Using COVID-19 Relief Resources to End Homelessness

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Congress has appropriated several emergency rental and homelessness assistance resources in response to the COVID-19 pandemic. These include funds through the Emergency Solutions Grant, Community Development Block Grant, and Federal Emergency Management Agency. Jurisdictions had flexibility in what activities to undertake using these resources, how to structure those activities, and who should be eligible for and focused on with the resources. In this brief, we describe the successes and challenges eight communities had in braiding these different resources to assist people experiencing or at imminent risk of homelessness. This brief is produced as part of the Housing Crisis Research Collaborative, a partnership between the Urban Institute, the Joint Center for Housing Studies of Harvard University, the NYU Furman Center for Real Estate and Urban Policy, and the Terner Center for Housing Innovation at UC Berkeley.

**About the Housing Crisis Research Collaborative**

The Housing Crisis Research Collaborative aims to address the long-standing inequities in access to safe, stable, and affordable rental housing that have been laid bare by the COVID-19 pandemic. We provide policymakers at all levels of government with the data and analysis they need to design, implement, and evaluate more equitable and effective rental housing and community development responses to the pandemic and the ongoing rental housing affordability crisis. More information is available at [https://housingcrisisresearch.org/](https://housingcrisisresearch.org/).

**Overview**

In early 2020, in the weeks immediately before the COVID-19 pandemic began affecting the United States, 580,488 individuals were identified as experiencing homelessness on a given night (Henry et al.
This figure was a 2.2 percent increase over the 2019 number and continued a larger, multiyear trend of increases in the number of people experiencing homelessness. Notably, these increases were primarily driven by people enduring unsheltered homelessness, the number of which had been growing since 2015 (Batko, Oneto, and Shroyer 2020). Most people experiencing homelessness reside in shelters or other temporary accommodations; about one-third of them live outside or in other places not meant for human habitation, such as a vehicle. Both sheltered and unsheltered homeless situations present significant health risks to people enduring them, including significantly increased risk from communicable diseases such as tuberculosis and hepatitis A (Bamrah et al. 2013; Peak et al. 2020). Without the ability to safely quarantine, individuals experiencing homelessness early in the pandemic faced disproportionate risk of contracting and spreading COVID-19 and, given the higher likelihood of other health conditions, were at risk of more severe or fatal cases because of underlying health conditions. Unfortunately, these concerns were justified: early in the pandemic, jurisdictions began to observe rapid spread of COVID-19 in congregate shelter facilities (Baggett et al. 2020).

In response to these and other concerns associated with the pandemic, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act on March 27, 2020. Included in this $2.2 trillion funding package were several resources for states and localities to expand and enhance homelessness assistance during the pandemic, including Emergency Solutions Grants (ESG-CV and ESG-CV2), Community Development Block Grants (CDBG-CV), and Coronavirus Relief Funds, all of which states had discretion to use for a variety of activities. Moreover, when President Trump declared a national emergency for COVID-19 on March 13, 2020, Federal Emergency Management Agency (FEMA) resources became available to jurisdictions to help provide emergency medical care and shelter. Empowered with flexibility in how to use the funds, jurisdictions have pursued a range of strategies, activities, and eligibility standards in administering relief. For this brief, we sought to understand how these COVID-19 relief resources were used to help people experiencing homelessness in different communities across the country. By documenting these jurisdictions’ approaches, successes, and lessons learned, we hope to inform other communities as they continue their responses and plan for future public health crises.

To understand how communities used these funding resources and their successes and challenges, we conducted interviews with a sample of resource decisionmakers in eight sites: Maine; rural and suburban Ohio; Richmond, VA; San Jose/Santa Clara County, CA; Seattle/King County, WA; Austin/Travis County, TX; North Carolina; and Fairfax County, VA. We first leveraged recent case studies done for the Framework for an Equitable COVID-19 Homelessness Response project, which examined responses to homelessness during the pandemic and asked some questions about the use of funds. As a result, we had a baseline familiarity with our topic in five of the participating sites (Maine, rural and suburban Ohio, San Jose/Santa Clara County, CA, Richmond, VA, and Seattle/King County, WA). For these communities, we pursued follow-up interviews to gain a more detailed understanding of their use of COVID-19 relief funds. We then selected an additional three communities to learn from based on their geographic representativeness and demonstrated response to homelessness during the pandemic.
To capture diverse perspectives in these eight sites, we spoke with leaders from local housing departments, public housing authorities, continuums of care, and nonprofit organizations responsible for administering or developing programs and strategies using COVID-19 relief resources (table 1). In this brief, we summarize findings from 14 interviews with 21 individuals between September and November 2021 as well as pertinent previous case study findings and document reviews.

