

A Merger To End Homelessness

Mayor Rahm Emanuel brings his energy to this year's Chicago Alliance To End Homelessness Breakfast with the Mayor. At left is Nancy Radner, Chief Transition Officer of the Alliance, and at right, Nonie Brennan, CEO.



- All photos courtesy of Heidi Jo Brady

Policy meets fundraising in blend of Chicago Alliance & Emergency Fund

Those unfamiliar with homelessness services may see them as a “long and winding road,” to paraphrase the Beatles song. But advocates say the reality in Chicago has been two mergers that are leading ever closer to a solution.

Nearly two years in the making, the latest merger was of the Chicago Alliance to End Homelessness and the Emergency Fund, on Oct. 1, 2011. The Alliance is the voice of 84 homelessness service providers and consumers; the Emergency Fund provides individuals with short-term help for unpaid rent or utility bills that could have made them homeless.

“We think we have everything in Chicago to be the first major city in this country to end homelessness... we feel by bringing these organizations together we have created the perfect organization for this work,” said Nonie Brennan. “It was an opportunity to bring all the work on the Plan to End Homelessness under one roof.”

Brennan was named new Alliance CEO after serving as executive director of the Emergency Fund since 2003. Nancy Radner, who had been CEO of the old Chicago Alliance, was named chief transition officer.

Both organizations maintained their 501(c)(3) status, but the Emergency Fund will come under the umbrella of the

Chicago Alliance to End Homelessness, Brennan said. She prefers to use the term “consolidation,” not merger.

The Chicago Alliance web site describes the two organizations’ “common vision: a home for everyone, including the most vulnerable and the most challenged.” The single service system provided by the new partnership “will allow us to increase private donations for the system, provide a more holistic approach to preventing and ending homelessness in Chicago and increase the amount of housing available to Chicago’s most vulnerable.”

In a nutshell, the merger brings together the Alliance’s strengths in policy analysis with the Emergency Fund’s fundraising.

Unlike most social service agencies that start from the bottom up, the Emergency Fund was started in 1973 by Norman Stone, the CEO of Stone Container Company, “so there was always a capacity for being able to raise private funds,” Brennan said. “We have always had a very strategic approach to fund development, based on analysis and goal development.” The Emergency Fund’s development team of four people will raise dollars for the consolidated entity.

In 2005, the Emergency Fund became the vehicle for Mayor Richard M. Daley’s Chicago Homelessness Prevention Fund;

needy people can access its services by dialing 311 and asking for “short term help.” The Emergency Fund has also used public money to prevent homelessness: \$3.2 million from the state of Illinois in 2007 and \$23 million over the three years just ending through President Obama’s stimulus package.

Consolidation will mean that public funds can move to the Alliance and private fundraising to the Emergency Fund, Brennan said.

What were her top three priorities for the next year? Brennan was asked. And what will the consolidation mean for homeless consumers as well as for service providers?

“Internally, we want to build the capacity of the Alliance to be ready for the future and we want to develop a plan for increasing resources,” she said. “In terms of the system, we want to make sure we have better integrated services,” so that clients are better, more effectively and quickly served. Another priority is improving the Homeless Management Information System (HMIS), the centralized database that tracks people who are homeless or on the verge of it.

She is also looking at health care reform, talking to other health care providers that are part of the housing sys-

tem to determine what role the Alliance should play.

“What it means to consumers is that we want to continue to build a stronger and more efficient system for serving people who’ve been struggling with housing instability,” Brennan said. “What it means for service providers is that we are going to find every opportunity to increase funding for housing assistance.”

Merger brings greater capacity

Arturo V. Bendixen served on the former board of the Chicago Alliance to End Homelessness and is now on the merged board of what he calls the “new Alliance.” Bendixen said he voted for the merger because it would bring greater capacity.

As vice president for housing partnerships at the AIDS Foundation of Chicago and executive director of its Center for Housing and Health, Bendixen has sat on both old and new Alliance boards as one of the two representatives for homelessness service providers.

“I always look at things from a systems perspective,” said Bendixen, who has been involved with homelessness services for 20 years, first for nine years at Interfaith House on the West Side and then at the AIDS Foundation. “I am a major believer there is homelessness not just because individuals or families are experiencing difficulties or challenges in life – mental health issues, economic difficulties – but because our systems of care and housing do not work well. There’s not enough affordable housing, not enough adequate health care. Health care and housing do not work well together. The criminal justice system releases people into the streets. I am a firm believer in systemic causes, if we don’t attack all those causes, we won’t end homelessness.”

