

A photograph of a modern apartment building courtyard. The building features a mix of brick and light-colored panels. In the foreground, there is an outdoor seating area with blue metal tables and chairs. The sky is clear and blue.

Using Emergency Solutions Grants for COVID-19 Housing Response

June, 1st 2020

LISC INSTITUTE

Agenda

- Policy update: Emergency Solutions Grant (ESG) in the CARES Act
- Connecticut Coalition to End Homelessness: Housing and Homelessness Prevention
- LISC Housing: Long-term Housing Needs and Response
- Discussion & Q&A

Panelists



Richard Cho
CEO,
CCEH



Marlisa Grogan
Program Specialist,
HUD SNAPS



Callahan Seltzer
Deputy Director,
LISC Housing

Policy Update

CARES Act ESG Funding

- The CARES Act provided \$4B in supplemental appropriations for the Emergency Solutions Grants (ESG) Program funding for grants to prevent, prepare for, and respond to coronavirus (ESG-CV grants)
- On 4/3/2020 - \$1 Billion Allocated to FY 2020 ESG recipients (States, Territories, metropolitan cities, urban counties)
- Remaining \$2.96 Billion will be allocated via new formula which will take into account COVID conditions
- The CARES Act provides various flexibilities and authority for HUD to issue waivers and alternative requirements to make it easier for ESG recipients to use ESG-CV grant funds and annual ESG grant funds for coronavirus response
- Each recipient must publish how it has used and will use its allocation, at a minimum, on the Internet at the appropriate Government website or through other electronic media

ESG-CV Initial Flexibilities

- No matching requirement
- The funds are not subject to the spending cap on emergency shelter and street outreach
- Up to 10% of the grant can be spent on administrative activities
- At risk of homelessness income eligibility went up from 30% of AMI to very low income (50%) for homelessness prevention assistance
- Allows deviation from applicable procurement standards
- Prohibits using any funds to require people experiencing homelessness to receive treatment or perform any other prerequisite activities as a condition for receiving shelter, housing, or other services
- No citizen participation/consultation requirements
- No minimum period of use for emergency shelters
- Extends YHDP 2018 obligation deadlines to 2021

Key Takeaways

- Funds can be used to plan for intermediate housing needs (next 3-6 months), particularly for currently homeless individuals and those at risk of homelessness
- The program is incredibly flexible and is traditionally the first program used by local continuums of care to assist households at risk or experiencing homelessness
- LISC signed onto a bill proposing \$100B for ESG to support emergency rental assistance (*need to update on status of bill from Mark*)
- ESG recipients should immediately amend their most recently approved Annual Action Plan (recommended option) or include their ESG-CV funding strategy in the current plan to expedite their access to CARES Act funds
- Jurisdictions should consider how ESG, CDBG and HOME dollars can be paired to serve their homeless population, as well as preventing homelessness through emergency rental support and non-new construction improvements to affordable housing.

Eligible ESG Activities

- ESG Funds can be used for the following eligible activities:
 - Street Outreach, including engaging and providing essential services to homeless individuals and families living in unsheltered situations;
 - Emergency shelter renovations to improve the number of quality of emergency shelters for homeless individuals and families;
 - Shelter operations to help run these shelters;
 - Providing essential services to shelter residents;
 - Rapidly rehousing homeless individuals and families, including short- and medium-term rental assistance and housing relocation and stabilization services (both financial assistance and services costs);
 - Preventing individuals and families from becoming homeless, including short- and medium-term rental assistance and housing relocation and stabilization services (both financial assistance and services costs)

Connecticut Coalition to End Homelessness



Connecticut's Response to the COVID-19 Pandemic Impact on Homelessness

About the CT Coalition to End Homelessness

- Founded in 1982 in response to surge in homelessness
- State-wide Hartford-based 501c3
- Coalition of more than 100 members – emergency shelter providers, transitional housing providers, community and business leaders, and strategic partners – who share the goal of ending homelessness

Collective mission is to prevent and end homelessness in Connecticut

Our goal is to make homelessness rare, brief, and non-recurring.

Background

Connecticut began seeing a community spread of COVID-19 in early March 2020, and has been experiencing a growing number of confirmed cases, hospitalizations, and fatalities since.

