

MEMORANDUM

TO: Regional Steering Committee on Homelessness and Housing

FROM: HomeBase

RE: Alternative Funding Sources for HPRP Activities

DATE: June 17, 2011

INTRODUCTION

As we near the beginning of the third and final year of the Homelessness Prevention and Rapid Rehousing Program (HPRP), it is important for communities to consider options for sustaining the program into the future. In fact, for many communities with faster spend-down rates, HPRP programs will ramp down and close out even sooner, if they have not done so already. Tremendous efforts have been expended to design and improve programs, create new partnerships and effect systems transformations. It is incumbent upon our communities to determine how to ensure these efforts survive well past the three-year HPRP funding period.

It is natural that the focus of attention in terms of sustaining HPRP efforts has been on the soon-to-be implemented Emergency Solutions Grant (ESG) program. HUD has emphasized the changes made to the new ESG program to parallel eligible HPRP activities. For example, ESG will now permit rapid rehousing and the 30% funding cap on homelessness prevention has been lifted.

However, based upon the recently announced FY2012 ESG allocations, the increase in ESG funding in each community, as compared to FY2011, amounts to approximately 10%-12% of a community's annual HPRP allocation.¹ Thus, our communities are left with three choices:

- 1) Scale down HPRP efforts in the future (including improving cost efficiency of current HPRP operations)²;

¹ This calculation was made by determining the "annual" HPRP allocation for a sample of communities, based on dividing the three-year HPRP allocation for the community by three and comparing that amount to the increase in ESG funding for the community between FY2011 and FY2012. Please note that if a community expended its HPRP resources at a faster rate, then the difference between the increased ESG funding and HPRP allocations will appear even starker.

² While outside the scope of this memorandum, the potential cost-savings from improving the efficiency of HPRP programs should not be underestimated. Nor would at least some such efficiency improvements be particularly difficult to put into place. Given the pressure to increase spend-down rates for ARRA-funded programs, many communities have structured HPRP programs around the goal of increasing spending, including increasing per-client spending. While HUD has counseled programs to provide "the least amount of assistance necessary" per client, this is often not in effect what is happening and even HUD's own recent guidance on spend-down strategies incentivizes increasing per-client program expenditures. Once program incentives change from

- 2) Shift resources away from traditionally-funded ESG programs to sustain HPRP efforts, should HUD and local CoC and ESG planning bodies permit and determine appropriate;
- 3) Look for alternative sources of funding to sustain HPRP programs going forward.

In order to both sustain effective, community-wide rapid rehousing and homelessness prevention efforts, as well as maintain valuable, currently-funded ESG programs, a combination of the above options will likely need to be employed.

For the purposes of this memorandum, we will focus on option #3: alternative funding sources to sustain HPRP programs. Below you will find an exploration of various sources of funding that communities should examine to sustain HPRP funding into the future.

ALTERNATIVE FUNDING SOURCES

1) First 5/Proposition 10

Source of Funding: State of California (First 5 Commission)³

Total Funding Available: \$372,354,361 (FY2010-11)

Eligible Populations: Children aged 5 and under and their parents/caregivers

Eligible HPRP Financial Assistance: “Provision of Basic Family Needs” is an eligible funding category under the School Readiness Program. First 5 County Commissions have great latitude in structuring county First 5 programs. For example, First 5 San Francisco has provided funding for security deposit and move-in assistance as part of the City of San Francisco’s rapid rehousing efforts.⁴

Eligible Housing Relocation and Stabilization Services: First 5 provides funding for supportive services programs aimed at education, health services, and child care for children aged 5 and under. Funding is generally allocated (depending on the program) to individual counties, each of which has a First 5 County Commission. Continuums of Care would be well-served to coordinate with local First 5 County Commissions to ensure the special needs of homeless and at-risk families are considered in program design and to increase CoC-funded agency staff awareness of First 5 programs so as to facilitate client referrals. However, in terms of HPRP activities, the following supportive services would be eligible expenses (specifically through the School Readiness Program):

- Case Management
- Housing Search and Placement

increasing spend-down (under the HPRP regime) to preserving a scarce resource (under the post-HPRP regime), the opportunity to rethink efficient spending strategies will emerge.

