

Responsive Philanthropy

Under the Big Top

By Neil Donovan

Despite decades of efforts from government agencies, nonprofits and philanthropists, millions of Americans will experience homelessness this year, including 1.5 million children.

A true understanding of homelessness and how to end it requires recognition of its primary causes, comprehension of the consequences of failure and the involvement of key stakeholders from the beginning to the end of efforts to address this problem.

Funders Together to End Homelessness (Funders Together) is an affinity group of leading philanthropies that have chosen to dispose of their independence by harnessing the collective power and potential of its membership. With many of the funders that seek to address homelessness working under one umbrella organization, the sector has lost diversity of perspective to address a complex social issue. Additionally, input from critically important stakeholder groups, including nonprofits and homeless constituents, has largely been left out of the strategy and decision-making process; they are outside the tent – The Big Top. As a result, Funders Together has underperformed compared to the previous accomplishments of its individual members. The lasting impact of individual funders *(continued on page 8)*



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Photo courtesy of United Way of Greater Los Angeles.

Maximizing the Impact and Amplifying the Voice of Philanthropy

We can end homelessness in America, but philanthropy must be willing to step forward and challenge the status quo.

These are the facts: The United States remains – even during a recession – one of the most economically powerful nations on the planet. Many Americans live with a comparative wealth that contrasts starkly with the lives of those across much of the globe. Our country possesses the resources required to ensure that not one resident of our communities spends a single night without a safe, decent and affordable place to live. And yet, 650,000

by David Wertheimer

people are homeless on any given night in America.

We tolerate homelessness among single adults, young people and families, labeling it an “intractable” social problem that can't really be solved. At Funders Together *(continued on page 11)*



challenging grantmakers
to strengthen communities

Under the Big Top

(continued from page 1)

will be diminished and undervalued by the group's chosen trajectory. With the creation of Funders Together, the shared goal of ending homelessness is farther out of reach.

THE LIMITS OF NAVIGATIONAL TOOLS

In the privacy of the places where they gather, Funders Together has planned and executed an expansion of its scope far beyond the traditional role of philanthropy. The group describes itself as facilitating the national response to homelessness by advocating for a change in charitable organizations and government agencies, to assure the smart and efficient use of grant and tax dollars. It explains research, business and science as critical navigational tools to understand and explain how its members' social investments are made or denied.

While this controlled form of analysis has enabled Funders Together to have a set of defined goals and strategies, it also restricts its members' ability to renew or change as real-time

responders. Their use of analyses is vitally important to their decision-making, but it must remain measured and should never blunt innovation. Most philanthropists will attest to the need for more effective ideas, but the enemy of innovation is the overarching requirement to demonstrate this solely by evidence. New ideas aren't proven in advance by inductive or deductive reasoning alone; they emanate from intuitive thinking. And intuitive thinking may well be the best hope in addressing this intractable social problem.

Most advocates now attest that the end of homelessness in America only will occur when the creation of housing aligns with the scope, needs, resources and geography of the unhoused. A wide variety of housing approaches and funding will be necessary to accomplish this goal. Funders Together, while understanding this reality, has chosen to promote "Housing First," a limited single housing approach, over a more systemic approach. This focus on the "Housing

First" approach, while admittedly successful in its limited scope, is an insufficient strategy in moving America toward the goal of ending homelessness.

PRESUMING THE FEDS' ROLE

By assuming much of the vacated role of the federal government, without the required conditions of public comment and participation, Funders Together is risking the commitment of its members as philanthropists to be open and accountable to the public good. This commitment ensures the free flow of thoughts and ideas across a broad spectrum of voices. Including these voices also provides essential checks and balances against the dangers of concentrated wealth and power in the service of an ideology, which support the interests of the funders and their benefactors.

Funders Together has quietly inserted into a national conversation data, research, theory and practice designed to meet yet another overly ambitious federal plan to end homeless in America, but ignored the history and consequences of limited and incomplete social interventions.

Philanthropy must abandon the security and convenience of its privacy and weigh the importance of learning from a version of history that only can be seen from beyond its walls. Philanthropists must consider the importance of first person testimony to homelessness, along with the science and research they cherish. The final measure of philanthropy's achievement will be determined over time not only by its ability to achieve a particular purpose or goal, but also by the degree to which the course of its actions were inclusive.

AN INCOMPLETE SOCIAL INTERVENTION

In 2002, the Bush administration, together with a select group of funders and "bipartisan" national advocates,



Homeless family. Photo by Jim Hubbard.

began developing a decade-long strategic plan to end homelessness. Rather than seeing the growing national housing crisis as a consequence of flawed macroeconomics and the failure of the federal government to invest adequately in an aging and shrinking stock of affordable housing, the plan's developers focused on local interventions and chose to see homelessness as an individual's responsibility or pathology, best explained using clinical terminology.

Congress' growing frustration in the 1990s with "the intractable nature of America's homeless problem" cleared a path for the administration's new plan to end homelessness. The final hurdle for the administration was crafting an argument to the American people that clearly spelled out the reasons for replacing the Clinton administration's integrated Continuum-of-Care system with a new approach to end homelessness.

The Bush administration, known for creative messaging, began levying significant criticism against the nation's homeless service providers – a decades-old symbol of the war on poverty. The once noble "shelter operator" was now being viewed by some critical thinkers as merely *managing* America's homelessness, without end. Government agencies and foundations soon followed suit, calling into question the very integrated systems of care that for decades had acted as the nation's final safety net for millions of homeless Americans.

