

**Department for Children and Families (DCF)**  
**Emergency Housing Initiative**  
**SFY 2022 Budget Narrative**

In SFY 2022, DCF is proposing that the DCF Economic Services Division continue administering the General Assistance (GA) Temp/Emergency Housing (“motel voucher”) program until October 1, 2021 and then shift to a 100% community-based emergency housing/shelter system supported by homeless assistance grants administered by the DCF Office of Economic Opportunity (OEO).

Currently, emergency housing needs for Vermonters experiencing homelessness are met through a two-part system of care:

- 1) Community-based projects run by private nonprofit organizations supported in part by public grant funding:

Community-based emergency shelter is provided by a range of project-types, including year-round shelters, seasonal shelters, emergency apartments for families, host homes for youth, and motels. DCF currently supports a community-based emergency shelter system through the [Housing Opportunity Grant Program \(HOP\)](#) administered by OEO.

- 2) Motel vouchers administered by the DCF Economic Services Division (GA temp housing):

In SFY 2020, the GA motel voucher program eligibility was expanded to support non-congregate shelter during the COVID 19 pandemic. Although in SFY 19, about 2,500 households received emergency housing through GA a total of approximately 69,000 nights total.

Prior to COVID 19, DCF has expanded community-based projects through GA Community Investments for several years. There are approximately 17 community-based projects that rely on a GA Community Investment to operate. Community-based initiatives connect clients to supportive services and achieve better outcomes for Vermonters. In 8 districts, 100% of the emergency housing need for victims fleeing domestic violence is met through community partners. With grant funding, these community agencies provide motel stays when that is the only safe, available shelter capacity. Motels provide flexible capacity for communities and will continue to be an important tool for meeting emergency housing needs. Motel stays supported with immediate services are more effective than a motel voucher alone or with a referral for services.

The Emergency Housing Initiative aligns with other ongoing efforts to reduce homelessness and promote housing stability. Shifting the way Vermont provides emergency housing can have a long-term impact on housing stability because:

- Vermonters in emergency housing will be more quickly connected to services to initiate a path towards permanent housing.
- Vermonters needing emergency housing will have their individualized needs met – eligibility will not be limited, and length of stay will be based on individual household needs.
- Resources will be directed to prevent homelessness and provide crisis support to further prevent households from needing emergency housing.
- Community stakeholders will be working together to identify local gaps in emergency shelter/housing and develop solutions with new funding and technical assistance from AHS.

## CORE ELEMENTS of the SFY22 Emergency Housing Initiative

**ANNUAL EMERGENCY SHELTER PLAN:** Local Homeless Continua of Care collaborate on a shared plan to end homelessness in their community. As part of this initiative, Local Homeless Continua of Care will create an annual plan to address emergency shelter needs in their community. Local planning helps each community understand its unique emergency shelter needs/gaps and to develop projects to meet these needs. Projects funded by DCF will be part of the overall local plan.

**TRAINING & TECHNICAL ASSISTANCE:** DCF will provide training and technical assistance on program design and best practice, support community planning efforts and stronger cross-pollination through community conversations and examples.

**COORDINATION:** Funds will be awarded to a community agency in each region to specifically support shelter overflow through motels, as needed. All communities will establish a written coordination protocol with all emergency shelter providers to support seamless access to shelter.

**TRANSITION YEAR(s):** During transition, funding will be allocated geographically, with a consideration of past GA motel utilization. To support a transition, funding will focus on shelter overflow capacity (including motel stays), housing navigation services, and rapid resolution strategies.

**HOUSING OPPORTUNITY GRANT PROGRAM:** The Office of Economic Opportunity will award new funds under Housing Opportunity Grant Program which provides the framework for homeless assistance grants including eligibility for emergency housing, shelter standards, eligible activities, reporting, and performance measures. DCF will monitor and oversee grant-funded projects.

### BUDGET

This proposal includes the continuation of GA emergency housing through September 30, 2021; non-congregate sheltering remains an eligible FEMA expense through September 30, 2021, reimbursed without cost share (100%). The GA emergency housing budget shifts in entirety to the Office of Economic Opportunity (OEO) to invest in homeless assistance grants to support to community-based providers who will work together to meet emergency housing needs. Concurrent with this initiative, DCF will initiate the rulemaking process to repeal the current General Assistance Emergency Housing Program. The proposal also includes shifting one position from Economic Services to OEO (DCF net-neutral and not included below).