Table 1
Overview of Interview Sites and Participants

<table>
<thead>
<tr>
<th>Site</th>
<th>Organizations</th>
<th>Number of interviews</th>
<th>Number of participants</th>
</tr>
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<tbody>
<tr>
<td>Austin/Travis County, TX</td>
<td>Ending Community Homelessness Coalition (ECHO); City of Austin</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Fairfax County, VA</td>
<td>Fairfax County Department of Housing and Community Development</td>
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<td>2</td>
</tr>
<tr>
<td>Maine</td>
<td>MaineHousing</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>North Carolina</td>
<td>North Carolina Coalition to End Homelessness</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Richmond, VA</td>
<td>Homeward; VA Department of Housing and Community Development</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Rural and Suburban Ohio</td>
<td>Coalition on Homelessness and Housing in Ohio; Great Lakes Community Action Partnership</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>San Jose/Santa Clara County, CA</td>
<td>City of San Jose Housing Department; County of Santa Clara; Destination: Home</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Seattle/King County, WA</td>
<td>City of Seattle Human Services Division; King County Department of Community and Human Services</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>14</strong></td>
<td><strong>21</strong></td>
</tr>
</tbody>
</table>

Notes: *Site also participated in a previous case study with Urban to understand community responses to homelessness during the COVID-19 pandemic.

Each interview lasted approximately 60 minutes and covered the following research questions:

- How did communities structure their response to homelessness during the COVID-19 pandemic given the resources available to them?
- How did communities braid resources to serve people experiencing homelessness? How did communities structure responses based on eligible activities for each type?
- What eligibility or targeting criteria did communities use for each resource type?
- What other types of resources did communities need?
- What strategies, if any, did communities implement that were intended to reduce disproportionate impact for people of color and other historically marginalized groups?
- What successes have communities seen to date with using the federal funding? What challenges have communities faced?
Through this qualitative analysis, we identified a wide range of community-led efforts to promote the safety of people experiencing homelessness, both sheltered and unsheltered, during the pandemic. Given the disproportionate impacts of homelessness and the COVID-19 pandemic on people of color, we tried in particular to capture information about strategies intended to further racial equity or to minimize the disproportionate impact of homelessness or the pandemic on historically marginalized groups. Though we explored the different challenges facing providers in urban, suburban, and rural geographies, many common themes emerged. The lessons learned from these eight communities can help local, state, and federal leaders and other service providers design more effective homelessness response programs and policies beyond the pandemic. Other communities can also use the examples and lessons from this research to replicate promising strategies to serve people experiencing homelessness with more recently passed pandemic-related resources, such as Emergency Housing Vouchers and homelessness assistance from HUD’s HOME Investment Partnerships Program.

Community Responses to Homelessness

According to interviewees in every jurisdiction focused on, the primary priority of staff working with and in the homelessness response system was to keep people experiencing homelessness safe, to minimize the spread of COVID-19 (especially among medically vulnerable people), and to prevent the economic conditions caused by the pandemic from leading to new episodes of homelessness. To do this, jurisdictions generally undertook four primary strategies:

- Deconcentrating shelters and creating noncongregate shelter opportunities.
- Increasing outreach and providing hygiene materials and facilities to people in unsheltered locations.
- Exiting people to permanent housing.
- Preventing people from entering homelessness through homelessness diversion and emergency rental assistance.

Shelter Deconcentration and Noncongregate Shelters

Speaking to the public concerns around community spread of COVID-19 and safe distancing within sheltered spaces, stakeholders widely reported immediately using federal funds to deconcentrate congregate shelters and expand the use of noncongregate spaces, such as hotels or motels, in an effort to make spaces safer. Santa Clara County leased 13 hotels and motels to provide noncongregate shelter to people with identified risk factors who were experiencing homelessness (Batko et al 2022). King County adopted a similar approach, using “individual hoteling” and leasing six hotels to provide noncongregate shelter options to people experiencing homelessness. In the first eight months of the pandemic, they estimate nearly 900 people were served in these programs (DuBois, Batko, and Boshart 2022).
Communities also adapted other public spaces to create congregate shelter that enabled social distancing. For example, MaineHousing, the state agency managing the response in Maine, contracted with providers to open “wellness centers,” which are shelters located in large facilities going unused as a result of the pandemic, such as a gym at a local university (Batko, DuBois, and Boshart 2021a). In addition to expending resources to increase modified congregate shelter options, policymakers also chose to make other policy changes, such as having shelters operate 24 hours a day rather than only overnight and enhancing and expanding hygiene supplies. These strategies helped offset the loss of shelter beds caused by reductions in existing shelter spaces and closures of day shelters. Respondents reported that these strategies also provided more stability for people experiencing homelessness than in a traditional congregate setting and led to more engagement from people who had previously been reluctant to enter a shelter and receive services and housing.\(^4\)

> With noncongregate shelters we’re seeing cases where pathways [that] would have taken months are now taking weeks. Since people have a stable place to have all of their needs met and stable communication

