

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Office of Community Planning and Development
Homeless Assistance Grants

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carryover	Supplemental/ Rescission	Total Resources	Obligations	Net Outlays
2021 Appropriation	3,000,000	5,680,198	-	8,680,198	5,279,358	3,214,502
2022 Annualized CR	3,000,000	3,545,000	-	6,545,000	2,997,000	5,460,000
2023 President's Budget	3,576,000	3,699,000	-	7,275,000	3,247,000	3,319,000
Change from 2022	576,000	154,000	-	730,000	250,000	(2,141,000)

a/ 2021 Carryover, per Sec. 231 of Public Law 116-94, carryover includes Rental Assistance recaptures of \$398 million.

b/ 2022 Carryover, per Sec. 231 of Public Law 116-94, carryover includes estimated Rental Assistance recaptures of \$151 million.

c/ 2023 Carryover, per Sec. 231 of Public Law 116-94, carryover includes estimated Rental Assistance recaptures of \$150 million.

PROGRAM PURPOSE

Homeless Assistance Grants (HAG) are key to addressing homelessness nationwide, which has declined by 9 percent between 2010 and 2020.¹ HAG funds allow HUD to serve vulnerable individuals and families who are homeless or at risk of homelessness through a wide variety of service and housing interventions, including homelessness prevention, emergency shelter, rapid re-housing, transitional housing, and permanent supportive housing.

BUDGET OVERVIEW

The 2023 President's Budget requests \$3.576 billion for HAG, which is \$576 million more than the 2022 annualized CR level.

- \$3.197 billion for Continuum of Care:
 - \$3.125 billion for renewal need for the Continuum of Care (CoC) Program will allow HUD to continue to serve over 750,000 people experiencing homelessness each year,
 - Not less than \$52 million for rapid re-housing for persons fleeing domestic violence, and
 - \$20 million for CoC planning to provide CoCs additional support as they improve coordination with mainstream housing and healthcare partners. This funding is critical to providing the capacity and support to communities as they work to promote equity and coordinate an effective, trauma-informed homeless response system.
- \$290 million for Emergency Solutions Grants (ESG), which supports over 350,000 persons in emergency shelter each year.
- \$7 million for Homeless Management Information System (HMIS), data analysis, and technical assistance through the National Homeless Data Analysis Project.

¹ Department of Housing and Urban Development. The 2020 Annual Homeless Assessment Report to Congress, Part 1. Due to the national emergency related to the COVID-19 pandemic, the 2021 AHAR does not include an estimate of the national unsheltered homelessness population. The 2020 AHAR contains the most recent estimates.

- Not less than \$82 million for additional Youth Homelessness Demonstration Program (YHDP) projects through a separate competition, including up to \$10 million of this amount for technical assistance to improve system responses to youth homelessness, and collection, analysis, use and reporting of data and performance measures under the comprehensive approaches to serve homeless youth, and to coordinate with other technical assistance funds.

JUSTIFICATION

The number of people experiencing unsheltered homelessness is rising in cities across the country. The increase is a result of the rising cost of housing and the lack of assistance provided to segments of the homeless population. For veterans and families experiencing homelessness, investments in permanent supportive housing and rapid re-housing have helped reduce homelessness, even as housing costs in most of the country for low-income people have risen dramatically. In partnership, HUD and VA have invested significant resources, including HUD-Veterans Affairs Supportive Housing (HUD-VASH), to reduce veteran homelessness, which has led to a decline of veteran's homelessness by half since 2011. A similar decline (32 percent) has occurred for families with children experiencing homelessness. On average, much less assistance is provided to individuals who are not veterans or accompanied by children. As a result, rising numbers are experiencing homelessness and particularly unsheltered homelessness.

