

Inside Philanthropy



The State of
American Philanthropy

Giving for
Housing and
Homelessness

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ABOUT INSIDE PHILANTHROPY

Inside Philanthropy is a digital media site that covers the world of charitable giving. We report daily on foundations, major donors, and trends in philanthropy. Through our GrantFinder resource, we also profile and track thousands of funders working across key issue areas and geographic regions. Inside Philanthropy is supported by reader subscriptions and advertising. We do not receive funding from any other source. Learn more at insidephilanthropy.com

ABOUT THE STATE OF AMERICAN PHILANTHROPY

The State of American Philanthropy is a series of background papers on important topics and trends in U.S. philanthropy. The papers draw on past research and reporting by IP writers, as well as new interviews, grantmaking data, and other sources. Learn more at insidephilanthropy.com/state-of-american-philanthropy.

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EXECUTIVE SUMMARY

Philanthropy's role in funding for housing and homelessness has a storied and often complex history. It dates back to the progressive era (1890–1920s) with a focus on ameliorating the most visible and pressing problems of urban poverty, including the creation of settlement houses, “model tenements” and helping to catalyze the social work profession.

In recent decades, as the homeless and precariously housed populations have grown in cities and rural areas alike, and millions of low- and middle-income families that had once owned their homes became tenants instead, the importance of philanthropy has taken on new resonance. The deepening of the crisis stretches back to the 2008 housing collapse and the resulting Great Recession. In 2016, for instance, [25% more households were renting](#) their homes than in 2006. From there, the fallout of COVID-19 has continued to exacerbate the existing crisis, with a [general increase](#) in the number of people experiencing homelessness since 2020.

Philanthropy's response has been courageous in some ways and neglectful in others. Funders have invested heavily in evidence-based solutions, including permanent supportive housing and “[housing first](#)” models, yet have been slow to make connections between the lack of affordable housing and homelessness. The sector is only now looking further upstream to issues of wealth, health, income inequality, single parenthood, and systemic racism and injustice.

Funders are increasingly stepping up to support grassroots programs aimed at advocacy and systemic change, along with efforts to combat NIMBYism and confront the effects of gentrification. Funders are also more attuned to local, state and federal policies, as well as working with government to increase access to resources.

Who's Giving

- The type of philanthropic players operating in the housing and homelessness space is more mixed than funding for many other issues.
- The large, endowed foundations and the major LLCs play a critical role, including the Ford Foundation and the Chan Zuckerberg Initiative. Many smaller foundations like the Harry and Jeanette Weinberg Foundation and the Melville Trust are active here. Major donors are increasingly important as well.
- Corporate philanthropy is heavily involved in funding for housing development, and to a lesser degree, direct commitments to ending homelessness. Obligated in part by the Community Reinvestment Act and other policies, banks are the biggest players in the space.
- Notably scarce are foundations and living donors that made their fortunes in the real estate market.

Who's Getting

- The largest share of dollars to the intertwined issues of housing and homelessness is for housing development.

- Foundations and funders have also given generously to community development corporations.
- Some of the new large grants and collaborative pooled funds are aimed at the affordable housing crisis, with an explicit social justice lens focusing on fair and equitable housing for marginalized communities.
- The vast majority of homeless shelter programs are funded by federal grants. Due to the inflexibility of government funding, philanthropic dollars tend to be most helpful in filling funding gaps, or assisting with access to government funding.

The Big Issues & Funding Trends

- Funders are increasingly attuned to housing insecurity and affordability, not only as a means to economic mobility, but a necessary strategy to prevent homelessness.
- Critical to housing affordability are the exclusionary effects of gentrification, which force low-income households to move to lower cost neighborhoods with fewer resources.
- In addition to grants, funders have pursued a variety of strategies, including lending and other program-related investments to housing developers and intermediaries, funding advocacy and narrative change work, and organizing coalitions to build the field.

Equity in the Sector

- Redlining as an officially sanctioned practice ended in the late 1970s, but systemic racism, biased policies and disinvestment in Black and brown communities has continued.
- Philanthropy is starting to play an important role in supporting efforts to shift how the nation thinks about housing and racism.
- While philanthropy has intermittently emphasized “placed-based” approaches to economic development designed to lift up low-income communities over the years, housing justice—with an explicit focus on racial injustice—has only recently taken center stage.

Individual (living) donors have recently come forward in significant ways to address housing affordability and homelessness, including the likes of Jeff Bezos, Steve and Connie Ballmer, Marc Benioff, Priscilla Chan and Mark Zuckerberg, and MacKenzie Scott. The size, speed and flexibility of these mega-donors’ gifts have almost immediately overshadowed the longstanding commitments of others, yet questions arise about how deliberative or inclusive the process for giving such large gifts has been, as well as the degree to which the means to these donors’ wealth have contributed to the problems of housing affordability and homelessness.

More collaborative approaches, including participatory approaches, and efforts focused on changing the narrative about the causes and consequences of homelessness – moving from an individualistic frame to systemic reform – are all on the cutting edge of what lies ahead for housing philanthropy. There are new opportunities for making connections across issue areas including housing, healthcare, income inequality, immigration policy, criminal justice reform and fair tax policy.

Introduction

On a single night in January of 2023, more than 650,000 Americans were experiencing homelessness, an increase of 12% from the prior year. This data point from the U.S. Department of Housing and Urban Development’s “point-in-time” [amalgamated count](#) of the nation’s homeless population isn’t an anomaly, but a bleak indicator of the difficulty the wealthiest nation on Earth has in ensuring that all of its citizens are adequately housed. Nearly half of all individuals experiencing homelessness sleep outside or elsewhere in places not intended for human habitation; one in five are chronically homeless, which means they have been experiencing homelessness for at least a year, often also struggling with mental illness, substance use disorder or physical disability.

The risks of homelessness are not evenly distributed. Pacific Islanders, Native Americans, African Americans and Hispanics/Latinxs are more likely to be homeless than both white Americans and the general population. By some estimates, African Americans account for more than [40%](#) of people experiencing homelessness, despite comprising only 13% of the total U.S. population. Veterans also comprise a disproportionate share of individuals experiencing homelessness ([11%](#) of the adult homeless population compared with 7% of the U.S.). Unaccompanied youth (under 25), who are at substantial risk of becoming victims of sexual exploitation, represent 6% of the homeless population nationally. Research indicates that between [20–40% of homeless youth are LGBTQ](#), and that queer kids are [120% more likely to become homeless than their straight counterparts](#).

Inexorably linked to homelessness is an affordable housing crisis that has worsened as inequality widens. While the causes of homelessness are myriad, and the length of time spent homeless varies, a missed paycheck or rent payment can mean the difference between sleeping in a home or sleeping on the street. The Joint Center for Housing Studies [declared 2022–2023](#) the “worst on record” in terms of affordability. In 2022, the number of cost-burdened renter households—those spending between 30 to 50% of income on rent and utilities—hit a “new high” of 22.4 million, an increase of 2 million from pre-pandemic levels. The same report noted an alarming increase in both evictions and homelessness, which the authors attributed to “the end of pandemic relief measures and historically high rent growth.” The general trendline has been rapidly rising costs: according to the Pew Research Center, tenants saw rents rise an average of 18% between 2017 and 2022.

This State of American Philanthropy brief focuses on understanding the role philanthropy has played in addressing the issues of housing affordability and homelessness, the most extreme form of housing scarcity. It draws from an exploration of relevant data, research, news and discussions with leaders in the field to examine who gives, how much and for what purpose. Naturally, homelessness is closely connected to the availability and affordability of housing, so the report closely examines the significance of housing development funding, particularly around affordable housing.

