

## Exploration of S.1801 Community Partnership to End Homelessness Act of 2005 (The Reed Bill)

*Hosted by the Regional Steering Committee on Housing and Homelessness (RSC)*

### Federal Priorities

### CHRONIC HOMELESSNESS

CURRENTLY	UNDER NEW LEGISLATION
<p><i>Where “Chronically Homeless” is Defined</i></p> <p>Currently, the term “chronically homeless” does not exist in federal statute. The Department of Housing and Urban Development (HUD) has defined chronic homelessness through the Notice of Funding Availability (NOFA).</p>	<p><i>Where “Chronically Homeless” is Defined</i></p> <p>S.1801 would insert a definition of “chronically homeless” that would apply to what would be the Emergency Shelter Grant (ESG) Program and the Homeless Assistance Program.</p>
<p><i>Who is “Chronically Homeless”</i></p> <p>2005 Continuum of Care NOFA:</p> <ul style="list-style-type: none"> <li>• Unaccompanied individual who is homeless; and,</li> <li>• has been homeless continuously for at least 1 year or has had at least 4 episodes of homelessness in the last 3 years; and,</li> <li>• has a disabling condition (defined as a diagnosable substance use disorder, serious mental illness, developmental disability, or chronic physical illness or disability, including the co-occurrence of two or more of these conditions); and,</li> <li>• sleeping in a place not meant for human habitation (e.g., living on the streets) or in an emergency homeless shelter.</li> </ul>	<p><i>Who is “Chronically Homeless”</i></p> <ul style="list-style-type: none"> <li>• an individual or <b>family</b> who is homeless; and,</li> <li>• has been homeless continuously for at least 1 year or has been homeless on at least 4 separate occasions in the last 3 years; and,</li> <li>• <b>in the case of a family</b>, has an adult head of household with a disabling condition (defined as a diagnosable substance use disorder, serious mental illness, developmental disability, or chronic physical illness or disability, including the co-occurrence of two or more of these conditions).</li> </ul> <p>This new definition is much more inclusive than the HUD definition which appeared in the 2005 Continuum of Care NOFA, <u>including families with a disabling condition</u>, and people who are homeless <u>other than only</u> those that are sleeping in an emergency homeless shelter or in a place not meant for human habitation. Also, it <u>includes individuals without disabilities</u>.</p>

<b>CURRENTLY</b>	<b>UNDER NEW LEGISLATION</b>
<p><i>Priority Given to Chronic Homelessness</i></p> <p>2005 Continuum of Care NOFA sets forth a minimum of 10% of all Homeless Assistance Grants funding (sum of ESG <i>and</i> Continuum of Care grants), to go towards projects serving chronically homeless people. New or renewal projects that are transitional housing, safe havens, or permanent housing that have at least 70% of their clients who are chronically homeless will count towards this minimum of 10%. HUD is mandated to annually award 10% of all Homeless Assistance Grants funding allocation to projects that qualify as ones that serve predominantly (at least 70% of clients) chronically homeless individuals.</p> <p>In the 2005 Continuum of Care competition, the 2005 Samaritan Initiative could be used only for a project that serves exclusively “chronically homeless” people.</p>	<p><i>Priority Given to Chronic Homelessness</i></p> <p>There is no minimum funding allocation that HUD must reach.</p> <p>[See permanent housing incentives below for additional incentives for permanent housing projects serving chronically homeless people.]</p>

**PERMANENT HOUSING**

<b>CURRENTLY</b>	<b>UNDER NEW LEGISLATION</b>
<p><i>Definition of Permanent Housing</i></p> <p>Permanent Housing is limited to permanent supportive housing for people with disabilities.</p>	<p><i>Definition of Permanent Housing</i></p> <p>Permanent Housing would no longer BE limited to permanent supportive housing for people with disabilities. It includes permanent supportive housing for individuals with disabilities and homeless families that include such an individual who is an adult. However, it would be more broadly defined as community-based housing without a designated length of stay.</p>