Homelessness Data

Homelessness affects over 580,000 adults and children on any given day. To track progress and continue learning about individuals and families experiencing homelessness, HUD uses data from local HMIS, Point-in-Time Count (PIT), and Housing Inventory Count (HIC) data reported in the Annual Homeless Assessment Report to Congress (AHAR).² The longitudinal data is collected both as a "snapshot" of the number and characteristics of persons who are homeless on a given night and persons being served in emergency shelter, transitional housing, safe havens, and permanent housing. HUD also relies on system performance data that shows the progress of communities in ending homelessness, including reducing the average length of time homeless, reducing the rate people return to homelessness, increasing the exits to and retention of permanent housing, and increasing employment and other income.

The 2020 AHAR shows that homelessness increased slightly between January 2019 and January 2020. The number of people experiencing homelessness nationwide increased by two percent (12,751 people). This increase was driven by a seven percent (14,787 persons) increase in unsheltered persons overall. Between 2007 and 2020, the number of people experiencing homelessness on a single night in January has decreased by 10 percent (66,792 people). Unsheltered homelessness declined by 12 percent (29,777 fewer people) over the same period. The number of veterans experiencing homelessness increased by less than one percent between 2019 and 2020 and has dropped by almost 50 percent since 2009. We continue to see over-representation of people of color in the homeless population. People identifying as Black or African American accounted for 39 percent of all people experiencing homelessness but are 12 percent of the total U.S. population.

² Part 1 of the 2020 AHAR can be accessed online at <https://www.huduser.gov/portal/datasets/ahar/2020-ahar-part-1-pit-estimates-of-homelessness-in-the-us.html>. Part 1 of the 2021 AHAR, which includes only partial data on unsheltered homelessness, can be accessed online at <https://www.huduser.gov/portal/datasets/ahar/2021-ahar-part-1-pit-estimates-of-homelessness-in-the-us.html>. Part 2 of the 2018 AHAR can be accessed online at <https://www.huduser.gov/portal/datasets/ahar/2018-ahar-part-2-pit-estimates-of-homelessness-in-the-us.html>.

Continuum of Care Program (\$3.279 billion that includes renewals, \$20 million to increase CoC planning capacity, and \$134 million for new projects)

The CoC program is HUD’s largest program targeted to adults and children experiencing homelessness. Funds are awarded to over 6,500 projects through a national competition. In the 2019 CoC program competition, over 92 percent of those projects were renewals.

CoC program funds can be used for:

- Rapid re-housing to provide time-limited permanent housing and stabilization services;
- Permanent supportive housing for homeless people with disabilities;
- Transitional housing to help individuals and families move to stability within two years;
- Support services to help identify and maintain permanent housing; and
- Planning to improve program monitoring, collaboration, and data collection to drive higher performance at the local level.

The CoC Program is a key driver of the multiyear progress in ending homelessness. Policy priorities for the CoC program are focused on preventing and ending homelessness, including ending homelessness for veterans, families, youth, and people experiencing chronic homelessness. The CoC program’s competitive funding process encourages applicants to carefully review the performance of each project in its portfolio and reallocate funds from under-performing or under-utilized projects to ones based on proven, data-driven strategies.

The estimated renewal demand for each fiscal year is based primarily on three factors: the number of previously renewed grants which are eligible to seek renewal again; the number of new awards made in the prior 1 to 5 years, which are now eligible for renewal for the first time; and increases based on Fair Market Rent (FMR) updates.

HUD estimates renewal requirements within a range, to accommodate the uncertain percentage of projects that will need renewal. The following chart details HUD’s five-year estimates of renewal demand. These projections include currently awarded projects and new projects anticipated from funding enacted through 2021.

Fiscal Year	Estimated Renewal Need (in millions)
2022	\$2,637 - \$2,745
2023	\$2,829 - \$2,974
2024	\$2,873 - \$3,051
2025	\$2,932 - \$3,114
2026	\$2,993 - \$3,178
2027	\$3,055 - \$3,244

For over 15 years, HUD has prioritized permanent supportive housing, which serves people with the highest levels of housing and service needs, especially people experiencing chronic homelessness. In 2020, HUD allocated over \$1.71 billion – 70 percent of its competitive funds – to permanent supportive housing projects. More recently, as more evidence has emerged about the cost effectiveness of rapid re-housing relative to certain other interventions, HUD has created incentives for communities to use their ESG and CoC resources to expand rapid re-housing.