Of critical note, while philanthropic support has historically been, and still remains, an important

catalyst for addressing access to affordable housing and preventing homelessness, ensuring adequate housing and providing support to individuals experiencing homelessness remains solidly outside the domain of philanthropy alone. Philanthropy's contributions are a small fraction of funding when compared to government support for public and subsidized housing, as well as the overwhelming majority of the country's social safety net, from Medicaid to unemployment insurance that helps to keep Americans housed.

While governmental and institutional contributions to homeless shelters, direct service providers and affordable housing development are critical, foundations and philanthropists working on these issues recognize the important role they can play to encourage public-sector investments in housing assistance, mobility and service programs that result in individual and family independence. Many philanthropic funders are also aware of their role in incentivizing investments from the private sector for more, better and fairer access to housing for low- and middle-income Americans.

The Lay of the Land

Who's Giving

Issues surrounding housing, homelessness, affordability and access are fundamentally localized—yet local conditions are influenced by national policies and macro economic trends. It's unsurprising that housing funders are a motley group, running the gamut from community foundations to big banks to national funding collaboratives.

Overall giving to housing and homelessness has steadily increased in the past decade, as large gifts from individual donors are becoming more common, and institutional funders are expanding their general anti-poverty, community development, and economic equity programs. Data from Candid shows that total giving to housing and homelessness between 2014 to 2018 totaled around \$7 billion, while total giving between 2018 and 2022 topped \$12 billion. Year-over-year increases accelerated beginning in 2020, when the COVID-19 pandemic brought housing instability into the national spotlight.

The biggest funders of nonprofits focused on housing and homelessness are a mix of corporate foundations, donor-advised funds, large private foundations, and at a local level, community foundations, funding collaboratives, and place-based funders. As the visibility of homelessness and housing insecurity has grown, particularly on the West Coast, a spate of new funding collaboratives and novel public-private partnerships have emerged, in particular to address the affordable housing crisis and housing policy.

The country's largest holders of donor-advised funds are the source of much funding in this space. This includes Fidelity Charitable, Schwab Charitable and the National Christian Foundation, a mission-driven DAF focused on "mobilizing resources" for Christian causes. The largest place-based DAF holders also appear to be major funders, notably the Silicon Valley Community Foundation and the Chicago Community Trust. Banks and other financial institutions are major funders as well, including Wells Fargo Foundation, the Bank of America Charitable Foundation and JPMorgan Chase. Yet while the big banks were once considered a core presence in philanthropy for housing and homelessness, their importance is lessening as a wider array of funders enter the arena.

As with most causes in which institutional philanthropy plays a role, the largest national private foundations are among the top givers to housing and homelessness-related causes. The Ford and Kresge foundations, the Lilly Endowment, the Gates Foundation, the McKnight Foundation, and the JPB Foundation have traditionally been among the nation's top givers. Anti-poverty funders like Kellogg Foundation and the Annie E. Casey Foundation are active here as well, along with smaller foundations like the Harry and Jeanette Weinberg Foundation and the Raikes Foundation. Grantmakers that are focused exclusively on fighting poverty, like the Robin Hood Foundation and Tipping Point Community, are important funders, and have acted as leaders and conveners.

Just as institutional funding for housing and homelessness is typically channeled to the local level, contributions by major donors—whether as

individuals, LLCs or through family foundations – are prone to target their own backyards.

Prominent donors to housing- and homeless-related causes in recent years include Amazon founder Jeff Bezos, who established the Day One Fund in 2018 along with his former spouse, MacKenzie Scott. The Day One Fund quickly became one of the largest housing funders in the country: in 2022 alone, the Day 1 Families Fund granted \$123 million to homeless families. MacKenzie Scott continues to be a major housing funder through her funding vehicle, Yield Giving.

10 Housing and Homelessness Funders to Know

Melville Charitable Trust

Ballmer Group

Bezos One Day Fund

California Community Foundation

Conrad N. Hilton Foundation

Lilly Endowment

Bank of America Charitable Foundation

Weingart Foundation

Crankstart Foundation

McKnight Foundation

Salesforce co-founder Marc Benioff and his spouse Lynne are significant givers within the city of San Francisco, as we'll explore elsewhere in this report; Mark Zuckerberg and Priscilla Chan have stepped up the Chan Zuckerberg

Initiative's giving for affordable housing in the Bay Area. Banking billionaires Charles and Helen Schwab recently pledged \$65 million to address homelessness in San Francisco. Hedge funder Steve Ballmer and his spouse Connie have become major funders, as we'll explore below.

Encouragingly, an Inside Philanthropy survey of funders and fundraisers revealed that close to half of respondents working on issues related to housing and homelessness saw these issues as gaining momentum in philanthropy. The IP Survey also found that one-third of respondents in the housing and homelessness space saw growth in giving by "new wealth" (living donors). One foundation professional who responded to the survey summed up recent trends this way: "The pandemic has laid bare the dire circumstances of so many in our community, and nationally, who live with housing instability and the threat of eviction— the need for affordable housing is more important than ever."

Nearly half of respondents also reported that funder collaboration is increasing, and roughly 2 in 10 said it was "about the same, with good amounts of collaboration."

Yet, for all its billions, philanthropy is only a bit player in this arena when compared to government and the sheer magnitude of the problem. As one fundraising professional pointed out in the IP survey: "There have been some Silicon Valley commitments to fund housing, but in general, this is not a donor-driven business; it is highly dependent on federal, state and local government." Even so, philanthropists play a key role as policy advocates and champions of permanent supportive housing and

wraparound services. And philanthropy has begun to address issues of scale: grantmakers are increasingly involved in public-private efforts to house the homeless, develop affordable housing options, and bring down costs.

Who's Getting

Funders have long provided gifts and direct service grants to social agencies, religious organizations and other groups that provide emergency services, including shelters and soup kitchens. Funders also played a critical role in expanding the capacity of community-based housing development agencies that have enabled nonprofits to rehabilitate, construct and manage affordable housing. More recently, as homelessness and the shortage of affordable housing created a sense of crisis in many places, private funders were spurred to action with new community initiatives and cross-sector partnerships at both national and local levels.

The largest share of dollars to the intertwined issues of housing and homelessness goes to housing development. This includes areas such as foreclosure prevention, public housing, home ownership programs, and the building of affordable rental and purchasable housing. Making housing more readily available to middle- or low-income individuals and families is a strategy that is often executed not by philanthropic giving alone, but also through impact investments and concessional lending.

Banks are significant contributors to this strategy, in part because of the Community

Reinvestment Act, which encourages lending to low- and moderate-income communities where the banks do business. One beneficiary of such giving over the last decade has been the Neighborhood Reinvestment Corporation (also known as NeighborWorks America), a nationwide network of community development organizations chartered by Congress to back local projects and to assist homeowners at risk of foreclosure.

10 Housing and Homelessness Grantees to Know

Habitat for Humanity International

Community Solutions International

Enterprise Community Partners

BRIDGE Housing Corporation

A Way Home America

National Low Income Housing Coalition

LifeMoves

Mercy Housing

NeighborWorks America

Farmworker Housing Development Corporation

Foundations of all types have been giving to community development corporations. These grants and contributions are often made with an explicit racial and social justice lens focusing on fair and equitable housing for marginalized communities. One of the first organizations of this type was the Local Initiatives Support Corporation (LISC), originally conceived by the Ford Foundation, which acts as an intermediary of sorts between community organizations and

private and governmental funders to provide financing for housing. Another major nonprofit in this vein is Enterprise Community Partners, which helps to develop, invest and support affordable housing and has received substantial gifts from philanthropy over the years to increase the housing supply with a focus on racial equity and upward economic mobility. Increasingly, community development corporations blend housing development with advocacy work. One example is the Housing Partnership Network, which combines impact-driven housing investment with progressive housing advocacy.

