

MAKING A DOWN PAYMENT TO END HOMELESSNESS: REALLOCATING COVID-19 EVICTION MITIGATION PROGRAMS TO HOMELESS SERVICE LINE ITEMS

Proposed FY23 GRF Reduction to Support Distribution of Federal Emergency Rent Assistance Should Be Reinvested to Support Long Underfunded Homeless Services

The governor's proposed FY23 budget reduces the FY22 \$25 million GRF line item for COVID-19 eviction mitigation programs (outreach, case management, and legal assistance) to \$10 million. We need to preserve or even expand legal assistance funding to \$5 million to maintain the current level of legal representation for tenants and landlords.

The final FY23 budget should reallocate this \$15 million reduction to long underfunded programs serving people at risk of, or experiencing, homelessness, along with \$5 million in new funding as a down payment on needed investments to end homelessness in Illinois—a \$20 million increase.

CORE PROGRAMS TO PREVENT AND END HOMELESSNESS FUNDED WITH STATE DOLLARS

Supportive Housing Services is a solution that combines housing and services. Housing is the platform where Illinoisans can achieve wellness, reach economic stability, and be a part of their communities. A \$5.1 million increase over FY22 would provide \$3 million for services to the residents of 875 new units opening next year and \$2.1 million for a 5% cost-of-living increase to support existing grants as providers combat the employment crisis. Providers have not received a cost-of-living increase in 4 years and providers face serious staffing challenges.

THE REMAINING \$14.9 MILLION SHOULD BE EQUALLY DIVIDED BETWEEN THESE PROGRAMS:

The Emergency and Transitional Housing Program funds emergency shelters, transitional housing, voucher programs, and an array of supportive services to homeless individuals and families across the state. During the pandemic, much of the service delivery system had to reduce capacity to ensure social distancing, and shelter models relying on volunteers and churches to provide congregate shelter must be redesigned. Emergency and Transitional Housing providers have experienced flat funding from the State of Illinois for many, many years. An increase for these providers would help support the new non-congregate shelters that many of the plans to develop using ARPA funds and other resources.

The Homelessness Prevention Program provides rental and utility assistance to assist people to remain in their homes and avoid entering the more costly emergency shelter system when they experience a financial crisis due to a temporary hardship, such as an illness or job loss, but who can show that they will be able to meet housing expenses going forward. Increased funding for Homelessness Prevention will help lessen the impact of federal emergency rent assistance dollars being exhausted during the next fiscal year.

The Homeless Youth Program, which supports drop-in centers, youth health initiatives, transitional housing, and case management that provides lifelines for youth and a path towards a stable, successful future. Especially during the pandemic, these services have provided youth with a "home base," a place where they can manage their immediate needs like doing laundry, having a warm place to sleep, and food. While there, youth can also access services and sit down with a caseworker to learn more about permanent housing, or about enrolling in a GED class, counseling, or job training program.

These investments will support Governor's Pritzker's recent executive order requiring development of a plan, to be released by the end of March 2022, to achieve functional zero homelessness in Illinois.

ARPA FEDERAL FISCAL RECOVERY FUNDS REQUESTS FOR TO PREVENT AND END HOMELESSNESS FOR FY23

WE SUPPORT THE RE-APPROPRIATION OF THESE ARPA FEDERAL FISCAL RECOVERY FUNDS THAT WERE INCLUDED IN THE GOVERNOR'S PROPOSED BUDGET:

\$10 million to launch IDHS' Housing is Recovery Pilot Program. Created by a new state law in 2021, this program will serve people experiencing homelessness because of a complex condition involving opioid or other substance use, serious mental illnesses like severe bipolar disorder or schizophrenia, and often unaddressed trauma, the all-too-common path is an endless cycle of hospitalizations, incarceration for crimes relating to poverty, or overdose death. These outcomes are preventable with access to support services and affordable housing.

\$22 Million for Supportive Housing Services for IDHS' ARPA Housing Support Program. Building on \$6 million in projected expenditures in FY22, the program will allow for continued and expanded funding for a flexible and responsive source of funding for providers to deliver housing-related supportive services and/or financial assistance to families and individuals who are homeless or at risk of homelessness. The types of services and financial assistance this program is funding include, but are not limited to, Rapid Rehousing, "Moving On" Services and Coordinated Assessment.

TO MEET EXISTING NEEDS TO END HOMELESSNESS IN ILLINOIS, THE STATE OF ILLINOIS SHOULD ALSO START MAKING LONG-TERM INVESTMENTS IN THE FOLLOWING NEEDS WITH ADDITIONAL ARPA FUNDS:

Implementing a Housing Assistance Program

The Housing Assistance Program would allocate necessary funding through DHS to local Continua of Care for rental assistance, supportive services, tenancy and move-in assistance, and program administration support based on community need. Written standards will be developed and adopted by each community. This program will support at least 10,431 households annually. In three years, with \$688.8 million in funding the program can serve a minimum of 14,013 households in Illinois.

Committing to Expanding Permanent Supportive Housing

Supportive housing is critical to ending homelessness in Illinois and achieving housing stability for many Illinoisians. With an appropriation of \$250 million to the Illinois Housing Development Authority, Illinois can develop 700 units of supportive housing over the next 3 years.

Developing Emergency Supportive Housing

Non-congregate emergency supportive housing is an intervention that emphasizes housing-focused case management services, to help reduce trauma and improve exits to permanent housing. The statewide minimum need is 3,329 Emergency Supportive Housing beds at a cost of \$516 million.

Improving the Infrastructure of the Homelessness Response System

Homelessness Is a Systemic Issue—Its Solution Requires a Systemic Response. With an investment of \$25 million, organizational and systemic structures can be improved to increase the capacity of Illinois' homelessness response and supportive housing providers.

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