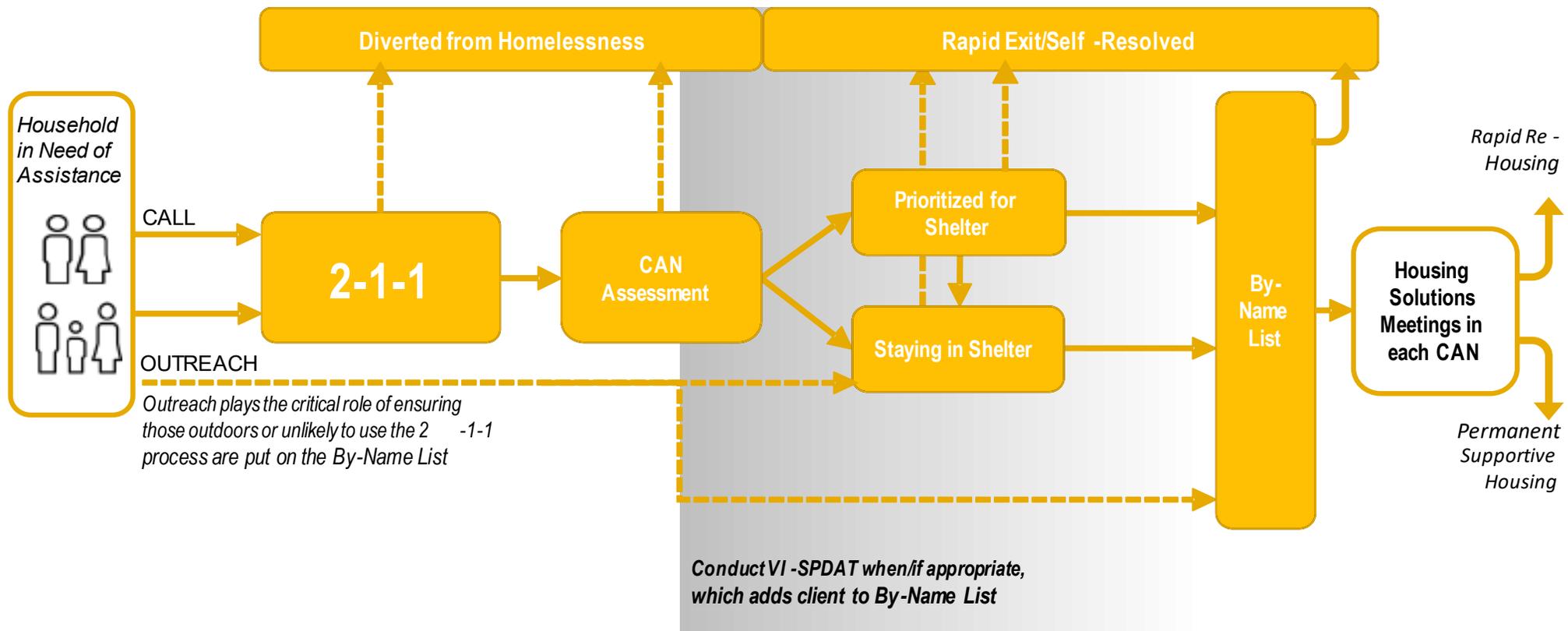
In addition to its impact on the state's general population, businesses, government functions, and non-profit services, the COVID-19 pandemic has led to significant impacts among Connecticut's homeless population and homeless services. Namely, in order to avoid potential outbreaks within homeless shelters, Governor Lamont authorized the decompression of congregate homeless shelters through relocation of residents into hotels.

This chartbook presents available data to indicate how the COVID-19 pandemic appears to have impacted homeless populations and homeless services.