Other major recipients of housing development funding include Habitat for Humanity (both a funder and a recipient of funding), BRIDGE Housing Corporation, and Mercy Housing. Some nonprofits are dedicated to affordable housing for a specific population, such as veterans, survivors of domestic violence, those who were recently incarcerated, or people living with a disability. One example is the Farmworker Housing Development Corporation in Oregon (FHDC), which builds affordable housing for low-income farmworkers and other low-income communities, including immigrant communities. Like many nonprofits working on housing issues, the FHDC's work is intersectional, with their core homebuilding program supplemented with wraparound services like workforce development, health and education services, and leadership development. Another area of significant funding is homeless shelters and direct services, including community shelters, missions, emergency shelters, motel voucher programs and other programs that provide homeless persons a place

to stay, typically on a temporary basis. It is common for community foundations to support homeless shelters in one form or another. Philanthropic funding for the homeless population is widely dispersed across the U.S., often with community foundations or faith-based organizations serving both as funders and intermediaries between government programs and the populations served. This intermediary role became more important under the Biden administration, as individual cities and counties strategized how to deploy housing funding earmarked through the Infrastructure Investment and Jobs Act and the American Rescue Plan.

The vast majority of homeless shelter programs are funded by federal grants administered by the HUD's Continuum of Care program, and the nonprofits receiving funds are referred to as CoCs. Providers use these funds to add beds and services for different individual and family programs. Due to the inflexibility of government funding, philanthropic dollars tend to be most helpful as unrestricted gifts and grants that can be used to fill funding gaps. Critical to the strength of the country's shelter system are faith-based organizations, which are estimated to provide **30% of emergency shelter beds** for families and single adults in cities and towns across the country.

Supportive housing is another core area of funding within the housing and homelessness funding landscape. Supportive housing is a general strategy that uses housing as a platform for services to improve the lives of the most vulnerable populations, such as chronically homeless persons with co-occurring mental

illness and physical disabilities. This has been a popular area for philanthropic funding for several decades, and can include a host of living arrangements with associated programming, including domestic violence shelters, housing for persons with disabilities, supportive housing and orphanages. Similar to homeless shelter funding, supportive housing is largely funded through the CoC and thus reliant on public sector resources.

Funding for what's known as "permanent supportive housing" tends to be predicated on evidence that those experiencing homelessness are likely to remain housed when housing is coupled with wraparound supportive services. One of the recipients of funding in this area is the Corporation for Supportive Housing, which started with support from the Pew Charitable Trusts, the Robert Wood Johnson Foundation and the Ford Foundation.

CSH was among the first to establish a model linking housing and intensive case management with healthcare, workforce development and child welfare, an approach that has become critical for funders working to address homelessness and housing precarity. The supportive housing framework is generally linked to the "housing first" model, which suggests homeless persons should not be subjected to preconditions like sobriety or work placement before placement in housing. This has been a rallying cry for many years from housing advocates trying to decouple access to housing assistance from government-imposed preconditions. In recent years, more funders are supplementing this "housing first" philosophy with a new focus on addressing the root causes of poverty and homelessness.

Another area of significant funding is the related category of homeless services, which the nonprofit data aggregator Candid defines as organizations that care for "individuals and families who are homeless or which work with people who are at risk for homelessness in an effort to prevent them from losing their permanent residence." This includes funding for facilities like showers and public restrooms, drop-in day centers and other basic services. This includes funding to nonprofits with emergency financial assistance programs that support individuals on the verge of becoming homeless, including subsidized rental payment and loan programs.

Many large youth-serving organizations that offer housing or residential programs are among the largest recipients of housing and homelessness-related "supportive services" grants. For instance, Youth Villages, a behavioral health provider for children and young people, includes residential treatment facilities. Similarly, Father Flanagan's Boys' Home serves homeless youth, providing housing, healthcare and other services for young people in crisis.

The Big Issues and Beyond

In recent years, an arguably seismic change has occurred within the housing and homelessness funding space, as the scope of issues that funders see as connected to housing and homelessness has expanded. Housing is increasingly seen as an intersectional issue that is inextricably connected to larger social, economic, and racial equity efforts.

Today's funders are adapting a big-picture lens as they address issues related to housing insecurity

and affordability. Affordability and access is not only a means to economic mobility, but a necessary strategy to stem the rising tide of homelessness.

Even during periods of strong economic growth, housing affordability has remained a persistent and worsening problem in the United States. Widening economic inequality and cost-of-living increases have left tens of millions of Americans behind even as the wealthiest individuals in the U.S. become wealthier. In 2022, the ratio of average income to median home price was at an [all-time high](#), as home ownership remains out of reach for a significant portion of the population. The rental market is not better: the number of renters spending more than 30 percent of their income on rent and utilities hit an all-time high in 2022.

At the same time, the availability of [low-rent options](#) has declined. According to the National Low Income Housing Coalition, [as of 2023](#), the U.S. had a “shortage of 7.3 million rental homes affordable and available to renters with extremely low incomes.” Temporary moratoria on evictions and forbearance on federally backed mortgage loans provided by the CARES Act widely expired in 2022, leaving many Americans with even fewer avenues to secure or maintain housing.

Much of the work to address housing affordability is aimed at increasing the supply of affordable housing. This has been the focus of philanthropic funding associated with the big banks, as well as some national foundations like Ford and Melville Charitable Trust.

Most of the approaches to address housing affordability have emerged at the local or regional level in response to local market conditions. In 2019, for instance, the Chan Zuckerberg Initiative gave \$40 million to help seed Partnership for the Bay’s Future, a major \$500 million public-private funding collaborative that leverages an investment fund for low-cost capital to produce and preserve affordable housing. The Fund has received significant financial commitments and buy-in from the likes of Hewlett, Packard, the Silicon Valley Community Foundation, the San Francisco Foundation and Kaiser Permanente.



Funders Together
TO END HOMELESSNESS

“The solution to homelessness is housing. Too often, we tend to approach homelessness from a personal responsibility standpoint, whether that is about issues of addiction or mental health as core drivers of homelessness. In reality, homelessness is a systems failure problem.”

—Amanda Andere, CEO, Funders Together to End Homelessness

Critical to housing affordability are the exclusionary effects of gentrification, which force low-income households to move to lower-cost neighborhoods with fewer resources. The gentrification caused by the tech industry’s presence in the Bay Area and Seattle, for example, has played no small part in the very problem (the high cost of housing) that the founders of Meta, Salesforce, Microsoft and Amazon are trying to solve through their philanthropy.

Beyond affordability, one of the top concerns of housing and homelessness funders is emergency financial aid to prevent homelessness, which has been particularly important in the context of the pandemic and the ending of post-pandemic federal assistance programs. A Bay Area effort that garnered attention was the First of the Month campaign, a community-generated fund that began in Silicon Valley. Organized in March 2020 by Live in Peace, DREAMer’s Roadmap and Kafenia Peace Collective, [the fund](#) was created to provide rental assistance to support families struggling to make ends meet during the pandemic. Similar funds have also been developed in other major cities like Los Angeles, Seattle and New York, and have continued to attract resources in the post-pandemic years.

For funders focused on homelessness, there has been an increasing emphasis on finding housing for individuals who are chronically homeless—that is, individuals who are homeless for a prolonged period of time, who often experience physical disabilities, mental health challenges, substance use, or combinations of the three. The needs of this population are different from those of people who become temporarily homeless because of job loss, temporary financial hardship, or who are fleeing domestic or gender-based violence. Each of these situations might require emergency shelter or some type of transitional housing program, but may not require permanent supportive housing.

By contrast, studies in cities and towns across the country repeatedly demonstrate that providing a permanent home with wraparound supports for chronically homeless persons is the most cost-effective strategy to address the issue.

Foundations and other major donors have donated more time, energy and dollars than ever before toward permanent supportive housing and for coordinated entry systems that help cities and counties efficiently match the availability of housing with the needs of individuals experiencing homelessness in the community.

