USC Center for Homelessness, Housing and Health Equity Research (website: <u>h3e.usc.edu</u>)



Miracle Friends and Miracle Money in California: A mixed-methods experiment of social support and guaranteed income for people experiencing homelessness

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"Everyone is someone's somebody"

- Kevin F. Adler, Founder & CEO





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Study design







Consort diagram







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Preliminary results







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Thank You! Questions?

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A Qualitative Study of Unconditional Cash Transfers with Adults Experiencing Homelessness

Authors: Deborah K. Padgett, Benjamin Henwood, Olga Koumounduros, & Corrine Zachry Parent Study: Miracle Messages RCT QUALITATIVE STUDY

Site: Los Angeles

Study population: Purposive sample of 20 from experimental group (who were in Miracle Buddy program and would receive 750\$ per month for one year).

Design: 2 waves of qualitative interviews (one shortly after notification and cash disbursement) and one near end of 12 months.

Research Questions

1) How did study participants (SPs) react to the UCT in the context of their daily lives?

2) How did they spend and/or plan to spend the UCT funds?

3) How (if at all) did they envision the impact of UCT funds on their lives?

| Variable | n | % | Mean | SD |
|----------------------------------|----|------|------------------|--------|
| Age | | | 49.45 | 12.17 |
| Age at first homeless experience | | | 35.05 | `12.92 |
| | | | Range: 11-59 yrs | |
| Gender | 10 | 50.0 | | |
| Male | | | | |
| Female | 8 | 40.0 | | |
| Other gender | 2 | 10.0 | | |
| Race/ethnicity | | | | |
| Asian American | 1 | 5.0 | | |
| Black/African American | 3 | 15.0 | | |
| Hispanic/Latino | 5 | 25.0 | | |
| Multiracial | 1 | 5.0 | | |
| White | 9 | 45.0 | | |
| Not reported | 1 | 5.0 | | |
| Sexual orientation | | | | |
| Heterosexual | 18 | 90.0 | | |
| Gay or lesbian | 1 | 5.0 | | |
| Bisexual or pansexual | 1 | 5.0 | | |
| Highest education | | | | |
| $\leq 8^{th}$ grade | 1 | 5.0 | | |
| Some high school | 3 | 15.0 | | |
| High school or GED | 5 | 25.0 | | |
| Some college | 4 | 20.0 | | |
| Bachelor's degree or higher | 7 | 35.0 | | |

Table 1. Participant demographics at baseline (n = 20)

Table 2. Miracle Money Spending

| Item | # of different people reporting |
|--------------------------|------------------------------------|
| Food | 18 |
| Savings | 11 |
| Spent on Others | 11 |
| | |
| Car related expenses | 10 |
| Housing Future & current | 10 |
| Phone and phone bill | 9 |
| | |
| Health care/fitness | 6 |
| Credit card debt | 6 |
| Storage | 6 |
| Pets | 5 |
| Public transport | 5 |
| | |

Methods of Qualitative Data Analysis and Thematic Findings



Theme 1: Reckoning With the Money

Study Participants suddenly receive an influx of cash. A very welcome surprise.

- "Oh, my gosh, it put a spring in my step. And it's stress relief "
- "I don't feel like I'm broke all the time. I feel like now I've got some money in my wallet."
- "Any money that I get, I'm going to make it happen. I'm going to make it last..."

Most did not share news of their cash influx with others

"don't nobody know about that money. I kept that to myself. I don't share my finances because then you got people in your pocket."

Gratitude was mixed with an acknowledgment of limits

"I'm gonna be honest, for somebody that don't have a pot to piss in and a window to throw it out of, I'm grateful. You know, it's not enough to pay rent in this state, but I know states I can go to and pay rent for that amount."

Theme 2: Getting a Place: The Pursuit of Housing* Study Participants viewed the money as a powerful means of incremental change, helping them to eventually find permanent housing

Louis (pseudonym) lives in his truck parked next to his mother's car where she sleeps.

• "I pay my phone bill, pay storage. Gas for the vehicles. We got the EBT (food stamps) and my mom gets some money too. So we have the food and all that. We just can't get a place. Because I have to prove I make three times the amount of rent."

Bonita had a coveted Section 8 rental voucher but no landlord to accept it. She used the voucher to temporarily live in a rundown Skid Row hotel with shared kitchens and bathrooms.

• So I am saving to get my driver's license and... save for a car. And also for my new apartment....I'm going to start looking. ...because I could only do this (live in the hotel) for a year.

George wanted to buy a car to find work and, if necessary, to live in. His first priority was to save up for housing.

• The car would provide the shelter. But I also could save the money, and put it towards a place to stay, if I was able to get my IDs in time. So I could work then that would also help me. But for right now, like I said, I'm just making sure to save as much as I can, until I make the big decision of which way I'm gonna go with it.

*Apartment rents in Los Angeles in 2022 started at around \$2,000 for a one-bedroom. A worker making a California minimum wage of \$15.50 would have to work 88 hours per week to afford an apartment (NLIHC, 2022).

Theme 3 – Helping Others

Neil welcomed the opportunity to use the cash in small ways to help others.

• There's one neighbor who stays on and yesterday I bought him and his roommate dinner because they're sick...and I'm like, well I'm going to get \$700 tomorrow, so this doesn't really bother me. You know? ...and then also too with the money I had, like when I got a dog my neighbor got a dog and I paid for [it]

George immediately found ways to spend part of his stipend.

• The first thing I did was I sent \$300 to my mom just right off the top. And then I took a lot of people out to eat and stuff like that....

Ned wanted to help by spending 'a little bit here and there':

• I'm gonna help out a little bit here and there. I have some friends that I've met in the shelter. I do things like taking people around, helping them out with doctors and things like that, so that they don't have to pay for an Uber service ...in that way, small things.

Some preliminary conclusions....

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- Growing research literature on Unconditional Cash Transfers in Low-and-Middle Income countries with positive benefits both financially and psychologically
- Basic variations: 1) Paid in installments over time vs. all at once
 - 2) With or without conditions (restrictions)
- Miracle Messages is one of few studies of UCT for unhoused persons living in higher-income countries
- This study is only known qualitative study of UCT and its impact
- Findings consistent with quantitative UCT studies showing positive results compared to non-UCT group, i.e., money used for housing, durable goods, savings
- Far less spent on 'temptation goods' (alcohol, drugs, gambling, cigarettes)