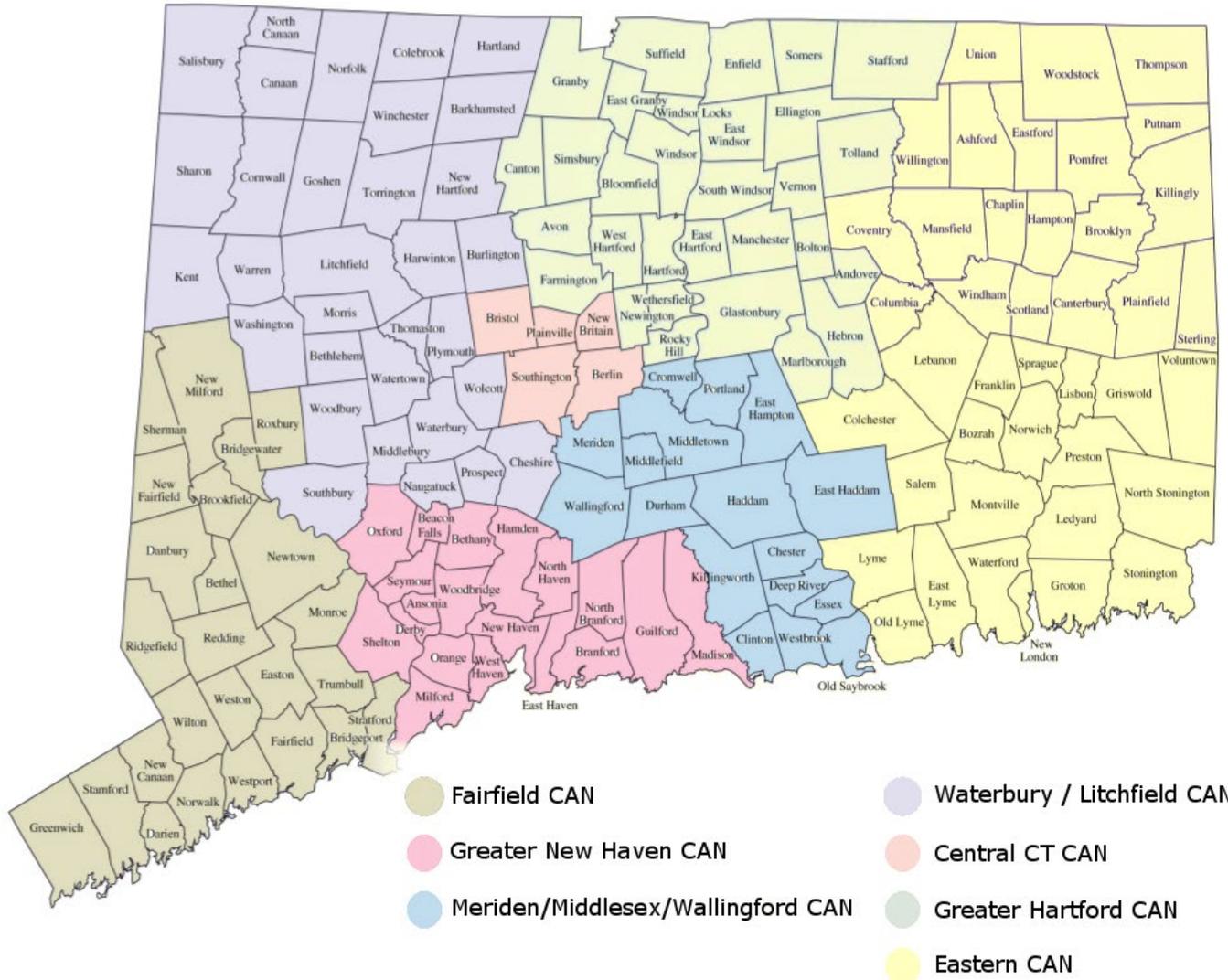
Connecticut's Homeless Response System

CAN System Overview

A high-level diagram of the coordinated access process from entry to exit



Coordinated Access Network Regions



Homeless services in Connecticut are organized into seven regional networks, known as ‘Coordinated Access Networks’ or ‘CANs.’

CANs receive referrals for homeless assistance from 211.

Within each CAN region, homeless services providers coordinate to divert households from shelter, manage access to shelter, conduct homeless outreach, and match homeless households to housing program vacancies.

Data on CAN performance is available at <https://ceh.org/data/interactive/> and <https://ctcandata.org/>.

Connecticut Homeless System's Evolving Response to the COVID-19 Pandemic

Pre-COVID (Pre-March 2020)

Steady reductions in homelessness through diversion and re-housing efforts.

Preparing for major push to end family and youth homelessness.

Basic Infectious Disease Controls (March 2020)

3/7 - 1st COVID-19 case arrives in CT.

Homeless services providers shift focus on outbreak prevention through cleaning, social distancing, relocation of high-risk persons out of congregate shelter.

Shelter Decompression (March – June 2020)

Mid-/late-March realization that most shelters could not comply with CDC guidelines for bed spacing and social distancing.

State issues order and FEMA approval to move 60% of congregate shelter residents into state-contracted hotels.

Containment & Census Reduction (June 2020 - ?)

Shelter decompression ending July 2.

New strategy involving systematic COVID-19 testing and cohorting (isolation), along with reduced shelter census through scaled-up re-housing and diversion/prevention efforts.

Connecticut's Shelter Decompression

STATE OF CONNECTICUT
BY HIS EXCELLENCY
NED LAMONT
EXECUTIVE ORDER NO. 7P

**PROTECTION OF PUBLIC HEALTH AND SAFETY DURING COVID-19
PANDEMIC AND RESPONSE – SAFE HOUSING FOR PEOPLE
EXPERIENCING HOMELESSNESS, FIRST RESPONDERS, AND
HEALTHCARE WORKERS**

WHEREAS, on March 10, 2020, I issued a declaration of public health and civil preparedness emergencies, proclaiming a state of emergency throughout the State of Connecticut as a result of the coronavirus disease 2019 (COVID-19) outbreak in the United States and confirmed spread in Connecticut; and

WHEREAS, pursuant to such declaration, I have issued sixteen executive orders to suspend or modify statutes and to take other actions necessary to protect public health and safety and to mitigate the effects of the COVID-19 pandemic; and

WHEREAS, COVID-19 is a respiratory disease that spreads easily from person to person and may result in serious illness or death; and

WHEREAS, the World Health Organization has declared the COVID-19 outbreak a pandemic; and

WHEREAS, the risk of severe illness and death from COVID-19 appears to be higher for individuals who are 60 years of age or older and for those who have chronic health conditions; and

WHEREAS, to reduce the spread of COVID-19, the United States Centers for Disease Control and Prevention and the Connecticut Department of Public Health recommend implementation of community mitigation strategies to increase containment of the virus and to slow transmission of the virus, including cancellation of gatherings of ten people or more and social distancing in smaller gatherings; and

WHEREAS, confirmed COVID-19 infections and resulting hospitalizations have increased significantly in recent days, at the same time that residents of areas with high infection rates have arrived in Connecticut, creating a need to enact further mandatory distancing measures to limit the rate of spread of the disease; and

- On March 10, Governor Lamont issued Executive Order 7P, authorizing the decompression of congregate shelters through the relocation of shelter residents into hotels
- State requested and received FEMA approval for reimbursement of non-congregate sheltering costs
- State agencies negotiated and contracted directly with hotels
- Shelter providers relocated approximately 50% of residents into hotels, along with staff and operations, including case management and meal delivery
- Hotel sites paired with additional services through community health center partnerships and behavioral health agencies
- Shelter decompression and FEMA approval extended twice, now extended through July 2