³ Funding is available through each county’s First 5 County Commission.

⁴ In fact, First 5 San Francisco helped to fund San Francisco’s homelessness prevention and rapid rehousing program, First Avenues (operated by the Hamilton Family Center), years prior to the ARRA-funded HPRP program.

- Funds may be used to “assist[] families in finding temporary or permanent housing and related case management services.”

Match Requirement: None

2) TANF/CalWORKs

Source of Funding: Department of Health and Human Services (HHS)/California Department of Social Services

Total Funding Available (State of California): \$6,294,894,519 (FY 2009, excluding ARRA funds)

Eligible Populations: Requirements include: 1) family of children under 18 (or pregnant); 2) United States citizen or documented immigrant; 3) have a Social Security Number; 4) monthly net income under program maximum for family size; 5) assets fall under program maximum (\$2000 in FY2011, or \$3000 if over age 60)

Eligible HPRP Financial Assistance: Participating CalWORKs families receive a monthly cash assistance grant, dependent on family size. The grant can be paid directly to a family’s landlord to help cover the family’s rent. However, additional assistance can be provided to both CalWork participants as well as families who are not enrolled in CalWORKs:

- Rent Assistance for CalWORKs Families: CalWORKs/TANF funds can be used to provide security deposit and rental assistance for homeless families or families at imminent risk of becoming homeless. Examples:
 - Special need payment for homeless CalWORKs families to meet costs for temporary or permanent housing
 - Payment of rent arrearages (once in a lifetime)
 - Temporary (up to 16 days) payment for temporary shelter (e.g., motel) for homeless families
 - Move-in cost assistance
 - 8-Month Rental Assistance Program provides subsidy of up to \$300/month towards rent expenses (Los Angeles County)
- Rental Assistance for Non-CalWORKs Families:
 - TANF funds are not restricted to families participating in a state’s “Welfare to Work” Program (e.g., CalWORKs). Short-term non-recurring benefits can be provided to “needy families” (within a state’s eligibility requirements) for up to four months. Such benefits must be provided to meet a need that can be expected to end within four months and cannot be used to address ongoing needs (e.g., providing rental assistance to a family that cannot afford its rent with no evidence that the situation will change within four months). Funds can be provided for a wide-variety of needs, including:

- Rental assistance
- Rent arrears
- Utilities (payments, deposits and arrears)
- Security deposits
- Eviction-related legal fees
- Emergency shelter (e.g., motel vouchers)

Eligible Housing Relocation and Stabilization Services: Supportive services provided through CalWORKs/TANF funding can include:

- Case Management (including access to licensed social workers)
- Housing Search and Placement
 - Example: Santa Clara County Housing Authority has been provided CalWORKs funding to assist CalWORKs recipients in finding affordable housing.

Match Requirement: TANF has a Maintenance of Effort (MOE) requirement under which a state must have state expenditures each fiscal year of at least 80% (or 75%, if the state meets the TANF overall and two-parent participation rate requirements) of a historic state expenditure level for “qualified state expenditures” (certain types of benefits and services for needy families).

Additional Notes: California spends roughly half of its TANF/MOE funds on basic assistance for CalWORKs participating families. The State does not operate or fund a robust short-term non-recurring benefits program that could provide housing-related financial assistance to families not participating in the CalWORKs program. Such non-participating families may have timed-out of the CalWORKs program or may not meet CalWORKs eligibility requirements. Please note that while there are Federal TANF eligibility requirements, states are free to set more stringent eligibility requirements, which California does. However, states are free to vary eligibility requirements by TANF/MOE component program, as long as families receiving assistance are eligible under Federal guidelines. Thus, a state may choose to limit TANF assistance (i.e. monthly cash aid) to families falling within a very restrictive set of criteria, but offer short-term non-recurring benefits to families meeting less stringent eligibility criteria.

