

BY BROOKE CONROY BASS

The typical opponent of antipoverty initiatives will complain about the dauntingly high costs, while the typical supporter will cite the even higher cost of doing nothing and thus represent the favored initiative as an investment. The argument tends to get rather abstract rather quickly, and it might be useful, therefore, to consider how it plays out on the ground, using the well-known and highly respected Homeless Prenatal Program (HPP) as an illustrative example.

It's instructive to begin by laying out the cost of doing nothing. In the case of San Francisco, that price tag is approximately \$61,000 per year, as that's what it costs to provide emergency services to someone who is chronically homeless (see *The San Francisco Plan to Abolish Chronic Homelessness*). This \$61,000 price tag is just a lower bound estimate because it refers only

to the price of emergency services and ignores the cost of lost wages, lost human capital, human suffering, and much more.

What does it cost if we instead decide to try to prevent a year of chronic homelessness for one person? It's true that some programs are very expensive, but there are also low-cost and effective alternatives, such as HPP. On average, HPP spends







CLOCKWISE FROM UPPER LEFT: HPP tax volunteer with client; HPP employee teaching client how to sew.; HPP employee performing prenatal care and educating client on prenatal care.

approximately \$5,000 per client per year for rental assistance and other support services, such as housing search, start-up rental deposits, counseling, parenting classes, and much more.

Does it work? Yes. In the past year, HPP has served over 3,500 families, which is more than 60 percent of San Francisco's highly impoverished families. Of the homeless families that they transitioned into permanent and safe housing, 96 percent remained housed after nine months. The cost-benefit case for HPP is compelling and implies that caring about the homeless isn't the only reason to do the right thing. The case can readily be made on the basis of saving money alone.

This is not of course to suggest that all homeless programs are as cost-effective. I recently had the opportunity to speak with Martha Ryan, the Founder and Executive Director of HPP, to discuss what sets it apart from other services in the Bay Area and the U.S. As might be expected, the HPP program is a holistic one that addresses not just homelessness but the myriad of other problems that tend to come with homelessness, an approach that it shares with many (but hardly all) homeless-assistance programs. It's notable, however, that HPP didn't become holistic just because it's now so fashionable. Rather, it discovered early in its 21-year history that its original mission, that of training homeless pregnant women in prenatal care, could be usefully coupled with a related package of services that recognized that homeless pregnant women often need stable housing, protection from domestic abuse, treatment for substance abuse, and parenting skills. What emerged was a holistic organization that serves poor families that are at risk of homelessness and that helps them become self-sufficient.

The truly distinctive feature of HPP is the *way* in which it delivers these holistic services. Unlike traditional shelters, it does not house individuals on-site, and instead the focus is on creating a personalized plan for regaining self-sufficiency. These

plans work well for two reasons. First, they're often developed with the assistance of former clients; indeed, half of HPP's employees are former clients. This gives them instant credibility and instant understanding. Second, HPP's culture is one of high camaraderie, an infectiously supportive environment that is seemingly embraced by all, even those who have every reason to be pessimistic. As Martha Ryan walked me through the halls of HPP's warehouse in downtown San Francisco, she greeted everyone with a friendly, "Hi, how are ya?," and we paused as she asked for updates on their education, family, and health. She gave a high five to a woman who had recently received an "A" in a college class and introduced me, like a proud parent, to another staff member who had just been accepted to a master's program in public policy.

The obvious question is whether there's a formula behind such cultures that would lend itself to replication. The conventional wisdom is that an HPP-style organization requires a charismatic leader, and we can therefore have only as many such organizations as there are such leaders. The importance of a charismatic leader can't of course be emphasized enough. At the same time, we ought not forget the second distinctive prong of HPP, which is its frequent hiring of former clients. This is a replicable formula, and it's arguable that HPP's success rests, at least in part, on precisely this policy. As Martha Ryan puts it, "People aren't here just to have a job. They are here because they're committed to social justice, or because they've been homeless themselves, have seen how it can be overcome, and are committed to giving back. This is the backbone to HPP's very special culture."

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