

## Appendix 2: HUD Funding for Homeless Assistance Programs

HUD currently administers three primary competitive programs that provide assistance to help fill gaps in the local Continuum of Care system. Each year, HUD awards funding for these programs through a single competitive application process. For example, in FY 2005, HUD awarded over \$1.1 billion among these three programs for Continuum of Care systems. In FY 2006, HUD is expecting to award approximately \$1.2 billion.

A brief description of each competitive program follows. For more information on how to apply for each, contact the local HUD Field Office listed in Appendix 1. The HUD CPD Field Office can also explain how the four HUD formula programs (CDBG, HOME, HOPWA, and ESG) can be used to fund homeless housing and service programs.

### Supportive Housing Program (SHP)

**Program.** The Supportive Housing Program is designed to promote the development of supportive housing and supportive services, including innovative approaches assisting homeless persons in the transition from homelessness and enabling them to live as independently as possible. SHP funds may be used to provide transitional housing, permanent housing for persons with disabilities, and supportive services.

**Eligible applicants.** States, units of general local government, public housing agencies, private nonprofit organizations, and community mental health centers that are public nonprofit organizations are eligible to apply.

**Eligible activities.** Grantees may use SHP funds to acquire, rehabilitate, or construct structures for use as supportive housing or in providing supportive services; to lease structures for use as supportive housing or providing supportive services; to provide operating costs for supportive housing; and/or to provide supportive services.

### Shelter Plus Care Program (S+C)

**Program.** The purpose of the Shelter Plus Care program is to provide rental assistance for hard-to-serve homeless persons with disabilities in connection with supportive services funded from sources other than this program. Assistance is targeted primarily to homeless persons who are severely mentally ill; have chronic problems with alcohol, drugs, or both; or have AIDS or related diseases.

**Eligible applicants.** States, units of general local government, and public housing agencies may apply.

**Eligible activities.** The Shelter Plus Care program provides rental assistance through four

components: tenant-based rental assistance, sponsor-based rental assistance, project-based rental assistance, and rental assistance in connection with the moderate rehabilitation of single-room-occupancy units. Applicants may request assistance for any component.

## **Section 8 Moderate Rehabilitation Single Room Occupancy (SRO) Program**

**Program.** The purpose of the SRO Program is to provide rental assistance to homeless individuals in connection with the moderate rehabilitation of SRO dwellings. Resources to fund the cost of rehabilitating the dwellings must be from other sources. However, the rental assistance covers operating expenses of the SRO housing, including debt service for rehabilitation financing, provided that the monthly rental assistance per unit does not exceed the moderate rehabilitation fair market rent for an SRO unit, as established by HUD.

**Eligible applicants.** Private nonprofit organizations and public housing agencies are eligible to apply.

**Eligible activities.** SRO assistance may be used only for rental assistance and for administering the rental assistance program.