



Advancing Equity and Impact

Harnessing the *American Rescue Plan* to Prevent and End Homelessness

This document summarizes how new Federal resources can be deployed to reduce and prevent homelessness with a racial justice and equity lens ensuring assistance reaches households experiencing the worst impacts of the pandemic, especially Black, Indigenous, and people of color (BIPOC) households. These ideas complement and build on recommendations included in the suite of reports and tools that are part of [The Framework for an Equitable COVID-19 Response](#) project.

“Housing instability and homelessness are inextricably linked to long standing racial disparities and have been amplified during the pandemic. The American Rescue Plan provides financial opportunities to address these disparities.”

1. New Federal Funding Through the American Rescue Plan And CARES Act

States and communities have access to historic levels of funding from the Federal government that can be deployed to prevent and end homelessness. The primary housing funding includes two allocations from the Treasury Department for emergency rental assistance and three types of funding from the US Department of Housing and Urban Development (HUD). All funds have strict time constraints for spending and eligibility requirements. The chart to the right summarizes some key features of these sources.

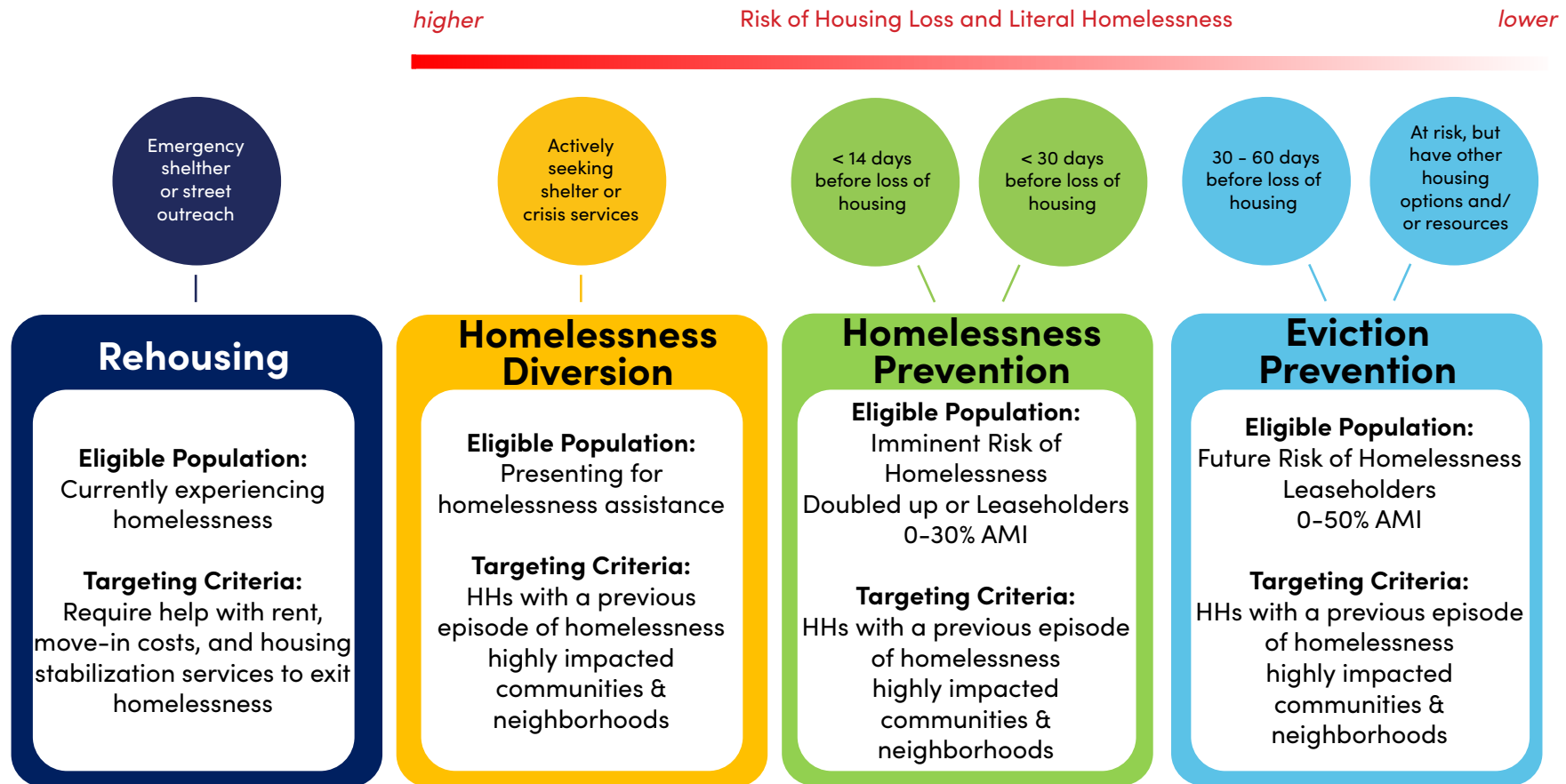
	Emergency Rental Assistance	ESG-CV	Emergency Vouchers	HOME Homelessness Assistance
Funding	\$46.6 billion	\$4 billion	\$5 billion	\$5 billion
Expenditure Dates	ERA 1: 9/30/2022 ERA 2: 9/20/2025	9/30/2022	9/30/2030 (cannot be reissued after 9/2023)	Obligation by 2025 (4 years) Expenditure by 2030.
Eligible Households	At or below 80% AMI; Hardship due to COVID; Risk of homelessness or housing instability	Experiencing or at high risk of homelessness	Currently or recently experiencing or at risk of homelessness; survivors of domestic violence	Experiencing or at risk of homelessness; survivors of domestic violence, veterans; other populations with greatest risk of housing instability
Additional Notes	No requirement for past tenancy	Distributed in two allocations	Approx. 70,000 vouchers. Distribution based on relative need and local capacity	Distributed via the HOME Formula