3) HOME Investment Partnership (Tenant-Based Rental Assistance Program Component)

Source of Funding: Department of Housing and Urban Development

Total Funding Available (State of California and all direct HUD grantees within the State)⁵: \$231,224,410 (FY2011: includes California Department of Housing and Community Development, as well as the 94 other “Participating Jurisdictions” (PJs) in the State)

⁵ Detailed breakdowns of funding amounts for a sample of local communities for HOME and other HUD funding sources can be found in Appendix A to this memorandum.

Eligible Populations: Very-low and low-income individuals and families. For the Tenant-Based Rental Assistance (TBRA) Program component of the HOME program, at least 90% of individuals and families must have incomes at or below 60% of the area median income. Tenant income must be recertified annually.

Eligible HPRP Financial Assistance: Under the TBRA program, the following financial assistance may be provided to program participants:

- Rent⁶
 - Up to 24 months, beginning on the first date of the lease (but renewable)
 - Maximum payment by PJ cannot exceed the difference between the a rent standard for the unit size established by the PJ and 30% of the family's monthly adjusted income
 - The PJ must also establish a *minimum* tenant contribution to rent
- Security Deposits (no more than two-months rent)
- Utilities
- Utility Deposits

Please note that a TBRA program must offer either monthly rent subsidies or security deposit assistance (or both). A TBRA program cannot offer utility or utility deposit assistance without a rent or security deposit component.

Eligible Housing Relocation and Stabilization Services: The HOME Investment Partnership does not fund HPRP-equivalent supportive services. However, a HOME TBRA Program can require participants to engage in a self-sufficiency program as a condition of financial assistance. Funding for any such self-sufficiency program must come from an alternative source.

Match Requirement: There is a 25% match requirement for all funds drawn down as part of the HOME Investment Partnership, including the TBRA component. The direct costs (salary and materials only) of certain supportive services provided to TBRA participants can be credited towards the match requirement, as long as the services are:

- Paid for with non-federal funds;
- Provided during the term of the TBRA contract; AND
- Necessary to facilitate independent living OR required as part of a self-sufficiency program provided to TBRA recipients.

Additional Notes: The HOME Investment Partnership is a block grant program, with formula-based allocations to the California Department of Housing and Community Development (HCD) and 94 other PJs in the State. There are several components to the HOME program, including the TBRA program. However, for a PJ to administer a TBRA program with HOME funds, the PJ must make a certification about the inclusion of this type of assistance in its consolidated plan that specifies local market conditions that lead to the choice of this option.

⁶ Unlike the Section 8 Program, HOME TBRA payments may be made by the PJ either to the landlord directly or to the tenant, with the tenant then retaining the responsibility for payment of rent. This is particularly useful in attracting landlords unwilling to accept partial rent payments.

4) CDBG

Source of Funding: Department of Housing and Urban Development

Total Funding Available (State of California and all direct HUD grantees within the State):
\$416,405,347 (FY2011)

Eligible Populations: Low- or moderate-income households (under 80% of area median income)

Eligible HPRP Financial Assistance: Certain “Public Service Activities” are eligible for CDBG funding. However, generally, “income payments” are ineligible CDBG activities.⁷ HUD defines “income payments” as “payments to an individual or family, which are used to provide services such as food, shelter (including payment for rent, mortgage, and/or utilities) or clothing.”⁸ However, such expenditures are eligible under the following conditions: (1) The income payments do not exceed three consecutive months; and (2) the payments are made directly to the provider of such services on behalf of an individual or family. Subject to these requirements, CDBG funding can be used to subsidize:

- Rent (3-month maximum)
- Security Deposits
- Utilities (3-month maximum)
- Utility Deposits

Eligible Housing Relocation and Stabilization Services: The “Public Services Activities” category of CDBG eligible expenses also encompasses a broad-range of supportive services, including all HPRP-eligible housing relocation and stabilization services.

