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ECHO receives over \$1.1M in federal funding to advance *Housing First* Permanent Supportive Housing for 250 homeless men & women in Austin

Awards from Social Innovation Fund Grantee Nonprofit Finance Fund and HUD/DOJ Will Support Development of “Pay for Success” Initiative

Austin, TX – July 12, 2016– ECHO has received \$250,000 from Nonprofit Finance Fund ([NFF](#)) to reduce homelessness as part of a federal effort by the Corporation for National and Community Service’s Social Innovation Fund to address entrenched social challenges. ECHO also has been awarded \$881,376 by a federal partnership between Department of Housing & Urban Development and Department of Justice to promote innovation for housing approaches for frequent users of public systems like Emergency Medical Services and jail. The NFF grant requires a \$250,000 non-federal match, so in total, ECHO will dedicate \$1.3M to develop a Pay for Success initiative, which will bring investors, philanthropists, property owners, healthcare, social services providers and government partners to the same table to increase capacity to end homelessness with *Housing First* Permanent Supportive Housing (PSH).

The *Housing First* approach to PSH embraces the total person experiencing homelessness just as he or she is. PSH connects individuals experiencing homelessness to safe and decent housing *plus* the support services they need to stay housed. This foundation re-grounds people so they can address their needs and achieve their human potential.

“Austin has some *Housing First* PSH sprinkled across the city and it’s very effective, but we need more. Our data, based on over 5,000 client assessments, shows that Austin needs close to 1,000 units of Housing First PSH, so the 250 is a substantial portion of what we need,” says Ann Howard, ECHO Executive Director.

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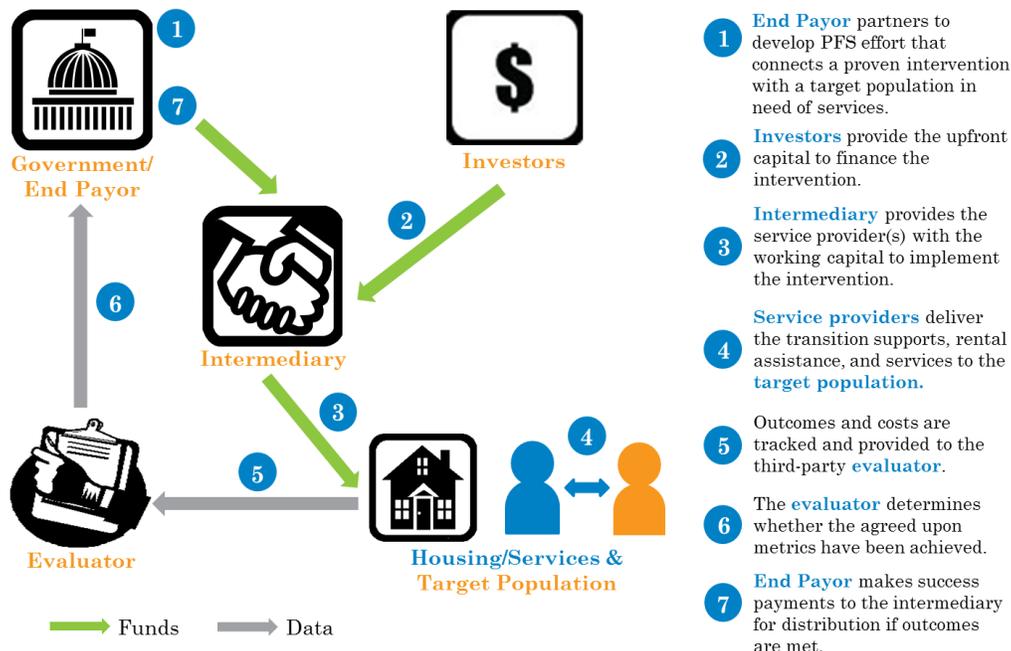
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Pay For Success sits at the intersection of three powerful movements



Pay for Success is about **measurably improving** the lives of people most in need by driving government resources toward **more effective programs**

[Pay for Success](#) drives resources toward programs that provide measurable results to the people who need them most. Strong service providers deliver high-quality, preventative programs and interventions. Mission-driven investors cover the upfront costs of delivering these programs. If the predetermined goals are achieved, investors are repaid with a return. *Housing First* PSH is a strong fit for Pay for Success financing because it involves investing money today to improve outcomes and create long-term value—the client gets access to housing and effective services to improve their quality of life, the community realizes value as there is reduced strain on public resources, and the investors put their dollars to work in service of society, with any returns correlated with improved life outcomes.