—Austin/Travis County respondent

**Outreach to and Engagement of People Unsheltered and in Encampments**

Encampments and unsheltered living situations have long been the focus of public health officials. In recent years, outbreaks of hepatitis A in encampments have garnered significant media and public attention (Foster et al 2018). Responses to unsheltered homelessness and encampments during the pandemic evolved over time. Early in the pandemic, the Centers for Disease Control and Prevention released guidance encouraging communities to cease encampment sweeps to minimize the spread of COVID-19.\(^5\) Several stakeholders we spoke to—particularly those in more urban settings such as Richmond and Seattle—mentioned seeing a visible increase in the number of people enduring unsheltered homelessness over the course of the pandemic. Many attributed this to the closures of and avoidance of congregate shelter facilities out of fear of contracting COVID-19 as well as to the pausing or ceasing of encampment “sweeping” or clearing. Although sweeping practices do not resolve unsheltered homelessness, respondents expressed that the proliferation of encampments contributed to the sense that unsheltered homelessness increased during the pandemic.

To respond to this perceived increase, and in the hopes of engaging people in unsheltered situations, some communities used relief funds to increase outreach efforts. This included setting up sanitation stations, providing hygiene supplies, distributing food, and providing case management and medical and behavioral health care. In Santa Clara County, this also included distributing cell phones to people experiencing homelessness to enable access to telehealth (Batko et al 2022). In Richmond, VA,
efforts included contracting with organizations with a history of providing culturally competent services to try to maximize engagement and facilitate access to the noncongregate shelter options (Batko, DuBois, and Boshart 2021b).

**Permanently Housing People Experiencing Homelessness**

Another key theme was strengthening current permanent housing resources or adding new resources and solutions. One common pattern we heard from several communities was connecting rapid rehousing (RRH) case management and rental subsidy services to noncongregate shelters set up during the pandemic. Because planners knew that the noncongregate sites were temporary, many felt that intentionally using RRH for individuals staying in those settings would be the best use of those funds. Austin, TX, and Fairfax, VA, took this approach. Maine added additional supports for RRH, targeting resources to localities with the largest concentration of temporary, noncongregate sites set up during the pandemic. Program planners in Seattle and King County collaborated to pilot a new RRH model by placing RRH case managers on site in existing shelters or in temporary hotels.

Further, some sites were looking to leverage new funding to acquire or convert hotels to permanent supportive housing sites. At the time of interview, Austin, TX, had acquired three hotels for conversion to permanent supportive housing. King County, WA; Fairfax, VA; Santa Clara, CA; and jurisdictions in North Carolina were planning to acquire hotels for the purposes of affordable and supportive housing units.

**Preventing Homelessness through Diversion and Emergency Rental Assistance**

The new funding resources provided communities with an opportunity to expand diversion and homelessness prevention programs. Some communities used diversion and prevention strategies to target different subpopulations such as families with children, older adults, and individuals who had previously engaged with the homelessness response system. In rural and suburban Ohio, the lead homelessness agency for the Ohio Balance of State, COHHIO, worked with counties to implement an equitable response and targeted resources to people with higher needs, including those with underlying health conditions or involvement with foster care, child welfare, or the criminal legal system. Others saw funding as an opportunity to implement a systemwide diversion approach for the first time or to beef up existing programs where resources had run dry. In Maine and Richmond, VA, the jurisdictions implemented more systematized diversion efforts, and the continuum-of-care-operated housing crisis hotline in Richmond was reported to have diverted 1,500 people from shelter entry in 2020 (Batko, DuBois, and Boshart 2021b). Seattle also provided new funding to United Way of King County to use for flexible funds in diversion programs and plan to use upcoming dollars from the American Rescue Plan Act to increase their centralized diversion fund for systemwide efforts.

Another primary activity in most communities was the use of COVID-19 relief funds for emergency rental assistance and eviction prevention. Although these funds did not directly support households experiencing homelessness, they had a substantial effect on homelessness response systems, and stakeholders we interviewed in some localities explained that they took special steps to target people
most at risk of homelessness. In Austin, TX, financial assistance was targeted to people who had previous episodes of homelessness as a way of identifying households that may be at greater risk for experiencing homelessness again. Respondents in several locations also discussed how they ensured that emergency rental assistance resources got into the neighborhoods and communities that most needed them. In Santa Clara County, city and county partners narrowed targeting to extremely low-income households and engaged over 70 community-based organizations, many of whom did not traditionally offer housing or cash assistance, such as Black community service agencies, a Korean Baptist Church, and a Latino patient health support and advocacy organization, to ensure outreach was reaching their target populations. Through August 2021, the program has served more than 16,000 households, 95 percent of whom were composed of people of color (Batko et al 2022).

Funding COVID-19 Homelessness Response Activities

Congress appropriated several emergency rental and homelessness assistance resources in response to the COVID-19 pandemic. At the time the interviews were conducted, several of these resources had been in communities for just over a year. These include ESG-CV, ESG-CV2, and CDBG-CV (discussed further in box 1). Other resources were more recently released, and jurisdictions were still planning how to use them. These included American Rescue Plan Act resources like emergency rental assistance (ERA), emergency housing vouchers, and HOME funds. Jurisdictions had flexibility in what activities to undertake using these resources, how to structure those activities, and who the resources should target.

