will just pop into their head.

Teona Kelley, Coordinated Entry Specialist, Associated Ministries

Building Changes is a nonprofit with extensive experience in testing, evaluating, and advocating for a wide range of strategies to reduce and prevent family homelessness in the state of Washington and across the nation.

With financial support from the Bill & Melinda Gates Foundation, Building Changes led the **Family Homelessness Initiative**, a decade-long intensive effort to create high-performing homeless systems in Washington's three most populous counties: King (Seattle), Pierce (Tacoma), and Snohomish (Everett). From 2011 through 2020, Building Changes assisted in the design and implementation of 79 projects totaling \$29.8 million.

On behalf of the State of Washington, Building Changes administers the **Washington Youth & Families Fund**, a public investment that supports innovative strategies to reduce family and youth homelessness across the entire state.



Lesson 1: Make Diversion fundamental to the Coordinated Entry process.

Featured Projects

- Diversion Pilot, Pierce County
- Diversion Pilot, King County

In 2014, Building Changes launched a pair of FHI projects with our partners in Pierce and King Counties to test the effectiveness of Diversion as an approach to help families exit homelessness. Our evaluation of those pilots revealed that families pursuing Diversion were able to obtain safe housing successfully about half the time (49%), in less time, and at a lower cost when compared to Rapid Re-Housing, emergency shelter, or transitional housing. Among the families that exited to housing, about three in four (76%) ended up in a rental unit with no ongoing housing subsidy. We also found the vast majority (82.6%) of families that obtained housing through Diversion did not return to homelessness within a year. This finding demonstrated the promise of Diversion as an approach to resolve a family's homelessness permanently.

An [overview](#) of the two Diversion pilots, including evaluation results, may be downloaded from the Building Changes website.

Subsequent to those projects, Pierce County became the first jurisdiction in Washington to **place Diversion at the front door of a homeless system**—fully integrating it into its Coordinated Entry process. Pierce County decision-makers also expanded the application of Diversion, making it available not just to families experiencing homelessness, but also to individuals. Now, regardless of household type, everyone participating in Coordinated Entry in Pierce County takes part in a Diversion conversation that is woven throughout the assessment process.

A [case study](#) of the Pierce County Diversion pilot may be downloaded from the Building Changes website.

The state was really interested in our approach and sent over a program officer to observe some of our Coordinated Entry conversations. She told us, “Man! You can’t even tell when they are having the Diversion conversation versus the prioritization conversation.” And I loved hearing that because that was the goal—just a conversation between two people.

—Anne Marie Edmunds,
Homeless Programs
Specialist, Pierce County
Human Services

Rapid Resolution

Snohomish County Human Services analyzed internal data that revealed only 7% of all people completing a Coordinated Entry assessment were receiving a referral to a housing program. The agency realized that its Coordinated Entry process not only gave people false hope of obtaining housing, it forced them to go through the trauma of retelling their story during the assessment. Seeking to move away from fully assessing all people seeking homeless services via Coordinated Entry, Snohomish County implemented the approach of **Rapid Resolution**, a term the county uses for and instead of Diversion. Trained navigators initiate Rapid Resolution conversations with households before any formal Coordinated Entry assessment occurs, asking families what support they need and determining what support they already have. The conversations not only help families identify potential housing solutions within their own realm of support, they ground them in a more realistic understanding of what the homeless system can and cannot offer in terms of housing. If no housing solution can be identified through Rapid Resolution, a full-on Coordinated Entry assessment takes place.

Lesson 2: Centralize the function of flex funds disbursement as a strategy to increase access to Diversion.

Featured Project

- Centralized Diversion Fund, King County

Diversion has been integrated as a core homeless response in King County as a result of philanthropic investment in the **Centralized Diversion Fund** (CDF), which began through an FHI project.

The CDF provides fast and simple access to flex funds that people need in order to exit homelessness, and has been effective in addressing racial disproportionality that exists in homelessness. (For more information on how the CDF has helped to advance racial equity, see Lesson 5 of this brief.)

