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
2023 Appropriation	3,633,000	3,923,359	-	7,556,359	3,391,999	3,642,404
2024 Annualized CR	3,633,000	4,282,914	-	7,915,914	4,017,146	3,736,944
2025 President's Budget	4,060,000	4,029,768	-	8,089,768	3,526,150	3,832,708
Change from 2024	427,000	(253,146)	-	173,854	(490,996)	95,764

a/ Per Sec. 231 of P.L. 116-94, 2023 carryover includes $249 million of rental assistance recaptures, as well as $21 million in other additional recaptures.
b/ Per Sec. 231 of P.L. 116-94, 2024 carryover includes an estimated $501 million of rental assistance recaptures and an estimated $124 million in anticipated rental assistance recaptures.
c/ Per Stat. 608 of P.L. 116-136, 2023 net outlays include $957 million from CARES Act.
d/ Per Stat. 608 of P.L. 116-136, 2024 net outlays include an estimated $388 million from CARES Act.

PROGRAM PURPOSE

Homeless Assistance Grants (HAG) are key to addressing homelessness nationwide, especially during the recent unprecedented rise in homelessness which is driven in part by rising housing costs, the shortage of affordable housing units, and the end of COVID-19 pandemic flexibilities.[1] HAG funds allow HUD to serve vulnerable individuals and families who are homeless or at risk of homelessness through a wide variety of services and housing interventions, including homelessness prevention, emergency shelter, rapid rehousing, transitional housing, and permanent supportive housing.

BUDGET OVERVIEW

The 2025 President's Budget requests $4.1 billion for HAG, which is $427 million more than the 2024 Annualized CR level. This amount includes:

- $3.7 billion for Continuum of Care:
  - $3.6 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, and
  - $52 million for rapid re-housing and other projects for survivors of domestic violence, dating violence, sexual assault, and stalking.
- $290 million for Emergency Solutions Grants (ESG), which supports over 450,000 persons in emergency shelter each year.
- $10 million for the National Homeless Data Analysis Project for Homeless Management Information System (HMIS), data analysis, and technical assistance.
- $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

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[1] Department of Housing and Urban Development. The 2023 Annual Homelessness Assessment Report to Congress, Part 1 (https://www.huduser.gov/portal/datasets/ahar/2023-ahar-part-1-pit-estimates-of-homelessness-in-the-us.html)

and reporting of data and performance measures under the comprehensive approaches to serve homeless youth, and to coordinate with other technical assistance funds.

In addition, the Administration plans to use approximately $100 million in program recaptures to fund coordinated interventions to support nearly 11,000 additional homeless individuals and families.

These programs align to HUD 2022-2026 Strategic Objective 1B: *Reduce Homelessness.*

JUSTIFICATION

Homelessness affects over 650,000 adults and children on any given day. The recent rise in overall homelessness reflects trends that began in 2017, but were paused during the COVID-19 pandemic through historic investments in homeless assistance and other pandemic response resources. If not for these investments, homelessness could have grown exponentially during the pandemic and put hundreds at risk of COVID-related impacts. In 2023, many of the pandemic-related flexibilities have expired, particularly those related to rental assistance and affordable housing, and homelessness rose by 12 percent between 2022 and 2023 and nearly 40 percent of people experiencing homelessness are sleeping on the street, in encampments, or in other places not suitable for human habitation. The increase is a result of the rising housing costs, the end of COVID-19 pandemic support, and the need for increased assistance as vulnerable segments of the homeless population grow. For veterans and families experiencing homelessness, investments in permanent supportive housing and rapid re-housing have helped reduce homelessness since 2010, even as housing costs in most of the country for low-income people have risen dramatically. In partnership, HUD and the Department of Veterans Affairs (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 more than half since 2010. Homelessness among families with children has also significantly declined since 2010 (23 percent). On average, much less assistance is provided to individuals who are not veterans or accompanied by children. Despite progress to reduce homelessness since 2010, trends in the homelessness and housing needs that began in 2017, along with the extraordinary challenges faced by low-income renters during the past two years, have resulted in increases among nearly all populations experiencing homelessness, including veterans and families with children.

Equity

HAG supports communities' efforts to promote equity in the homeless response system, and HUD provides tools and resources to help communities evaluate equity in their homeless response system, including funds for Continuum of Care planning. HUD provides incentives in the CoC Competition for communities to evaluate racial equity data, and where disparities are found, to develop strategies to improve equity and to fund projects that better promote equity.

