

Supportive Services for Veteran Families

Shallow Subsidy National Webinar

August 11, 2022

[Link to Audio](#)



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Housekeeping



**Session will
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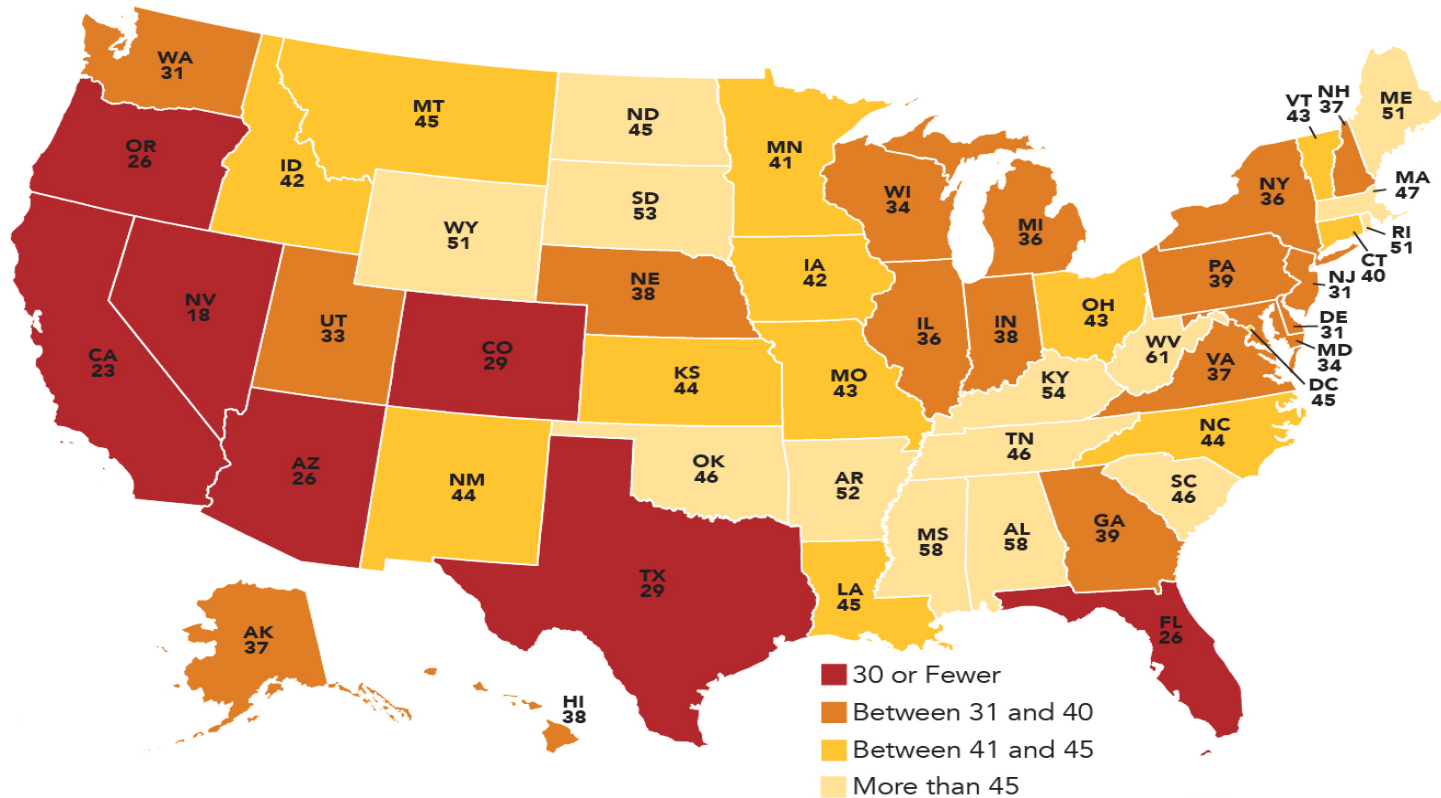
Affordability and Affordable Housing Crisis



Lack of Affordable Housing

THE GAP

RENTAL HOMES AFFORDABLE AND AVAILABLE PER 100 EXTREMELY LOW-INCOME RENTER HOUSEHOLDS BY STATE



Note: Extremely low-income (ELI) renter households have incomes at or below the poverty level or 30% of the area median income. Source: NLIHC tabulations of 2020 5-Year ACS PUMS Data. ©2022 National Low Income Housing Coalition