The CDF establishes a model for how to operate Diversion in a large county with multiple direct-service providers. In King County, it puts a single operating entity—Africatown International—in charge of processing and approving requests for Diversion flex funds. Various provider agencies make the request after determining through a Diversion conversation that one-time financial assistance will make the difference between a family becoming housed or remaining homeless.

The provider agency submits the request by filling out a simple online form. Africatown determines whether the funds should be issued or supplemental information is needed. After approving a request, Africatown disburses the funds for the household through the provider, often cutting a check within 24 hours of receiving the request.

In King County, more than 50 different direct-service providers—some quite small in size—have requested flex funds on behalf of the households they serve. By processing requests through a single entity, the administrative burden on these providers is reduced. Many of the smaller providers would not be able to manage the disbursement of flex funds on their own and therefore would not be able to offer Diversion to the families that pass through their doors. Some of those smaller agencies are based in communities of color and primarily serve Black, Indigenous, and Other People of Color (BIPOC). Therefore, by centralizing the function of flex funds disbursement, a wider array of providers can offer Diversion, which means that more families—in particular, families led by BIPOC—have access to Diversion and may benefit from the approach.

A [brief and infographic](#) detailing the Centralized Diversion Fund may be downloaded from the Building Changes website.

Lesson 3: Adapt Diversion for use in service sectors outside of the traditional homeless system to reach more families in need of resolving a housing crisis.

Featured Project

- Perinatal Housing Grant Project, Pierce County

Families experiencing a housing crisis may not always be comfortable seeking support through the homeless system, or be aware of how to access it. Therefore, it's important to extend the reach of housing support to other crisis response systems and social service sectors.

The FHI Perinatal Housing Grant in Pierce County introduced Diversion to a new field within the health sector: **Maternal Support Services** (MSS). The goal was to improve housing and health outcomes for pregnant women and postpartum mothers who were eligible for Medicaid and seek additional support to prepare or provide for their babies.

The project trained MSS workers from four agencies in the techniques of Diversion, with Step By Step serving as the lead provider. Once trained, the workers initiated Diversion conversations with the women they served to identify solutions to resolve their housing crisis. MSS staff also were able to offer flex funds to cover expenses that stood in the way of a mother's ability to secure stable housing for her family.

Our evaluation of the three-year project found that of the 680 women who participated, **69.7%** successfully exited the program to stable housing,² with **90.9%** of them living in a rental unit with no ongoing housing subsidy. About nine in 10 of those who successfully exited the program received flex funds, on average **\$895**.

An [evaluation report and research brief](#) highlighting the results of the Perinatal Housing Grant project may be downloaded from the Building Changes website.

This project demonstrated the adaptability of Diversion to **help families experiencing a housing crisis while they receive services outside of the homeless system**. MSS is a logical field to leverage because many of the women being served are experiencing a housing crisis. Further, the goal of MSS is to promote healthy outcomes for mothers and babies, and the relationship between health and stable housing is inarguable.

Housing is just such a basic need, so it's hard to address a mother's health and a baby's health without also addressing housing. For pregnant women, the toxic stress of always being worried about where they are going to live and if they are going to be able to pay their rent is going to affect a baby's growth and brain development. Toxic stress also can lead to preterm birth, which affects a baby's long-term health.

—Rebecca Hoffman,
Behavioral Health Specialist,
Step By Step

2 Successful exit is defined as securing a rental with or without an ongoing housing subsidy; staying or living with family or friends under a lease agreement or other permanent arrangement; securing housing owned by the client, with no ongoing housing subsidy; moving into a hotel/motel without an emergency shelter voucher.

Another benefit of extending Diversion to MSS is that services to a family continue until two months after the baby is born, or, in higher-risk cases, until the baby reaches one year of age. That means that families enrolled in MSS have an opportunity to receive housing support via Diversion for the entire length of time they are in the program, not just during an initial intake conversation. This is beneficial because housing situations change over time. Families often have an ongoing relationship with their MSS provider and a greater foundation of trust from which to explore housing options. From the provider perspective, Diversion flex funds provide another tool to help the women they serve in a meaningful way.