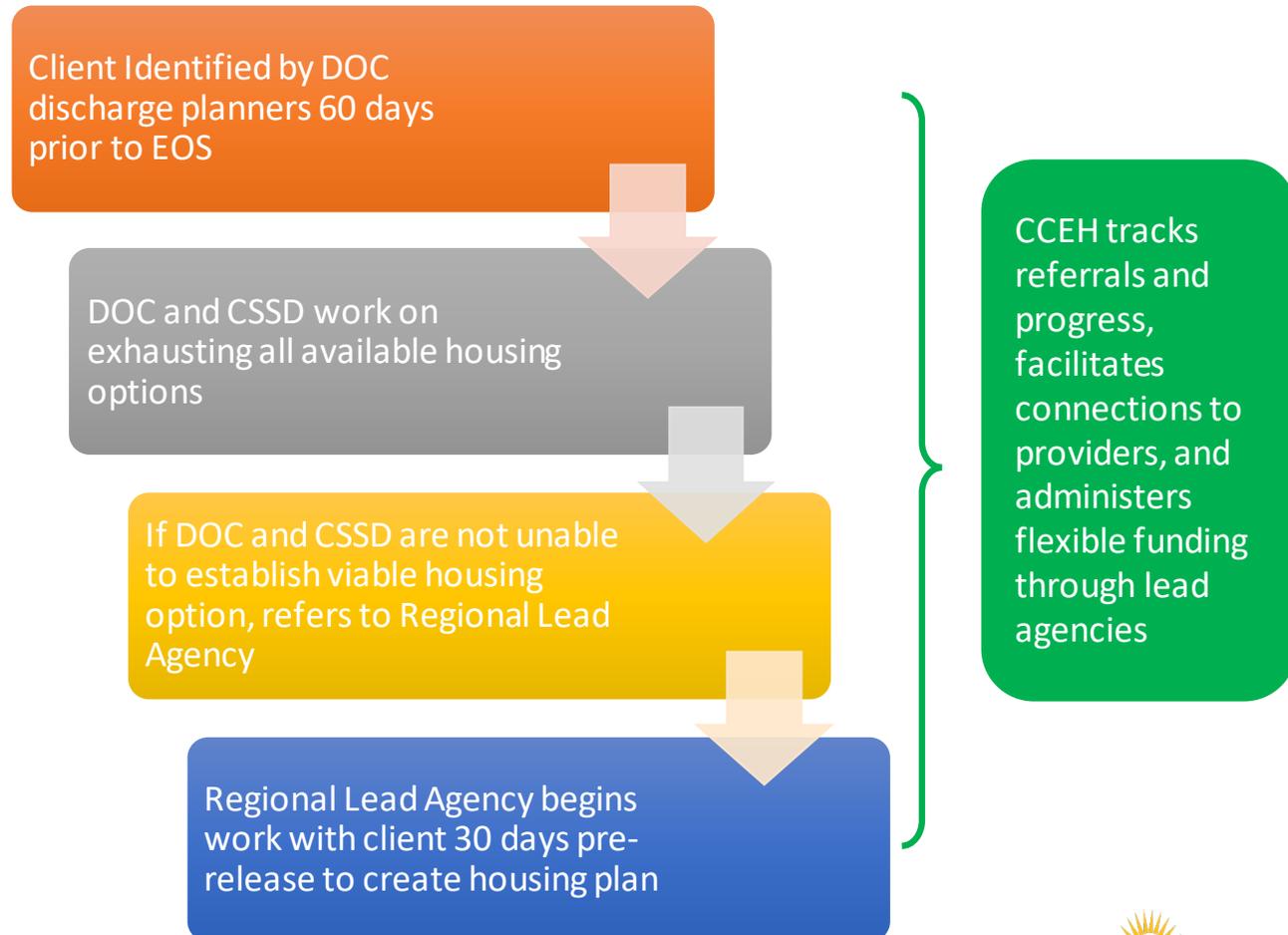
Accelerating Re-Housing Efforts and Maintaining Lower Shelter Census

- Partners across the state have set an ambitious goal of housing 1,000 people in the next 120 days
- Additional resources made available:
 - Approximately \$900K in flexible financial assistance for shelter diversion and rapid exit
 - Nearly \$12 million in CARES Act Emergency Solutions Grants to be used for rapid re-housing
 - Approximately 300 units of permanent supportive housing through state rental assistance program and HUD mainstream vouchers
- Engaging landlords and realtors to assist with identifying additional vacancies
- Rapid Results Institute assisting with process improvements
- Exploring CDBG and other resources to assist with expanding shelter diversion and homelessness prevention

Addressing Post-Incarceration Housing

- **Funding** - ~\$180,000 in Justice Assistance Grant (JAG) funding to prevent homelessness among people released at end-of-sentence; additional (DOJ/BJA) funds through the CARES Act to sustain/expand program
- **Triage/Targeting** – Program flow ensures that DOC and Probation exhaust all other housing options before referral to DOC-RHAP program
- **Regional Model** – Regional lead agencies to ensure statewide coverage
- **Flexible Rental/Financial Assistance** – Covers security deposits, rental assistance, rent application fees, transportation, utility deposits, smartphones, hotel/motel stays