BOX 1
Federal COVID-19 Relief Resources Available for Homelessness and Housing Instability


- **Emergency Solutions Grant (ESG-CV).** The CARES Act appropriated $4 billion through the ESG Program “to prevent, prepare for, and respond to coronavirus, among individuals and families who are homeless or receiving homeless assistance and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts created by coronavirus.” ESG-CV funds can be used on street outreach, emergency shelter, homelessness prevention, rapid rehousing, and HMIS. HUD issued the notice for the availability of these funds on September 1, 2020.

- **Community Development Block Grant (CDBG-CV).** The CARES Act made $5 billion in CDBG-CV response funds available to states, insular areas, and local governments to prevent, prepare for, and respond to the spread of COVID-19. CDBG funds can be used to fund community development activities such as infrastructure, economic development projects, public facilities installation, community centers, housing rehabilitation, public services, clearance/acquisition, microenterprise assistance, code enforcement, homeowner assistance, etc. HUD issued the notice for the availability of CDBG-CV funds on August 20, 2020.
- **Coronavirus Relief Fund.** The CARES Act made $150 billion available to state and eligible jurisdictions, US territories, and tribal governments for necessary expenditures incurred because of the public health emergency between March 1, 2020, and December 31, 2021.

- **FEMA Public Assistance Program.** On March 14, 2020, and in accordance with the COVID-19 Emergency Declaration, FEMA made reimbursements available to eligible entities who applied for their Public Assistance Program for actions taken to “protect public health and safety pursuant to public health guidance.” Funds are provided at a 75 percent federal cost share.

- **COVID-19 Economic Relief Emergency Rental Assistance Program.** In December 2020, Congress passed the COVID-19 Economic Relief Bill under the Consolidated Appropriations Act. This bill established the Emergency Rental Assistance (ERA-1) program, which made $25 billion in funding available to assist households that are unable to pay rent or utilities. Funds can also be used on activities to support eviction prevention. This program is administered through the US Department of Treasury.

- **American Rescue Plan Act.** In March 2021, Congress passed ARPA, which included nearly $50 billion in pandemic relief to be used for housing and homelessness.
  - **Emergency Rental Assistance.** ARPA added an additional $21.5 billion to the previously established ERA program (ERA-2).
  - **Emergency Housing Vouchers.** ARPA provided $5 billion for Housing Choice Vouchers for people at risk of or experiencing homelessness.
  - **HOME-ARP.** ARPA provided $5 billion to assist individuals or households who are homeless or at risk of homelessness by providing housing, rental assistance, supportive services, and noncongregate shelter, to reduce homelessness and increase housing stability. These grant funds are administered through HUD’s HOME Investment Partnerships Program.

**Notes:** This does not represent an exhaustive list of the federal resources that could have been used by jurisdictions. Rather, it represents a list of the resources most commonly named by respondents in the sites we conducted interviews.


People we spoke with in every jurisdiction said their site braided federal, state, and local resources to fully resource their COVID-19 homelessness response (table 2). Regardless of how pandemic relief funds were used, it was clear from every community that swift and creative solutions to braid different resources together were essential to maximizing their effectiveness. And every site worked to maximize the impact of funds by leveraging nonfederal resources including state and local public and private resources. We observed clear patterns in federal fund usage for the common strategies across sites:
Sites most commonly reported that they were using ESG-CV and CDBG-CV resources to fund noncongregate and deconcentrated shelter facilities. Some sites also reported success accessing FEMA reimbursement for these alternative shelter arrangements.

Sites most commonly reported using ESG-CV resources for expanded outreach efforts.

For rapid rehousing, sites commonly reported using ESG-CV resources, particularly for rapid rehousing that was targeted to people exiting the noncongregate shelter facilities.

Sites reported funding hotel acquisitions and funded permanent or affordable housing through CARES Act Coronavirus Relief resources and ARPA resources, including Emergency Housing Vouchers and HUD HOME funding.

Diversion efforts were reportedly funded through ESG-CV and private resources.

Emergency rental assistance was funded through a variety of sources both federal (ESG-CV, CDBG-CV) and private, but the largest amount of resources reported by sites was through emergency rental assistance funded by the Consolidated Appropriations Act and ARPA.

Successes

Stakeholders commented on several successes leveraging federal pandemic relief resources. We summarize a few common themes here.