“If you don’t have a strong organization and larger than the Alliance Nancy

[Radner] was running -- five people including her -- you are not able to deal with systemic issues as well as you can with this larger staff [17 at the consolidated organization],” Bendixen continued.

“For example, the Alliance needed to do some aggressive fundraising,” Bendixen said. “Nancy had to wear three or four hats: be the executive director and do all the fundraising. Now with this new organization there is a full-time person dedicated to fundraising. Another example is that ending homelessness is as much preventing new people from becoming homeless as finding homes for those already homeless. With more staff you can deal better with systemic causes.”

Alliance stems from earlier merger

The Alliance stems from the Partnership to End Homelessness and the Chicago Continuum of Care. Started in 2000, the Partnership was the trade organization of social service providers. Radner became executive director after helping to found the organization in her living room, she said.

The Continuum, led by Sr. Patricia Crowley, OSB, worked on broader issues of homelessness and particularly Chicago’s 10-year Plan to End Homelessness. The Continuum had responsibility for coordinating Chicago’s annual “unified proposal” for funding from the U.S. Department of Housing and Urban Development (HUD).

The Alliance took over this nearly yearlong process when it merged with the Partnership in December 2006.

Radner said the annual HUD funds pay for 7,700 units of housing for formerly homeless people, from rental subsidies to management, operations, utilities and supportive services. In 2010, HUD awarded \$54 million to support 170 programs in Chicago.

The AIDS Foundation of Chicago, for example, gets \$3.5

Nancy Radner, Chief Transition Officer, at this year’s Breakfast with the Mayor.



million of the HUD money for three contracts, Bendixen said. The money goes to house 350 people and to pay for their case managers.

“We house highly vulnerable people with cancer, diabetes, AIDS and have a high ratio of case management to clients: 15 to 1,” Bendixen said. “There’s good data that shows we save a lot of money for the health care system with that ratio.”

Time and resource efficiency

The Partnership/Continuum merger was seen as improving the time and resource efficiency of social service agencies, according to the Rev. Stan Sloan, CEO of Chicago House. Sloan was former chair of the Partnership to End Homelessness board and founding chair of the merged Chicago Alliance to End Homelessness board.

“In many ways there was confusion about why the two groups existed,” Sloan said. “It involved attending meetings for two organizations. If you were just the average homeless service organization, we felt we could be more effective attending fewer meetings and all be on the same page if there was just one organization.”

“Very specifically, we believed at that time the merger would allow us to seek different forms of money, different revenue streams and support for homeless service projects,” said Sol Flores, executive director of LaCasa Norte, who has been involved with the service provider commissions of the Alliance and its predecessor for nine years.

“It would also consolidate our power,” Flores said. “Instead of having two stratified groups, we would have one powerful group convening providers and talking to stakeholders who impacted our world.” Her goal for the new Alliance was increased fundraising.

Sloan agreed about the goal of unifying the voice of homelessness and get-



Alliance CEO Nonie Brennan at this year’s Breakfast with the Mayor.



Nancy Radner [left] and Judy Rice present Mayor Daley with an award at last year's Breakfast with the Mayor.



Israel Vargas [right], one of two service provider representatives on the Chicago Alliance Board, at the Breakfast with the Mayor

ting it out to new audiences. Prior to the 2006 merger the people who cared about homelessness services were primarily those who worked in the field or who were homeless themselves, but not the middle and upper classes, he said.

"The more we unify, the more we can engage those communities," Sloan said. In particular he referred to the Alliance board of directors, which now includes philanthropists as well as homeless service providers.

As CEO of the Alliance, Radner said she was tasked with creating greater visibility around the issue of ending homelessness and making it one of civic importance. She said she did this by getting business and civic leaders onto a "blue ribbon" board of directors.

"We went to Mayor [Richard M.]

Daley because we had our dream team of civic leaders that we wanted to bring on so we asked for his help," Radner said. "He helped by recruiting Quintin Primo III, who became our board chair and then we also recruited Abner Mikva and Chris Kennedy. Then with Quintin's help we recruited Prue Beidler and Judy Rice from Harris Bank and Jim Reynolds from Loop Capital and Les Coney from Mesirov and Jason Tyler of Ariel Capital and Judy Gold of the Perkins-Coie law firm."