Match Requirement: None

5) MHSA

Source of Funding: California Department of Mental Health

Total Funding Available: Approximately \$1 billion (projected amount in State MHSA fund as of 6/30/11)

Eligible Populations:

- MHSA Housing Program

⁷ Please note that the restriction on the provision of “income payments” (as would be provided through a TBRA program) does not apply to Community-Based Development Organizations (CBDOs). The definition of a CBDO, for CDBG purposes, can be found at 24 CFR § 570.204.

⁸ 24 CFR § 570.207(b)(4).

- Low income adults, or older adults with serious mental illness, and children with severe emotional disorders and their families who, at the time of assessment for housing services, meet the criteria for MHSA services in their county of residence and are homeless or at risk of homelessness. For the purposes the MHSA Housing Program:
 - Homeless = living in the streets, or lacking a fixed, regular and adequate nighttime residence (including shelters, motels and living situations in which the individual has no tenant rights)
 - At Risk of Homelessness =
 - Transition-age youth existing the child welfare or juvenile justice systems
 - Individuals discharged from institutional settings
- Full Service Partnership Program (Community Services and Supports component)
 - Unserved and underserved people with serious mental illness or serious emotional disturbance⁹

Eligible HPRP Financial Assistance:

- MHSA Housing Program
 - The MHSA Housing Program does not authorize tenant-based rental assistance. Rather, the program funds the development, acquisition, construction and/or rehabilitation of permanent supportive housing for individuals and their families who have a mental illness and are homeless, or at risk of homelessness.
- Full Service Partnership (FSP) Program
 - FSP programs can be structured to provide a wide-array of financial assistance including all HPRP-eligible financial assistance. Assistance is not time-limited, as is the case with HPRP.

Eligible Housing Relocation and Stabilization Services:

- MHSA Housing Program
 - The MHSA Housing Program does not fund supportive services. However, under the Community Services and Supports component of MHSA, funding is available for a wide-array of support services.

⁹ Full eligibility criteria can be found at:
http://www.dmh.ca.gov/prop_63/mhsa/Community_Services_and_Supports/docs/FSP_FAQs_04-17-09.pdf

- FSP
 - FSP can be used to fund numerous supportive services for eligible populations, including all HPRP-eligible housing relocation and stabilization services.

Match Requirement: None

Additional Notes: MHSA, particularly the FSP component, funds a much broader range of housing (including financial assistance) and supportive services than HPRP. However, the eligibility criteria is narrow and targeted towards a population with deeper needs than would be appropriate for HPRP participation.

6) Community Services Block Grant (CSBG)

Source of Funding: Department of Health and Human Services (HHS)/ California State Department of Community Services and Development (CSD)

Total Funding Available (State of California): \$62,041,267 (FY2010)

Eligible Populations: “Eligible Beneficiaries” of assistance through CSBG funding fall into one or more of the following groups:

- Individuals living in households with incomes at or below the Federal Poverty Level;
- Individuals eligible to receive CalWORKs assistance
- Residents of a target area or members of a target group having a measurably high incidence of poverty and that is the specific focus of a CSBG project.

Eligible HPRP Financial Assistance: Both HHS and CSD provide agencies administering CSBG funds great latitude in how program funds are used. The CSD grantee submits an annual “Community Action Plan” specifying how the funds will be used. Eligible activities must be “designed to have a measureable and potentially major impact on causes of poverty in the community or those areas of the community where poverty is a particularly acute problem.” Included among the CSD-approved eligible activities are activities designed to assist low-income participants to:

- Obtain and maintain adequate housing and suitable living environment;
- Obtain emergency assistance through loans or grants to meet immediate and urgent individual family needs, including housing assistance.