The Budget also includes an additional \$20 million in CoC planning to expand CoCs’ capacity, in order to meet the growing demands on their homeless response systems. COVID-19 has highlighted the support CoCs need to run an effective homeless response system. These CoC Planning funds have been crucial to many communities, allowing them to create more effective and coordinated

approaches to the challenges of homelessness specific to their communities, there are still many other communities that receive small amounts of \$10,000 or less, which does not give them the resources to engage in the comprehensive planning processes important for success. The additional \$20 million, along with the proposed legislative changes to update the planning limit from 3 percent to the higher of 5 percent or \$50,000, will allow CoCs to coordinate with public health, health care, education, employment, and other stakeholders.

The proposal would also include \$134 million for new projects. At least \$52 million within CoC is for new rapid re-housing projects and other assistance to serve people fleeing domestic violence and other gender-based violence, including human trafficking. For the past several years, HUD has made a significant investment in housing and service solutions for survivors of domestic violence. Providing this funding will allow more communities to build the necessary housing and service options to protect survivors of domestic violence and help them achieve independence and housing stability.

At least \$82 million for new YHDP grants that would allow more communities the funding necessary to build partnerships and provide solutions tailored to the unique needs of youth experiencing homelessness. YHDP funding is an important resource for bringing together stakeholders from diverse organizations, particularly youth with lived experience of homelessness, to align and expand services and housing resources for youth experiencing homelessness. YHDP communities have developed innovative models for serving youth, including peer navigators, who can help youth in crisis housing and employment services; joint transitional housing and rapid re-housing, which provides initial intensive supports which decrease as the youth stabilize and are able to establish more independence; and problem-solving project to help youth reunify with family, where safe, or identify other resources that can help stabilize the youth.

Emergency Solutions Grants Program (\$290 million)

The ESG program provides the first response to people with a housing crisis and engages people living on the streets. ESG awards funds to over 360 urban counties, metropolitan cities, States, and territories, supporting a variety of life-saving activities including:

- Emergency shelter for people in crisis;
- Street outreach and other essential services to engage people who may be living on the streets;
- Rapid re-housing to provide time-limited permanent housing and stabilization services; and
- Homelessness prevention for individuals and families.

National Homeless Data Analysis Project (\$7 million)

The National Homeless Data Analysis Project provides critical resources to communities to improve data collection and reporting. It works to integrate data collection efforts in HMIS with other Federal funding streams, using software as a service for data integration. This enhances HUD and communities' ability to report and analyze data about persons experiencing homelessness, produce standards and specifications for data entry and reporting for all HMIS-generated reports. In addition, it analyzes point-in-time and longitudinal data to produce the AHAR and provide direct technical assistance to CoCs on HMIS implementation.

Key Partners and Stakeholders

Throughout the COVID-19 pandemic, HUD has closely partnered with the Centers for Disease Control and Prevention (CDC) and other Federal agencies and national stakeholders to address the health risks of serving people experiencing homelessness during a global pandemic. This has

resulted in coordinated messaging and efforts to work together to find solutions as we address COVID-19 and prepare to better address potential health risks in the future.

HUD continues to prioritize key partnerships with local, State, and Federal stakeholders to prevent and end homelessness. HUD and the Department of Veterans Affairs (VA) remain committed to ending veteran homelessness and have implemented joint planning efforts related to data collection and reporting and partnered to develop milestones and strategies to meet the goal of ending homelessness among veterans. HUD and the VA continue to successfully administer HUD-VASH, resulting in over 190,000 veterans being housed since 2008, and continue to improve the efficacy of the program. HUD, VA, and the United States Interagency Council on Homelessness (USICH) continue to collaborate on innovative strategies to reduce veteran homelessness, including the use of rapid resolution, a problem-solving technique that helps veterans reunify with family members or find other creative housing options. This partnership has been critical in reducing homelessness by nearly 50 percent since 2009.