This emphasis on supportive wraparound services has in many ways become a lynchpin connecting a range of foundations with different missions—including those focused on health and wellness, those that emphasize economic mobility and workforce development, and those most interested in children and families. Increasingly we see health funders like RWJF, the California Endowment and others characterize housing as a key determinant of health and well-being.

Critically, for-profit health companies are also starting to fund affordable, supportive housing development. For instance, Portland’s [Housing Is Health](#) initiative is a partnership of six prominent health organizations that have contributed \$21.5 million to construct and maintain 382 affordable supportive housing units for homeless individuals. The idea of this effort and others is to extend preventative healthcare to vulnerable residents living in subsidized housing, which in turn can help to lower the costs to healthcare providers.

Funders have found success in encouraging private and public investment in supportive housing facilities, but one perennial problem—no matter the type of housing provided—is NIMBYism, “Not in My Backyard.” Community members, many of whom may have even voted

in favor of providing shelters and permanent housing for homeless persons, simply don't want those services provided where they live. In some cases, this has led to controversial practices like pushing shelters into remote areas where access to services is difficult. In other cases, communities have successfully advocated to [bus homeless persons](#) out of communities entirely. In general, NIMBYism creates gentrified neighborhoods, increases inequality, and creates roadblocks for affordable housing developments.

Veterans are an important population for funders of housing and homelessness. The Home Depot Foundation, which employs about 35,000 veterans in its stores, is attuned to the issue, having given at least \$500 million to veterans causes. A major nonprofit in this space is Volunteers of America, which serves over 7,700 homeless veterans nationally in 15 states. The federal government is highly involved in housing and health care for veterans, and often acts in coordination with nonprofits.

Other foundations and funders giving to housing homeless veterans include the Weinberg Foundation, the Hilton Foundation, the Murdoch Foundation, Boeing, the Peabody Foundation and Citizens Charitable.

Funder Trends and Strategies

Funders have pursued a variety of strategies around housing and homelessness, including direct funding for service providers, lending and other program-related investments to housing developers and intermediaries, policy advocacy and narrative change work, and organizing coalitions to build the field of nonprofits that can develop, manage and maintain affordable

housing options, emergency shelters, transitional housing and permanent supportive housing programs.

THE KRESGE FOUNDATION

“The Black Lives Matter movement makes crystal clear the stakes of justice in our community and in our nation. This is the time where we’re going to meet the movement, to deepen our investments related to racial equity and racial justice in the city of Detroit. The expansion of opportunity that we seek cannot come without racial and economic justice. We must redouble our commitment to provide the next generation a more equitable city.”

—Wendy Lewis Jackson, managing director, Detroit program, Kresge Foundation

Most funding for housing and homelessness is place-based and is focused within specific communities. Grantmaking portfolios are often dominated by specific cities and counties. For example, the late Microsoft co-founder Paul Allen committed \$30 million for supportive housing in 2017 to his native Seattle. The Meyer Memorial Trust has made significant investments in housing in Oregon. The Austin-based Dell Foundation made a recent commitment of \$38 million to house the growing chronically homeless population in Austin. The list of major grantmakers focused on place-based solutions goes on.

Funders increasingly seek to advance affordable housing through loans and program-related investments (PRIs). The McKnight Foundation

has directed hundreds of millions in impact investments toward housing. PRIs have long been a critical tool for community foundations, like the California Community Foundation and others, to increase the supply of affordable housing in communities. In Chicago, the MacArthur Foundation was a significant player through its housing impact investing program, which invested \$347 million between 1999 and 2019 in the affordable rental market, supported the preservation of affordable rental options, and advocated for housing policy reform. In the San Francisco Bay Area, the Housing Accelerator Fund has become a major tool to finance affordable housing. It is a public-private partnership supported by the City of San Francisco and private funders including Citi, WellsFargo, Tipping Point Community, Google, and Crankstart Foundation.

Another strategy has been community development work, a growing field unto itself. Particularly critical to the area of housing has been investments in intermediaries focused on equitable community development, often

through community development corporations like Enterprise Community Partners, Housing California and the Housing Partnership Network, and other equity and justice-focused intermediaries and collaboratives. One important funder collaborative working on these issues is Living Cities, where a long history of community development funding informs a present-day push to center racial equity in local governance. Notably, equity-focused collaboratives are receiving support from banks and corporate funders.

Funders are also looking to catalyze policy change, increasingly with an emphasis on advocacy and narrative change. For example, Ford Foundation has invested in a variety of housing-related systems-change initiatives via funding for advocates of affordable housing, tenants' rights, financial empowerment and an end to exclusionary patterns of development. Some examples include Smart Growth America, Living Cities, Fair Share Housing Center and PolicyLink. Another funder of policy and narrative change work is the Kresge Foundation,

Collaboration Spotlight

PARTNERSHIP FOR THE **BAY'S FUTURE**

The Partnership for The Bay's Future launched in 2019 to grapple with the high cost of housing in the Bay Area. It focuses on policy changes to protect renters and promote more affordable, equitable housing for all its residents. Another area of focus is housing investment, development, and perseveration to increase the housing supply. It aims to raise over \$540 million with plans to expand and protect 175,000 households in the next five years and add another 8,000 affordable homes within the next decade. The San Francisco Foundation leads the work, providing "backbone" support and guiding policy, including the grantmaking program to advance racial equity and affordable housing policy in local governments. The Bay Future Fund, administered by LISC, serves as the chief investment arm.

which funds both policy advocacy and research for housing and community development on the ground.

Kresge is leveraging its experiences in the community development “petri dish” that is Detroit by making significant grants around housing and inclusive community development work. Newer coalitions like Funders for Housing and Opportunity are dedicating their efforts to narrative change around housing with an emphasis on breaking down how funders and the wider community think and talk about housing and homelessness. One example of an advocacy organization is A Way Home America, a national nonprofit focused on policy changes to “end homelessness for BIPOC and LGBTQ+ youth.” This work is funded by a who’s-who of housing funders like the Conrad N. Hilton Foundation and Melville Charitable Trust.

Movement and coalition building in localities across the country is critical to the work happening with national funders. Local initiatives are resulting in new policies and new forms of funding. The McKnight Foundation helped to prop up the local affordable housing and community development ecosystem in Minneapolis, which in turn helped Minneapolis become the first major city in the U.S. to eliminate single-family zoning; the policy has been replicated in other places, including the state of Oregon. In Los Angeles, philanthropy acted as a bridge to bring multiple players to the table, including the banks and other lenders, local businesses and the public sector through [Home for Good](#), which was led by the United Way of Los Angeles and supported by multiple foundations. The group worked to build an infrastructure to build up supportive housing for

L.A.’s homeless population and helped organize a grassroots campaign that resulted in the passage of ballot measures Measure H and Proposition HHH, which resulted in \$4.7 billion in funding over 10 years.

Perspectives on Equity

Redlining—the notorious practice of withholding financing, particularly mortgages, in neighborhoods with majority Black and brown residents—officially ended in the late 1970s, but systemic racism and disinvestment in Black and brown communities has continued. These and other systemic factors have resulted in lower rates of property ownership (and therefore wealth) in BIPOC and Latinx communities, and also in the isolation and neglect of low-income public housing.

While philanthropy has intermittently emphasized place-based approaches to economic development designed to lift up low-income communities, housing justice—with an explicit focus on racial injustice—has only recently taken center stage. This has partly been in response to a burgeoning movement around issues of equity across philanthropy, but also a result of the pandemic, which disproportionately harmed Black and Latinx populations and exposed the widening inequities in housing policy. [For instance](#), Black and Latinx people faced higher levels of eviction and housing instability before the pandemic, were at greater risk of eviction during the pandemic, and have continued to be more at risk of eviction and housing insecurity in the years after. [Data released in 2023](#) by the Eviction Lab at Princeton University showed that Black mothers and their children are the population most at-risk of being evicted.