Local communities (including Santa Clara and Sacramento Counties) have already used CSBG funding to provide HPRP-type financial assistance (including rent, utilities, security deposits, emergency motel vouchers) without state-imposed duration limits or per-participant funding caps.

Eligible Housing Relocation and Stabilization Services: CSBG funds can be used towards a wide-range of eligible supportive services. Eligible activities include those that assist participants to:

- Secure and maintain meaningful employment;
- Attain adequate education;
- Make better use of available income;
- Obtain and maintain adequate housing;
- Remove obstacles and solve problems that block the achievement of self-sufficiency.

CSD's description of eligible activities is left broad to allow individual communities to propose in their community action plans the specific programs or projects that will produce the maximum impact on each community. However, among the eligible activities described, it is relatively clear that virtually all HPRP-eligible supportive services could be provided through CSBG funding.

Match Requirement: None

Additional Notes: CSD subgrants the vast majority of its funds to "community action agencies." A community action agency (CAA) is a non-profit organization, chosen by CSD through an RFP process, fulfilling certain administrative requirements. Each area of the State should be served by one CAA and generally CAAs serve an entire county. That being said, CAAs can (and many do) subgrant funds to other agencies to run programs proposed in the CAA's community action plan. For the purposes of using CSBG funds to sustain HPRP activities, this means that for your community to use CSBG funds towards HPRP-style programs, you must convince your local CAA to include such programs in its community action plan. Serving homeless individuals and families may or may not be among the priorities of your local CAA, which may pose an obstacle in terms of guiding the use of CSBG funds towards HPRP activities. Alternatively, some collective effort may be called for in terms of convincing CSD to include homeless services (and more specifically, tenant-based rental assistance or "Housing First"-inspired services) as part of the statewide priorities for CSBG programs, which will compel local CAAs to at least address these needs as part of the community action plan process.

7) Section 8 (Housing Choice Voucher Program)

Source of Funding: Department of Housing and Urban Development

Total Funding Available (State of California and all direct HUD grantees within the State):
296,754 vouchers (As of September 30, 2010)

Eligible Populations: Citizens (and certain legal residents) with incomes at or below 50% of the area median income. 75% of vouchers provided by any public housing agency (PHA) must be given to families with incomes at or below 30% of the area median income.

Eligible HPRP Financial Assistance: The Section 8/Housing Choice Voucher Program provides a long-term (considered permanent) rental subsidy, subject to annual eligibility recertification.

The participating family is expected to pay 30% of adjusted gross income towards rent and utilities and the PHA pays the remainder of the rent directly to the landlord (subject to fair market rent and rent reasonableness restrictions). The program does not provide financial assistance with security deposits, move-in costs or emergency shelter.

Eligible Housing Relocation and Stabilization Services: Section 8 participants may be eligible to participate in the Family Self-Sufficiency Program.¹⁰ The program (which varies by jurisdiction) may provide supportive services (including HPRP equivalent support services, such as case management and credit repair) to help families achieve economic independence and self-sufficiency. In addition, a portion of the family's Section 8 rent payment may be put into escrow and would later be given to the family to spend on future needs, such as a down-payment on a home or a security deposit for a new rental unit.

Match Requirement: None

8) HUD-VASH

Source of Funding: Department of Housing and Urban Development and Department of Veterans Affairs (VA)

Total Funding Available (State of California and all direct HUD grantees within the State): \$15,441,617/1,160 vouchers (FY2009)¹¹

Eligible Populations: Eligibility is limited to homeless¹² veterans (eligible for VA health care) who meet the requirements of the Section 8/Housing Choice Voucher Program (though HUD is authorized to waive or specify alternative requirements). Appropriate candidates must need case management services in order to obtain or sustain independent community housing. Veterans must be able to complete activities of daily living and live independently in the community with case management and supportive services.

Eligible HPRP Financial Assistance: Same as Section 8/Housing Choice Voucher Program.