HUD, Department of Education (ED), and the Department of Health and Human Services (HHS) share the joint goal of ending homelessness among children, families, and youth. Through HUD's YHDP process, HUD, HHS, ED, and USICH have worked closely to use data and better understand performance as well as what interventions and partnerships are necessary to end youth homelessness.

HUD, HHS, and the Department of Justice (DOJ) jointly fund the Federal Domestic Violence and Housing Technical Assistance Consortium (the Consortium) – an innovative, collaborative approach to providing training, technical assistance, and resource development at the critical intersection of domestic and sexual violence, homelessness, and housing. HUD is also working with the Department of Labor to help communities better connect people experiencing homelessness to employment opportunities.

Research-based Evidence of Effectiveness

HUD recently released a series of case studies that highlight how communities across the country are addressing homelessness.³ These studies reinforce the importance of partnerships and the need to have dedicated teams focused on providing housing and support to successfully address homelessness.

With the rise of unsheltered homelessness over the past few years, it is critical that HUD focus on solutions that are appropriate for this population. A report published by the California Policy Lab analyzed the characteristics of the people experiencing unsheltered homelessness.⁴ The researchers found that physical health, behavioral health, and trauma are significant contributing factors to loss of housing, particularly for unsheltered women. Unsheltered people continue to experience major and worsening health conditions while homeless. People with the longest experiences of homelessness, most significant health conditions, and greatest vulnerabilities are not being served

³U.S. Department of Housing and Urban Development. 2021. "Seattle, Washington: Service-Rich Housing Helps Combat Chronic Homelessness." <https://www.huduser.gov/portal/casestudies/study-031821.html>. U.S.

Department of Housing and Urban Development. 2021. "Long Beach, California: Anchor Place Adds Housing for Veterans and Others Experiencing Homelessness to the Century Villages at Cabrillo."

https://www.huduser.gov/portal/casestudies/study_012621.html. U.S. Department of Housing and Urban

Development. 2020. "Bringing People Together to Fight Homelessness in Los Angeles."

https://www.huduser.gov/portal/casestudies/study_110920.html.

⁴ Roundtree, Janey, Nathan Hess, and Austin Lyke. 2019. "Health Conditions among Unsheltered Adults in the U.S." <https://www.capolicylab.org/health-conditions-among-unsheltered-adults-in-the-u-s/>.

by emergency shelters. HUD's Annual Performance Report (APR) data for CoC Program-funded projects indicates that HUD's permanent housing programs admit roughly 30 percent of persons they serve directly from unsheltered situations. This is higher than HUD's transitional housing program which admits roughly 21 percent of persons directly from unsheltered situations.

There is a large body of research that demonstrates positive outcomes and cost-savings gained from housing and supportive services for homeless people. A 2017 study conducted in Orlando showed that placing 58 persons who regularly use public services (e.g., hospitals, jails) into permanent supportive housing resulted in a cost savings of nearly \$2.5 million in a single year.⁵ There is a rich body of research demonstrating that serving people who are the hardest to serve results in improving their lives and saving money for the public.⁶

The unsheltered and chronic homelessness research supports a need for healthcare providers and homeless assistance systems to closely collaborate. This is especially true of the aging homeless population that present with unique health challenges. In a multi-site study in Boston, New York City, and Los Angeles County, researchers found that the aged homeless population is growing rapidly and will double or triple (depending on the location) in the next decade.⁷ With this growth in the aged population there will be an increase in service use and costs, including for hospital and nursing home stays.

