



HVRP – SSVF Coordination Plan in High Need Communities

Background: On May 17, 2019 VA published an amended proposed rule that would allow SSVF to offer shallow subsidies in target communities characterized by high rates of homelessness and low availability of affordable housing. Key characteristics of the shallow subsidy was that it offers a fixed rental subsidy of up to 35 percent of the Fair Market Rent (as published by HUD) for 2 years. This subsidy does not decrease for the entire 2-year period regardless of changes in household income. On July 1, 2019, DOL published a change in authority for HVRP that allows it to enroll Veterans who are at-risk of homelessness or enrolled in a homeless services program, such as SSVF.

Coordination: The respective regulatory changes in SSVF and HVRP create an opportunity for a synergistic partnership that could significantly improve the employment prospects and income potential of co-enrolled SSVF and HVRP participants in communities targeted by SSVF for shallow subsidies. With 2-years of consistent rental support from SSVF, HVRP participants would be strongly incentivized to increase income as their rental subsidy would not be impacted by income growth. With the longer period of case management and financial assistance provided by SSVF, HVRP would afford co-enrolled participants a greater opportunity to reach economic self-sufficiency by the end of SSVF's 2-year shallow subsidy period.

Plan: Each HVRP grantee(s) selected will designate a point-of-contact (POC) to work with SSVF grantees in communities designated to receive shallow subsidies. This POC shall be empowered to make decisions on behalf of local HVRP programs so that SSVF and HVRP can jointly coordinate service delivery, make co-enrollment decisions, and discuss case planning. The Department of Labor, Veterans' Employment and Training Service state director will also be available to support multiple HVRP grantees serving the same shallow subsidy areas. The Continuum of Care (CoCs) initially targeted for this effort are San Francisco, Oakland/Alameda, San Jose/Santa Clara, Los Angeles, San Diego, Seattle, Honolulu, Chicago, New York, and Washington, D.C.

SSVF has committed \$50 million in FY 2020-21 to support shallow subsidies in these CoCs - this funding is in addition to recurring SSVF grants already awarded to these communities. Planning has commenced in these CoCs to discuss how shallow subsidies will be targeted and includes local stakeholders from the CoC, VA, and SSVF to establish planning around targeting and coordination for this new rental subsidy benefit. HVRP staff will be included in each of these communities (and may include other appropriate DOL representatives) to ensure that services are closely linked. The central goal of this coordination between SSVF and HVRP is to use the opportunity afforded by the shallow subsidy initiative and HVRP's new authority to lift these Veteran households to self-sufficiency.