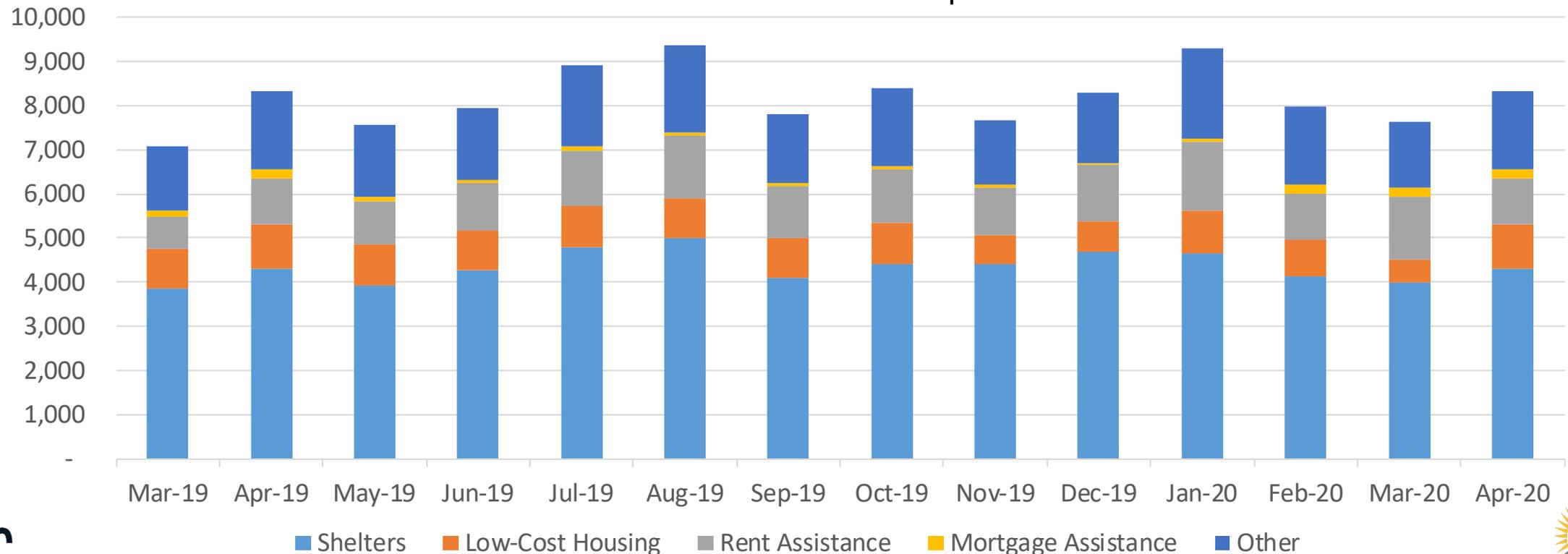
Program Flow



211 Calls for Housing and Homeless Services – March 2019 to April 2020

Calls to the state's 211 Infoline for housing and homeless services provides one measure of general demand for homeless assistance.

Current data shows that **the number of 211 calls related to housing and homeless services have not increased** with the arrival of the COVID-19 pandemic.