Maximizing Federal Resources by Accessing FEMA Reimbursement

The amount of ESG-CV and CDBG-CV funds allocated to a certain activity often depended on each community’s individual needs and ability to leverage other funding sources, namely FEMA reimbursement. Sites that succeeded in accessing FEMA reimbursement were able to allocate some of their ESG-CV and CDBG-CV funds to other activities. In sites that did not indicate FEMA reimbursement access, ESG-CV and CDBG-CV funds were often reported as more restricted to managing noncongregate shelter and unsheltered efforts. For example, Seattle/King County received some FEMA reimbursements and used both ESG-CV and CDBG-CV funds in its shelter deconcentration efforts. Braided together, these resources funded shelter operations, hotel leases, food, supplies, and budget gaps. And because Seattle/King County was able to leverage FEMA reimbursement for its noncongregate shelters, the site was also able to use ESG-CV2 dollars to fund a new RRH pilot in emergency shelters. Similarly, Fairfax County was able to prioritize its ESG-CV funds to develop an RRH screening and benchmarking tool while braiding FEMA reimbursements and CDBG-CV dollars for their noncongregate shelter efforts. In contrast, in rural and suburban Ohio, local entities did not receive any FEMA reimbursement and instead braided ESG-CV funds with other state funds to cover shelter deconcentration costs.
## TABLE 2
Cross-site Summary of Funding Sources by Activities

<table>
<thead>
<tr>
<th>Activity</th>
<th>CARES Act</th>
<th>Consolidated Appropriations Act</th>
<th>ARPA</th>
<th>Other State or Local</th>
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<tr>
<td></td>
<td>ESG-CV</td>
<td>ESG-CV</td>
<td>CDBG-CV</td>
<td>FEMA</td>
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<td>Deconcentrating, noncongregate shelter</td>
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<tr>
<td>Deconcentrated congregate site</td>
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<td>✓</td>
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<tr>
<td>Noncongregate site (e.g., hotel)</td>
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<td>✓</td>
<td>✓</td>
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<tr>
<td>Unsheltered outreach</td>
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<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Permanent housing</td>
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<td>Rapid rehousing</td>
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<td>✓</td>
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<tr>
<td>Affordable and/or supportive housing</td>
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<td>Homelessness prevention</td>
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<td>Diversification</td>
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<td>✓</td>
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<tr>
<td>Emergency rental assistance</td>
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</tbody>
</table>

**Notes:** This does not represent an exhaustive list of activities and resources that could have been used by jurisdictions. Rather, it represents a list of the activities and resources most commonly named by respondents in the sites we conducted interviews.
Securing Funding for Sustainable Permanent Housing Solutions

Most of the resources made available to address homelessness during the COVID-19 pandemic were focused on addressing immediate public health crisis needs such as deconcentrating shelters. And most of the federal resources had to be used in short windows of time and for temporary housing. Building on the successes and benefits of utilizing hotels and motels for noncongregate emergency shelters or interim housing during the pandemic, some jurisdictions successfully took advantage of the opportunities that were available to acquire hotels and motels and braided resources from federal, state, and local sources to finance these investments. San Jose/Santa Clara County, Seattle/King County, and Austin each sought state or local funding to acquire hotels for permanent housing solutions beyond the pandemic. Austin and Maine also plan to use upcoming ARPA funds administered through HUD’s HOME program for similar purposes. Stakeholders stated that this was the silver lining of the pandemic and this more sustainable solution is one that many communities desire but often do not have funding for.

Bringing Private Dollars to the Table

For emergency rental assistance, respondents did not frequently mention braiding ERA program funds with other federal pandemic relief resources. However, some communities leveraged local funds or raised private funds early on. Destination: Home, an organization in Santa Clara, secured private funding and, in combination with local San Jose City and Santa Clara County resources, provided a total of $12 million in the first tranche of homelessness prevention and emergency rental assistance support. Similarly, before ERA program funds were made available to jurisdictions, King County provided funding to United Way of King County’s existing eviction prevention program to support households with rental assistance; this program was also supported by private dollars. And leaders in Richmond described raising private funding to set up a pandemic relief fund at the onset of the pandemic to provide cash assistance to unstably housed families identified in the public school system.

Leveraging Existing Partnerships and High Engagement with Service Providers

Some interviewees attributed their success in leveraging relief funding to their strong partnerships and communication channels with service providers and other governmental agencies. Stakeholders spoke to the need to work with organizations and homelessness service providers already engaged with communities hit hardest by the pandemic as well as allowing service providers to guide priorities. And communities indicated that it was easier to leverage these relationships when they had already built the relationship before the crisis. They acknowledged that different communities, populations, and providers each have unique needs and that coordination and aligning decisionmaking were key to best serving them. We highlight key strategies and examples here.

- The collective impact model based on the long-time partnership between the City of San Jose, Santa Clara County, the Santa Clara County Housing Authority, and Destination: Home was the foundation that enabled each entity to quickly deploy multiple relief strategies. One interviewee explained how responsibilities were divvied up: “We were able to quickly do a few
things: (1) we were the first city in the country to do an eviction moratorium, (2) the city and the county took responsibility for congregate and noncongregate housing, and (3) Destination Home’s role was on prevention and emergency assistance. All of those things were happening together, but each of us were leads on different components of the work.”

