SNAPS Special NOFO: Leveraging Housing Resources

(Sent via SNAPS listserv on 8/12/2022)

On June 22, 2022 the U.S. Department of Housing and Urban Development (HUD) released the <u>Continuum of Care</u> <u>Supplemental to Address Unsheltered and Rural Homelessness (Special NOFO)</u>. This is a first-of-its-kind opportunity to address unsheltered homelessness and homeless encampments, and it includes funds set aside to address homelessness in rural communities.

To support communities in developing their plans to address rural and unsheltered homelessness, HUD is highlighting existing Technical Assistance (TA) and other resources through a series of listserv messages. Today's message focuses on leveraging housing resources and engaging Public Housing Authorities (PHAs).

Leveraging Housing Resources

To reduce unsheltered homelessness, it is crucial that communities increase the number of available affordable permanent housing units. While the CoC and ESG programs are important funding sources for permanent housing for people experiencing homelessness, communities need to look beyond these resources if they want to end homelessness in their community. CoCs will want to consider a broad variety of sources to help pay for the capital expenses, operating expenses, and supportive services needed for housing programs. This message focuses on common funding streams that support permanent housing for people experiencing homelessness.

Beyond ESG and CoC, several federal funding sources are available to communities. Among the most used are HOME, including HOME-ARP, and Housing Choice Vouchers (HCV), including Emergency Housing Vouchers (EHV).

The <u>HOME Investment Partnerships Program (HOME)</u> is a block grant that is designed to help state and local governments create affordable housing. Communities, working with local partners, can fund activities like building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people. In addition to these activities, <u>HOME-ARP</u> funds can be used to fund supportive services in permanent housing projects. <u>Past HOME projects</u> have included permanent supportive housing developments for people formerly experiencing homelessness.

Housing Choice Vouchers (HCV) are another important source of funding for permanent housing units. HUD provides funding to local public housing authorities (PHAs), who in turn issue vouchers to subsidize rent for low-income families in HUD-approved units. These vouchers include the 70,000 Emergency Housing Vouchers (EHV) available to communities through the American Rescue Plan, which serve people who are homeless, at risk of homelessness, or otherwise facing housing instability.

CoCs must partner with PHAs to utilize these HCV and EHV vouchers. CoCs should work to foster PHA understanding of CoC activities (and vice versa), develop clear and data driven asks for PHAs, and maintain open and regular communication. Such close collaboration between PHAs and CoCs is mutually beneficial. These partnerships allow PHAs and CoCs to create more efficient waitlist and application procedures, higher voucher utilization rates, and increased housing stability for tenants.

Along with federal funding, <u>other sources</u> worth considering include state and local governments, private corporations and financial organizations, flexible housing pools, and philanthropic organizations.

- State and local governments may provide housing vouchers or services funding.
- **Private corporations and financial organizations** may offer grants, loans, or pay for success/social impact bonds for capital investment.
- Flexible housing pools (FHPs) combine contributions from state and local government with private investment to pay for rental subsidies, landlord mitigation risk funding, and some services.
- **Philanthropy** from foundations and community associations can provide "seed" funding or other grants for permanent housing.

Once CoCs have gathered these resources, they will need to find available housing units in which to use them. In a forthcoming listserv, we will discuss best practices for engaging landlords for unit acquisition and retention. The links below provide additional guidance for leveraging housing resources and creating robust partnerships with PHAs.

Resource List

General housing resources

- o COVID-19 Homeless System Response: Long-Term Financing of Permanent Supportive Housing Projects
- o COVID-19: Unit Acquisition Strategies and Examples to Support Housing Development
- o COVID-19 Homeless System Response: Identifying Sources of Operating Funds to Support Affordable and Permanent Supportive Housing Projects
- o HOME-ARP Webinar Series: Homeless System Overview
- o HOME-ARP and Project Homekey Overview Webinar

Engaging PHAs

- o PIH: Preventing and Ending Homelessness
- o COVID-19 Homeless System Response: Partnering with Local Public Housing Authorities (PHAs)
- oCoC and PHA Collaboration: Strategies for CoCs to Start the Partnership Conversation
- o The Business Case for Partnering with PHAs to Serve People Who are Homeless
- oPHA 101 for CoCs (30-minute webinar)
- o How PHAs Can Assist People Experiencing Homelessness (1.5-hour webinar)
- o Moving On Webinar Series Spring 2021

The Special NOFO is open through October 20, 2022. Please submit questions to SpecialCoCNOFO@hud.gov.