



## Designing a Coordinated Network of Housing Supports in Detroit, MI

---

*As part of Bloomberg Philanthropies' What Works Cities initiative, the Government Performance Lab (GPL) provided pro-bono technical assistance to help the City of Detroit procure for and design a comprehensive network of community organizations that aim to increase housing stability for low-income residents.*

**The Challenge:** Many Detroit residents face challenges maintaining stable housing. The scale of poverty in the city has significant implications for housing affordability and stability: 34 percent of Detroit's residents live in poverty<sup>1</sup>, leading to a tenuous housing market where the majority of renters and homeowners are cost-burdened.<sup>2</sup> Due to these affordability challenges, Detroit residents struggle with high rates of eviction and foreclosure. Among homeowners, 36 percent of households struggle to pay property tax each year, leading to a situation in which many homes are tax delinquent and at risk of foreclosure. Furthermore, Detroit's aging housing stock (87 percent of all housing units were built before 1960) requires critical repairs which many residents can't afford, leading to unsafe and unhealthy housing conditions.<sup>3</sup>

To mitigate housing challenges in the city, Detroit offers a wide variety of housing resources, ranging from property tax exemption programs to grants for home repairs. However, these programs are offered by various city, county, and state departments and are administered in a disjointed fashion across different public and nonprofit partners. There is no central place for residents to go to understand all of their housing options, which often leaves them confused about what services are available and how to access them. As a result, some housing programs are consistently underutilized while others have waitlists that are hundreds or thousands of people long. For example, over 3,000 residents are on the waitlist for a Senior Emergency Home Repair Grant, but over 75 percent of those interviewed had not applied for an available alternative program (a 0.0 percent interest home repair loan) and 25 percent stated they didn't know about it, despite their likely eligibility.

To better connect renters and homeowners to the array of housing supports available, the City aimed to design and launch a new network of community organizations to serve as one-stop shops that offer core housing supports to Detroit residents. The goal of the Detroit Housing Network is to create healthy neighborhoods and advance racial equity in Detroit communities by increasing housing stability and affordable homeownership for Detroit residents.<sup>4</sup>

---

<sup>1</sup> 'U.S. Census Bureau QuickFacts: Detroit City, Michigan', <https://www.census.gov/quickfacts/detroitcitymichigan>.

<sup>2</sup> Cost-burdened is defined as spending 30 percent or more of your income on housing expenses.

<sup>3</sup> 'Housing Portal | Data Driven Detroit', , <https://datadrivendetroit.org/housing-portal/>.

<sup>4</sup> For more information, visit <https://detroithousingnetwork.org/>

**The Innovations:** With help from the GPL, the City of Detroit procured for and collaboratively designed the Detroit Housing Network to better provide residents with available housing supports. In particular, project partners:

1. **Released a results-driven request for responses for a new network of community organizations to serve as centralized, one-stop resource hubs that aim to connect Detroit residents with core housing supports**

The City of Detroit aimed to develop and launch a new network of community organizations in order to transform residents' experiences with housing support and better connect them to available programs. For example, a resident in need of a roof repair might have previously traveled downtown to City Hall, spoken with an administrative staffer who is not a housing expert, and may or may not have been added to a long waitlist for a home repair grant. With the new Detroit Housing Network, a resident can visit a community-based organization in their neighborhood and meet with a housing counselor who comprehensively assesses their needs. The counselor might identify that the resident qualifies for a 0.0 percent home interest loan for their roof repair (as an alternative to joining 3,000 people on the grant waitlist), and separately also qualifies for lead remediation due to having a child under age six in the home, as well as for a property tax exemption due to living in a 'neighborhood enterprise zone.' In this way, the Detroit Housing Network seeks to streamline the utilization of housing services in order to increase overall housing stability for Detroit residents.

Establishing a new Detroit Housing Network presented an opportunity for the City to develop an innovative request for responses (RFR) that invited provider organizations to co-design the program model such that it would utilize philanthropic funds most effectively. This represented a stark departure from the City's business-as-usual way of procuring services, which typically defined or prescribed the program models that provider organizations must offer to clients. With support from the GPL, the City drafted a results-driven RFR that clearly defined the program goals upfront, explicitly identified the desired target population, and laid out the specific program metrics that the City wanted to track. The City also developed evaluation criteria that emphasized respondents' experience with integrated service models and program evaluation. The evaluation rubric, unlike any used before at the City's Housing and Revitalization Department, helped staff pinpoint their vision for ideal network partners. Ultimately, the City selected a group of community-based organizations and a network manager to plan and launch the Detroit Housing Network.