- Homeward, the collaborative continuum-of-care applicant and planning agency in Richmond, VA, described applying their annual processes for setting funding priorities to their pandemic response funding. They used provider surveys, input sessions from people experiencing homelessness, and biweekly updates with partners.

- Maine has a Statewide Homeless Council, made up of representatives from homelessness service providers and state agencies, that develops processes and policies for the state. To distribute $10 million in ARPA funding through HUD’s HOME program to their network of 36 emergency shelters, MaineHousing used a funding formula and listened to the homeless council as well as their shelter provider network. They offered flexibility in the programs and allowed the shelters to determine their individual priorities.

We had help with our Office of Racial Equity at the City of San Jose and brought together dozens of grassroots organizations... They talked to over 400 families who told us that they needed short-term cash and they wanted to get it from people they trusted. We ended up funding 70 partners in the community to do direct cash assistance... It worked because we listened to the community and trusted them to get money to where they knew the need was. And then when the federal CARES [Act] money came through... we just used that same network.
—San Jose/Santa Clara County respondent

Implementing Responsive and Person-Centered Approaches

Several stakeholders remarked that the flexibility to braid different resources together enabled them to implement programs that were responsive to the rapidly changing needs of their communities. Interviewees expressed that by bringing services directly to where people were, some of these approaches were also more person centered. We list a few examples of these programs here.

- Stakeholders we spoke to in nearly every area said their community was able to act quickly using diverse funding sources to deconcentrate shelters and move people experiencing homelessness from congregate shelter settings and unsheltered locations to safer noncongregate spaces, such as hotels and motels.
Seattle/King County is piloting placing RRH case managers on site in existing emergency shelters and new (though temporary) noncongregate shelters using ESG-CV funds. The site was able to maximize the resources available for this pilot by accessing FEMA reimbursements for its noncongregate shelter options.

San Jose/Santa Clara County, which has one of the highest rates of unsheltered homelessness in the country, was especially intentional in directing resources to encampments. They expanded their outreach efforts by bringing sanitation stations, hygiene supplies, food, and access to vaccinations, case managers, and health care directly to people experiencing homelessness in encampments. Though smaller in scale, leaders in Austin, Raleigh, and Richmond also mentioned similar coordinated efforts in their respective communities.

Maine blended state funding with ESG-CV and Housing Choice Vouchers to support their RRH program. This allowed them to implement landlord incentives and use Housing Choice Vouchers as rental assistance to create a stronger safety net for unstably housed households.

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It's so fantastic when you can serve people and meet their needs, not the funding needs. There are individuals who can use a gap between a shelter and living in PSH. Being able to be attached and close by, and to be able to use the services when you need it... From a human centered approach, the blending of funds allows for so many more person-centered and responsive housing options.

—State of Maine respondent

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Prioritizing Equity

Many communities highlighted the successes they had in prioritizing equity in how and to whom they deployed emergency rental assistance and other response efforts.

- The North Carolina Coalition to End Homelessness partnered with the information and referral service NC 2-1-1 to implement a new housing barrier screening tool to identify households with the greatest needs. The screening tool prioritized people of color and people who identified as LGBTQ+.

- In Fairfax County, the Office of Housing and Community Development worked with federally qualified health centers and other community-based organizations to implement a culturally sensitive response. For example, federally qualified health centers could refer people who could not safely quarantine at home. They spoke of using noncongregate shelters to alleviate difficult
situations for family members—particularly those from Hispanic and Latinx communities—who were reportedly sleeping in closets to avoid contracting COVID-19.

- Both Austin and Seattle/King County replaced their housing prioritization tool and used a new set of locally derived factors to prioritize households at highest risk of homelessness and COVID-19 exposure. This meant that both communities explicitly prioritized Black and African American residents for housing resources for the first time. ⁸

Challenges

Interviewees reported a range of challenges with leveraging pandemic relief funding to date. At the onset of the pandemic, service providers and governmental entities were faced with the need to respond quickly to the immediate public health crisis and protect people experiencing homelessness. This urgency made it difficult to strategically plan for spending the range of resources as they came in.

Capacity and Staffing Challenges

Stakeholders in seven of the eight sites noted that one key challenge to leveraging resources was limited capacity and high staff turnover at all levels. Staffing challenges included administrative ability to process contracts and funding applications and understaffed, overworked community-based nonprofit partners. Stakeholders in Austin, Ohio, Richmond, North Carolina, and Seattle all linked staff capacity to a limitation in spending funds. Many of the sites relied on nonprofit or community-based partners to contract services. Interviewees observed that these organizations faced frequent and persistent challenges hiring and training enough staff to meet the need, especially during the pandemic. One interviewee in Austin described capacity building as a major lesson learned: “The question of capacity building, for nonprofits to absorb the money is huge. We’re sitting on $95 million but face capacity issues to get the money rolling.”