Featured Projects

- Strong Families/Strong Futures, Snohomish County
- Journey to Jobs, Snohomish County

Snohomish County Human Services recognized that by being more proactive in helping to stabilize the housing of families with young children enrolled in its **early learning programs**, it could better achieve that sector's goals of improving child outcomes in health, development, and well-being.

Strong Families/Strong Futures, an FHI project modeled after Pierce County's Perinatal Housing Grant, empowered staff from early learning programs to directly assist families in resolving a housing crisis. The project leveraged "coaching" conversations already taking place between early learning support staff and families that covered a variety of issues, including housing. Those existing conversations aligned with the concepts behind Rapid Resolution (Diversion) in that they were family driven, motivational, and seek to identify solutions to pressing problems.

The project provided early learning staff more knowledge, more connections, and ultimately more confidence to address a family's housing stability needs. It reached across several sectors to build better relationships and improve coordination between early learning programs, Coordinated Entry, and local housing providers. Early learning family support staff now understand who is eligible for Coordinated Entry and how to connect families to it; how to navigate the complex rental assistance and affordable housing systems; and how to help a family craft a safe interim solution to permanent housing. Early learning staff also were able to offer families flex funds to help them maintain and increase housing stability. The funds typically paid for past-due rent, utilities, and transportation expenses related to employment and maintaining income.

Snohomish County also recognized the tie between a family's ability to maintain stable housing and the generation of income. A companion FHI project, Journey to Jobs, created a structure for offering employment and benefit planning support to families with children in early learning programs that were experiencing housing instability.

Early learning support staff always wanted to help families more with housing stability, but it felt very overwhelming because they didn't have knowledge of the resources or systems, or have somebody to go to. And now they do. Before, they were hesitant to have conversations about housing because it was like, I'm opening up this can of worms that I can't help them with, and now they can at least help families move forward toward housing stability.

—Karen Matson,
Developmental Disabilities
and Early Learning Division
Manager, Snohomish County
Human Services

Featured Project

- 211 and Diversion, Pierce County

A three-year FHI project tested Diversion in another new venue—a “211” telephone helpline service. The project, which partnered with Pierce County Human Services and United Way of Pierce County’s South Sound 211, demonstrated the benefits of pairing Diversion with a referral agency that has knowledge of—and access to—a wide range of supports for families in the areas of health and human services.

South Sound 211 operators received training on how to engage families that identified over the phone as experiencing homelessness, inform them about Diversion, and refer them to a trained navigator who would conduct the Diversion conversation as part of a formal Coordinated Entry assessment. After some initial trepidation among 211 staff, confidence grew and the agency shared several success stories of callers who had secured stable housing as a result of contacting 211.

The project also was able to examine **Diversion delivered over the phone** as an alternative to in-person. This issue became more relevant during the time of the COVID-19 pandemic, when Coordinated Entry assessments had to shift to meet physical distancing protocols. We learned that the anonymity built into a phone call or virtual platform may help make Diversion more easily accessible, particularly for survivors of domestic violence who may feel safer seeking help in a remote environment. Our evaluation of the project showed that about 64% of the participants identified as survivors of domestic violence and about 28% reported they currently were fleeing domestic violence.

Before Diversion training, 211 conversations were much more reactive. The (operators) tended to focus on what people were requesting, and then look in their database for a resource that matched the request. Whereas now, they approach a conversation with more open-ended questions so they can explore and help people identify what a solution to their problem might be. Often, people call 211 to ask for something, and it might not be what they really need. They might be afraid to ask, or they might not be aware that what they really need exists as a resource.

—Anne Marie Edmunds, Homeless Programs Specialist, Pierce County Human Services

An [evaluation report and research brief](#) highlighting the results of the 211 and Diversion project may be downloaded from the Building Changes website.

Lesson 4: Apply Diversion as a prevention approach to help families avoid homelessness altogether.