HUD continues to research the effectiveness of existing funding efforts. The Understanding Rapid Re-housing study, evaluates the current rapid re-housing models being used and the perspectives of people being served in those programs.⁸ Additionally, evaluation of the HUD Youth Homelessness Demonstration Program shows the level of coordination involved with successfully implementing these grants and the evaluation will provide further explore the impacts of this targeted funding.⁹

⁵ Ability Housing. 2017. "Solutions that Save." <https://abilityhousing.org/the-solution-that-saves/>.

⁶ See Culhane, Dennis P., Stephen Metraux, and Trevor Hadley. 2002. "Public Service Reductions Associated with Placement of Homeless Persons with Severe Mental Illness in Supportive Housing." *Housing Policy Debates* 13(1): 107-63. See also, Cunningham, Mary. 2009. "Preventing and Ending Homelessness-Next Steps." *Metropolitan Housing and Communities Center*. Washington, DC: Urban Institute; Martinez, Tia, and Martha R. Burt. 2006. "Impact of Permanent Supportive Housing on the Use of Acute Care Health Services by Homeless Adults." *Psychiatric Services* 57(7): 992-99; Basu, Anirban, Romina Kee, David Buchanan, and Laura S. Sadowski. 2012. "Comparative Cost Analysis of Housing and Case Management Program For Chronically Ill Homeless Adults Compared to Usual Care." *HSR* 47(1): 523-543; Sadowski, Laura, Romina Kee, Tyler VanderWeele, David Buchanan. 2009. "Effect of a Housing and Case Management Program on Emergency Department Visits and Hospitalizations Among Chronically Ill Homeless Adults: A Randomized Trial." *JAMA* 301(17): 1771-8; Larimer, Mary, Daniel Malone, Michelle Garner, et al. 2009. Health Care and Public Service Use and Costs Before and After Provision of Housing for Chronically Homeless Persons With Severe Alcohol Problems." *JAMA* 301(13): 1349-57; Cunningham, Mary. 2009. "Preventing and Ending Homelessness-Next Steps." *Metropolitan Housing and Communities Center*. Washington, DC: Urban Institute; Martinez, Tia, and Martha R. Burt. 2006. "Impact of Permanent Supportive Housing on the Use of Acute Care Health Services by Homeless Adults." *Psychiatric Services* 57(7): 992-99; Tsemberis, Sam, Leyla Gulcur, and Maria Nakae. 2004. "Housing First, Consumer Choice, and Harm Reduction for Homeless Individuals with Dual Diagnosis." *American Journal of Public Health* 94:651.

⁷ Culhane, Dennis, Thomas Byrne, Stephen Metraux, Randall Kuhn, Kelly Doran, Eileen Johns, and Maryanne Schretzman. 2019. "The Emerging Crisis of Aged Homelessness: Could Housing Solutions Be Funded by Avoidance of Excess Shelter, Hospital, and Nursing Home Costs?" <https://www.aisp.upenn.edu/wp-content/uploads/2019/01/Emerging-Crisis-of-Aged-Homelessness-1.pdf>.

⁸ U.S. Department of Housing and Urban Development. 2020. "Understanding Rapid Re-housing study." <https://www.huduser.gov/portal/Understanding-rapid-re-housing-study.html>.

⁹ Henderson, Kathryn, Debra Rog, Bernadette Blanchfield, Clara Wagner, Eleanor Kerr, Harihar Bhattarai. 2020. "Evaluation of the HUD Youth Homelessness Demonstration Program: Early Implementation Report." <https://www.huduser.gov/portal/publications/EvalYHDP-InterimRpt.html>.

Promoting Equity within underserved communities

HUD's Homeless Assistance Grants support communities' efforts to promote equity in the homeless response system. HUD provides resources to assist communities to evaluate equity in their homeless response system, and HUD's proposal to increase funding for CoC Planning will help build communities' capacity to promote equity. HUD integrated equity into its competitive process to ensure that communities working towards equity in their system are more competitive and to encourage other communities to make it a part of their system. Through the COVID-19 response, HUD has centered equity in the crisis response and will continue to do so.