Press coverage became easier to obtain, with even *Crain's Chicago Business* taking up the issue of homelessness, she said. People came to the Alliance's annual Breakfast with the Mayor who said they hadn't known homelessness was being tackled in the city.

"We raised more private funds in the

city, we were really able to apply more political pressure," Radner said. "I started meeting directly with Mayor Daley probably as a result of this." The meetings led to a \$4.2 million set aside over three years from the city parking meter contract to support the Plan to End Homelessness, Radner said. The money has supported the 100,000 Homes campaign to get the most vulnerable people off the streets as well as the FACT demonstration project in which Chicago was one of three U.S. cities to provide special outreach, case management and housing for young moms with kids.

Advocacy goes national

Alliance accomplishments prompted Rahm Emanuel to sign onto the Plan to End Homelessness even as a candidate, she said. "This year he hosted the Breakfast with the Mayor and he has really pledged to support the Plan; he wanted to update it and put his stamp on it since we are nine years into it."

Alliance advocacy has extended to the federal level. Radner said she worked with U.S. Sen. Jack Reed (D-RI) and his staff on the rewrite of homeless assistance legislation known as the HEARTH Act. A few weeks ago the Alliance brought a homeless youth to testify before a congressional subcommittee chaired by U.S. Rep. Judy Biggert (R-Willowbrook). A major collaboration with the Veterans Administration will help the VA apply Alliance best practices to its population.

After the 2006 merger, however, service providers worried that blending the Partnership to End Homelessness into the Chicago Alliance would leave them without representation, said Julie Dworkin, director of policy at the Chicago Coalition for the Homeless. This concern was based on the larger respon-



Nonie Brennan, new CEO of the Alliance, listens to Mayor Emanuel at this year's Breakfast with the Mayor.

Sol Flores [center], executive director of La Casa Norte, has served on the service provider commission and as a board member of the Chicago Alliance.



Arturo V. Bendixen addresses Mayor Daley at last year's Breakfast with the Mayor. Bendixen is one of two service provider representatives on the Alliance board.



sibilities of the Alliance: coordinating the process of applying for HUD funding in terms of rankings and evaluations, overseeing and implementing the 10-year Plan to End Homelessness.

In response, a group known as the Concerned Providers formed that has made a place for itself at the table and has “done a lot of good things,” Dworkin said. It has pushed for evaluation of the Plan to End Homelessness, for example, and to extend the definition of interim housing to a staggered formula, “something more realistic than 120 days.”

Dworkin said she could not see any down side to the latest merger.

“The Alliance worked with people who provide shelter and housing,” she said. “The Emergency Fund worked with people who did prevention. It’s bringing it all together.”

“Both agencies brought separate components so that when they came together they became very powerful,” said Israel Vargas, executive director of San Jose Ob- rero Mission; with Bendixen, he is one of two service provider representatives on the Chicago Alliance board. “One [the Emergency Fund] is focused on direct services. The other, the Alliance, is focused on advocacy. When you bring them together under one umbrella you are better able to tell the story and get the funding to areas that are needed.”

Vargas and Bendixen both emphasized the increased capacity created through the latest merger, which they say will be necessary when HUD funding shifts from separate contracts for service providers to a single one handled by a “unified funding agency,” or UFA.

“I think that what we were looking for and what I see coming is a stronger body to handle a huge change,” Vargas said, “as HUD considers us to be our own fiscal

agent to manage HUD contracts in the city of Chicago.” As the dispersing agent, the new Alliance would be able to redistribute any unused funds, such as in the hypothetical case of a shuttered agency; now these funds revert to HUD.

While the majority of both the Emergency Fund and Chicago Alliance boards wanted the merger because of increased capacity for dealing with homelessness and the single contract HUD funding, the toughest decision for them was who would lead the organization, Bendixen said.

“Was it going to be Nonie or Nancy?” he added. “Both were very qualified women but because we had costs to consider, we had to choose one CEO. It was a very difficult decision and that is as much as I can tell you without violating confidentiality.

Certainly there was a desire by board members, if possible that one would be the boss and the other the support to the boss, but there were budget limitations.”

Consolidating down to a 28-member board was easier, he said. The Alliance had 16 members and the Emergency Fund just a few more. “We said, ‘we would like all of you to stick around, but if you have served awhile and would like to move on, this is your opportunity, since we can have only 14 members from each.’

“We’re just in the process of putting these two agencies together,” Bendixen said. “We will need time to perfect this new agency. More than anything, time will prove this was a good move.”

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