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ECHO, guided by the Corporation for Supportive Housing (CSH), has been working with Central Health and departments across the City and County to determine the feasibility of using Pay for Success to scale up Housing First PSH. ECHO was able to explore this option after CSH selected Austin in 2015 as one of its Pay for Success participating communities.

Over the past year, ECHO and its partners have actively worked with CSH to build the components of a feasible PFS model. After examining data to define and identify the target population, conduct a cost-benefit analysis and build a financial model and framework for the initiative, CSH determined Austin and ECHO are well positioned to move forward. The feasibility study is available http://www.csh.org/wp-content/uploads/2014/12/Austin-ECHO_PFS-Evaluation_CSH.pdf.

“Based on our analysis, ECHO, its partners and the community have created a strong framework and strategy for moving forward,” said Deborah De Santis, President and CEO of CSH. “Pay for Success financing provides new opportunities to increase access to affordable, supportive housing in Austin and we are excited to see this effort unfold in such a promising way.”

Now, as ECHO moves forward with the City, County and Central Health as partners to implement the new funding model and grow the capacity to offer *Housing First* PSH, it will look to other community non-profits to provide the support services and to property owners to make the housing units available. In addition to guidance from the CSH and NFF, ECHO is partnering with Social Finance, a Pay for Success intermediary, to structure the Pay for Success project. Social Finance is a nonprofit organization that designs and manages public-private partnerships that tackle complex social challenges.

“Social Finance is honored to work with ECHO on the Housing First model to end chronic homelessness in Austin,” said Nirav Shah, Director of Social Finance. “In the shorter term, this project will increase opportunity for some of the most vulnerable Texans, unlocking private capital to expand access to supportive housing. Over the longer term, Pay for Success has the potential to help drive government resources towards preventative programs that lead to better outcomes for individuals and society.”

“Financial awards from national players in the innovation space build on local momentum to lead on every front,” said Ann Howard. “Our non-profit community in Austin is as strong as it is anywhere. It’s fantastic to have that recognized on the national scene. The best part about this is that the money seeds a promising funding tool that Austin can leverage to build public-private partnerships to address a host of issues in medicine, housing and education. I’m glad we can lead on this and take a big step towards ending homelessness.”

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About ECHO

The Ending Community Homelessness Coalition (ECHO) is building a system of response to homelessness with proven strategies that maximize human potential in Austin, Travis County. ECHO works with local stakeholders including policy makers, funders, property owners and service providers to align resources to

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house more people more quickly. ECHO is the lead agency for the HUD Continuum of Care funding that totals nearly \$6M and is shared among 10 agencies. On behalf of the community, ECHO conducts coordinated assessments to prioritize and match clients to housing resources and administers the Homeless Management Information System to track program and system-wide performance. ECHO is fiercely committed to end homelessness. www.austinecho.org.

About Nonprofit Finance Fund

Nonprofit Finance Fund (NFF) unlocks the potential of mission-driven organizations through tailored investments, strategic advice and accessible insights. Founded in 1980, NFF helps organizations connect money to mission effectively through established and innovative approaches to social sector finance. A leading community development financial institution with over \$300 million in assets under management, NFF has provided \$575 million in financing and access to additional capital in support of over \$1.5 billion in projects for thousands of organizations nationwide. NFF's Pay for Success team has worked with organizations across the country to help them evaluate opportunities, explore partnerships, and advance agreements. NFF also curates a Pay for Success Learning Hub, www.payforsuccess.org. NFF is headquartered in New York City and serves clients from five offices across the country.

About CSH

CSH is a national nonprofit organization and Community Development Financial Institution that transforms how communities use housing solutions to improve the lives of the most vulnerable people. CSH offers capital, expertise, information and innovation that allow our partners to use supportive housing to achieve stability, strength and success for the people in most need. CSH blends 25 years of experience and dedication with a practical and entrepreneurial spirit, making us the source for housing solutions. CSH is an industry leader with national influence and deep connections in a growing number of local communities. We are headquartered in New York City with staff stationed in more than 20 locations around the country. For more information about CSH's work related to Pay for Success, please see www.csh.org/pfs

About Social Finance

Social Finance is a 501(c)(3) nonprofit organization dedicated to mobilizing capital to drive social progress. Social Finance designs and manages public-private partnerships that tackle complex social challenges, such as achievement gaps, health disparities, and prisoner recidivism. Their sister organization, Social Finance UK, was founded in 2007 and launched the world's first Social Impact Bond in 2010.

About the Social Innovation Fund

The Social Innovation Fund is a program of the Corporation for National and Community Service, a federal agency that engages millions of Americans in service through its AmeriCorps, Senior Corps, Social Innovation Fund, and Volunteer Generation Fund programs, and leads the President's national call to service initiative, United We Serve. For more information, visit NationalService.gov.