Advocacy organizations and philanthropic affinity groups are increasingly pushing philanthropy to focus on creating a just and equitable housing system. Recent research suggests that racial bias in housing has resulted in massively undervalued real estate in majority Black neighborhoods to the tune of \$156 billion, or an average of \$48,000 per home. The results of racist housing policy manifests in its most extreme form through homelessness, as nearly 40% of the nation's homeless population is Black.

Philanthropy is starting to play an important role in supporting efforts to shift how the nation thinks about and ties together issues of racism and housing. The Melville Charitable Trust is spearheading research to build and advance a new narrative to help the public better understand homelessness and encourage people to support policy solutions that ensure everyone has a place to live. Research at the FrameWorks Institute and the [Housing Justice Narrative Initiative](#) are informing how people understand housing and what can be done to create more just systems and outcomes. The Surdna, Ford, San Francisco foundations, CZI, and others are conducting significant work around racial equity and housing.

Housing discrimination against the LGBTQ population, whose members are more likely to become homeless—and once homeless, more likely to endure discrimination and harassment—have often been overlooked by institutional philanthropy. Funders like the Arcus, Gill and Harry and Jeanette Weinberg foundations have stepped up, with a particular focus on the country's estimated 4.3 million LGBTQ homeless youth.

Individual donors and LGBTQ activists like Cyndi Lauper have also created organizations with a particular focus on youth homelessness—Lauper co-founded True Colors United. Other prominent recipients include the Trevor Project and the Covenant House.

Housing and homelessness funding often intersects with funding for gender-based violence and domestic violence. According to the National Alliance to End Homelessness, in 2023, more than 10% of shelter and transitional housing beds in the U.S. were for domestic violence survivors and their families. While housing funders often overlook this at-risk population, some, like Melville Charitable Trust, increasingly fund programs that address root causes and homelessness prevention, which can include nonprofits focused on women and children.

Funder Spotlight

Melville
Charitable Trust

Melville Charitable Trust is the largest foundation in the U.S. that devotes its funding exclusively to ending homelessness. Over the years, it has adopted more of a systemic lens, with a focus on social and racial inequities and changing the harmful economic policies and cultural narratives that drive the housing crisis. Established in 1990, the Trust has granted over \$165 million to the cause. In 2021, it launched a new strategy focused on “the conditions that drive people into homelessness and housing instability, and the people most impacted.”

A Closer Look at Funder Types

Private & Family Foundations

Private foundations are a major presence in the housing/homelessness funding space, though it should be noted that major gifts from individual donors and their LLCs are now equally important. Foundations and individual donors often collaborate and support the same nonprofits, so this is a story of “the more the merrier,” not one funder type supplanting the other.

Major foundations that regularly give to housing and homelessness include the Lilly Endowment, Conrad N. Hilton Foundation, the Harry and Jeanette Weinberg Foundation, Kresge Foundation, Weingart Foundation, McNight Foundation, Crankstart Foundation, Gates Foundation, Ford Foundation, JPB Foundation, the Robert Wood Johnson Foundation, Robin Hood Foundation, MacArthur Foundation, and the Annie E. Casey Foundation.

Interestingly, an analysis of Candid data shows that among the top 10 biggest givers to housing and homelessness in recent years, only a few are endowed foundations that aren't community foundations. This certainly suggests that, when compared to some other issue areas funded by institutional philanthropy, foundations don't represent the outsized role they often do. This is likely because housing is a localized issue, and community foundations have traditionally been the big funders. In recent years it's been interesting to see some more national work and collaboratives springing up.

It's notable that many smaller private foundations have a significant impact. For instance, Melville Charitable Trust has been among the most prominent advocates of a housing-first approach in the country. Even though much of Melville's grantmaking takes place on the ground in Connecticut, it is perhaps the leading national funder advocate for ending homelessness, spearheading a variety of initiatives to catalyze collaboration and to break down siloed thinking.

“Housing is a basic need. It is foundational to all the best efforts we have for advancing outcomes related to economic mobility, health and learning. People need a stable place to live in order to prosper,” Susan Thomas, president of Melville, told Inside Philanthropy in an interview for this report.

The Conrad N. Hilton Foundation, like many other foundations, has concentrated its grant dollars in its home region of Los Angeles County, but has also worked to build the field of permanent supportive housing more broadly. Others, like the MacArthur Foundation, have shifted from a direct grantmaking approach and are using other institutional assets to support housing. And at the state and regional levels, private foundations are making an enormous impact as conveners and facilitators, as well as funders—for example, the work that the Lilly Endowment has done in Indiana around housing and homelessness and the work that the Irvine Foundation has begun in California's Inland Empire. There is also convergence among foundations focused on other areas of philanthropy through Funders for Housing and Opportunity (FHO) and other efforts. There is

more collaboration now between housing funders and foundations focused on other types of community health and development, for example, health foundations, criminal justice reform givers, youth-focused foundations and education-focused organizations.

Corporate Giving

The extent of giving related to housing and homelessness by corporate foundations and corporate funders is substantial. As mentioned elsewhere in this report, the big banks and financial institutions have been major givers. Aside from the banks, housing and homelessness is a popular issue bucket for corporate funders in general because of the inherently localized and non-controversial nature of helping the homeless. Many corporations will give to homeless shelters in communities where they have the most employees, and might organize other types of corporate giving programs around the twin issues of homelessness and food insecurity.

Wells Fargo, the Bank of America Charitable Foundation, and JPMorgan Chase have been particularly active funders. PayPal, Citi, Morgan Stanley and others have also become frequent givers. In 2022, for example, PayPal gave \$25 million to SoLa Impact, a minority-led affordable housing developer. The scale of major financial institution's commitments to affordable housing is set to continue to the tune of an estimated **\$1 billion** in philanthropy through 2025. JPMorgan Chase tends to spread its donations around with a focus on lending and large metros in a way that draws on its financial expertise, immense reach, and its network of

branches and employees on the ground. These are advantages that private foundations mostly lack.

One major beneficiary over the past decade has been the Neighborhood Reinvestment Corporation (also known as NeighborWorks America), which has received hundreds of millions for housing development-related grants. Habitat for Humanity International and Enterprise Community Partners are other frequent beneficiaries of corporate giving.

Funder Spotlight



The **James Irvine** Foundation

In 2018, the James Irvine Foundation began exploring how it could address the ongoing housing crisis in California. According to Irvine, it is “unsuitable and inequitable for working Californians to spend more than 30%, on average, of their paychecks on housing.” During its exploratory grantmaking phase, it awarded more than \$9 million in grants supporting organizations such as Housing California, Residents United Network and Turner Center for Housing Innovation.

Beyond the banks, the Home Depot Foundation (THDF II, Inc) is another significant corporate funder of housing and homeless; it has made substantial contributions to ending veteran homelessness. Other corporate contributors of note include a pledge by Cisco of \$50 million over

five years to Destination: Home, a Silicon Valley-based nonprofit focused on housing homeless people. At the time of its pledge (2018), it was the largest single charitable donation ever to fight homelessness, and it encouraged further six- and seven-figure donations from Apple and others. In 2019, [Microsoft pledged \\$500 million](#) in loans and donations to address housing in the Seattle area. In 2021, Facebook gave \$14 million to the affordable housing developer Midpen Housing and \$9 million to Path Ventures, another housing developer.

Habitat for Humanity International has been a major recipient of housing development dollars from corporate philanthropy. Habitat, which now works across all 50 states and in 70 countries, receives grants from a plethora of corporate funders, including Lowe's, the Home Depot Foundation, Dow Chemical, PepsiCo and Bank of America. Nearly half of Habitat's institutional giving is from corporate donors. Aside from grants, corporate philanthropy programs frequently support Habitat's work by organizing employee volunteer days at Habitat building sites.

