

EXPANSION OF RENTAL ASSISTANCE AND ITS IMPACT ON SUPPORTIVE HOUSING

OVERVIEW

The Network is partnering with the National Low Income Housing Coalition (NLIHC) on the HoUSed campaign, calling for universal rental assistance, to ensure every income-eligible individual and household has access to a Housing Choice Voucher. The expansion of this resource would not only lift millions of households out of poverty and virtually erase ‘economic’ homelessness – homelessness resulting from households’ inability to pay rent – it would also dramatically decrease homelessness among the most vulnerable by rescuing and revitalizing funding for supportive housing.

OUR ASKS

Congress should significantly expand and guarantee funding for Housing Choice Vouchers. We must ensure that housing resources – like other parts of our nation’s safety net – automatically receive full funding each year to cover the needs of all eligible households. Congress should move funding for rental assistance from discretionary to mandatory spending and make the program an entitlement same as other social safety net programs.

SAVE SCATTERED SITE

THE PROBLEM

Our scattered site portfolio is in danger. The original program model for scattered site supportive housing assumed 50% of the contract would pay for rent and 50% would pay for services. However, as rents across the state have skyrocketed, contract rates remain static. As a result, nonprofits have fewer dollars to pay for necessary, mandated services and have to double- and triple- up individuals with multiple physical and behavioral health conditions.

A SOLUTION

By expanding rental assistance, supportive housing tenants will have access to a Federal rent subsidy at Fair Market Rent (FMR), enabling them to obtain a quality apartment of their own. Additionally, city and state agency funding would be freed up to prioritize funding for services, including decreasing supportive housing caseloads, and increasing wages to recruit and retain a qualified workforce.

LEVERAGE FUNDS FOR DEVELOPMENT

THE PROBLEM

Supportive housing development is constrained by limited resources. New supportive housing residences are typically financed with scarce Low Income Housing Tax Credits, in combination with subsidy from the City or State and, in some cases, bank debt. The need for supportive housing and the pipeline of possible projects consistently outpaces the availability of Housing Credits and subsidies, never more so than during the COVID pandemic.

A SOLUTION

Universal Rental Assistance will leverage private resources for supportive housing development. With guaranteed Federal rental payments, developers can project more consistent revenues, allowing them to take on bank mortgages. This source of private debt can cover part of what Housing Credits and public subsidies currently cover. Those resources can then be redeployed to produce even more affordable and supportive housing, or even to focus on much needed preservation of the existing housing stock. Most importantly, the affordable housing units that are created will be available to people at extremely low incomes, where the largest need lies.