Homelessness Data

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 are collected as both a "snapshot" of the number and characteristics of persons who are

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[2] Part 1 of the 2023 AHAR can be accessed online at https://www.huduser.gov/portal/datasets/ahar/2023-ahar-part-1-pit-estimates-of-homelessness-in-the-us.html. Part 2 of the 2021 AHAR can be accessed online at https://www.huduser.gov/portal/datasets/ahar/2021-ahar-part-2-pit-estimates-of-homelessness-in-the-us.html.

homeless on a given night, and of persons being served in emergency shelter, transitional housing, safe havens, and permanent housing. HUD also relies on system performance data that show the communities' progress in ending homelessness, including reducing the average length of time people are homeless, reducing the rate at which people return to homelessness, increasing the exits to and retention of permanent housing, and increasing employment and other income.

The 2023 AHAR Part 1 shows that between January 2022 and January 2023, homelessness increased by 12 percent to 653,104 people. The sharp rise in homelessness affected all populations, with a 14 percent increase (47,864 people) in the number of people experiencing sheltered homelessness and a 10 percent increase (22,778 people) in the number of people experiencing unsheltered homelessness. The number of families with children experiencing homelessness increased by 13 percent, with a similar rise in unaccompanied youth (15 percent) and chronic homelessness (12 percent). Homelessness among veterans rose by seven percent – a rate lower than for other populations.

Through HUD's System Performance Measures, communities reported a 25 percent increase in people experiencing homelessness for the first time. This increase of over 180,000 people experiencing homelessness for the first time coincides with the nine percent increase in rents in 2022 and expiration of many of the COVID-19 pandemic supports, like eviction moratoria and the Department of Treasury's Emergency Rental Assistance Program.

While veterans also experienced a rise in first-time homelessness during 2022, a steeper rise in homelessness among veterans was ameliorated by extraordinary efforts by VA, HUD, and community partners to rehouse veterans experiencing homelessness. During 2022, VA placed more than 40,000 veterans experiencing homelessness in housing–exceeding their goal of housing 38,000 veterans experiencing homelessness.

In the nearly one year since the 2023 PIT Count was conducted, HUD has provided additional resources targeted to unsheltered and rural homelessness. HUD announced $486 million in additional CoC funding and an additional $43 million for Stability Vouchers to help stem the increase in homelessness. Over the last year, HUD has helped more than 424,000 households connect to homeless support services, exit homelessness, or avoid homelessness altogether. More needs to be done to mitigate the increasing homelessness rate across the country. CPD's Homeless Assistance Grant Programs serve as the primary means of Federal support for community homelessness response systems across the country, providing grants to non-profit providers, States, Tribes, and local governments for permanent and short-term housing assistance, supportive services, planning, data, and other costs.

Funding Impact and Outcomes

Continuum of Care Program ($3.7 billion)

The CoC program is HUD's largest program targeted to help adults and children experiencing homelessness. Funds are awarded to over 6,600 projects through a national competition. In the 2022 CoC program competition, 90 percent of those projects were renewals. CoC program funds can be used for:

- Rapid re-housing to provide time-limited rental assistance in permanent housing and stabilization services;
- Permanent supportive housing for homeless people with disabilities;
- Transitional housing to help individuals and families achieve 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 projects better equipped to utilize the funding, based on proven, data-driven strategies.

The proposal includes $134 million for new projects, of which:

- $52 million within the CoC budget is for new rapid re-housing projects and other assistance to serve survivors of domestic violence, sexual assault, and other gender-based violence. 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 create the necessary housing and service options to protect survivors of domestic violence, dating violence, sexual assault, and stalking, and help them achieve independence and housing stability.

- At least $82 million is for new YHDP grants that would provide more communities with resources 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 provide initial intensive supports that decrease as the youth stabilize and are able to establish more independence; and problem-solving projects to help youth reunify with family (where safe), or to help identify other resources that can help stabilize youth.

In addition, CoC Planning resources help communities coordinate CoC funding with mainstream health care, employment, and housing resources, helping ensure that people experiencing homelessness have access to treatment and other supportive services needed to successfully exit homelessness, remain stable in their housing, and make progress on their recovery and well-being.

Emergency Solutions Grants Program ($290 million)

The ESG program provides the first response to people with a housing crisis and serves 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 rental assistance and stabilization services; and,
- Homelessness prevention for individuals and families.

National Homeless Data Analysis Project ($10 million)

The NHDAP 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 both HUD's and communities' ability to report and analyze data about persons experiencing homelessness and establish 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 provides direct technical assistance to

CoCs on HMIS implementation. The $3 million increase is needed to cover rising costs of producing the Annual Homeless Assessment Report and to create tools for communities to analyze and visualize their data.