What is strikingly missing from the list of major corporate donors to affordable housing and homelessness nonprofits is the real estate industry and the billionaires who have come up through it. Given the vast amount of wealth generated by the real estate industry, its leaders' expertise in the systems that produce housing scarcity for vulnerable populations, and the general proclivity of corporate givers to direct funds to mitigate some of the consequences of their business practices, it seems logical that at least some real estate moguls would fund in this

area. That does not seem to be the case—with a few isolated exceptions, including Silicon Valley real estate developer John A. Sobrato, who has supported housing and homelessness causes through Sobrato Philanthropies.

Community Foundations

Community foundations comprise a significant portion of giving to housing and homelessness-related causes. As mentioned throughout this report, housing is a trenchantly local issue, and place-based community foundations often play a key role in funding homeless shelters, wraparound services, and spearheading local collaboratives and public-private partnerships to develop affordable housing and preserve affordable rentals.

Some of the most significant community foundation funders correspond, unsurprisingly, to large cities or regions containing multiple population centers. Top funders include the Chicago Community Trust, the Greater Houston Community Foundation, the Cleveland Foundation, the Silicon Valley Community Foundation, the Greater Kansas City Community Foundation, the Community Foundation of Greater Memphis, the California Community Foundation, the Oregon Community Foundation, and the Boston Foundation.

Community foundations serving specific populations (rather than specific geographies) are also active in this space. Foundations giving in the areas of LGBTQ, domestic and gender-based violence, refugees and immigration, mental health and substance abuse, veterans, criminal justice reform, and services for at-risk youth often earmark some funding for housing and

wraparound services. As an example, the Women’s Foundation of Minnesota has a [grant portfolio focused on safety](#), which includes grantmaking for emergency shelters and services for LGBTQ youth, young mothers experiencing homelessness, and survivors of domestic and gender-based violence who are experiencing homelessness or housing insecurity.

Inside Philanthropy Survey

“Google, Facebook, Apple and Microsoft have recently made commitments to funding affordable housing. They and their Silicon Valley brethren could and should commit multiples of what they have already done, both because they can and because they have contributed massively to housing unaffordability in their region.”

—Foundation professional, San Diego, California

The San Francisco Foundation has been especially involved in housing initiatives, including helping to build several public-private programs. The foundation also leads the policy fund of [the Partnership for the Bay’s Future](#), an initiative to protect, preserve, and produce affordable housing in California’s Bay Area. Other funders include the Silicon Valley Community Foundation, Meta, the Hewlett Foundation, and the Packard Foundation.

Another community foundation doing interesting work on housing is the Foundation for the Carolinas, which recently rolled out an investment fund to match rising public commitments to affordable housing in

Charlotte. The city’s many financial sector firms have been quick to back the fund. This is one of many new public-private efforts that have arisen in the post-pandemic years, as community foundations are more attuned to the importance of leveraging public funding and working in concert with government. Another example is a new community land trust (CLT) program in Los Angeles. While the majority of funding comes from Los Angeles County, a coalition of regional funders called Strong, Prosperous, and Resilient Communities Challenge (or SPARCC) provided funding that enabled the CLTs to secure acquisitions and work with developers and counties to help put the funding to “the best and most efficient use,” according to an Inside Philanthropy article by Almas Sayeed, the VP of public partnerships for the Liberty Hill Foundation, and Jessica Melendez, director of Policy for T.R.U.S.T. South LA. According to Sayeed and Melendez, “the pilot program in L.A. County worked in part because philanthropic partners provided vital support at key stages.”

In general, community foundations across the country are among the biggest givers to affordable housing development, services for the homeless, and homelessness prevention, a pattern that fits with the substantial funds raised for housing development projects and campaigns focused on homelessness in any given year.

Major Donors

An increasing number of high-net-worth individuals are stepping up and into their philanthropy by supporting causes related to housing and homelessness. Many of the highest-profile donations in the last several years have been from tech billionaires through a variety of

funding methods (e.g., through LLCs, giving as individuals, or through private foundations).

Examples include Jeff Bezos and his Day One Fund, Priscilla Chan and Mark Zuckerberg's Chan Zuckerberg Initiative, a slew of major gifts to housing nonprofits from MacKenzie Scott, and the rapidly expanding influence of Steve and Connie Ballmer's LLC, the Ballmer Group. Another new major donor couple in this space is venture capitalist Michael Moritz and the novelist Harriet Heyman, who give to housing security through their foundation, the Crankstart Foundation. Combined, these funders alone have given hundreds of millions to this cause annually in recent years.

The Day One Fund, which Amazon founder Jeff Bezos started in 2018, made \$640 million in grants to housing and homelessness nonprofits between 2018 and 2024. This makes the Bezos Day One Fund the top housing funder, at least by the raw numbers. (It's possible that MacKenzie Scott's housing giving is equal or greater, but the amounts of some of her grants are unknown.)

[According to](#) Inside Philanthropy reporter

Martha Ramirez, Bezos has a "more traditional approach to addressing homelessness in the U.S., providing support for direct services rather than funding organizations that work to address the root causes of the homelessness crisis, which is where much of the funding in this space has trended."

In a recent year, the Crankstart Foundation gave over \$40 million to its housing security funding area. Moritz and Heyman are poised to become major funders for years to come. As for Microsoft co-founder Steve Ballmer and his spouse Connie, they have made clear that the Ballmer Group will continue to prioritize economic mobility and community development, including through a program dedicated to housing and homelessness.

We also see significant support for housing-related causes through donor-advised funds (DAFs). The largest donor-advised fund in the world, Fidelity Charitable, gave \$143 million to housing causes over five years (2014–2018) and Schwab Charitable gave \$55 million over the same period. Gifts from these funds were

Fundraising Spotlight: MacKenzie Scott

MacKenzie Scott's mega-gift giving sprees began in 2019. Since then, Scott has given more than \$19 billion to philanthropy, making her the single most generous donor in the U.S. by most measures. Her no-strings-attached grants go to such a range of causes that it's easy to lose sight of her impact within particular fields. Scott has given to dozens of organizations working in the housing and homelessness space, particularly those focused on affordable housing. In 2023 alone, Scott's housing grants included \$25 million to affordable housing nonprofit Mercy Housing, \$20 million to The San Francisco Community Land Trust, \$15 million to the National Low Income Housing Coalition, and \$15 million to Century Housing, along with gifts to affordable housing land trusts in cities and regions across the U.S.

sometimes significant seven-figure donations, but the vast majority tended to be small, less than \$1,000. Interestingly, when it comes to small donations from typical American families, anonymized and aggregated data of MasterCard credit transactions suggest that only a tiny fraction—0.4% of all donations in 2016, and 0.5% in 2017—were for [housing- and homeless-related causes](#).

Generous mega-donors have become key players on the West Coast in particular, where private funders and foundations are increasingly experimenting with new ways to address the affordable housing crisis. One notable benefactor in the Bay Area is Marc Benioff, the chairman and co-CEO of Salesforce, and his wife Lynne. In 2019, the Benioffs gave \$30 million to UCSF to research the causes of homelessness and identify evidence-based solutions. The Benioffs have also pledged to help raise \$200 million to address homelessness in California, and have supported Hamilton Families, a nonprofit that works on homelessness prevention and housing subsidy programs in the San Francisco Bay Area.

In addition, the Benioffs were vocal (and financial) supporters of Proposition C, a ballot initiative to create a fund to support the city's homeless population, to be paid for by a tax on San Francisco's biggest businesses (including, incidentally, Salesforce). Voters approved the ballot measure, and it took effect in 2020. The Benioffs were also among the donors behind a \$100 million push to fight homelessness by Tipping Point Community, a popular Bay Area nonprofit that combats poverty through four issue areas, including housing.

