

Homeless Assistance, Coronavirus (Homeless Assistance-CV)

By Steve Berg, National Alliance to End Homelessness

Administering Agency: HUD's Office of Community Planning and Development (CPD)

Population Targeted: Households that are homeless or at immediate risk of homelessness

Funding: \$4 billion CARES Act, \$5 billion proposed in the "American Rescue Plan Act of 2021"

HUD's regular Homeless Assistance programs provide approximately \$3 billion annually to fund state and local government and nonprofit agencies to do outreach to people who are homeless, keep them safe, and help them move into housing. Because of the danger posed by COVID-19 to people who are homeless, Congress has provided additional emergency funding for this purpose, and is considering providing more.

THE "CARES ACT" AND THE "AMERICAN RESCUE PLAN ACT"

The "CARES Act" provided \$4 billion for homeless assistance, through the Emergency Solutions Grants – CV program. The "American Rescue Plan Act" added an additional \$5 billion through HUD's HOME program, largely for purchasing and renovating buildings that can become housing for homeless people. This funding goes to state and local government, which can subgrant to other government agencies or to nonprofit organizations. It can pay for capital and operating costs of emergency shelters, and services (including outreach) to people who are homeless, as well as temporary rental assistance to move people into permanent housing. It can also pay for homelessness prevention, for people in immediate danger of homelessness.

All the money has been allocated, and nearly all the government grantees have funding agreements in place with HUD including a plan for using the funding. Substantial amounts of

the funding, however, have not yet been spent. A challenge for HUD and for communities is to ensure that people are getting the help they need if they are homeless. Many communities have used ESG-CV to rent empty hotel rooms in order to avoid overcrowded congregate shelters or street encampments and are using the ARP HOME money to purchase and convert them into permanent housing. Any funding for ESG-CV that is not spent by September 30, 2022 will be recaptured. HOME Homelessness funds must be obligated by 2025 and expended by 2030.

Some communities have used ESG-CV funding for eviction prevention. The much larger fund for Emergency Rental Assistance is better suited to that, and many leaders including the Alliance recommend that communities use the ESG-CV funding for people who are already homeless.

FORECAST FOR 2022

The Build Back Better legislation that passed the House and is being considered by the Senate includes substantial new funding for permanent housing, much of it targeted to people who are homeless or at risk of homelessness. If this passes it will provide an unprecedented opportunity for communities to move people from the streets to housing.

FOR MORE INFORMATION

NLIHC, 202-662-1530, www.nlihc.org.

NAEH, www.endhomelessness.org.

Summary of relevant provisions in House Build Back Better legislation: <https://endhomelessness.org/legislation/summary/>.

The Framework for an Equitable COVID-19 Homeless Response, <https://housingequityframework.org/>, including help for communities on using "CARES Act" funding.