It’s as if they’ve been starving us for 10 years, and then gave us all of the food we could need and expect us to eat it in three days.
—Seattle/King County respondent

Understanding Complex Funding Streams and Braiding Funding Effectively

Braiding funding sources was more challenging for some sites than others based on how stakeholders and contractors understood to be eligible activities and expenditure timelines. A main difficulty around braiding resources was that funding arrived in waves, and each resource contained its own set of rules and regulations that were often different from the standard rules and regulations for the existing...
program. These rules and regulations were also subject to changes over time. Interviewees from San Jose, King County, and North Carolina all commented on the administrative burden of repeatedly changing funding sources for nonprofit contractors and the accompanying time-consuming contract amendments. These contract amendments also contributed to the staff capacity challenges. Partially because of capacity constraints, the Ohio Balance of State was not able to communicate all the ways that funds could be used for RRH, and the state is on track to return funds it wasn’t able to spend.

Fairfax County and North Carolina stakeholders also reported challenges in ensuring that nonprofit contractors were aware of the changes in eligible activities and regulations associated with these modified programs. In certain cases, subrecipients’ confusion over timelines and eligibility limited the number of people they could serve, because they were unsure of the rules and requirements.

We didn’t get it all at once, and not all of the spending guidelines and timelines were clear at once which made it challenging. Every federal source has different regulations on what you can spend on, and different drawdown deadlines. We found ourselves with the administrative burden where we thought we would spend ESG on a program, and later we got HOME, and we had to spend that faster. We were constantly changing the funding sources with each nonprofit contractor. And that meant that you need to do contract amendments, which is costly and time consuming.

—San Jose/Santa Clara County respondent

Another challenge reported by some sites was that with several braided funding sources that fund identical or similar eligible activities, the administrative reporting for nonprofit contractors was overly complicated and burdensome. According to federal guidance, and to be in compliance with the Stafford Act and CARES Act requirements, recipients “must establish and maintain adequate procedures to prevent any duplication of benefits.”9 Rather than being able to serve households with a combined pot of resources, they had to delineate which households or which activities were being funded by different sources. One suggestion from the stakeholders we interviewed was to minimize the number of federal programs funding identical activities or to enable the primary government recipient to determine which funding stream an activity should be assigned to. This would give administrators greater flexibility and help remove the burden from the nonprofit subrecipient.

Navigating Grant Expenditure Timelines

Another common challenge for sites has been navigating expenditure timelines for resources. ESG-CV recipients have until September 30, 2022, to spend 100 percent of their allocated awards. However,
HUD could recapture 20 percent of the award if they did not expend at least 20 percent by September 30, 2021, and 80 percent of the award of they did not expend at least 80 percent by March 31, 2022. Meanwhile, FEMA required applicants to provide documentation to establish eligibility of the use of noncongregate shelters and report weekly on households. Applicants had to submit a request for time extensions every 30 days. For CDBG-CV, 80 percent of the grant must be expended within three years. These differing spending timelines often affected how and what organizations were able to spend money on.

- MaineHousing noted that with only a 12-month expenditure timeline, certain project activities were more challenging than others to design and budget for, so the agency had less flexibility in what could be done.
- The city of Austin reported that although the city had not planned to use ESG-CV funding to increase shelter capacity, it ended up shifting resources and doing so in order to spend them on time.
- King County noted that the timeline for the first round of ESG-CV funds was too tight and competed with activities that were eligible for FEMA funding; taking advantage of both resources at the same time was challenging.
- Multiple communities mentioned there was some hesitation to ramp up staff capacity while knowing that many of the funding streams had near-term spending deadlines.
- Several sites identified the tension between spending resources quickly and planning to use resources in a way that authentically engaged people with lived experience and considered how funds could be used in a way that was racially equitable and improved outcomes for historically marginalized groups.

**Tightening Rental Market**

An unintended barrier to rehousing efforts that six of the sites explicitly commented on was a tightening of the low-income rental market. Respondents in nearly every site saw this as an unintended consequence of eviction moratoria. Respondents felt the eviction moratoria was a vital tool in keeping people housed during the pandemic and potentially contributed to reducing the inflow of people into homelessness response systems. Respondents reported the moratoria also led to decreased outflow of people experiencing homelessness with traditional RRH and voucher resources. Although these challenges are not new, and rehousing efforts faced tight rental markets and reluctant landlords even before the eviction moratoria, respondents specifically reported extremely low (sometimes record low) vacancy rates and landlords hesitant to rent to people who they would potentially be unable to evict during a moratorium. Organizations found themselves with the funds to house people but limited options on where to house them.
Sustainability of Expanded and New Programming

Respondents described different strategies to mitigate the effects of the future funding cliff expected when pandemic relief resources end. These sustainability strategies varied based on whether or not a site was funding a new activity never funded before or expanding an existing program or service. King County approached sustainability from the start of their response by expanding programs that were already showing success. This allowed them some capacity to expand and contract their response as resources fluctuated. Alternatively, some localities used the influx of funding to support programming that they already had plans for but did not previously have the resources to support. An example of this is the centralized shelter hotline in San Jose/Santa Clara County that was a product of the pandemic; the city now plans to keep the hotline running using state funds. And stakeholders in Maine, which expanded its diversion efforts, hope that the success of the state’s programs will prove the need for the services and lead to ongoing funding. Noncongregate shelters implemented in every site we spoke with are another positive model initiated during the pandemic that many organizations valued but are unsure how to sustain given their perceived high costs.