**Shifting priorities to prevent eviction and foreclosure in response to COVID-19**

The economic fallout associated with the COVID-19 pandemic greatly exacerbated housing instability across the country. In response, the City of Detroit shifted the initial focus of the new Detroit Housing Network from home repairs to preventing eviction and foreclosures. In addition, project partners obtained an additional \$1.5 million in CARES Act funding to expand the program and more quickly connect residents at risk of housing instability to services. The increase in funding tripled the initial allocation for the Detroit Housing Network (from \$750,000 to \$2.25 million) and added supplementary housing supports focused on keeping residents stably housed.

**2. Co-designed the Detroit Housing Network program model alongside community development organizations to deliver coordinated housing support across Detroit**

Together with the selected providers, the City set out on an intensive, six-month co-design process to effectively refine the Detroit Housing Network program model. With support from the GPL, the City hosted monthly workshops for all partners to work on aspects of the program design, including defining program goals and outcomes, selecting performance metrics, setting up active data monitoring to enable program improvements, and creating effective referral pathways to match residents to best-fit services. Regarding creation of the referral pathway, for example, key workshop topics included needs identification for residents, anticipated high-demand services, designing a referral database, conducting referrals, and tracking referrals.

**Building capacity of community development organizations**

In addition to transforming how Detroit residents experience housing support, the City is also interested in investing resources to build the capacity of local community development organizations (CDOs). After the 2008 recession, many CDOs closed down, negatively impacting the economic recovery of the surrounding neighborhoods. Neighborhoods with high-capacity CDOs ended up faring much better during recovery efforts after the recession compared with neighborhoods that did not have strong CDOs. The new Detroit Housing Network model invests in and uplifts CDOs by centering their expertise in the collaborative co-design phase and by providing an increase in resources (e.g. financial, training, marketing) for these providers to serve more residents. Through the new program, the City aims to help create a more robust CDO landscape and improve the resiliency of Detroit's neighborhoods.

**The Results:** Although the Detroit Housing Network is still in the process of transitioning from planning to implementation, the initiative has led to early promising results. In particular, the project has:

**1. Created an implementation model to support increased funding allocation to housing services**

In the wake of economic fallout from the COVID-19 pandemic and subsequent rescue funds allocated to city government, the Detroit Housing Network has helped to align more resources around housing stability. CARES Act and American Rescue Plan Act funds awarded to Detroit have been allocated to needed housing services including housing counseling, home repair, and foreclosure prevention. The capacity and program efficiency organized through the Detroit Housing Network design process gave city leadership the confidence that funds could be deployed to address housing challenges.

**2. Piloted a new model of collaborative co-design between the City and community organizations**

The City's Housing and Revitalization Department piloted a new approach for partnering with community organizations on both designing and delivering housing support services, collaborating with community service providers as partners actively working together towards shared goals, rather than purely as vendors delivering a service. This unified approach brings multiple stakeholders to the table to improve the management of housing resources and the quality of service provision. It is expected that this collaborative approach to service delivery will align city, county, state, and philanthropic housing resources and services to reduce

duplication and fragmentation, ultimately improving accessibility of resources for Detroit residents.

**3. Built capacity among City staff to use procurement as a strategic lever to accomplish program goals**

City staff have begun to recognize procurement as a strategic tool to improve service performance and produce better outcomes for Detroit residents. In particular, staff have cultivated strategies and skills related to explicitly identifying and elevating program goals in procurement solicitations, using data to identify opportunities for performance improvement, and collaboratively planning for services and reviewing success metrics with providers. City staff involved in this project are equipped to apply results-driven approaches to future procurements for other services and have begun to embed these practices into departmental policies and procedures.

*The Government Performance Lab is grateful for support from Bloomberg Philanthropies, Casey Family Programs, the Corporation for National and Community Service Social Innovation Fund, the Dunham Fund, the Laura and John Arnold Foundation, the Pritzker Children's Initiative, and the Rockefeller Foundation. © Copyright 2022 Harvard Kennedy School Government Performance Lab.*