 NATIONAL LOW INCOME HOUSING COALITION
<https://nlihc.org/gap>



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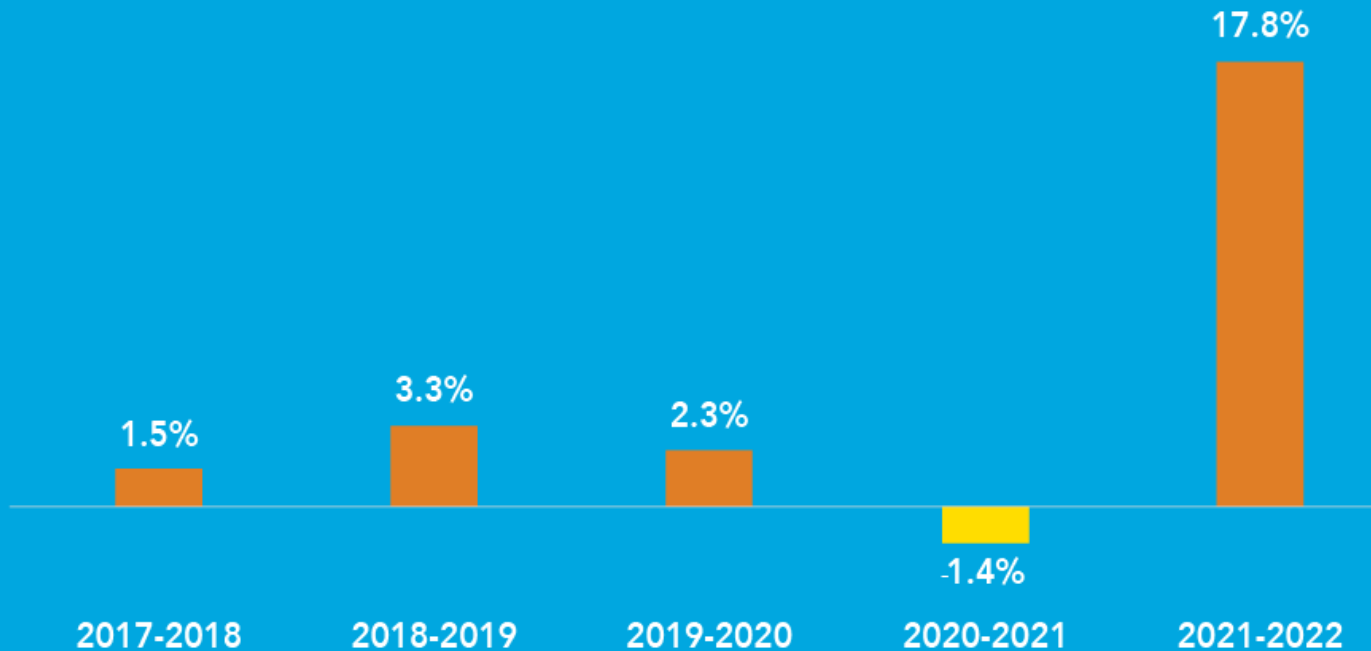
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Growing Affordability Gap

Year-Over-Year Changes in National Median Rental Listing Prices (2017-2022)



Note: Changes are calculated for median prices in January of each year.

Source: Apartment List Rent Estimates (2022)

Data available: <https://www.apartmentlist.com/research/category/data-rent-estimates>



Shallow Subsidy Research

- The housing safety net does not currently meet the needs of the poorest families. It's a persistent and growing problem; millions pay more than half their income on rent (Mary Cunningham, Urban Institute, 2014)
- Families with high rent burdens spend significantly less on food, clothing, and healthcare than low-income families with affordable housing; they also experience higher levels of stress and depression.
- “Association of Temporary Financial Assistance With Housing Stability Among US Veterans in the Supportive Services for Veteran Families Program” (JAMA. Feb, 2021)
 - https://www.va.gov/HOMELESS/ssvf/docs/TFA_Housing_Stability_SSVF.pdf
- Of Veteran households with monthly incomes between \$0 and \$2,000, and who received shallow subsidies between October 2020 and March, 45 percent increased their income – double “traditional” SSVF services.
 - https://www.va.gov/HOMELESS/ssvf/docs/SSVF_Annual_Report_FY20.pdf



Flexibility with Shallow Subsidy

- Where there are ample HUD-VASH vouchers and other community resources, Shallow Subsidies may be better utilized as a homelessness prevention tool
 - Shallow Subsidy awards are not subject to 60/40 TFA limit
- For those worried about ongoing funding
 - All grantees are carrying substantial FY 22 awards into FY 23
 - There are currently large unspent balances in Shallow Subsidy awards
 - The President's Budget proposes increasing SSVF budget from \$420 million to \$731 million in FY 23, providing **annual** boost to funding (vs current 2 year Shallow Subsidy award)
 - The Shallow Subsidy service is cheaper than open-ended rental support under Stafford Act



Spending and Budgets



Current Spending Overview

- Awarded \$298,875,000 for National Shallow Subsidy (SS) Expansion
 - Project Period 9/1/21-9/30/23
- As of August 2022, grantees have drawn \$20,849,925 in Shallow Subsidy Expansion Funds
 - 7% drawn down and we are 44% through this 25-month budget cycle
- According to grantee HMIS uploads into the repository
 - From October 2021 through July 2022, there have only been 2,236 Veteran households enrolled in SS Nationally



Current Spending Overview

- FY22/ARP Target Budget Dates
 - 07/01/2022-03/31/2023
- Awarded \$420 million for FY22
 - As of August 2022, grantees have drawn down \$9.3 million
- Awarded \$44.5 million in American Rescue Plan (ARP) funds specifically for Health Care Navigation and Legal Services
 - As of August 2022, grantees have drawn down \$158,209



Veteran Assistance through Shallow Subsidy



Budget Overview

Shallow Subsidy (both original pilot programs as well as expansion) funds should be used from now through 09/30/2023.