Technical Assistance

CoC funds also support Technical Assistance (TA), which helps communities improve their homeless assistance. HUD uses TA resources to:

- Work directly with communities to develop strategic plans and action steps to improve project and community level performance;
- Develop tools and provide direct assistance to improve data collection, analysis, and reporting to HUD;
- Increase the overall capacity of grantees to understand their own markets and manage their portfolios successfully; and
- Develop and provide guidance to communities on critical compliance issues.

HUD is committed to providing a variety of technical assistance resources to communities and grantees to help identify and address any performance and compliance issues. HUD intends to use technical assistance as another tool to encourage communities to implement best practices and improve efficiencies in projects and in the community as a whole.

Information Technology

Within the Information Technology Fund, the Budget requests \$3 million to modernize the electronic Special Needs Assistance Program System (e-snaps).

Program Pain Point

HUD continues to use the e-snaps data system to automate the \$2.5 billion Continuum of Care (CoC) Program Competition. The e-snaps system provides an online data portal for all CoC applicants to prepare and submit to HUD a detailed project application for funding. However, the system is brittle and unstable, approaching 14 years old, which is far beyond the original technical limits of the platform. Basic system changes and updates are costly and each change risks the stability of the system. HUD staff constantly employ manual interventions to overcome functional gaps in the system. The CoC Program depends completely on e-snaps performance. System failure, or a significant drop in performance, will be catastrophic, public-facing, and detrimental to local communities and homeless assistance providers.

Mission Benefits

A more modern and stable platform would speed up and streamline the CoC application and grant processes for grantees and HUD staff. This reduces risk and uncertainty to grantees who provide direct homeless assistance, which should improve staffing consistency and improve outcomes. Replacing e-snaps would also make it easier for HUD to quickly implement special initiatives like the Youth Homelessness Demonstration Program. A new solution may also provide better integration with HUD financial systems, improved credentialing and authentication of users, and better data integration and standardization with other HUD grant systems.

HOMELESS ASSISTANCE GRANTS

Target Functionality

- Improved system performance and stability; reduction in current risks related to long term availability and support for acute technical problems.
- Improved efficiency for grants management activities, including reduced administrative burden for HUD staff and grantees, reduced time to award, and improved business automation such as data analytics and financial system interface.

Projected Cost Savings

A modernized e-snaps should reduce costs of:

- Annual Operations and Maintenance of the system by streamlining the annual configurations required to meet the NOFO and other programmatic efforts, allowing further investment into new capabilities and free staff time towards program oversight or analytics.
- Annual licensing for the CSDC/Grantium COTS platform.
- Manual interventions performed by HUD staff, Technical Assistance providers, HUD infrastructure staff, and grantees required due to functional or process gaps in the system, performance issues requiring troubleshooting, repetitive reporting in more than one system, or the manipulations performed to aggregate data originating from multiple systems (SAGE, HDX, e-snaps, LOCCS, etc.).

Remaining implementation Costs in out-years

N/A

For additional information regarding HUD’s Information Technology investments, please see the Information Technology Fund justification.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2021 Budget Authority	2020 Carryover Into 2021	2021 Total Resources	2021 Obligations	2022 Annualized CR	2021 Carryover Into 2022	2022 Total Resources	2023 President's Budget
Continuum of Care	2,569,000	2,970,353	5,539,353	2,530,740	2,569,000	3,158,140	5,727,140	3,145,000
Emergency Solutions Grants	290,000	109,459	399,459	355,496	290,000	43,963	333,963	290,000
National Homeless Data Analysis Project	7,000	10,000	17,000	1,253	7,000	14,000	21,000	7,000
Youth Demonstration	72,000	216,852	288,852	72,156	72,000	214,013	286,013	72,000
Youth TA	10,000	10,000	20,000	6,616	10,000	13,384	23,384	10,000
Rapid Rehousing for Victims of Domestic Violence	52,000	73,952	125,952	23,515	52,000	102,000	154,000	52,000
CARES Act ESG	-	2,270,984	2,270,984	2,270,984	-	-	-	-
CARES Act TA	-	17,500	17,500	17,500	-	-	-	-
Housing Needs for Victims of Human Trafficking	-	1,098	1,098	1,098	-	-	-	-
Total	3,000,000	5,680,198	8,680,198	5,279,358	3,000,000	3,545,500	6,545,500	3,576,000

a/ 2021 Carryover, per Sec. 231 of Public Law 116-94, includes Rental Assistance recaptures of \$398 million.

