



How to Fund COVID-19 Homelessness Responses with CARES Act Funding

Introduction

We created the [Framework for an Equitable COVID-19 Homelessness Response](#) to help policymakers address the public health implications of COVID-19, help contain the spread of the virus, and help communities quickly get back on track economically. The Framework provides a guide to help communities maximize their resources and use them wisely. The needs are great but smart planning and execution will help more families, individuals, and communities emerge from the pandemic even stronger. Communities that use the Framework will be more effective and cost-efficient. [Key principles](#) include:

- Advance racial justice and equity
- Address the highest needs first
- Grow partnerships
- Get people into housing
- Act quickly

Policymakers in communities across the country have a powerful opportunity to put these principles into action as they make decisions regarding how to use new funding appropriated through the CARES Act, including ESG-CV, CDBG-CV, and the Coronavirus Relief Fund. To have the greatest impact on reducing homelessness and advancing racial justice and equity, these funds need to be used strategically and wisely, aligned with the following recommendations.

[For more information on the Framework click here](#)

Using this Matrix

1. The matrix on the next page provides an overview for [prioritizing among the potential uses of CARES act funding for investments into different essential strategic interventions](#) to best address the needs of people experiencing homelessness amid the COVID-19 pandemic.
2. The matrix provides two scenarios within which these [prioritization decisions need to be made - communities with high levels of unsheltered homelessness; and with low levels of unsheltered homelessness](#). In both scenarios, and across all of the potential interventions, communities should be **prioritizing people who are at risk of COVID ahead of other households**.
3. The matrix uses a 1-2-3 scale to recommend the [sequencing of investments for each intervention](#). 1 = consider using these funds first; 2 = then consider using these funds; and 3 = then consider using these funds, if needed.
4. [With rates of COVID infection varying over time, the relative priorities for interventions should be carefully monitored and reconsidered](#) to prevent people from becoming infected with the virus and to reduce morbidity/mortality risks, which are higher for people experiencing homelessness. For example, if infection rates increase, a higher prioritization on investments into non-congregate shelter may need to be considered.

At-a-Glance Matrix: Prioritizing Among Potential Uses of CARES Act Funding

1

Is your community's unsheltered population high or low?

2

What interventions are needed in your community?

3

What funding sources should you prioritize?

		Key CARES Act Funding Source			FEMA
		CRF	ESG-CV	CDBG-CV	Public Assistance Program
If high, start with these interventions and then complete those below:	Stand up and sustain non-congregate emergency shelters to support deconcentration of existing shelters (per CDC Guidelines) and to be able to provide safe sheltering opportunities to people who are unsheltered	2	3	2	1
	Purchase hotels or other properties to expand supply of non-congregate shelter, affordable rental housing, and/or permanent supportive housing	1	-	2	-
	Outreach and other supports for people in unsheltered locations (CDC Guidelines)	1	2	-	-
If low, start with these interventions:	Rapid rehousing for people at high risk of poor health outcomes due to COVID (CDC guidelines)	1	2	3	-
	Diversion Diversion to help households avoid entry into homelessness and rapid resolution for households who don't need more intensive housing help to exit homelessness quickly	1	3	2	-
	Targeted homelessness prevention for formerly homeless people who may be at highest risk of losing their housing.	1	3	2	-

The priority is to create additional space to accommodate people who are unsheltered and to replace shelter capacity lost due to need to decompress congregate shelters.

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Only fund if existing outreach coverage is inadequate. Focus efforts on rehousing and providing help to maintain hygiene, food, and PPE.

Focus first on those who have recently exited rapid rehousing programs or are currently in rapid rehousing or permanent supportive housing with inadequate rental assistance.

Continue to prioritize high risk people ahead of other households

4

Are the interventions above funded? If funded, focus on the following:

Targeted homelessness prevention for extremely low-income households who: <ul style="list-style-type: none"> are at high risk of homelessness reside in neighborhoods that experience high rates of entries into homelessness. 	1	-	1	-
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Funding Sources

About ESG-CV

CARES Act Emergency Solutions Grant (ESG-CV) is a formula grant to states and local governments. It funds a broad range of activities for people who are homeless or who are at risk of homelessness, which in this bill includes anyone with income below 50 percent of area median income (we recommend targeting to below 30 percent of area median income to best reach those most in need). The deadline for expenditures is September 30, 2022. To see the amount of your community's ESG-CV allocation see [here](#).

About CDBG-CV

CARES Act Community Development Block Grants (CDBG-CV) is a formula grant to states and local governments which can be used to "prevent, prepare for, and respond to coronavirus". The CARES Act waived public services cap so funds can be used flexibly for income qualified households (low/moderate income, but we recommend targeting to 30 percent AMI) with a COVID-19 related event. CDBG-CV can fund up to 3 consecutive months of rental assistance (includes arrearages) and security deposits (landlord must agree to return security deposit to grantee, not the tenant). The deadline for expenditures is September 30, 2022. To see the amount of your community's CDBG-CV allocation see [here](#). You can also access a CDBG-CV fact sheet [here](#).

About Coronavirus Relief Fund (CRF)

The Coronavirus Relief Fund (CRF) provides \$150 billion to state and local governments. These flexible funds can provide be used to mitigate COVID-19 effects and enable compliance with COVID-19 public health precaution expenses and associated economic support, including emergency rental and utility assistance to help keep individuals stably housed. Costs must be incurred by December 30, 2020. To learn more about CRF, see [here](#), [here](#), and [here](#).

About Federal Emergency Management Agency Public Assistance Program (FEMA-PA)

FEMA's Public Assistance Program in accordance with the COVID-19 Emergency Declaration, is available for non-congregate medical sheltering. Funding is subject to prior approval by FEMA and is limited to that which is reasonable and necessary to address the public health needs of the event, is pursuant to the direction of appropriate public health officials and does not extend beyond the duration of the Public Health Emergency. To learn more about FEMA-PA, see [here](#), [here](#), and [here](#). For additional guidance on funding priority for federal funding for non-congregate shelter, see [here](#).