<b>Downs - SFY22</b>	<b>Based on Current Budget (SFY21)</b>	
GA Dept ID	Temp Housing (ends 10/1, move annual base)	(\$4,035,573)
GA Dept ID	GA Community Investments (move)	(\$1,664,142)
GA Dept ID	CHT Harbor Place Contract (ends 10/1) <sup>1</sup>	(\$518,305)
	Total Offsets	<b>(\$6,218,020)</b>
<b>Ups - SFY22</b>	<b>Compared to Current Budget (SFY21)</b>	
OEO Dept ID	Homeless Assistance Grants (Base)	<b>\$8,616,627</b>
<b>Total General Fund Increase:</b>		<b>\$2,398,607</b>

<sup>1</sup> In SFY22, DCF intends to cover Q1 of funding for the Champlain Housing Trust Harbor Place Contract with FEMA funds.

All existing General Assistance Community Investments will transfer to OEO on July 1, as well as any new investments during SFY22. Beginning, October 1, new grant awards will be made to support an expanded community-based infrastructure to provide motel vouchers, flexible rapid resolution funds, and housing navigation services to help households exit quickly to safe, stable housing. Although actual grant awards will be based on negotiated workplans and budgets with grantees, the basis for an estimate of approximately \$8.6m is provided below.

<b>METHODOLOGY for ESTIMATE of NEW HOMELESS ASSISTANCE GRANTS in SFY2022 TRANSITION YEAR</b>	
Renewal of Current GA Community Investments (7/1)	\$2,300,000
New Community-Based Infrastructure (10/1 – 6/30) Motel Pool Administration, Housing Navigation Services & Rapid Resolution Funds	\$1,470,000
Community-based Motel Pools for Shelter Overflow (10/1 – 6/30)	\$4,846,627
<b>SFY22 Homeless Assistance Grants</b>	<b>\$8,616,627</b>

### **Emergency Housing Initiative – A Phased Approach as part of COVID Community Recovery**

In the years prior to COVID 19, the GA motel voucher program served between 75-300 households on any given day, with significant variation seasonally. As of January 2021, the public health emergency has resulted in a nightly total of more than 1,800 households receiving a GA motel voucher to meet the pandemic-driven need for non-congregate shelter. A key, long-term component of the AHS Housing Recovery Plan is to move forward with the pre-COVID planned shift to end the GA motel voucher program and invest in the community-based system of care. Delaying this transition to October 2021, allows time to continue meeting the public health need for non-congregate sheltering, while adjusting the current program appropriately over time. It is anticipated that these adjustments will also help to bring the GA emergency housing census closer to historic utilization prior to October. Delayed implementation of the initiative also provides community stakeholders and DCF time to work together to plan and support the transition, a task that will prove challenging as these same providers’ capacity is continued to be stretched by the pandemic.

#### *Changes to GA Non-congregate Shelter during COVID-19*

In spring of 2021, DCF expects to take steps, in line with the public health emergency, to transition from the current expanded eligibility to normal eligibility. DCF will provide proactive communication to households in motels and support service providers. Avoiding an abrupt shift from COVID-related GA expansion to a community-based system of care is critical to preventing a humanitarian crisis. It will take time for shifts in the housing market to be able to absorb large numbers of households transitioning from motels into other safe housing options. CARES funded re-housing initiatives launched last summer are just beginning to show impact as new units and rental vouchers come online. Many households with children are expected to find permanent housing with a CARES Housing Voucher or Vermont Rental Subsidy, as families were prioritized for these initiatives. In addition, shelters are expected to operate at increased capacity once the COVID emergency has ended.

### *July 2021 – September 2021*

In SFY22, the Department proposes that the GA Emergency Housing program operate under its normal rules during the first quarter and then transition to a community-based model October 1, 2021. We estimate that GA program utilization will remain higher than average during an initial transition back to categorical eligibility. An analysis of the current caseload suggests that approximately 30-40% of households will be eligible under GA's catastrophic or vulnerable categories. Although, as noted above, many families will likely exit prior to July 2021 through CARES re-housing efforts. During the first quarter, new investments in community alternatives to GA emergency housing can be made while the Department and community partners plan for a successful October transition.

### *October 2021 and Beyond*

The emergency housing transition recognizes that motels will continue to provide critical overflow shelter capacity, and that a motel room supported by a community agency will lead to stronger outcomes for families and communities. While SFY2022 is noted as a transition year, the goal is that community investments in future years will be able to right size local shelter capacity through better understanding of needs as well as shift funding to permanent housing interventions for Vermonters experiencing homelessness.