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## **Jobs Bill Recommendation: Include an Additional \$1 Billion for Homelessness Prevention and Rapid Re-Housing**

*Any new jobs bill should expand funding for HUD's Homelessness Prevention and Rapid Re-Housing Program (HPRP) by \$1 billion, to create 2,500 additional jobs in community agencies, provide temporary rent payments that will fund additional jobs in the housing industry, and stabilize housing for 200,000 additional homeless or near-homeless families, giving them a fighting chance to become or remain employed.*

With the Homelessness Prevention and Rapid Re-housing Program, ARRA provided HUD with \$1.5 billion for state and local programs to combat recession-related increases in homelessness. Money from this initiative is hitting the streets, to provide short- and medium-term help for at least 300,000 households who are homeless or imminently at risk, stabilizing their housing and their jobs.

The excitement and relief generated by this program, evidenced by hundreds of local newspaper articles and rave reviews by state and local officials, is palpable. HUD efficiently set rules and distributed funding, which has in turn been distributed to local nonprofit organizations. The program design is a precise fit with the services required to cope with the wave of homelessness caused by rising unemployment. According to the U.S. Conference of Mayors, **over 70 percent of cities say that HPRP will fundamentally change the way they provide services – and over half the remainder have already made the changes that HPRP supports.**

**The program is also creating jobs.** Local plans so far are including, on average, one full-time, three-year job to provide services for each \$600,000 of HPRP funding allocated – this means 2,500 jobs directly created by the existing funding, plus additional jobs through economic multiplier effects. The remaining money provides temporary rent subsidies to landlords, funding more jobs in the rental housing industry and helping with historic high vacancy rates for rental housing.

Now that the program is up and running, reports to the Alliance from individual communities indicate a **near-universal observation that need is far exceeding existing funding for the program.** This is not a surprise. The original funding was calculated to serve approximately 300,000 households, made up of 600,000 people. The Alliance early in 2009 projected that the recession would increase the number of people experiencing homelessness by 1.5 million. This analysis was based on a projection that the national unemployment rate would top out at 9 percent, but in October 2009 the unemployment rate reached 10.2 percent.

**The appropriate response is to increase funding for the HPRP program.** Now that the program is being implemented, money appropriated would quickly be available to

hire additional caseworkers and move additional families into housing stability. An additional \$1 billion would directly create 2,500 more jobs for the last two years of the program and prevent or end homelessness for an additional 200,000 households.

Some large and small communities' experiences:

**Alameda County, CA** – This county, which includes Oakland, expected to be able to serve between 1,000 and 1,200 people during the three-year life of its HPRP allocation. In the first two weeks of the program, the county received requests for help from 1,300 people who were eligible and had additional risk factors for homelessness. Four of their seven Housing Resource Centers are closed for further referrals in order to catch up with the initial applications.

**Detroit, MI** – The first indication of the huge need for this program came from Detroit, which faced heavy demand and long lines when they distributed 50,000 applications for assistance in the first few days of operation. The city estimates it has enough funding to serve 3,500 households.

**Grande Island, NE** – Central Nebraska Community Services, operating the HPRP program in one rural part of the state, committed over half its allocated funding in the first six weeks of operation.

**Massachusetts** – The number of families entering homeless shelters statewide has been increasing steadily, from 366 for the month of June, to 448 for October. Massachusetts is now paying to shelter over one thousand families in motels, up from 751 in June, and up from 165 in June of 2008.

**Memphis, TN** – In Memphis, the city has budgeted its HPRP funding to serve 58 families each month. They are now approving families at a pace of 100 per month and most recently are receiving applications from 40 families a day.

**Miami, FL** – Miami/Dade County closed down applications for HPRP homelessness prevention after receiving 800 applications in the first two weeks the program was open.

**New York, NY** – The total number of homeless people in New York City shelters is up to 37,891 as of November 23. New York is setting new records for the number of homeless families in shelter, after having made substantial progress in the two years before the recession hit.

**Omaha, NE** – The Heartland Alliance in Omaha has funding to serve 25 households at a time in its rapid re-housing program. After two weeks of operation, they had 57 households on their waiting list.

**Raleigh, NC** – The Women's Center of Wake County has received HPRP funding to provide homelessness prevention in the Raleigh area. The Women's Center estimated that it had funding to serve 149 households over three years. In the first seven weeks of operation it has served 40 households, putting it on track to reach 149 households at the halfway mark of the first year.

**Salt Lake City, UT** – The organization running the rapid re-housing portion of the HPRP grant has funding to handle up to 70 families at a time. All 70 slots were full within seven weeks. The number of families entering their homeless shelter has increased 76 percent in two years.

**San Francisco, CA** – The city prioritized prevention, leaving it able to only dedicate 15 percent of its HPRP funding for re-housing people who are already homeless. Cuts in state funding for its preexisting rapid re-housing program leave it facing services gaps for both individuals and families.

**Spartanburg, SC** – The homelessness prevention program in Spartanburg received \$36,000 for the first year of operation. Within three weeks they had served 25 families and committed \$33,000.

**Tampa, FL** – Providers of both prevention and rapid re-housing estimate that the number of applicants who need help is three times the number they are budgeted to serve.

**Winston-Salem, NC** – The city of Winston-Salem estimates that at least 500 households will need help from HPRP over three years, but current funding will allow services to only 220.