b/ 2022 Carryover, per Sec. 231 of Public Law 116-94, includes estimated Rental Assistance recaptures of \$151 million.

LEGISLATIVE PROPOSALS AND GENERAL PROVISIONS

The 2023 President's Budget includes the following:

- **Increase the CoC Planning Limit:** This provision will allow HUD to increase the CoC planning grant limit from 3 percent of the total funds available in the geographic area, as established in the McKinney-Vento Homeless Assistance Act, as amended, to the higher of 5 percent or \$50,000. Increasing this limit will allow many smaller CoCs whose award is not sufficient to hire full time staff to have funding for dedicated staff to coordinate assistance across the CoC. The impacts of COVID-19 have reinforced the need to better support CoCs in their effort to coordinate and effectively administer the homeless response system.

General Provisions

The 2023 President's Budget proposes the following new general provision(s):

- **Additional flexibility for Tribes to Participate in the CoC Program:** This provision will eliminate barriers to tribes to participate in the CoC Program as recipients and CoCs. Tribes were historically prohibited from directly participating in the CoC Program as tribal entities. Recent changes to the CoC Program removed that restriction but tribes and communities will need added flexibility to include tribes in the CoC process and to find solutions uniquely tailored to the needs of Native Americans. These changes are focused on statutory flexibilities and do not include changes to the budget. (2023 President's Budget, Sec. 237)

The 2023 President's Budget re-proposes the following general provisions that were enacted in the 2022 appropriation bill:

- **Allow Continuum of Care grants to count program income towards matching requirements:** This provision allows Homeless Assistance Grant recipients to count program income as an eligible match for CoC program funds. (2023 President's Budget, Sec. 221)
- **Continuum of Care Transition Grants:** This provision allows CoC recipients to receive one-year transition grants to transition from one CoC program component to another. (2023 President's Budget, Sec. 222)

Legislative Proposals

The 2023 Budget supports the following legislative proposal and will seek changes through the authorization process:

- **Allowing two-year CoC Program NOFO:** This proposal would allow HUD to award CoC Program funds every other year instead of every year. Responding to an annual NOFO requires CoCs to spend many hours implementing a local competition process and additional time to complete the application. Many of our CoCs have limited capacity to fulfill the many requirements of addressing homelessness, which has recently been stretched to their limits through the COVID-19 response. A two-year NOFO process would allow CoCs to focus more on strategic planning and performance evaluation to better prevent and end homelessness in their communities. This request does not impact the budget request.

APPROPRIATIONS LANGUAGE

The 2023 President's Budget includes the appropriations language listed below.

