



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FISCAL YEAR 2012 PROGRAM AND BUDGET INITIATIVES
PREVENTING AND ENDING HOMELESSNESS

In Fiscal Year 2012, HUD is requesting \$2.5 billion to fund targeted initiatives and work collaboratively across Federal agencies in the effort to end homelessness.

On a single night in January 2010, there were over 650,000 sheltered and unsheltered homeless people nationwide. Over the course of the year, approximately 2 million people experience homelessness. HUD continues to focus on the needs of this population as well as the emerging needs of families and veterans through both its targeted homeless programs and its mainstream housing programs using successful methods and interventions. As part of this commitment, HUD has worked to develop a series of policy initiatives to maximize resources and provide the most effective services possible to men, women and children experiencing homelessness.

OPENING DOORS: FEDERAL STRATEGIC PLAN TO PREVENT AND END HOMELESSNESS

President Obama has stated that no one should be without a safe, stable place to call home. As part of this commitment, under the leadership of Secretary Donovan, the U.S. Interagency Council on Homelessness released *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness* (FSP) in 2009, with overarching goals including ending chronic homelessness in five years and setting a path to eradicate all types of homelessness. Throughout this process, HUD has forged new partnerships with Federal agencies like the Department of Health and Human Services (HHS) and the Department of Labor (DOL), in order to focus on cross-cutting initiatives to capitalize on resources and experience. HUD also intends to utilize best practices developed through current programs like the Veterans Affairs Supportive Housing program (HUD-VASH).



As part of the FSP, HUD will tailor existing programs to meet the specific goals set out by this administration, as well as use innovative strategies to tackle unique challenges in eradicating homelessness nationwide. In addition to the decrease in the total number of chronically homeless persons and homeless families and veterans, HUD expects that the implementation of the FSP will result in greater use of mainstream resources and benefits by these populations as a result of high-level coordination between Federal agencies.

HOMELESS ASSISTANCE GRANTS

HUD's Homeless Assistance Grants (HAG) program provides Federal support to one of the nation's most vulnerable populations while working to reduce overall homelessness and end chronic homelessness. **In Fiscal Year 2012, HUD is requesting a total of \$2.37 billion for Homeless Assistance Grants.**

HUD is requesting that **\$2.016 billion** in HAG funds be distributed through a unique competitive process known as the Continuum of Care (CoC), in which Federal funding is driven by local decision-making processes. This provides locally-driven coordination of housing and service delivery that enables communities to plan for and provide a comprehensive response to homeless individuals and facilities. This planning model is based on the understanding that homelessness is not merely a lack of shelter, but involves a variety of unmet needs—physical, economic, and social. It therefore includes coordination with non-profit organizations, State and local government agencies, service providers, private foundations, faith-based organizations, law enforcement, and local businesses. In addition, HUD is requesting that **\$286 million** in HAG funds be used for the Emergency Solutions Grant (ESG) formula. As a key component of the FSP, ESG funds are used for a variety of purposes related to emergency shelter operations, transitional housing, and essential services, as well as Rapid Re-Housing interventions and



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homelessness prevention. These funds are distributed to approximately 360 State and local government entities annually.

SPECIAL PURPOSE VOUCHERS

HUD is committed to providing affordable housing units to the homeless population, and has partnered with the Departments of Health and Human Services (HHS) and Veterans Affairs (VA) to develop targeted approaches to serve the most vulnerable homeless populations.

In FY 2012 HUD is requesting \$75 million in Veterans Affairs Supportive Housing (HUD-VASH) vouchers.



As part of an overarching FSP goal of ending veteran's homelessness in five years, HUD is working with VA to develop innovative strategies. The HUD-VASH program combines tenant-based voucher assistance with case management and clinical services tailored to veterans and their families. Public Housing Authorities (PHAs) awarded HUD-VASH vouchers develop critical partnerships with VA medical centers to help homeless veterans find permanent supportive housing.

In FY 2012 HUD is requesting \$56.9 million in HUD-HHS vouchers.

This program will fund tenant-based rental assistance targeted to assist homeless families and chronically homeless persons.

SERVICE COORDINATION & INCENTIVE FEES

For those people who are without housing or who are at risk of losing their homes, the provision of supportive services can help stabilize their situation and put them on a path toward their highest possible level of self-sufficiency. These services require that housing providers establish partnerships with a variety of public and private health, human service, and job training and placement organizations. In addition to service coordination, HUD recognizes the need for providing incentives to Public Housing Authorities (PHAs) and housing owners to target homeless tenants. Although a number of PHAs and HUD project-based assisted housing owners have successfully targeted homeless populations, those that have hesitated to do so raise common concerns – specifically, the possibility that homeless households will damage the unit beyond the amount covered by the security deposit, or vacate the unit with rent in arrears. Additionally, for homeless individuals and families with supportive services needs, PHAs and owners fear that those needs will go unmet in the absence of reliable service coordination – these unmet service needs may also result in problems for the tenancy.

HUD's homeless programs have, for many years, worked closely with landlords to address these types of concerns. HUD proposes to use these lessons to encourage PHA and private owners (including landlords who participate in the Housing Choice Voucher program) to serve homeless individuals and families targeted by the FSP. **In Fiscal Year 2012, HUD will utilize \$50 million in FSP funding for an initiative to encourage PHAs and private owners to serve homeless individuals and families targeted by the FSP.** Eligible uses of this fund include: service coordination, payment of incentive/administrative cost fees, and indemnifying PHAs (in the case of public housing) and owners (in the case of project-based assistance or Housing Choice Vouchers) for the loss of security deposits, damages in excess of security deposits, rent-skipping, and other potential obstacles to targeting homeless households to be determined. The purpose of this initiative is to test the combination of federal supports that will help to increase targeting of mainstream housing resources to homeless households.