Both the Perinatal Housing Grant project in Pierce County and the Strong Families/Strong Futures project in Snohomish County primarily served families living in unstable housing.

The vast majority (81.9%) of families served through the **Perinatal Housing Grant** project were living doubled-up or in other forms of unstable housing, including unsafe situations with domestic partners. This project allowed Building Changes, for the first time, to evaluate the effectiveness of Diversion as an approach to prevent homelessness.

We learned that Diversion shows promise as an approach not only to help families exit homelessness, but to also avoid the experience of homelessness in the first place. Our evaluation found that success rates—families that exited the program to various forms of stable housing—were higher among program participants living in unstable housing when they entered the program (72.4%) than for those experiencing homelessness at the time (57.5%). Grantee feedback highlighted prevention as a major strength of the project, in part because it dovetailed with the philosophy of MSS, which is framed around prevention as a means to promote good health.

By serving families living in unstable housing situations, the project extended the reach of housing support to families that would have been screened out as ineligible for services at Coordinated Entry because they were not literally homeless. These types of prevention projects are important because they help families avoid the various traumas associated with homelessness, especially for children who can experience interruptions to their schooling and other disruptions to their healthy development. Prevention projects also can lighten the load on homeless systems, as they may help reduce the number of families entering the system by successfully addressing their housing crisis upstream.

We're a good fit for Diversion because the conversations we always have had with our MSS clients focus on housing anyway. This way, we could offer support and not have to flood Coordinated Entry. And honestly, most of the women we serve aren't getting help through Coordinated Entry anyway because so few of them are literally homeless—although they are at risk of losing their housing at any time.

—Robyn Wiebe, South End Director, Step By Step

Lesson 5: Prioritize investments to ensure that families led by BIPOC have equitable access to Diversion.

In Washington state, more than half of all families experiencing homelessness identify as a race other than white, compared to just greater than a quarter of the state's total family population. Several of the FHI projects highlighted in this brief were designed strategically to prioritize racial and ethnic groups that are overrepresented in family homelessness.

In King County, the percentage of Black or African American people among all those experiencing homelessness (29%, as of November 2020) is more than four times their share of the total population. The selection of Africatown International, via competitive bid, to operate the CDF in King County has had an impact on who is being served through the project. The CDF is available to people of any race or ethnicity, but about three of every four households served are headed by BIPOC. In part, that's because Africatown has been able to leverage its existing relationships and deep connections within the Black community, actively engaging providers that primarily serve BIPOC.

About half of the families served through the Perinatal Housing Grant in Pierce County were led by BIPOC. Families receiving MSS must be Medicaid eligible. In Washington, 50% of the women on Medicaid who gave birth in 2018 were BIPOC, and Black/African American and Hispanic women used MSS more frequently as compared to other races and ethnicities.³ This seems to suggest that MSS is a logical setting to reach BIPOC-led families with young children that are experiencing a housing crisis.

Early learning programs, such as those prioritized in Snohomish County's Strong Families/Strong Futures project, may be another inviting setting for reaching and serving BIPOC-led families, as about seven in 10 of the children enrolled in Washington's Early Childhood Education and Assistance Program are children of color.⁴

Pierce County data showed the 211 and Diversion project served a higher proportion of Black/African American families when compared to other Coordinated Entry programs, and that those families had among the highest rates of successful exits to stable housing. This may suggest that phone-based Diversion is a successful access point to reach Black families in need of homeless services.

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3 Fan, Z.J., Lyons, D., Wang, C., Sunbury, T., Xing, J., Glenn, A., & Felver, B.E.M. (2021). *Evaluation of the Health Care Authority's First Steps Maternity Support Services Program in Washington State*. Olympia, WA: Washington State Department of Social and Health Services. www.dshs.wa.gov/node/33013

4 Washington State Association of Head Start & Early Childhood Education and Assistance Program (ECEAP). (2017). ECEAP fact sheet & advocacy goals 2017. https://wsa.iescentral.com/index.cfm?fuseaction=menus&menu_id=222&pId=222.