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;
- Strengthen partnerships with other sectors, including mainstream housing and health agencies, to leverage additional resources, coordinate services, and divert people from homelessness; 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.

Performance Indicators and Other Evidence

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 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. 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 providing housing and supportive services to homeless people. A 2017 study conducted in Orlando

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[3] U.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/.

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 demonstrate the 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. Highlighting the rising numbers of older people experiencing homelessness, a study of homelessness in California showed that nearly half of the State's homeless adults were 50 years old or older with a median age of 47.[8]

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.[9] Additionally, evaluation of the HUD YHDP shows the level of coordination involved with successfully implementing these grants and the evaluation will provide further explore the impacts of this targeted funding.[10]

Key Assumptions

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

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[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] Kushel, M., Moore, T., et al. (2023). Toward a New Understanding: The California Statewide Study of People Experiencing Homelessness. UCSF Benioff Homelessness and Housing Initiative.
[9] 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.
[10] 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.

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.

To accommodate the uncertain percentage of projects that will need renewal and to provide an estimate of future renewal need, HUD estimates renewal requirements within a range. The following chart includes HUD's five-year estimates of renewal need. These estimates assume that there are no new grants awarded for any activities after 2023. This projection will differ from future requests and budgets if funds are awarded for new projects in subsequent CoC Competitions.

Fiscal Year	Estimated Renewal Need (in millions)
2024	$3,435 - $3,504
2025	$3,586 - $3,695
2026	$3,666 - $3,815
2027	$3,747 - $3,939
2028	$3,830 - $4,067
2029	$3,935 - $4,178

For 20 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 2022, HUD allocated over $1.8 billion–65 percent of its competitive funds–to permanent supportive housing projects. An additional $513 million–19 percent of its competitive funds–supports people in rapid re-housing programs, another evidence-based permanent housing model designed to quickly rehouse people experiencing homelessness.

In addition, the Administration plans to use available balances in program recaptures to fund critical needs across the homeless portfolio, which may include coordinated intervention support, changes in CoC funding needs, or other grant renewal support. These resources will be used to support the Administration's commitment to the goals laid out in the Federal Strategic Plan to Prevent and End Homelessness.

Stakeholders

HUD continues to prioritize key partnerships with local, State, and Federal stakeholders to prevent and end homelessness. HUD and the 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 233,000 veterans being housed since 2008, and continue to improve the efficacy of the program. HUD, VA, and the U.S. 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 52 percent since 2010.

HUD, the 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 violence, sexual assault, and other gender-based violence, homelessness, and housing. HUD is also working with the Department of Labor to help communities better connect people experiencing homelessness to employment opportunities.

HUD also coordinates technical assistance with HHS through the Housing and Services Resource Center (HSRC). Hosted by the Administration for Community Living, the HSRC was created to serve people working in organizations and systems that provide housing, homelessness, health, independent living, and other supportive services that help people live successfully and stably in the community. This site offers information and tools for developing cross-sector partnerships, fostering community collaboration, and using innovative strategies. In 2023, HUD and HHS launched a new intensive technical assistance effort, the Housing and Services Partnership Accelerator, an intensive technical assistance effort to strengthen cross-sector State-level partnerships between housing, homeless services, Medicaid, aging and disability sectors, and behavioral health to develop or expand innovative housing-related supports and services for Medicaid-eligible people with disabilities and older adults who are experiencing or at risk of homelessness. Existing resources were identified to support eight States plus the District of Columbia during calendar year 2024.

Operational Improvements

HUD is seeking enactment of amendments to the McKinney-Vento Act that would allow HUD to administer the CoC Competition on a two-year cycle rather than annually. This would allow communities to have more time to plan and implement homelessness assistance strategies. It would also dramatically reduce the administrative burden for communities, recipients, and HUD.