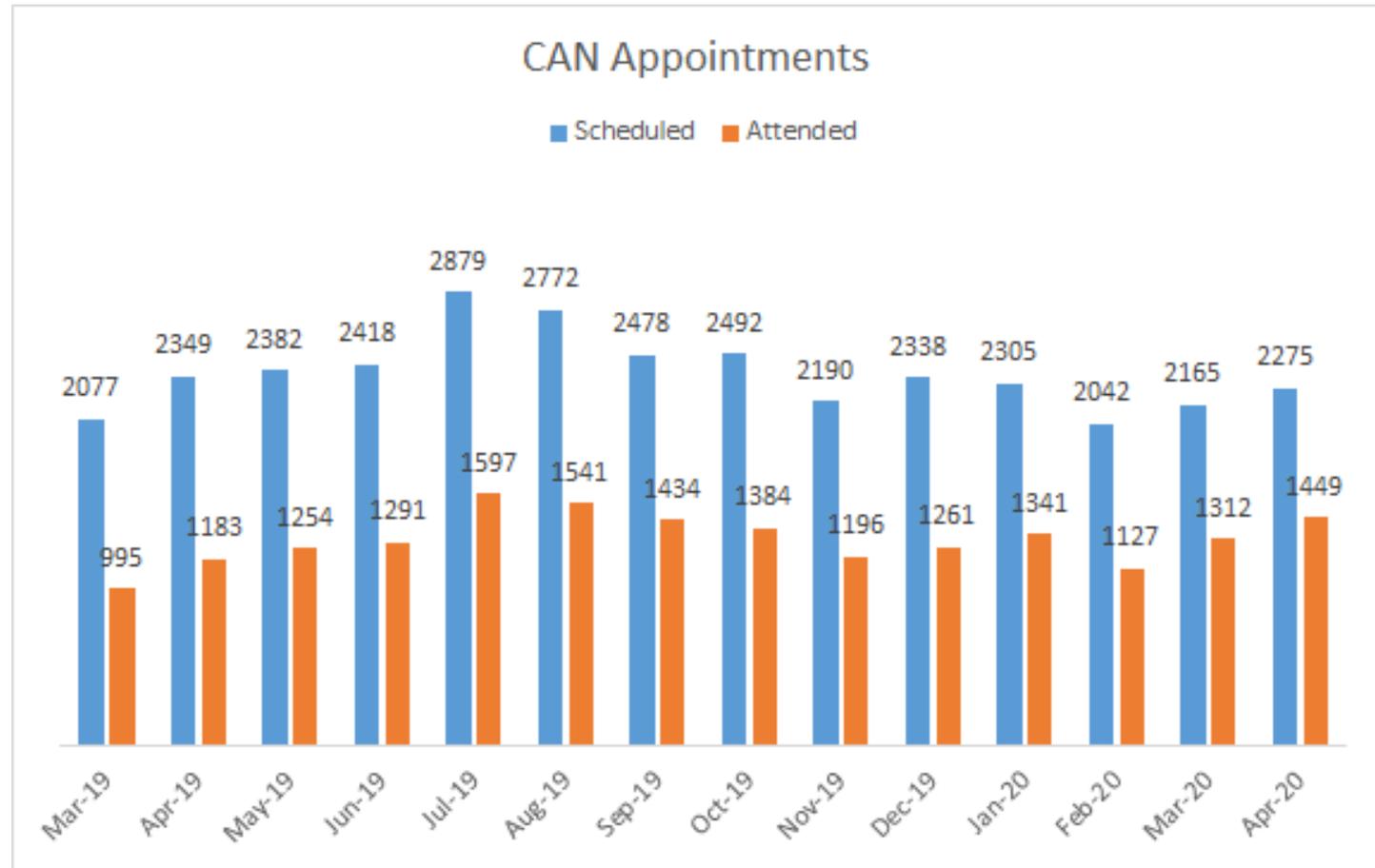


211 Referrals to Coordinated Access Networks March 2019 to March 2020

Another measure of the demand for homeless services are the referrals made by 211 to the regional homeless services networks (Coordinated Access Networks). 211 schedules CAN appointments for people whose housing needs could not be resolved by 211. Typically only half of scheduled appointments are actually attended.

The number of scheduled CAN appointments does not appear to noticeably higher in April 2020 compared with April 2019.

There is, however, a **significant increase in the proportion of appointments that were attended**, which is likely the result of the shift toward holding telephonic CAN appointments.

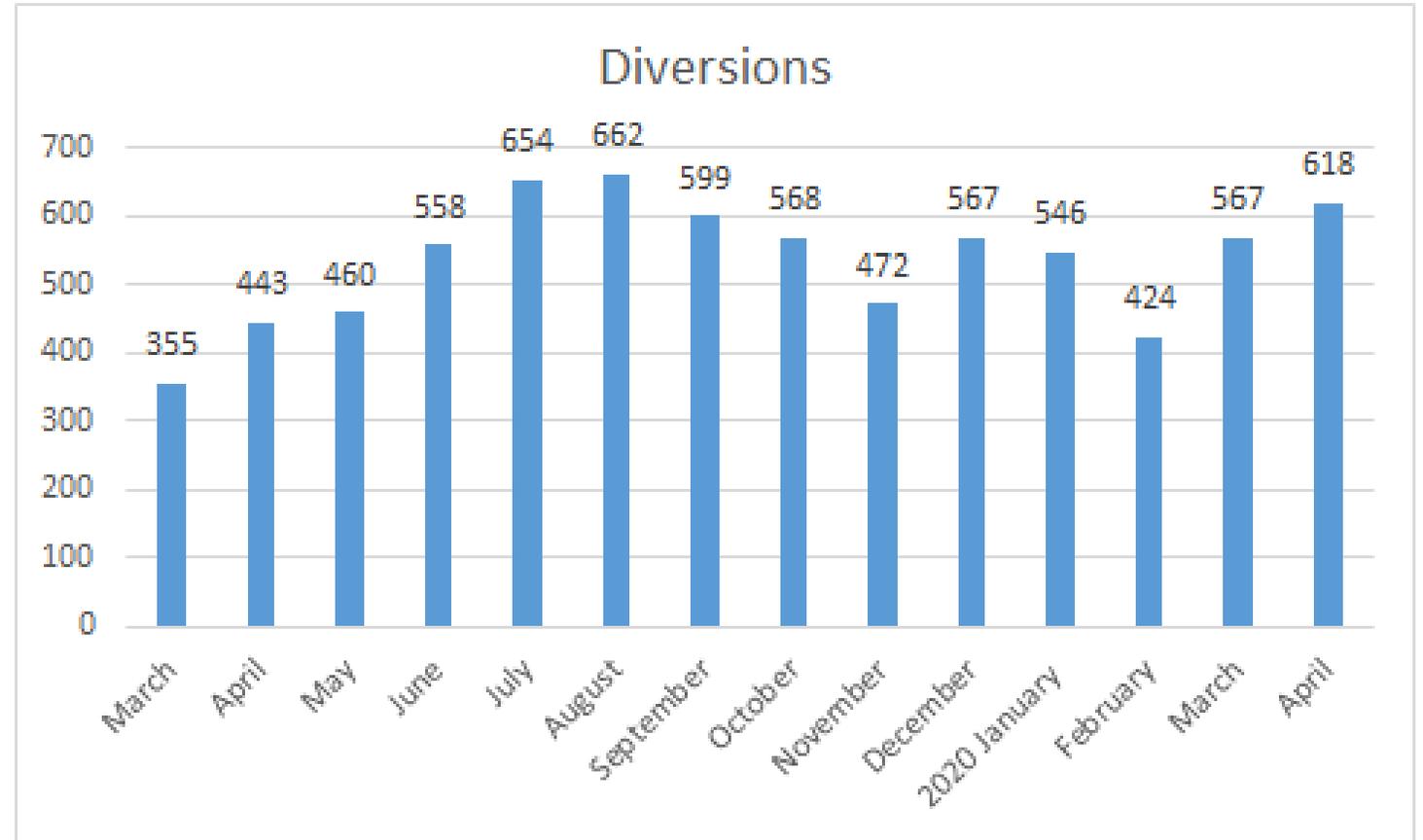


211 Referrals to Coordinated Access Networks

March 2019 to March 2020

One of the ways that Coordinated Access Networks help reduce rates of homelessness is through an intervention known as shelter diversion, in which households referred by 211 are assisted to retain housing or secure new housing through problem-solving counseling and flexible financial assistance.