TEN YEAR PLAN TO END HOMELESSNESS

As dubious accusations mounted, nonprofit organizations on the front lines began to show signs of stress from inattention and underfunding from both the government and philanthropy. Calls rang out from the public sector for the newly minted

Homeless individuals were still without any power, voice or authority. They continued to be perceived as clients, rather than citizens.

national strategic plan – the "Ten Year Plans to End Homelessness," created by a highly eager administration, driven by a desire for immediate systems change and backed by the unconditional endorsement of frustrated philanthropists. Providers, advocates and activists for the homeless sat silently as decades of service and commitment to the care of homeless people were assailed. No longer were communities accountable for managing or reducing the number of homeless – now they were responsible for nothing less than ending homelessness.

The administration's message – "Homelessness must end once and for all" – was heard loud and clear, from the Roosevelt Room in the White House to the boardrooms of philanthropy.

Philanthropy had made a considerable down payment on an unsuccessful Continuum-of-Care, so there was no appetite to repeat such a costly and failed type of investment. From this point on, the federal government's foot-

print would be considerably smaller, which made it easier to deflect blame. Much of the traditional work done by federal agencies would now be parsed out to large national consulting groups. Nonprofits would now be answerable to both the federal government and local jurisdictions. Homeless individuals were still without any power, voice or authority. They continued to be perceived as clients, rather than citizens.

THE TENT MAKERS

By 2004, a select cadre of homeless experts from American philanthropy had begun building a virtual tent to harness their expanding potential for impact and change as well as provide individual shelter from the dangers inherent in uncertain investments. Initially, the small group focused its attention and resources on "chronically homeless individuals – the most visible sign of society's failure." Two years later, an expanding tent welcomed additional foundations with a broader reach to assist families with children, youth and veterans.

The original funders were an exclusive seven-member steering committee named after the primary goal of the federal government's new plan: The Partnership to End Long-Term Homelessness. As the tent grew to accommodate more funders and a changing federal landscape, "The Partnership" adopted the name Funders Together to End Homelessness. Two years later, in 2011, it formed a nonprofit corporation, to engage, educate and support funders committed to ending homelessness.

Access to the tent remained limited to funders alone. Groupthink led to most members espousing a belief that America can end homelessness through rapid rehousing. The name adopted for this concept was "Housing First," an approach that had moderate to good success moving homeless individuals and

New and Renewing Members

Annie E. Casey Foundation
Bauman Family Foundation
California Community Foundation
California Endowment
Common Cause
Communities for a Better Environment
Compton Foundation
Conrad N. Hilton Foundation
Consumer Health Foundation
Disability Funders Network
Edward W. Hazen Foundation
Evelyn and Walter Haas, Jr. Fund
Fabrangen Tzedakah Collective
French American Charitable Trust (FACT)
Funders Together to End Homelessness
Gamaliel Foundation
John S. and James L. Knight Foundation
Justice at Stake
Lumina Foundation for Education, Inc.
Marguerite Casey Foundation
Mexic-Arte Museum
National Gay and Lesbian Task Force
Needmor Fund
New Mexico Environmental Law Center
Robert Wood Johnson Foundation
Rockefeller Foundation
United Way of Greater Los Angeles
USAction
Wallace Alexander Gerbode Foundation

families immediately from the streets or shelters into permanent housing. However, the true impact of Housing First can be measured only by the capacity of each community to build and maintain its affordable housing.

America's nearly 350,000 units of affordable post-war housing from the 1970s has dropped precipitously by more than 85 percent to its current level of 50,000 units. A children's simple game of musical chairs will show the disparity between the need for and availability of affordable housing. This shortage in the current stock of available affordable housing forces us to reject out of hand any thought of ending homelessness predicated on the condition or assumption that simply "putting" America's homeless into housing is a viable and lasting permanent solution. Funders Together simply had neither the scope nor the inclination to see how its "Housing First" focus would face serious limitations as soon as stocks of affordable housing ran out.

In just a matter of years, the canopy had been stretched wide over dozens of social investors. The tent now is large enough to fit social entrepreneurs, housing developers and social engineers, but not nonprofits, advocates and – most importantly – those experiencing homelessness. The drawbacks to focusing primarily on Housing First became clear by the end of 2010. The Ten Year Plan to End Homelessness was exhausted. The economy was just recovering from recession. Foreclosures had become the new feeder system into shelters. Gains made toward housing the chronically homeless were quickly undercut and vastly overshadowed by a dramatic increase in the number of homeless families and veterans.

For some, the goal of ending homelessness now seemed more elusive than ever. The noble shelter operator

was called upon, once again, to shelter those most in need. In many communities, however, the frayed and tattered final safety net was now beyond repair. Demoralized and underfunded, shelters have been unable to keep up with the growing populations of homeless that are continuing to arrive at their doors.

ENDING HOMELESSNESS

The three primary causes of American homelessness are: (1) a lack of affordable housing; (2) systemic deficiencies in public healthcare; and (3) a shortage of living-wage jobs. A successful system-wide effort to end homelessness must address each of the primary causes. Anything less will result in a failed attempt and a heightened resistance to future social reforms. Funders Together has not taken all three of these causes into account because it has not been receptive to the expertise of the homeless and those who have worked with them for decades.

The mission of Funders Together is to "help end homelessness." The nation's leading philanthropists will achieve their ultimate goal only by transitioning from an affinity group to an open partnership in which independent philanthropy once again plays an important but limited role. Philanthropy needs to work with a broad community of experts to ensure that their ideas and plans are valid and useful.

What's more, philanthropy needs to consider this revolutionary idea: The solution to ending homelessness in America rests squarely in the hands of the un-housed. The tent – The Big Top – must be a home for the homeless themselves, as well as for all of those committed to supporting the homeless' plan to end their homelessness. ■

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