Eligible Housing Relocation and Stabilization Services: While HUD provides the funding for participants' housing vouchers, the VA collaborates with HUD by providing case management, treatment and supportive services. Eligible supportive services include case management, housing search and placement and credit repair.

Match Requirement: None

¹⁰ HUD's funding of Family Self-Sufficiency (FSS) Programs for Section 8 voucher holders is limited to salaries for FSS program coordinators and an allowance for escrow deposits.

¹¹ Approximately 35 HUD-VASH vouchers are provided per full-time HUD-VASH case manager at a local VA Medical Center.

¹² Must meet the McKinney Act definition of "homeless" to be eligible.

9) Community Land Trusts¹³

Some communities have utilized a community land trust (CLT) model to create permanently affordable, resident-controlled housing for low- to moderate- income persons. A CLT is typically a non-profit corporation that purchases and holds land for the benefit of the community. Generally the CLT retains ownership of the land, while residents own the housing structures that occupy the land (and are parties to a long-term, renewable ground lease). This ensures that the housing occupying the CLT land is permanently affordable.

In communities where CLTs already exist, CLT units could serve as a source of affordable housing for a homelessness prevention or rapid rehousing program, increasing the chance for tenants to achieve housing stability. And in communities where CLTs have not been established, the model is worth considering as a new strategy to pursue as part of a comprehensive approach to expanding affordable housing options, which is vital to a successful homelessness prevention or rapid rehousing program.

10) One-Time Only or Short-Term Emergency Assistance Programs

Many communities and non-profit agencies operate one-time only or other short-term emergency assistance programs (EAPs) to provide assistance with rent, security deposit, utilities or other basic expenses (e.g., Seasons of Sharing). Often these programs are targeted towards individuals and families who have sufficient income to become or remain housed, but face extraordinary circumstances that prevent them from paying their rent or other housing expenses on a short-term (or one-time) basis. These programs can be an effective component of a homelessness prevention (and even, perhaps in more limited ways, a rapid rehousing) strategy, providing a shorter or smaller subsidy tailored to those with more limited needs. Supportive services may or may not be offered or required as a condition of assistance.

Unfortunately, it is not uncommon for EAPs to be operated in virtual vacuums, with little awareness among local government or appropriate non-profit agencies of services offered, eligibility requirements or funding availability. For communities in which one or more EAPs are operated, it is important for the Continuum of Care (as well as all homeless services and social services providers) to coordinate with EAPs to understand what funding is available and who may be eligible. This will facilitate effective targeting and preserve the resources of more intensive programs for the appropriate populations.

11) General Funds and Private Funding

State, county or municipal general funds, as well as private funds, can also be used to supplement other homelessness prevention and rapid rehousing efforts. Obviously such

¹³ Please note that the Community Land Trusts do not offer financial assistance or supportive services, but rather provide for permanent affordable housing. As such, these programs would not serve to sustain HPRP efforts, but rather as a complement to other programs implemented to sustain such efforts.

funds are scarce and are best targeted towards populations that are ineligible for assistance through other funding sources of the types previously discussed in this memorandum.

CONSIDERATIONS IN UTILIZING ALTERNATIVE FUNDING SOURCES

Fortunately, numerous options exist to fund ongoing homelessness prevention and rapid rehousing services after the three-year HPRP funding period ends. In fact, some of the funding sources available go far beyond HPRP in terms of both the generosity of allowable subsidies and the permitted supportive services. That being said, there are capacity issues preventing an easy transition from HPRP to any of the above sources. Some of these programs already fund ongoing projects (e.g., CDBG, TANF, HOME). Other programs have long waiting lists in many communities (e.g., Section 8/Housing Choice Voucher Program).

Below are some issues to consider as part of the planning process for funding future HPRP activities.

