



INTER-OFFICE COMMUNICATION

DATE: August 28, 2014

TO: Mayor Braddy and the City Commission

VIA: Russ Blackburn, City Manager *PF / for RB*

FROM: Fred Murry, Assistant City Manager

RE: Rapid Rehousing at the Department of Housing and Urban Development Update

Please find the attached memorandum from Ellen Smith, WAS-MWW (the City's Federal Lobbyist), regarding the latest information on the Rapid Rehousing program. The Rapid Rehousing program is included in the proposed Federal Budget for FY15. The City's Federal Lobbyist firm will continue to monitor the Rapid Rehousing component within HUD's budget and provide updates to the City.

If you have any questions, please contact Kelly Amerson, Intergovernmental Affairs Coordinator, or Fred Murry, Assistant City Manager.

CC: Kelly Amerson, Intergovernmental Affairs Coordinator
Jackie Richardson, Housing & Community Development Manager
Theresa Lowe, ACCHH Executive Director

City of Gainesville

Rapid Rehousing at the Department of Housing and Urban Development (HUD) August 22, 2014

Background

Rapid Rehousing was initially included as a program when the American Recovery and Reinvestment Act of 2009 (ARRA) was passed and implemented. The program was part of the \$1.5 billion for Homelessness Prevention and Rapid Rehousing (HPRP). HUD addressed the components through three areas:

1. Promoting Energy Efficiency and Creating Green Jobs;
2. Unlocking the credit markets and supporting shovel-ready projects;
3. Mitigating the effects of the economic crisis and preserving jobs.

The prime goal was to rapidly transition assisted persons into housing stability. Of the \$1.5 billion, \$447.7 million was allocated to housing relocation and stabilization programs.

President's FY 2015 Budget Proposal

The Fiscal Year Proposed budget requested \$2.4064 billion for the Homeless Assistance Grants program (HAG). The amount would be an increase of \$300 million over the FY 2014 request. If fully approved, HUD would be able to implement the *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness* including preventing and ending homelessness for veterans and a wide variety of interventions including rapid rehousing.

The FY 15 budget proposed investments of \$1.6 billion to help homeless and at-risk veterans. \$500 million will go to the Supportive Services for Veteran Families program and will "provide homelessness prevention and rapid re-housing services, and \$321 million for the Development (HUD)-VA Supportive Housing program (HUD-VASH) for VA case management services.

Current Status of Appropriations

The House of Representatives has passed the full THUD bill and the Senate has passed the bill out of Committee. With the fiscal year ending on September 30, 2014, most observers believe that there will be an Omnibus Appropriations bill.

At the current time, HUD says that it will include funding to maintain housing assistance for low-income residents through the Section 8 rental assistance programs. Funding will also continue for the HUD- Veterans Affairs Supportive Housing program. This is crucial to eliminate homelessness among veterans. There will be continued funding to support housing and economic development activities across the country through the CDBG program.

**(1) FY2015 Appropriations for HUD Underway, Not Yet Finalized**

The FY2015 appropriations bills for HUD as noted above are not finalized. To date, the House committee report was silent on Rapid Re-Housing specifically, but Committee staff and the Department interpret this to mean that funding will be available for the program.

The Senate Committee Report is more specific and states: Rapid re-housing will take place within the Homeless Assistance Grants Program. This program provides funding to end homelessness and to relocate homeless persons and families into permanent housing. This is done by providing rental assistance, emergency shelter, transitional and permanent housing, prevention, rapid re-housing, and supportive service to homeless persons and families or those who are at risk of becoming homeless.

The final outcome at the Congressional level will be determined after the House and Senate conference the bills and finalize them most likely within an omnibus appropriations package this Fall. Below we have provided materials from the House and Senate Reports. Neither Committee provides the amount the Administration had recommended for Housing Assistance Grants but the Senate includes a modest increase.

(2) HUD Related Program Funds – Availability FY2014-FY2015.

- Community Development Block Grant (CDBG): \$3.02 billion for CDBG program. This program provides grants to state and local governments to support housing and economic development projects in urban and rural areas across the country.
- Section 8 Rental Assistance: \$19.6 billion for tenant base rental assistance. This supports safe and affordable housing for well over 2 million low-income families and individuals in the nation. These funds cover the housing costs of families in rural and urban communities. This program also includes \$75 million for HUD-VASH to provide housing for 10,000 homeless veterans.
- Section 8 Project-based Rental Assistance (PBRA): \$9.7 billion for project-based rental assistance. This supports an estimated 17,400 contracts with private owners of multifamily housing.
- Homeless Assistance Grants: \$2.15 billion for the Homeless Assistance Grants program. This provides homeless families and individuals access to permanent housing, rapid re-housing and permanent home with supportive services. Local communities use these funds to move homeless persons from the streets to permanent homes. This funding will also support efforts to move families quickly out of shelters into permanent housing. It also ensures that emergency shelters are available to individuals that find themselves without housing.