Information culled from federal documents available as of 6/24/21. Readers should rely on information from federal websites as changes may occur over time.



2. What Interventions Should Be Used To Prevent And End Homelessness?

While the components of these intervention may be the same (financial assistance and services), the intensity and the urgency of meeting needs will vary depending on the risk for literal homelessness. The graphic below summarizes the risk by the type of intervention – Rehousing, Homelessness Diversion, Homelessness Prevention, and Eviction Prevention. The highest risk group are those currently experiencing homelessness. Leaseholders under threat of eviction have a much lower risk of homelessness. To be both effective and efficient, targeting the resources to the highest risk groups is critical. See below for recommendations on eligible populations and targeting criteria within each intervention.



3. How Can the Prevention and Housing Continuum be Funded?

The chart below includes the four key programs described above and additional Federal funding that can also be deployed to support Rehousing, Homelessness Diversion, Homelessness Prevention, and Eviction Prevention interventions and the types of assistance needed. By leveraging and braiding funding, communities can effectively scale the prevention and rehousing continuum.

Funding Source	Rehousing	Homelessness Diversion	Homelessness Prevention	Eviction Prevention	Rental and Utility Assistance	Services	Other Financial Assistance
Emergency Rental Assistance (1 + 2)	Yes*	Yes*	Yes*	Yes*	Yes	Limited	No
Coronavirus Relief Funds	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Emergency Solutions Grants-CV (CARES Act)	Yes	Yes	Yes	No	Yes	Yes	Yes
CDBG-CV	Yes	Yes	Yes	Yes	Yes	Yes	Yes
ARP – Utility Assistance	Yes*	Yes*	Yes*	Yes	Yes***	n/a	n/a
ARP – EHV	Yes**	Yes**	Yes**	No	Yes	Very Limited	Limited
ARP – HOME	Yes**	Yes**	Yes**	No	Yes	Yes	No
ARP – TANF EA	Yes	Yes	Yes	Yes	Yes	Yes	Yes
ARP state/local government aid	Yes	Yes	Yes	Yes	Yes	Yes	Yes

* As part of housing relocation assistance to become lease holder
 ** For highly vulnerable households that need longer term rental assistance
 *** Utility assistance only



4. What Are The Key Needs That Can Be Met With New Federal Funding?

Whether we are trying to prevent homelessness or help people exit homelessness, financial assistance and services are often needed to be successful. The types of financial assistance and services that have been shown to be effective is described below. Many of these costs can be paid through the various new funding sources.

Financial Assistance

- **Housing Support**
 - Rental & utility assistance
 - Rental application fees
 - Security or utility deposits
 - Utility or rental arrears
 - Moving costs
- **Other Financial Support**
 - Costs associated with obtaining identification documents
 - Transportation help for work or housing search: Car repairs, bus passes, gas, vehicle repairs, and other expenses
 - Bus, train, or airplane tickets to help facilitate return to family
 - Food assistance

Services

- Housing problem solving
- Strengths-based case management
- Conflict resolution
- Housing search
- Landlord-tenant mediation
- Connection to mainstream resources
 - Including new ARP child tax benefits & stimulus checks
- Family mediation
- Tenant legal services
- Credit repair

5. Tips for Allocation

- Allocate resources sufficient to fully scale Homelessness Diversion and Rehousing before investing in Homelessness Prevention
- Partner with people who have lived expertise to set resource allocation priorities and program design
- Establish targeting features in Eviction Prevention to ensure the lowest income and households with greatest housing insecurity are prioritized

6. Tips for Design

- Be strategic in the use across all funds
- Lead with equity
- Ask people to be served what they want and need
- Strategize and plan with your CoCs
- Build capacity with non-traditional partners
- Collaborate across local and state grantees and private partners
- Set bold goals
 - # of people permanently housed
 - Equity-focused goals
 - Scaling diversion
- Use your data and available tools to have high impact