<b>CURRENTLY</b>	<b>UNDER NEW LEGISLATION</b>
<p><i>Priority to Permanent Housing</i></p> <p>Through the last several annual appropriations bills, HUD has been mandated to annually award at least 30% of all Homeless Assistance Grants funding (sum of Emergency Shelter Grants and Continuum of Care grants), <i>but excluding</i> Shelter Plus Care Renewal funds, to permanent housing projects.</p>	<p><i>Priority to Permanent Housing</i></p> <p>At least 30% of the total funds made available for both the Homeless Assistance Program and ESG Program shall be used to develop permanent housing for homeless individuals with disabilities and homeless families that include such an individual who is an adult. In calculating the 30%, permanent housing renewals funded through the Homeless Assistance Program will <i>not</i> be considered.</p>
<p><i>Incentives to Create New Permanent Housing</i></p> <p>This 30% mandate spurred the annual “permanent housing bonus”/”Samaritan Initiative” that HUD has offered CoC’s for each of the last few years. This bonus is <i>additional</i> funding that is made available for a #1 ranked new permanent housing project in each community. The 2005 Samaritan Initiative could be used only for a project that serves exclusively “chronically homeless” people. Per 2005 NOFA, eligible activities included rental assistance, acquisition, new construction, rehabilitation, leasing, operating costs, and for SHP projects only, administration and case management.</p>	<p><i>Incentives to Create New Permanent Housing</i></p> <p>To promote the creation of new permanent housing units through the <i>construction, or acquisition and rehabilitation, of permanent housing units</i> that are owned by project sponsor or other independent entity in contract with grant recipient or project sponsor, and that would serve:</p> <ul style="list-style-type: none"> <li>• chronically homeless individuals or chronically homeless families, or,</li> <li>• non-disabled homeless families (homeless families without an adult head of household with a disabling condition).</li> </ul> <p>The location of new permanent housing stock is to be in a mixed-income environment, if practicable.</p> <p>If serving chronically homeless individuals and homeless families, in addition to funds for construction, or acquisition and rehabilitation, the project would receive incentives consisting of:</p> <ul style="list-style-type: none"> <li>• funds for up to 10 years of rental assistance,</li> <li>• bonus amount to carry out these activities, and</li> <li>• technical assistance needed to ensure viability and programmatic effectiveness of project.</li> </ul> <p>For the above bonus, eligible applicants are: Collaborative Applicant, a private non-profit or for-profit organization, a public-private partnership, a Public Housing Authority (PHA),</p>

	<p>or an instrumentality of State or local government.</p> <p>If serving non-disabled families, in addition to the funds for construction, or acquisition and rehabilitation, the project would receive incentives consisting of:</p> <ul style="list-style-type: none"> <li>• bonus amount to carry out these activities, and</li> <li>• technical assistance needed to ensure viability and programmatic effectiveness of project.</li> </ul> <p>No more than 10% funds allocated through permanent housing incentive will go to projects serving non-disabled hmlss families.</p>
<p><i>Additional Incentives for Permanent Housing Renewals</i></p> <p>For the last several years, Shelter Plus Care renewal projects have been annually funded without competition.</p>	<p><i>Additional Incentives for Permanent Housing Renewals</i></p> <p>Such renewal funds may be made available for 1 year for costs of <i>rental assistance and housing operation</i> costs associated with permanent housing renewal project funded under Homeless Assistance Program, or under the current Supportive Housing or Shelter Plus Care Programs. (Makes no mention of permanent housing renewal projects currently funded under the Section 8 Single Room Occupancy Moderate Rehabilitation Program.)</p> <p>No cash match required for operations costs of renewal permanent housing projects that:</p> <ul style="list-style-type: none"> <li>• house individuals or families whose incomes are 50% or less of AMI in geographic area</li> <li>• that receives no other Federal or State funds from a source other than the Homeless Assistance Program.</li> </ul>

**OTHER FEDERAL PRIORITIES**

<b>CURRENTLY</b>	<b>UNDER NEW LEGISLATION</b>
<p><i>Homeless Families</i></p> <p>At least 25% annual allocation to projects funded through Supportive Housing Program will go to projects serving</p>	<p>S.1801 repeals this minimum currently set forth in McKinney-Vento Act.</p>

primarily homeless families.	
<i>Persons with Disabilities</i> At least 25% annual allocation to projects funded through Supportive Housing Program will go to projects serving primarily homeless persons with disabilities.	S.1801 repeals this minimum currently set forth in McKinney-Vento Act.
<i>Supportive Services Only</i> At least 10% annual allocation to projects funded through Supportive Housing Program will go to projects funding supportive services <i>not</i> provided in conjunction with supportive housing.	S.1801 repeals this minimum currently set forth in McKinney-Vento Act.