Conclusion

Our eight community sites have learned some valuable lessons about how communities can leverage funds to support people experiencing homelessness in the future. Based on these lessons, we make policy recommendations here and outline the remaining questions we have for this research.

Policy Recommendations

We offer three policy recommendations for federal policymakers and regulators as they take new funding for jurisdictions into consideration.

EASE EXPENDITURE TIMELINES TO ALLOW MORE FLEXIBLE PROGRAMMING AND PLANNING

An overarching frustration from stakeholders was the short and competing expenditure timelines. Several sites indicated they made decisions about which funding sources to use for specific activities based solely on the expenditure timeline. This was particularly challenging with the midterm ESG-CV expenditure deadlines. Rather than being able to strategically use funds based on the types of eligible activities or target populations, jurisdictions were forced to use resources based on when they would no longer be available, potentially limiting opportunities to braid resources most effectively and efficiently. Respondents also expressed frustration around slow guidance from funders, especially given tight expenditure timelines and varying regulations. Because of the urgent needs within the communities, sites could not wait for guidance to be released before spending down some resources, and this led to tricky situations for administrators. Further, several sites identified the tension between spending resources quickly and planning for using resources in a racially equitable way. As new funding and guidance are released, longer expenditure timelines can give communities the ability to strategically plan how to use funds and relieve some of the administrative burden of braiding resources based on expiration.
INCREASE CLARITY AND FLEXIBILITY ON ELIGIBLE USES
A common theme from stakeholders was a need for more clarity from federal funding sources in how organizations can braid and use funding. This was especially apparent with FEMA reimbursement funding: stakeholders in several sites expressed uncertainty about which activities would end up being eligible for reimbursement. This uncertainty led some communities to direct larger shares of their CDBG-CV and ESG-CV funds for shelter deconcentration activities and others to direct smaller shares. Increased flexibility would have allowed leaders to plan out multiple resources better and develop more person-centered programs.

IMPROVE COORDINATION BETWEEN DIFFERENT FUNDING SOURCES
Many stakeholders also expressed a desire for greater coordination between the different resources at the funder level rather than placing the burden for determining the funding source for an activity or an individual household on the nonprofit service provider subrecipient. Respondents emphasized that this could be more easily done at the primary grantee government level. Improved coordination would streamline braiding at the local level and relieve the administrative burden on service providers.

Remaining Questions
Based on community responses and where communities expressed the most pressing ongoing questions, we highlight the following two research questions.

HOW CAN COMMUNITIES BETTER EMBED EQUITY INTO URGENT RESPONSE EFFORTS?
Although communities like San Jose/Santa Clara County demonstrated success in prioritizing equity in its relief programming, some stakeholders highlighted how incorporating equity can often be overlooked in the rush to distribute funds on tight expenditure timelines, and the need for intentional and explicit actions to reduce disproportionate impacts on people of color. King County pointed out the tension between moving quickly to serve populations vulnerable to COVID-19 experiencing homelessness and ensuring equity and cultural competency within their programs. Leaders in Richmond echoed the challenge of embedding equity into services with the rush to spend down funds. To address this, Richmond hired a racial equity collective to help bridge the racial resource gap, which meant slowing down the use of funds to target those most in need. Further research is needed in this area to illuminate additional best practices.

WHAT INNOVATIVE PROGRAMS IMPLEMENTED DURING THE PANDEMIC SHOULD BECOME THE NEW USUAL CARE?
A major consideration for agencies as they look toward the future is both the effectiveness of new and innovative approaches during the pandemic as well as the sustainability of successful programming. Perhaps most pressingly, the questions surrounding the feasibility and sustainability of noncongregate shelter responses are ones policymakers and implementers are struggling with the most. Noncongregate shelters have produced anecdotal evidence of improved outcomes for participants, but little is known about outcomes for participants overall or the costs associated with operating these programs. Given the concerns around sustainability and the costs associated with high-cost programs
such as noncongregate shelters, additional research would help the implementation of these types of interventions in the future.

**Looking Ahead**

The pandemic illuminated an opportunity for more person-centered responses to homelessness and how to target upstream resources to prevent people from experiencing homelessness. The collective acknowledgment of the importance of housing as a basic public health need brought renewed political will to support people experiencing homelessness and the lessons learned during the pandemic can improve policy moving forward and lead to programming that ends homelessness as opposed to managing it.

**Notes**


2. See Batko, DuBois, and Boshart (2021a, 2021b); Batko et al. 2022; and DuBois, Batko, and Boshart (2021).


References


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