INSPIRED LEADERS
SHAPING CITIES

ENDING HOMELESSNESS
ISSUE BRIEF

IDA POSITION
Congress should help communities around the country address the crisis of homelessness by funding the Homeless Assistance Grant program $5.1 billion in FY2027 and ensure that Continuums of Care receive grant money.

BACKGROUND
Homelessness touches Americans in all demographic groups, from children to the elderly, families, veterans and many others.

By the late 2010s, studies showed that the number of homeless had gone down. But rising housing costs and the COVID-19 pandemic have exacerbated homelessness. According to the Department of Housing and Urban Development's 2024 Annual Homelessness Assessment Report to Congress, more than 770,000 people experienced homelessness on a single night in January 2024, an 18-percent increase from the previous year.

Although homelessness has been on the rise in recent years, communities working in partnership with the federal government have proven that we can reduce the number of unhoused Americans. The principal source of federal funding to fight homelessness is HUD's Homeless Assistance Grants (HAG) account. This account, first established in 1987, supports a nationwide network of state, local, charitable and faith-based homeless assistance providers who make sure that people who become homeless will be identified, kept safe and quickly returned to housing.

The HAG program has two main components:

- The formula-based *Emergency Solutions Grant (ESG)* program supports community work helping people quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness. It supports street outreach efforts, homelessness prevention and diversion strategies, emergency shelter and Rapid Re-Housing programs.
- The competitive *Continuum of Care (CoC)* program supports communities' efforts to achieve the goal of ending homelessness. It supports Rapid Re-Housing, the Transitional Housing and Permanent Supportive Housing programs and the Youth Homelessness Demonstration Program.

Federal funding through HAG is essential for the success of locally managed homeless systems in communities across the country that work not simply to get people off the streets, but into permanent housing. However, proposed changes to the CoC program that HUD is considering could sharply reduce the amount of funding for permanent housing; by some estimates, the changes could have cause 170,000 people to lose housing.

Congress can continue to advance the goal of ending homelessness by protecting permanent supportive housing as part of the CoC program and funding Homeless Assistance Grants at $5.1 billion in FY2027, including $4.6 billion for CoC grants and $500 million for ESG grants.

ABOUT IDA
IDA is the premier organization for urban place professionals who are shaping and activating dynamic city center districts. Our members are city builders and downtown champions who bring urban centers to life, bridging the gap between the public and private sectors. We represent an industry of more than 2,500 place management organizations, employing 100,000 people throughout North America and growing rapidly around the world. Founded in 1954, IDA is a resource center for ideas and innovative best practices in urban place management. For more information, visit downtown.org.

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