HUD is also seeking authority to provide more flexibility for Tribes and Tribally Designated Housing Entities (TDHEs) to participate in the CoC program. The language would eliminate the need for Tribes and TDHEs to receive certifications of consistency with Consolidated Plans, allow them to target assistance to Tribal Members, and allow them to administer rental assistance.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2023 Budget Authority	2022 Carryover Into 2023	2023 Total Resources	2023 Obligations	2024 Annualized CR	2023 Carryover Into 2024	2024 Total Resources	2025 President's Budget
Continuum of Care	3,102,000	3,545,583	6,647,583	2,871,669	3,102,000	3,889,596	6,991,596	3,626,000
New Permanent Supportive Housing	75,000	-	75,000	-	75,000	75,000	150,000	-
Set aside- Construction awards for populations of less than 2,500,000 [Non-Add]	*30,000*	*-*	*30,000*	*-*	*30,000*	*30,000*	*60,000*	*-*
Victims of Domestic Violence	52,000	73,183	125,183	42,286	52,000	80,999	132,999	52,000
Emergency Solutions Grants—Formula	290,000	118,593	408,593	374,954	290,000	40,408	330,408	290,000
National Homeless Data Analysis Project	7,000	7,000	14,000	11,048	7,000	2,953	9,953	10,000
Youth Homelessness Demo	107,000	179,000	286,000	92,042	107,000	193,958	300,958	82,000
Youth Homelessness System Improvement Grant [Non-Add]	*25,000*	*25,000*	*50,000*	*-*	*25,000*	*50,000*	*75,000*	*-*
Youth Homelessness Technical Assistance [Non-Add]	*10,000*	*10,000*	*20,000*	*18,233*	*10,000*	*1,767*	*11,767*	*10,000*
Total	**3,633,000**	**3,923,359**	**7,556,359**	**3,391,999**	**3,633,000**	**4,282,914**	**7,915,914**	**4,060,000**

a/ The 2023 CoC carryover includes $249 million of actual rental assistance recaptures (including $56 million for CoCs in rural areas and $56 million for ESG disaster areas) authorized by Sec. 231 of P.L. 116-94, and $21 million in other recaptures.

b/ The 2023 Obligations for ESG-Formula includes $6.7 million for disaster areas in Florida in response to Hurricane Ian.

c/ The 2024 CoC carryover includes an estimated $501 million of rental assistance recaptures and an estimated $124 million in anticipated rental assistance recaptures, authorized by Sec. 231 of P.L. 116-94.

LEGISLATIVE PROPOSALS AND GENERAL PROVISIONS

Appropriations Language Changes

The 2025 President's Budget includes the following continuing proposals:

- Increase the CoC Planning Grant Threshold: HUD proposes to increase the cap on Continuum of Care Planning Activities, which is statutorily limited to three percent of a CoC's overall funding level to the greater of five percent of a CoC's overall funding level or $50,000.

- Technical Correction to Domestic Violence Set-Aside Amount: Deletion of language in proviso that not less than a specific amount is for rapid re-housing projects.

Legislative Proposals

The 2025 Budget supports the following legislative proposals and will seek changes through the authorization process:

- Additional Flexibility for Indian Tribes and Tribally Designated Housing Entities to Participate in the Continuum of Care Program: This proposal gives Indian Tribes and Tribally Designated Housing Entities flexibility needed to successfully implement the CoC Program, including Fair Housing exemptions.

- Allow a Two-Year Notice of Funding Opportunity (NOFO) Under the CoC Program: This proposal will 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 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. Allowing a two-year NOFO process would free up CoCs to focus more on strategic planning and performance evaluation to better prevent and end homelessness in their communities.

- Increase the CoC Planning Grant Threshold: HUD proposes to increase the CoC planning grant limit from three 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 five percent or $50,000. Increasing this limit will allow many smaller CoCs to have funding for dedicated staff to coordinate assistance across the CoC.

- Permissive Adjustment to Supportive Services and Other Costs: This proposal will allow HUD to authorize a reasonable adjustment for supportive services and other costs. An increase will help communities address staffing shortfalls in homeless services programs.

General Provisions

The 2025 President's Budget re-proposes the following general provisions:

- Matching Requirements: This provision allows Homeless Assistance Grant recipients to count program income as an eligible match for CoC program funds. (Sec. 220)

- 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. (Sec. 221)

APPROPRIATIONS LANGUAGE

The 2025 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.), and for related activities and assistance, $4,060,000,000, to remain available until September 30, 2027: Provided, That of the sums appropriated under this heading—
(1) $290,000,000 shall be available for the Emergency Solutions Grants program authorized under subtitle B of such title IV (42 U.S.C. 11371 et seq.);
(2) $3,678,000,000 shall be available 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 re-housing 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 [or] 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, $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, or stalking, except that the Secretary may make additional grants for such projects and purposes from amounts made available for such Continuum of Care program: Provided further, That amounts made available for the Continuum of Care program under

this paragraph and any remaining unobligated balances under this heading in 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) $10,000,000 shall be available for the national homeless data analysis project: Provided, 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) $82,000,000 shall be available 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 to communities, including but not limited to the communities assisted in the preceding proviso and the matter preceding such proviso, 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 preceding 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: Provided further, 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 2024 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, 2024 and Other Extensions Act (Division A of Public Law 118-15, as amended). The amounts included for 2024 reflect the annualized level provided by the continuing resolution.