

COVID-19

Make the Most of Federal Resources to Stop Increases in Homelessness

During the COVID-19 pandemic millions of renters have lost jobs, had reduced income or were otherwise economically impacted. Black, Indigenous, and People of Color (BIPOC) in particular have been disproportionately impacted by the pandemic and are more likely to be low-income and to be renters. Eviction moratoria protected most renters from evictions and loss of housing during this period, but many continue to be significantly behind on rent, dramatically impacting property owners' income and setting up a possible crisis of evictions as moratoria are lifted. People living in non-lease situations are not covered by these protections and may already be slipping into homelessness.

A potential explosion in homelessness is a significant fear on the minds of citizens and elected officials alike and this concern may be well founded if efforts to prevent a massive increase are not undertaken **now**. All in all, there is significant funding available to address critical needs now and prevent a potential crisis of eviction and increased homelessness. ***Such a crisis will only be averted if funding is used well to maximize impact.***

The Federal government has made resources available to States and localities to stem the potential tide of housing loss, create more housing, and address homelessness. Making the most of these resources is critical to ensure not only that property owners receive the rents they need to keep operating and to reduce tenant debt and keep tenants in their homes, but also to prevent the potential growth of homelessness. These resources include:

A potential explosion in homelessness is a significant fear on the minds of citizens and elected officials alike ... ***Such a crisis will only be averted if funding is used well now to maximize impact.***

Federal Awarding Agency and Program	Resources to:
U.S. Department of the Treasury – Emergency Rental Assistance Program (ERA)	States, cities, and tribal governments
U.S. Department of Housing & Urban Development – Emergency Solutions Grant-CARES Act (ESG-CV) HOME – American Rescue Plan (HOME-ARP)	States, cities, and tribal governments
U.S. Dept. of Housing & Urban Development – Emergency Housing Vouchers (EHV)	Public Housing Authorities in partnership with Continuums of Care

In some places these resources are being supplemented by State and local resources with similar purposes.

What To Do To Maximize Impact

To get the greatest impact from all the available resources, localities should use each resource for its best purpose while targeting all of the resources together in a way to get the greatest impact. This will mean working across cities, Public Housing Agencies, and Continuum of Care to develop a targeting plan that together can meet local needs and prevent a wave of homelessness in the future.

Here is a suggested way to allocate and target:

- ✓ **Use Emergency Rental Assistance (ERA) program funds to cover households who are behind on rent and at risk of eviction.** Use ERA funds to eliminate past housing debt before using it for any prospective rent. If the funding in your locality is not enough to meet all the estimated need, target ERA to those *most likely* to become homeless if not assisted, which includes those with the lowest incomes, previous histories of homelessness, and those in the most impacted census tracts or zip codes. Using these prevention prioritization efforts towards the most likely to become homeless, will help address barriers which impact many BIPOC individuals and work to improve racial equity.
- ✓ **Use Emergency Solutions Grant – CARES Act (ESG-CV) funds primarily for rehousing people already experiencing homelessness.** Rehousing quickly those sleeping in shelter and on the street reduces levels of homelessness and opens space in shelter if needed. Diversion assistance helps those who would otherwise come into the homeless system to get alternative housing and reduces homelessness and should be undertaken before more traditional prevention. If more funds are needed for prevention than ERA provides, consider using ESG-CV for short- and medium-term rental assistance *after using ERA to eliminate back rent owed*, specifically for households with past experiences of homelessness who remain extremely vulnerable to losing housing again.
- ✓ **Use Emergency Housing Vouchers (EHV) primarily for people experiencing homelessness, including youth and survivors of domestic violence, who need a long-term subsidy.** While every low-income household could benefit from a long-term subsidy, EHV can be extremely valuable for reducing homelessness. If using any EHV for households at risk of homelessness *target these resources* to those who have previously received assistance from ESG or another homeless-targeted program, such as Supportive Services for Veteran Families (SSVF), and need continued assistance.
- ✓ **Use HOME – American Rescue Plan (HOME-ARP) funds for creating new permanent supportive housing, including both project-based development and tenant-based subsidies.** As much as possible housing created with HOME-ARP should be offered to and targeted to people who are or have been homeless and remain at high risk for homelessness again.

SAMPLE INVESTMENT TARGET PLAN

ERA	ESG-CV	EHV	HOME-ARP
<ul style="list-style-type: none"> • Reduce past due rent burden for tenants and landlords and avoid evictions • Use for past due rent before prospective rent • If insufficient for all who qualify, <i>target</i> based on income, past homelessness and geography 	<ul style="list-style-type: none"> • Rehouse people who are homeless now, including those in shelter • Divert to households seeking homeless assistance to alternative housing arrangements 	<ul style="list-style-type: none"> • Use to rehouse people experiencing homelessness including youth and DV survivors • Offer EHV to those with histories of homelessness receiving time-limited assistance from another program 	<ul style="list-style-type: none"> • Create new permanent supportive housing for people experiencing homelessness • Target any other affordable housing to lowest income households who are at high risk of homelessness

Using the funds together in this way will reach a wide array of households in need while also ensuring that the most in need of assistance are not missed and fall into homelessness. Keeping people at the highest risk for homelessness in housing is the best way to avoid a wave of increased homelessness and all of the economic and social costs associated with it.