Housing is one of Tipping Point's signature causes, with a focus on permanent supportive housing. Tipping Point received an enormous gift—\$65 million—from the chairman of Charles Schwab Corporation, Charles Schwab, and his wife Helen. And finally, Google co-founder [Sergey Brin](#) has quietly become a significant funder in this space through the Sergey Brin Family Foundation. Anti-poverty work seems to be a major issue area for Brin, with various multi-million-dollar donations to housing nonprofits in recent years.

Associations & Intermediaries

Collaborative efforts have been among the most promising avenues for philanthropic impact on housing and homelessness-related causes. Given the sheer size of housing and homelessness issues, and the astronomical cost, the trend is unsurprising.

One of the largest and most prominent national philanthropic affinity groups working on housing and homelessness is Funders Together to End Homelessness. Funders Together has been around since 2004 and focuses not just on tackling homelessness, but on preventing homelessness and housing inequality.

“The solution to homelessness is housing,” says Amanda Andere, President and CEO of Funders Together to End Homelessness, in an interview for this report. “Too often, we tend to approach homelessness from a personal responsibility standpoint, whether that is about issues of addiction or mental health as the core drivers of homelessness. In reality, homelessness is a system failure problem.” Funders Together

continues to play a critical coordinating role for funders across the sector. More recently, it is highlighting the importance of advocacy and policy reform at local and national levels, and encourages members to engage in public-private partnerships. Its website states, “It is essential that philanthropy work in a public-private partnership model identifying where funds can be leveraged and spur innovation and collaboration.”

Another area of focus for Funders Together is helping its members connect racial justice with housing justice, and to encourage systems thinking and policy advocacy work at the local level.

Another collaborative effort, Funders for Housing and Opportunity (FHO), was founded in 2018 as a “strategic clearinghouse for philanthropy’s response” at the intersection of homelessness and housing insecurity. The collaborative includes some of the biggest names in anti-homelessness and anti-poverty giving—Ford, Annie E. Casey, Hilton, Gates, MacArthur, Kresge and Melville. Among the signature issues FHO is working on now is the Housing Justice Narrative Initiative, which is a [philanthropy-led attempt to think bigger about the housing crisis](#). Through policy organizing and advocacy and narrative change, FHO is helping to raise awareness about housing to make it a shared public concern that’s closely connected to opportunity.

A number of more localized collaboratives have emerged in recent years. One is the Bay Area Homelessness Funders Network, which was formed in 2020 by Funders Together and

Northern California Grantmakers as a way to better coordinate grantmaking around housing and homelessness in the region. The primary fund, housed at the San Francisco Foundation, focuses on “racial justice and uplifting grassroots leaders with lived experience.” Current advisors include representatives from CZI, Tipping Point Community, the Crankstart Foundation and the May and Stanley Smith Charitable Trust.

Fundraising Spotlight



Habitat for Humanity has a diversified, robust fundraising operation. In addition to corporate support, it relies on direct marketing, large gifts from individuals (including from DAFs), grants, workplace giving and planned giving. Corporations are Habitat’s biggest donors. The pharmaceutical giant Abbvie gives \$10 million annually, and Wells Fargo has donated \$119 million since 2010. Others include Lowe’s, Whirlpool, The Home Depot, and Schneider Electric. The Robert Wood Johnson Foundation, a health funder, is a major new supporter—RWJ seeded a major research initiative in partnership with Habitat, the Quality of Life Framework, to “study the impact of a neighborhood revitalization approach that goes beyond a single home to factors like economic opportunity and safety.”

Other prominent local funder collaboratives in recent years include the Home for Good Funder Collaborative in Los Angeles, which paved the way toward passage of two important bond measures to increase the stock of supportive housing and provide additional resources for city and county services linked to homelessness and homelessness prevention. This work spawned similar initiatives across the country. Another collaborative is the Chicago Funders Together to End Homelessness, which has attracted significant funding from Chicago-area foundations.

The HouseUS Fund is a new pooled fund “to help build and support the national movement for housing justice by centering the experience and leadership of people of color and the communities most impacted by housing insecurity.” This fund emulates the field’s new emphasis on funding policy solutions, as well as addressing the root causes of housing inequality, i.e., prevention rather than services for the homeless. HouseUS received seed funding in 2021 from the Ford Foundation and the Robert Wood Johnson Foundation.



“We all know the real estate market is an enormous provider of jobs, including new construction jobs and housing maintenance jobs. But we also know that when children have stable housing they have better education outcomes, they have better health outcomes, and their parents have better job outcomes. Affordable housing is a foundation for good public policy.”

— Allison Clark, associate director, Impact Investments, MacArthur Foundation

Fundraising Now

Advocates and organizations working on housing and homelessness have faced unique challenges in the years following 2020. As pandemic-era federal assistance largely ended in 2021 and 2022, the precariously housed population again faced widespread evictions. Meanwhile, the various pressures associated with widening inequality and inflation brought rentals and mortgages to all-time highs.

Nonprofits working on housing and homelessness tend to receive much of their money from government funds. This is particularly true for nonprofits providing direct services like shelter, rent assistance, and wraparound services, as well as those that develop and operate affordable housing facilities. Inside Philanthropy spoke with several fundraisers working for housing organizations for this report, and for many, government grants and contracts dwarf private sector donations. They rely on fundraising and charitable donations for a smaller portion of their overall revenues, but nevertheless, this portion is vital to their operations.

At Mercy Housing, a Denver-based charity that operates affordable housing properties in 21 states, charitable contributions normally account for just 10% of revenues. More than 75% of Mercy Housing's budget comes from the rent paid on some 24,000 affordable housing units. Much of that rental income is subsidized by the federal government, meaning that a low-income tenant pays a percentage of income for the rent. The government reimburses the landlord, in this case, Mercy Housing, for the rest.

"We fundraise to provide things like financial literacy training, after-school programs and other wraparound services such as childcare options for tenants" that make it more likely people will be able to keep their homes, says Connie Rule, Mercy Housing's chief of strategic partnerships. In an unusual but welcome development, an anonymous donor stepped up in 2020 and gave a multimillion-dollar contribution to create another wraparound program called Rent Relief to help tenants of Mercy Housing stay in their homes in the event of a health crisis or job loss.

Foundations making grants to housing organizations seem most willing to support wraparound services. Kerry Sullivan is president of the Bank of America Charitable Foundation, which made \$60 million in affordable housing grants between 2017 and 2021. "A great housing grant application for me would also address support services," Sullivan says. That demonstrates that the housing organization is able to build a strong network for its clients. "They work with other providers and don't try to do it all. This is a valuable demonstration of a strong nonprofit, that they can collaborate."

In many cases, nonprofit housing groups receive grants from locally-based foundations and corporations, often financial institutions or bank foundations. "Some [nonprofits] get local philanthropic support, but usually, it's not very big," says Peter Tatian, a housing policy expert with the Urban Institute. In particular, if nonprofit housing organizations are involved in developing affordable real estate, Tatian says, "that requires millions of dollars from government and/or private investors. So philanthropy is much smaller."

At statewide organization Housing Action Illinois, headquartered in Chicago, foundation and corporate grants typically account for about 30% to 40% of the nonprofit's total budget. "All of our foundations are based in Chicago, and our corporate grants tend to come from a regional office here," says Sharon Legenza, executive director. In 2020, amid the COVID housing crises, Housing Action Illinois raised slightly more from those sources than usual: \$280,000 from foundations and another \$180,000 from companies. The trendline continued in the following years, with \$533,365 in foundation grants and \$210,599 in corporate contributions in 2022.