**REPORT LANGUAGE-HOMELESS ASSISTANCE GRANTS-Senate Report 113-182-
Selection**

Appropriations, 2014.....	\$2,105,000,000
Budget estimate, 2015.....	2,406,400,000
Committee recommendation.....	2,145,000,000

PROGRAM DESCRIPTION

The Homeless Assistance Grants Program provides funding to break the cycle of homelessness and to move homeless persons and families to permanent housing. This is done by providing rental assistance, emergency shelter, transitional and permanent housing, prevention, rapid re-housing, and supportive services to homeless persons and families or those at risk of homelessness. The emergency solutions grant program is a formula grant program, while the Continuum of Care and Rural Housing Stability Programs are competitive grants. Homeless assistance grants provide Federal support to one of the Nation's most vulnerable populations. These grants assist localities in addressing the housing and service needs of a wide variety of homeless populations while developing coordinated Continuum of Care [CoC] systems that ensure the support necessary to help those who are homeless to attain housing and move toward self-sufficiency.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$2,145,000,000 for Homeless Assistance Grants in fiscal year 2015. This amount is \$261,400,000 less than the President's request, and \$40,000,000 more than the fiscal year 2014 enacted level.

As part of the Committee recommendation, at least \$1,848,000,000 will support the Continuum of Care Program, including the renewal of existing projects, and the Rural Housing Stability Assistance Program. Based on the renewal burden, HUD may also support planning and other activities authorized by the HEARTH Act. The recommendation also includes at least \$250,000,000 for the emergency solutions grants program [ESG].

Given the current fiscal constraints, the Committee is not



able to provide the funding requested for new permanent supportive housing. However, the Committee remains committed to supporting the goals outlined in the Federal Strategic Plan to Prevent and End Homelessness, including the goal to end chronic homelessness. The Committee supports HUD's efforts to leverage existing housing resources, such as section 8 vouchers, to serve the homeless. The Committee also supports replacing existing, underperforming projects with new permanent supportive housing projects. Therefore, if funds remain available in this account after meeting renewal demands and funding ESG, HUD may use it for new projects, provided that such projects are targeted to areas with the greatest need, as measured by homeless data.

Youth Homelessness.--The Committee is concerned about the number of youth experiencing homelessness. HUD has provided guidance to communities about how to better count homeless youth as part of the point-in-time count, and stressed the importance of serving youth as part of the annual Continuum of Care competition. There is still more to be done. The Committee expects HUD to ensure that communities have youth-appropriate housing, through technical assistance and dissemination of best practices. In addition, HUD should do more to emphasize the importance of youth-appropriate housing as part of the annual Continuum of Care competition.

HOUSE APPROPRIATIONS REPORT-FY 2015

HOMELESS ASSISTANCE GRANTS
(INCLUDING TRANSFER OF FUNDS)

Appropriation, fiscal year 2014	\$2,105,000,000
Budget request, fiscal year 2015	2,406,500,000
Recommended in the bill	2,105,000,000
Bill compared with:	
Appropriation, fiscal year 2014	-----
Budget request, fiscal year 2015	-301,400,000

The Homeless Assistance Grants account provides funding for programs under title IV of the McKinney Act, as amended by the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009. HEARTH Act programs include the Continuum of Care (CoC) competitive grants, the Emergency Solutions



Grants (ESG) program, and the Rural Housing Stability Grants program.

COMMITTEE RECOMMENDATION

The Committee recommends funding the homeless grant assistance programs at \$2,105,000,000, which is the same as fiscal year 2014 and \$301,400,000 below the budget request. The recommendation includes funding to support continuum of care project renewals of no less than \$1,800,000,000 as well as at least \$200,000,000 in emergency solutions grants. Up to \$5,000,000 is available for the national homeless data analysis project.

The recommendation continues language allowing private non-profit organizations to administer permanent housing rental assistance funded under the continuum of care. The Department shall report to the House and Senate Committees on Appropriations within 90 days of enactment on the use of this authority in fiscal year 2014 including the number and geographic location of individuals and properties assisted, the identity of the non-profit organizations administering the assistance, and the identity of the public entities that would have otherwise been responsible for administering such assistance.