The number of shelter diversions appears to have increased significantly in March and April 2020, which may be a result of both the higher number of fielded CAN appointments as well as increased efforts to reduce new entries into congregate shelters.



Use of Connecticut's Homeless Shelters – Who are Physically in Shelters?

The COVID-19 pandemic has had significant impacts on the use of homeless shelters in Connecticut, which is the direct related of the shelter decompression effort.

From March 1, 2020 through April 24, 2020, the number of people sleeping in homeless shelters declined by 48%, with the greatest reductions among all single adults (-54%) and seniors (-58%).

SHELTER BED NIGHT COUNTS

Number of Emergency Shelter Stayers	3/1 - 3/16	3/16 - 4/3	4/3 – 4/24	Change since 3/1
Adults	1,663	1,365	817	-846
Single Adults	1,435	1,173	654	-781
Minors	346	272	223	-123
Families	183	155	130	-53
Aged 62 and older	134	119	56	-78
Youth ages 18 – 24	48	80	57	+9
TOTAL CLIENTS (Adults + Minors)	2,009	1,607	1,040	-969

Source: HMIS Shelter Utilization Report

Use of Connecticut's Homeless Shelters – How Many Enrolled as Shelter Clients?

Shelter enrollments refers to the number of people who are enrolled as clients of shelters, regardless of whether they are physically in shelters or in hotels.

While nearly half of Connecticut's sheltered homeless population are now physically in hotels, **the total number of people who are enrolled as clients of shelters only decreased by 15%**. These decreases were for all populations, with the largest decreases among seniors (21%).

SHELTER ENROLLMENTS

Emergency Shelter Stayers	As of 3/1	As of 4/3	As of 4/24	As of 5/5	Changes since 3/1
Adults	1213	1173	1060	1036	-177
Single Adults	1050	1019	913	892	-158
Minors	285	261	248	239	-46
Families	474	435	412	397	-77
Aged 62 and older	113	111	92	89	-24
All Youth ages 18 – 24	77	70	63	58	-19
Unaccompanied Youth ages 18-24	40	40	37	35	-5
OPEN ENROLLMENTS	1575	1504	1371	1333	-242

Connecticut's Planned Use of Federal Funds for Homelessness Response

- **FEMA** – Reimbursing 75% of costs associated with non-congregate sheltering (hotels), including lodging, meals, and additional staffing costs
- **CARES Act Coronavirus Relief Fund** – Alongside many other uses, can be used to cover additional non-FEMA costs associated with non-congregate sheltering
- **CARES Act ESG** – Rapid re-housing rental assistance, alongside staffing for housing navigation and case management
- **CARES Act CDBG** – Shelter diversion, homelessness prevention, eviction prevention
- **Other HUD** – Mainstream vouchers, Housing Choice Vouchers being used to increase permanent supportive housing availability
- **CARES Act DOJ/BJA Coronavirus Emergency Supplemental Funding** – Exploring use for housing assistance for people re-entering or diverted from prisons/jails

For more information:

Richard Cho
Chief Executive Officer
Connecticut Coalition to End Homelessness
rcho@cceh.org

CCEH's Coronavirus Resource Page: www.cceh.org/covid19

Connecticut Department of Housing: <https://portal.ct.gov/doh>

State of Connecticut Coronavirus Disease 19 webpage: <https://portal.ct.gov/Coronavirus>

LISC Housing:
Unpacking the Affordable Housing
Impacts of COVID-19



The Big Picture: Housing was already in crisis pre- CV19, but this is a different type of crisis with no clear roadmap.

- 1) The availability of quality, affordable housing was the biggest challenge facing low-income communities prior to this public health crisis.
- 2) The communities LISC serves, particularly communities of color, are disproportionately affected by this public health crisis and its ripple effects. Low-income households more likely to be:
 - Rent burdened, housing unstable, live in overcrowded conditions, at risk of homelessness
 - Employed in the 5 industries that have shed the most jobs in recent weeks (45% of renters <30% AMI work in Accommodation/Food, Construction, Entertainment, Retail, Other service)

Covid-19 crisis is exacerbating existing inequities and supply problems in our housing system.