Spotlight: Family Homelessness



HOMELESS NO MORE

putting families first

Based in Columbia, South Carolina, Homeless No More provides a continuum of care for homeless families ranging from emergency services to transitional and affordable housing. Focusing its efforts on Columbia and Richland Counties, Homelessness No More works toward eradicating homelessness by "providing the support to move each family toward a permanent, self-sufficient solution." Like many housing nonprofits, Homeless No More has recently expanded its advocacy work, including acting as policy advisors and mentoring "sister organizations" in advocacy work.

An Analysis of Opportunities and Challenges

The scale and complexity of issues linked to housing and homelessness is daunting—not just for philanthropy, but across multiple fields and sectors. In recent years, there has been a major surge in addressing homelessness prevention—and seeing housing insecurity and homelessness as a solvable public health issue—rather than only offering shelter and other direct services. Engaging in creative ways to finance affordable housing development, including elaborate public-private partnerships, has been another major development in the field.

As is the case with so many areas of philanthropy, a funder's success often results from direct investments in programs at the local level that show promise for wider scaling by government or through public-private partnerships. In recent years, foundations have demonstrated their power as conveners and bridges to bring public and nonprofit providers, developers and others together to create an infrastructure for action at the local level. Staffed private foundations, including community foundations, bring to bear an expertise, experience and focus on equity that corporate foundations—despite their prominence in the housing field—sometimes miss.

Even with these promising developments, philanthropy writ large has been slow to make even the most basic of connections between things that might otherwise seem obvious, like linkages between affordable housing and homelessness. A large share of philanthropy—and the public at large—still seem to operate according to the belief that homelessness is a consequence mainly of personal choices rather than widespread systemic failure.

This mindset often results in palliative, episodic responses to housing or homelessness crises rather than the well-coordinated, intersectional and systematic approach that is indeed required.

Today there is a major opportunity for philanthropy to ramp up approaches that seek to change systems. By widening its aperture, philanthropy could be more effective in helping other key players and the public understand homelessness as a consequence of systemic dysfunction. Rather than holding up a single organization or program as a standout model, funders have the opportunity to look further upstream and make connections between issues, from umbrella issues like income inequality, systemic racism, housing affordability and inclusive community development, to targeted social and fiscal policies like prisoner re-entry employment programs, support for single moms, and public budgeting for youth development and mental health care programs.

Making stronger connections between racial justice and housing justice is another cross-cutting issue for philanthropy to lead on. Philanthropy can be effective by funding grassroots and movement building organizations that are organizing to reduce housing segregation and counter the harms of racist housing and community development policies. Real philanthropic commitment to systems change requires more funding for policy and advocacy work, litigation and awareness and education campaigns, which currently receive cents on the dollar compared to community development corporations.

Institutional and major donors could also be more publicly introspective about their own practices – from their grantmaking to their investment portfolios—and examine how they may be perpetuating homelessness and housing inequality. For instance, mega-donors in the Bay Area are making significant gifts to provide affordable housing, but in many cases, their very presence in a community forces up the cost of living and displaces vulnerable people.

The connections being made between housing and health is one of the best examples of the field’s evolution and attempts to break down siloed thinking. As an example, funders are helping to spearhead a pay-for-success model in Santa Clara, California, including California Endowment, Health Trust, Reinvestment Fund,

Corporation for Supportive Housing, and James Irvine. The program taps millions in private investments to house extremely vulnerable people. Investors are paid back based on the money saved in healthcare, public safety and other social costs.

Similarly, the Green & Healthy Homes Initiative by the Calvert Foundation and Johns Hopkins Hospital and Health System in Baltimore is an example of a pay-for-success (PFS) contract to reduce asthma-related hospitalizations and emergency room visits in the city. It’s not just private funders who are intrigued by using PFS models to support housing mobility. HUD has put up **\$8.6 million** for state and local PFS initiatives. Pay-for-success, impact investing and other financing strategies hold considerable promise for housing philanthropy. By building an ecosystem where equitable impact investing can take root, foundations can better leverage their endowments and deploy risk capital to help private investors build, develop and sustain more affordable housing units for low- and moderate-income people in cities across the country.

Endowed foundations can also hold government and private sector actors accountable, an especially important role as new private investment vehicles like Opportunity Zones emerge. Likewise, funders can serve an important intermediary role between cities and counties with housing budgets to spend, and the on-the-ground community organizations working directly with these populations. Relatedly, funders can help governments at all levels collect, share and use data to better deploy limited resources.

A notable nonprofit working to create a better-coordinated, systemized approach to ending homelessness is Community Solutions

Issue Spotlight: NIMBYism

NIMBY, an acronym for “Not in My Back Yard,” is used to describe situations in which residents oppose new development or changes in an existing development that they deem inappropriate and unwanted for their neighborhood. For housing and homelessness, this translates to the opposition of affordable, supportive, and transitional housing. To combat NIMBYism, advocates are focusing on educating local communities on the benefits for the residents, as well as addressing legitimate community concerns and showcasing successes of similar existing affordable, supportive, and transitional housing developments.

International, which received a major, \$100 million grant from the MacArthur Foundation in 2021, as well as \$15 million from the Ballmer Group in 2022. Community Solutions works with governments and nonprofits in select cities, using a public health-oriented, data-driven and collaborative method to achieve what the group calls “Built for Zero” to effectively end chronic homelessness. This methodology is notable for its data-driven, public health orientation that treats homelessness as a public health problem to be solved by addressing the many root causes, rather than a societal ill that must be accepted and treated on a case-by-case basis.

Another emerging funding trend is participatory leadership and grantmaking. For too long, community members, including those experiencing homelessness, have been left out of the decision-making process. As participatory grantmaking processes gather steam, it’s likely that entirely new models and approaches for grappling with housing, community development and homelessness will emerge.

At a more fundamental level, funders have the chance to step up their grantmaking to fund more grassroots, community-based organizations that know their community and can mobilize against NIMBYism. Funders can also look to support organizations that are BIPOC-led, as well as those that rely on persons with lived experiences to help lead and voice concerns about inequities in housing and homelessness-related services.

Lately funders are working collaboratively to build networks across different sectors—business, philanthropy, nonprofit and government—to create coalitions at both the local and national

levels to proactively take on housing affordability issues and the equity work happening upstream (e.g., a living wage, universal healthcare). This includes investments in groups doing work around narrative change. Funders also increasingly focus on policy issues, including fighting the criminalization of homelessness and backing universal rental vouchers.

Public-private partnerships may be the most dynamic new opportunity in housing philanthropy today, as private funders help governments leverage public funds. One prominent example is Homekey, a major state-funded initiative in California to develop hotels, motels, and other properties into emergency housing and low-income housing. The public office spearheading the initiative works in novel ways with on-the-ground nonprofits, service providers, and affordable housing developers to strategically use the funds. Private funders, including [Blue Shield of California](#) and the Kaiser Family Foundation, have been involved, both to coordinate between the government and the housing developers, and to supplement government funding with wraparound services.

On the whole, many funders have learned that we cannot rely entirely on building or housing our way out of the problems presented in this brief. Long-term solutions lie further upstream with economic mobility, fair and equitable wages, safe and healthy communities and a stronger social safety net. These are areas where philanthropy can play a catalytic role, sparking government and private sector action and coordination.

Resources for Housing and Homelessness Funding

Reports & Data Sets:

[America's Rental Housing 2024](#). Joint Center for Housing Studies of Harvard University.

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[Funders Together to End Homelessness](#)

[Melville Charitable Trust](#)

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Feedback?

The State of American Philanthropy is an ongoing project, each SAP brief will be updated periodically to integrate new information, additional data and evolving perspectives. This brief was originally posted to Inside Philanthropy in 2021 and was updated in March, 2024. If you have comments or information you'd like to share with us, please email us at managingeditor@insidephilanthropy.org.