1) Targeting: Matching Participants to the Appropriate Program

It is unlikely that your Participating Jurisdiction for the HOME program will be able to fund 24-month TBRA vouchers for as many people as your community is/was serving through HPRP. And that would likely be an inefficient use of the funds. Not everyone needs 24 months of rental assistance, nor does everyone need a subsidy quite as deep as HOME TBRA could provide. On the other hand, there are others who need more intense services or deeper and longer subsidies than offered under HOME TBRA. At the same time, while an MHSA FSP might provide a valuable rapid rehousing resource, many people in need are ineligible to be served through that program.

In other words, there is no one-size-fits-all solution to sustaining HPRP activities. It is neither necessary, nor desirable, to find in any one funding source an equivalent level of funding as was allocated through HPRP. Rather, a community-wide homelessness prevention and rapid rehousing effort can be cobbled together by securing smaller levels of funding through a mixture of funding sources. Agencies administering assistance should be sufficiently well-versed in the available programs to direct candidate to the program that is the best fit for the candidates' needs, among the programs for which he/she is eligible. This needs assessment should take into account the length and depth of subsidy required and the intensity of supportive services needed.

At the same time, where possible and appropriate, candidates who meet the eligibility requirements of a restrictive program (e.g., MHSA, First 5, HUD-VASH) should be directed to such a program. This leaves the programs of more general applicability (e.g., CDBG, ESG, general funds-based programs) to those in the community who do not fit into the eligibility requirements of the more targeted programs.

2) Combining Multiple Programs

It may make sense to provide services to the same people through multiple programs. For example, a family with young children going through the eviction process may need a short-term (3 months or less) rental subsidy and supportive services. CDBG funding may be an appropriate source of rental assistance. However, the First 5 program may have more generous and appropriate supportive services to offer that family.

Combining programs also has the advantage of helping to satisfy match requirements. For example, in Santa Clara County, the City of San Jose used a portion of its HOME allocation to create a TBRA program for chronically homeless individuals. However, participants were provided supportive services with MHSA funding administered through the Santa Clara County Mental Health Department. This collaboration allowed the County to preserve its MHSA funds for treatment and services, rather than using the funds on housing that could be funded elsewhere. Further, the MHSA funding served as a match for the HOME TBRA program, limiting the impact on scarce city and county funds.

3) Follow the New ESG Lead: Bring Stakeholders Who Control or Administer Alternative Funding Sources Into the Local Continuum of Care

The new ESG program will require formal coordination between ESG grantees and local Continuums of Care. This will help ensure that the allocation of ESG resources is in line with community needs, thereby improving the efficiency of the community's response to homelessness. However, if a community is going to utilize an array of funding sources, including ESG and sources discussed in this memorandum, to combat homelessness through a robust homelessness prevention and/or rapid rehousing program, local stakeholders who control or administer these other funding sources have just as much of a need to be brought into the fold of the local Continuum of Care as do ESG grantees.

From the perspective of the Continuum of Care members and homeless services providers and advocates, the advantage of this additional level of coordination goes beyond mere efficiency of program administration and funding allocation. Such coordination provides a chance to educate stakeholders representing these other programs as to the needs of homeless individuals and families, as well as the opportunities available (of which they may not even be aware) to provide assistance through these other programs.

It is important to remember that HPRP is a new program and many communities have not operated such a well-funded homelessness prevention or rapid rehousing program, or any such program at all. The community as a whole should have the opportunity to understand the successes of the HPRP program and strategies and reevaluate how alternative funding sources that may historically be committed to other projects can be reprioritized to sustain homelessness prevention and/or rapid rehousing activities.

DISCUSSION QUESTIONS

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| <ul style="list-style-type: none">• Does your community operate any tenant-based rental assistance programs outside of HPRP?• How does your community utilize its allocation of funds (if any) from the alternative funding |
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sources discussed in this Memorandum?

- How involved are representatives of these funding sources in your local CoC? What type of coordination is there?
- What other funding sources are you aware of to sustain your community's HPRP program?

For more information, please contact David Siegel, Staff Attorney:
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