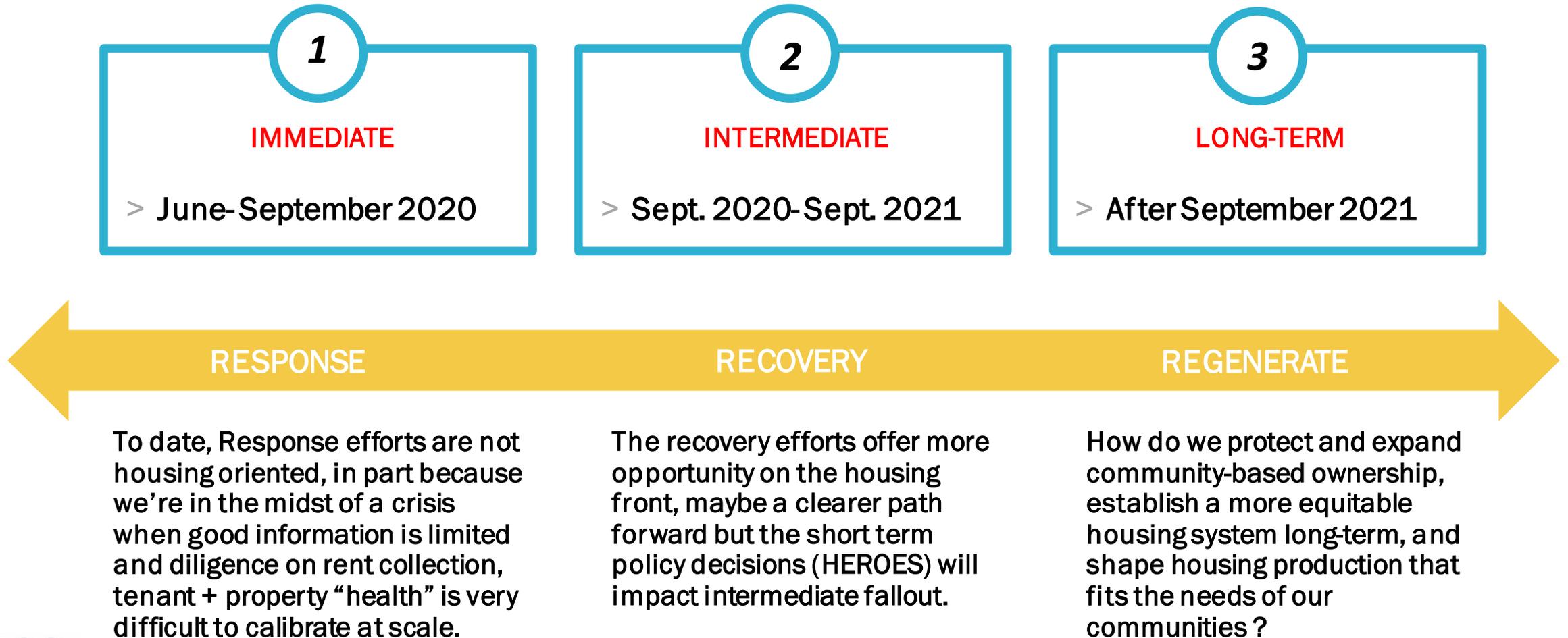
CV-19 creates has waterfall effects on the most vulnerable communities.

IMMEDIATE: June- September 2020

- Americans owe billions in rent as of today
- Renters and landlords are two connected but different buckets of need
- So far, federal relief packages not sized to meet the housing need we see across LISC sites
- Prolonged joblessness disproportionately affecting service sector and low-income renters (35%+ in many LISC communities)
- Eviction protection for renters included in CARES; so far no discussion of forgiveness (just forbearance)



CV-19 creates strains on affordable housing across three time horizons



We need three types of solutions to address the health of a housing system that is failing our most vulnerable:

1

Solutions that provide immediate housing stability for tenants and renters and vulnerable populations

How?

Emergency rental assistance, tenant protections, ramp up of voucher assistance, expanded eviction moratoria and prevention legal aid, cash assistance giving grounds for tenants to negotiate new rent, homelessness prevention

2

Solutions that support the continued solvency + operation of existing AH and safe completion of construction in process

How?

Enhanced asset mgmt. TA, patient capital to stabilize properties and landlords, individualized preservation strategies that can lead to appropriate REO transfers, loan mods, liquidity solutions for MF owners

3

Solutions that scale up AH production to a worsening affordable housing crisis in face of economic uncertainty for the most vulnerable

How?

New options for rapid rehousing, addition of community health workers for senior properties, liquidity for CDFIs and lenders to continue to finance AH/ PSH, floor for 4% LIHTC

We need to convert short-term RELIEF \$ into long-term UNITS

Federal Resource	RESPONSE	RECOVERY	REGENERATE		
	Can be used for immediate (temporary) rental assistance needs?	Can be used to purchase/ acquire sites or land for NEW aff. housing purposes?	Can be used as a resource for NEW construction of Aff housing?	Can be used for rehab/ renovation of buildings for housing purposes?	Can be used for longer-term rental assistance and/or project operating assistance?
Emergency Shelter Grant (ESG)	Yes	No	Yes	Yes	No (term limited to 24 months during any 3 year period)
Community Development Block Grant (CDBG)	Yes (for 3 months)	Yes	Yes (if through CBD0)	Yes	No
HOME	Yes	Yes	Yes	Yes	Yes
Coronavirus Relief Fund (part of CARES)	Yes	Yes	Yes	Yes	No

How can you stack federal and local resources to convert temporary relief into longer-term new housing production?

Think carefully about what resources to put WHERE and WHEN

- > It was clear before the COVID-19 pandemic that the nation's affordable housing crisis was going to deepen.
 - The affordable housing industry will find itself in the unenviable position of being fixtures of community resiliency while facing massive capital constraints from all sides – municipalities, financial institutions, and most especially the people of the communities we serve.
- > The oversubscription of federal, state, and municipal housing funds will not only continue, but will be exacerbated.
 - Subsidy for low income housing generally flow to new construction
 - Operating Funds (supportive housing, increased Sec 8, etc.) will be more necessary than ever
 - How are unsubsidized projects going to pay hard debt given mass unemployment?
- > New construction using the 9% LIHTC backfilled with soft money is likely to continue, more oversubscribed than ever with each new funding round

Discussion & Q&A