

SUBCOMMITTEE RECOMMENDATION

Item 34: Housing and Community Services Department Statewide Rehousing Program

To: Ways and Means Full Committee
From: Transportation and Economic Development Subcommittee
Carrier: Representative Mannix

The Transportation and Economic Development Subcommittee recommends that the Joint Interim Committee on Ways and Means recommend appropriating \$39 million General Fund, with a corresponding decrease in the special purpose appropriation made to the Emergency Board for long term rental assistance, and increasing Other Funds expenditure limitation by \$25 million for the Housing and Community Services Department in a budget reconciliation bill during the 2024 legislative session, for rehousing services and longer term rental assistance.

The Housing and Community Services Department was directed to develop and report on a framework to deploy longer-term rental assistance in order to access a \$39 million special purpose appropriation approved for that purpose. Key features of the framework submitted by the Department include the following:

- Rental assistance will be available for up to 24 months.
- In addition to rental assistance, the Department proposes to make these funds available to be used for rehousing services, which could include street outreach and supportive housing services, consistent with eligible rehousing services funded during the 2023 session.
- Eligibility criteria is defined more broadly than unsheltered homelessness, and there is not a limitation on income.
- 50% of funding will go to areas covered in Executive Order 23-02 and 50% will be available for the Balance of State.

- Funds will be administered using the Continuums of Care and Local Planning Group networks established in response to funds made available in HB 5019 and SB 5511, with 25% of funds set aside for allocation by culturally responsive organizations. The Urban League, the Immigrant and Refugee Community Organization, and the Worker Relief Coalition will receive a direct allocation of funds for distribution of rental assistance and rehousing services.

The Department is also proposing that funds be deposited into the agency's existing Long-Term Rent Assistance Fund. Statutory changes to the Fund are needed to broaden eligible expenditures to include rental assistance and other supportive services to individuals experiencing, or at risk of experiencing, homelessness.

The Transportation and Economic Development Subcommittee recommends approval.