For assistance under title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360 et seq.), \$3,576,000,000, to remain available until September 30, 2025: Provided, That of the amounts made available under this heading—(1) not less than \$290,000,000 shall be for the Emergency Solutions Grants program authorized under subtitle B of such title IV (42 U.S.C. 11371 et seq.); (2) up to \$3,197,000,000 shall be for the Continuum of Care program authorized under subtitle C of such title IV (42 U.S.C. 11381 et seq.) and the Rural Housing Stability Assistance programs authorized under subtitle D of such title IV (42 U.S.C. 11408): Provided, That the Secretary shall prioritize funding under the Continuum of Care program to continuums of care that have demonstrated a capacity to reallocate funding from lower performing projects to higher performing projects: Provided further, That the Secretary shall provide incentives to create projects that coordinate with housing providers and healthcare organizations to provide permanent supportive housing and rapid rehousing services: Provided further, That the Secretary may establish by notice an alternative maximum amount for administrative costs related to the requirements described in sections 402(f)(1) and 402(f)(2) of subtitle A of such title IV of no more than 5 percent or \$50,000, whichever is greater, notwithstanding the 3 percent limitation in section 423(a)(10) of such subtitle C: Provided further, That of the amounts made available for the Continuum of Care program under this paragraph, not less than \$52,000,000 shall be for grants for new rapid re-housing projects and supportive service projects providing coordinated entry, and for eligible activities that the Secretary determines to be critical in order to assist survivors of domestic violence, dating violence, sexual assault, stalking, or human trafficking: Provided further, That amounts made available for the Continuum of Care program under this heading in this Act and any remaining unobligated balances from prior Acts may be used to competitively or non-competitively renew or replace grants for youth homeless demonstration projects under the Continuum of Care program, notwithstanding any conflict with the requirements of the Continuum of Care program; (3) up to \$7,000,000 shall be for the national homeless data analysis project: Provided [further], That notwithstanding the provisions of the Federal Grant and Cooperative Agreements Act of 1977 (31 U.S.C. 6301–6308), the amounts made available under this paragraph and any remaining unobligated balances under this heading for such purposes in prior Acts may be used by the Secretary to enter into cooperative agreements with such entities as may be determined by the Secretary, including public and private organizations, agencies, and institutions; and (4) not less than \$82,000,000 shall be to implement projects to demonstrate how a comprehensive approach to serving homeless youth, age 24 and under, in up to 25 communities with a priority for communities with substantial rural populations in up to eight locations, can dramatically reduce youth homelessness: Provided, That of the amount made available under this paragraph, up to \$10,000,000 shall be to provide technical assistance on improving system responses to youth homelessness, and collection, analysis, use, and reporting of data and performance measures under the comprehensive approaches to serve homeless youth, in addition to and in coordination with other technical assistance funds provided under this title: Provided further, That the Secretary may use up to 10 percent of the amount made available under the previous proviso to build the capacity of current technical assistance providers or to train new technical assistance providers with verifiable prior experience with systems and programs for youth experiencing homelessness: Provided further, That youth aged 24 and under seeking assistance under this heading shall not be required to provide third party documentation to establish their eligibility under subsection (a) or (b) of section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302) to receive services: Provided further, That unaccompanied youth aged 24 and under or families headed by youth aged 24 and under who are living in unsafe situations may be served by youth-serving providers funded under this heading: Provided further, That persons eligible under section 103(a)(5) of the McKinney-Vento Homeless Assistance Act may be served by any project funded under this heading to provide both transitional housing and rapid re-housing:

HOMELESS ASSISTANCE GRANTS

Provided , That for all matching funds requirements applicable to funds made available under this heading for this fiscal year and prior fiscal years, a grantee may use (or could have used) as a source of match funds other funds administered by the Secretary and other Federal agencies unless there is (or was) a specific statutory prohibition on any such use of any such funds: Provided further, That none of the funds made available under this heading shall be available to provide funding for new projects, except for projects created through reallocation, unless the Secretary determines that the continuum of care has demonstrated that projects are evaluated and ranked based on the degree to which they improve the continuum of care's system performance: Provided further, That any unobligated amounts remaining from funds made available under this heading in fiscal year 2012 and prior years for project-based rental assistance for rehabilitation projects with 10-year grant terms may be used for purposes under this heading, notwithstanding the purposes for which such funds were appropriated: Provided further, That unobligated balances, including recaptures and carryover, remaining from funds transferred to or appropriated under this heading in fiscal year 2019 or prior years, except for rental assistance amounts that were recaptured and made available until expended, shall be available for the current purposes authorized under this heading in addition to the purposes for which such funds originally were appropriated.

Note.—A full-year 2022 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2022 (Division A of P.L. 117-43, as amended). The amounts included for 2022 reflect the annualized level provided by the continuing resolution.