



Chicago Alliance to End Homelessness' Comments on the Emergency Solutions Grant Interim Rule February 2012

Thank you for the opportunity to submit comments on HUD's interim rule on the Emergency Solutions Grant (ESG) Program within the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act. The Chicago Alliance to End Homelessness works to create, support, coordinate, and sustain effective strategies to end homelessness in Chicago. As the applicant for the HUD homeless assistance funding, the Chicago Alliance is a key player in administering over \$50 million that Chicago receives annually to provide housing and services to homeless individuals and families. The following recommendations were developed in consultation with the Chicago Alliance's Service Provider Commission consisting of people working on the front lines of ending homelessness.

Definitions: At Risk of Homelessness (§576.2)

As with all HEARTH Act regulations, providers appreciate significant guidance from HUD in order to appropriately implement programs and screen for the correct eligibility. With regard to defining "economic hardship," we recommend that HUD consider using the state of Illinois' definition as used in the Illinois Homeless Prevention program. In Illinois, to qualify for prevention funds, a client/household must "document a temporary economic crisis beyond its control." Options include: substantial change in household composition; loss of employment; natural disaster; medical disability or emergency; loss or delay of some form of public benefit; victimization by criminal activity; illegal action by a landlord; displacement by a government or private action; or other conditions constituting a hardship comparable to the conditions outlined above.

Eligible Activities: Short-Term and Medium-Term Rental Assistance (§576.106)

HUD specifically requested comments on how project-based rental assistance could be designed as a feasible and useful alternative to tenant-based rental assistance within the new homeless prevention and rapid re-housing components of ESG. While the Chicago Alliance appreciates HUD's interest in broadening rental assistance options, Chicago's HUD-funded providers have serious reservations about adopting project-based rental assistance, based on experiences implementing Shelter Plus Care. Several providers have struggled with a "master leasing" model in the past: challenges arose around the timing and availability of units, as well as consumer's geographic preference and family composition. In addition, with project-based rental assistance, the burden of the lease responsibility is placed on the provider agency, without any guarantees of prompt payment by the recipient. For these reasons, in a large urban area with a significant supply of rental housing, Chicago providers would not find project-based rental assistance an attractive opportunity.



Program Requirements: Area-Wide Systems Coordination Requirements (§576.400)

The new requirement to create a centralized or coordinated assessment system for all homeless assistance and homeless prevention assistance is in line with efforts underway in Chicago to 1) centralize our prevention resources in a 311-linked call center, and 2) create a common referral list for permanent supportive housing. The Chicago Alliance looks forward to further guidance from HUD on the requirements of such a system and asks that HUD keep several considerations in mind as the requirements are rolled out:

- There are many assessment systems already in existence in communities across the country, including Chicago. For example, online tools like www.chicagohousingoptions.org, www.ilhousingsearch.org, www.direct2housing.org, and www.socialserve.com do an excellent job of connecting individuals and families to appropriate, affordable housing options. We encourage HUD to recognize and build off the existing infrastructure in many communities, rather than start from scratch. HUD should also encourage regional or statewide collaboration, where appropriate.
- In order to maximize the impact of centralized or coordinated intake, communities will need a robust data system that can support data collection on referrals and real-time program vacancies. Chicago expects to use the Homeless Management Information System (HMIS) as a tool to create effective coordinated intake and we hope that the HUD regulations will give our community the freedom and flexibility to do so.
- We do not see yet where the costs associated with the implementation and operation of a centralized or coordinated assessment system will be eligible under HUD homeless assistance funding. We encourage HUD to consider the sustainability of such a system in designing the ESG and Continuum of Care regulations.

Program Requirements: Evaluation of Program Participant Eligibility and Needs (§576.401)

Connecting program participants to mainstream and other resources

The Chicago Alliance is concerned that employment services and job training are not listed as a mandatory, or even suggested, service category within the ESG program. In order to truly prevent homelessness, we must work with at-risk individuals and families to build toward self-sufficiency, and self-sufficiency should not be limited solely to public benefit programs. We strongly suggest that working with clients toward employment, where appropriate, should be part of the ESG services provided.

Housing stability case management

We are also concerned about the prescriptive nature of the housing stability case management, especially the requirement to meet once a month. While we applaud the inclusion of case management services within the new ESG program, we hope HUD will recognize that the best case management is client-driven and individualized. Case plans and case management



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meetings should concentrate on issues that are most important to the program participant and be driven by the expertise of the service provider. Program design and implementation is best left to the service provider, with expected performance outcomes – not outputs – dictated by the funder. Also, in Chicago's experience of implementing the Homeless Prevention and Rapid Rehousing Program (HPRP), case management caseloads often exceeded 80 clients per case manager. Adequate resources for an effective case manager to client ratio must be considered in order to achieve the important goal of housing stability.

Thank you for considering our comments. If you would like to discuss these recommendations further, please contact:

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