



Solutions for Change

Solve It! Resources

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Tripling of Income Demonstrates Impact of Solutions for Change

Poverty and Income

According to the US Census Bureau, more than sixty percent of those of working-age and in poverty are not employed. The reason is not for a lack of jobs. Those in poverty with children, cite family and home responsibilities as the main barrier to employment. (Rachidi, 2016)

For families experiencing homelessness, the challenges of obtaining employment are particularly difficult. Many lack significant work experience, cannot afford child care, do not possess soft or hard employment skills, and have no fixed address. Overcoming these barriers is critical for homeless families to defeat the cycle of poverty and become economically independent.

Solutions for Change, a transformational housing program in Southern California, meets these challenges by empowering formerly-homeless parents with education, skills, and resources, and helping them obtain employment. An analysis of income data of Solutions for Change residents proves the effectiveness of the program. After one year of participating in the comprehensive program, residents report a **tripling of income**. Data also show that reliance on public assistance, such as cash aid and food stamps, decreased by **fifty percent**.

Upon entry into the program, almost all receive cash aid as a part of the Temporary Assistance for Needy Families program and food stamps. All are at or below 30% of area median income (AMI) and most at the very bottom of that spectrum, with almost no money or other assets.

Average Annual Income At Entry	Average Annual Income After Year One	Average Monthly Benefits At Entry	Average Monthly Benefits At Year One
\$7,400	\$21,400	\$511	\$251

Within the first twelve months, each adult resident, if physically able, is expected to maintain full-time employment. For many residents, workforce training is combined with schooling designed to significantly increase employability and earning power.

Based on data of incomes and sources of public assistance of current residents, the average annual income of families entering Solutions for Change is \$7,400 per year. Only about twelve percent of residents of Solutions for Change enter the program with any kind of employment.

The average level of public benefits is \$511 per month in cash assistance and food stamps for those that receive public benefits – nearly eighty percent of program participants.

After one year in the 1,000-day program, resident average incomes increased from \$7,400 per year to \$21,400 per year. In addition, total reliance on public assistance dropped by fifty percent. Thirty one of eighty four residents were able to completely end reliance on cash aid and food stamps.

Ending Dependency

These data confirm Solutions for Change’s programmatic objective of reducing dependence as measured by income and public assistance. In one year, those entering Solutions for Change without housing, little if any incomes, and receiving assistance in the form of cash aid and food stamps, are able to increase their incomes and decrease their dependence. In addition, residents are able to pay rent, maintain a job, care for their children, and acquire the skills, knowledge and resources necessary to never be homeless again.



Programs that require full-time work also benefit children. According to

Rachidi “Too many children are residing in nonworking or work-limited families. According to the report, two-thirds of poor children lived in a family with no full-time, year-round worker in 2014 (the most recent data), and 31% lived in a family with no working adults at all.” Full-time employment reduces the risk of children staying in poverty by increasing incomes.

Because of the inextricable link between poverty and incomes, policymakers should include outcome metrics that measure income. Current homelessness assistance policy focuses on housing stability as the ultimate objective in ending homelessness. Other measures, such as an expectation for full-time work, disqualify homelessness assistance programs from full compliance with federal policy.

Strangely, federal policy discourages comprehensive programming that supports families to achieve increased incomes. To correct this flaw, homelessness assistance programs should require the empirically obvious measurement of income in solving homelessness and reducing poverty.