Transition to FY23 funds (continue to use ARP funds for HCN/Legal). Goal to end close to 12/31/2023

Transition to FY22 and ARP funds (HCN/Legal). Goal is to spend FY22 funds through 03/31/2023 (approximately).

Currently using CARES and FY21 funds. Goal is to spend as close to 06/30/2022 as possible.

NOW

12/31/2023

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Budget Overview

- Shallow Subsidy (SS) awards have a target end date of 9/30/23 and the Program Office has the authority to extend these awards for an additional year.
- FY renewal funding can be used for SS if needed
- The President's budget contains funding to sustain Shallow Subsidy service, so future funding is anticipated at a level to continue provision of this service beyond 9/30/23.



Shallow Subsidies



Shallow Subsidies Overview

- Is a service of SSVF and not a separate program
- Is a two-year commitment by the grantee to the household-unless the household terminates or receives a voucher or another source of permanent housing subsidy
- Can be augmented by local funds and other non-federal resources, if available



Shallow Subsidies Overview

- Stable monthly rent subsidy set with maximum subsidy of 50% of the actual rent amount in the lease for the unit.
 - Rent must be reasonable for the unit size
 - Percentage set as determined locally by grantees with shared geography in the CoC
- Subsidy amount is fixed over the 24-month commitment
 - Differentiating it from Rapid Rehousing which can be adjusted to more or less of the contract rent based on client needs and varies in length of time
 - No recertification required after Shallow Subsidy service transition so no disincentive to increase income



Important Considerations

- Must be eligible for SSVF when transitioning to Shallow Subsidy service type
- Generally, requires minimal supportive services/tenancy supports
- Has the ability to pay the balance of the rent
- Only needs shallow rental assistance differentiating it from HUD-VASH services
- Veterans can be recertified at the end of the 24-month assistance period, if income eligible and still in need of subsidy support

Important Considerations

The subsidy calculation is based on the actual rent amount of the unit. If a grantee has set the rate at 50% for their community rate and a Veteran is leasing a unit for \$1,000 per month, the monthly subsidy amount would be \$500, as long as the rent is reasonable for that unit size.

Targeting

- Families who are severely rent burdened
- May be particularly important for those on fixed income
- Veteran population aging with higher rates of disability - more on social security, SSI



Prevention Screening

- Fall 2021 SSVF HP Screener provided broader flexibility for Stage 1 enrollment
 - Veteran report of anticipated housing loss within 30 days
 - If discharge and income eligible, immediate enrollment into SSVF services and Rapid Resolution Efforts
- For Veterans in deep poverty or who meet other target groups, expedite SSVF enrollment to offer Shallow Subsidy services
 - Can use Homelessness Prevention Exceptional Circumstance Waiver to document Veteran TFA offerings when Veteran household does not meet Threshold Score standard for the community.
 - Grantees can adjust Threshold Score requirements for those Veterans who will be offered Shallow Subsidy services immediately in SSVF
- Keep capacity in mind for Veterans who need normal rental assistance prior to Shallow Subsidy service, particularly those with sudden loss of income or who cannot initially pay 50% of rent



Outreach and Engagement

- Renew efforts to outreach into communities/areas with high poverty and severe rent burdens, e.g., communities where historically disadvantaged groups live
- Veterans who were housed or have engaged with VA or other homeless programs in the past and may need further support to keep housing
- Communicate with partners about potential for Shallow Subsidy – as an additional tool in the SSVF toolbox – for severely rent burdened Veterans
 - PHAs receiving public housing applications
 - VA Medical Center teams including Veteran Hotline
 - Veteran Service Officers and State/County Veterans Programs
 - 211 and related hotlines and Coordinated Entry points
 - County and State Government who manage other rental assistance programs/funds



Summary

- Grantees have a lot of SSVF resources right now especially Shallow Subsidy funding
- Rents are rising and low-income Veteran households are at risk of homelessness
- **Use Shallow Subsidy support as an extension of HP to stabilize Veterans in housing for longer periods**



Resources

- [Shallow Subsidy Compliance Guide \(va.gov\)](#)
- [Shallow Subsidy FAQ.pdf \(va.gov\)](#)
- [SSVF Office Hour Series \(va.gov\)](#)





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