# Innovative Approaches to Providing Rental Assistance: States and Localities Seek To Support Health and Human Services Goals

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## Abstract

- *Objectives: We sought to learn more about how state- and locally funded rental assistance programs were created, how they are structured, whom they serve, and how they are funded.*

- *Methods: We conducted qualitative research about 19 state- and locally funded rental assistance programs in eight states and two cities using phone interviews, online surveys, and email exchanges with officials and providers familiar with the programs, and we conducted online research to gather additional information about the programs.*

- *Results: Although the rental assistance programs varied, key themes emerged, including (1) most programs, recognizing the impact of housing stability on health outcomes, targeted populations served by state or local health and human services programs; (2) most programs served a growing number of households over time; (3) funding generally increased over time and most of it came from general revenue; and (4) programs involved collaboration between the housing and health and human services agencies to ensure clients' needs were comprehensively met.*

- *Conclusions: Although state and local rental assistance alone cannot fill the gap between the need for and supply of affordable housing, it can play a critical role in helping states and localities achieve better outcomes for special populations in which states and localities are deeply invested.*

# Background

State and local policymakers increasingly recognize that a lack of stable, affordable housing not only causes homelessness but can worsen people's health and raise state and local costs (Hostetter and Klein, 2014). High housing costs affect people's access to doctors, healthy food, and medications and can increase their risk of being forced into institutional care such as nursing homes or mental health facilities (Braveman et al., 2011). People with significant health challenges who struggle to pay for housing often use costly health and social services that can strain government budgets, including emergency shelters, mental health and substance use treatment, and institutional health care (Bodurtha et al., 2017). Insufficient affordable housing also constrains policymakers' ability to implement community-based best practices. For example, states and localities have a legal obligation under the Supreme Court's *Olmstead* decision to provide services that help people with disabilities live independently in the community.[1] Adhering to this obligation is difficult when the available affordable housing is inadequate.

Federal affordable housing resources are scarce. Federal programs such as the Housing Choice Voucher (HCV), public housing, and Section 8 Project-Based Rental Assistance programs provide the vast majority of rental aid, but three in four eligible households receive no aid because of funding limitations (CBPP, 2017a, 2017b). Most state and local housing agencies that administer federal rental assistance have closed their waiting lists due to high demand, and those on waiting lists often wait years for assistance (Mazzara, 2017; PAHRC, 2017). Only a small fraction of agencies prioritize households facing homelessness, families with young children, or people with disabilities (HUD, 2017).

Some states and localities have filled part of the gap by funding their own rental aid programs (Bergquist et al., 2014; NLIHC, 2017). This article reviews findings from our qualitative study about how 19 such state- or locally funded programs across eight states (Connecticut, Illinois, Iowa, Maryland, Minnesota, Nebraska, New Jersey, and Oregon) and two cities (District of Columbia and San Francisco) were created and funded, how they operate, and whom they serve. It also discusses key observations for other states and localities interested in initiating or expanding rental assistance.

# Methods

The National Low Income Housing Coalition (NLIHC) created and periodically updates a database of state- and locally funded affordable housing programs (NLIHC, 2017).[2] Using the NLIHC database as a starting point, a 2014 Technical Assistance Collaborative (TAC) report created summary profiles of more than 70 such programs (Bergquist et al., 2014). TAC's review found that these programs tend to target specific populations, are often intended as a bridge to federal assistance, do not require engagement in services, and use tenant-based models.

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[1] In 1999, the Supreme Court ruled in *Olmstead* v. *L.C.* that the Americans with Disabilities Act requires states to serve people with disabilities in the least restrictive environment possible, which has led the U.S. Department of Justice to investigate, and sometimes sue, states suspected of noncompliance. See http://www.bazelon.org/the-olmstead-case/.

[2] Note that we first referenced NLIHC's database in 2016, and the database may have been updated since then.

Building on these resources, we sought to learn more about these programs to identify lessons that states and communities might find useful. Excluding one-time or very short-term aid programs, our review of the NLIHC and TAC surveys identified 66 active state- or locally funded rental assistance programs, most of which are state programs, in 32 states serving about 120,000 households. Out of this universe, we explored programs in a small number of states and cities.

We were particularly interested in programs that target people with health challenges and link housing aid to health and social service supports. For example, we selected Iowa and Maryland because their housing subsidies targeted people served by Medicaid programs that help people with disabilities live in the community instead of institutions. To learn from a cross-section of communities and programs, however, we also considered other criteria to ensure diversity in program location, age, and size. We included a mix of states and cities because both levels of government likely have meaningful lessons to share. We also included a mix of tenant-based and project-based approaches. We excluded some states, including New York, because the amount of resources invested could be difficult to replicate. Ultimately, we interviewed agency officials and advocates about 19 programs in 10 locations (8 states and 2 cities).

We began by emailing and speaking with a subset of state and local officials and advocates from selected communities (chiefly in New Jersey and Illinois). We interviewed officials managing the programs and advocates familiar with the programs' history—people we either already knew or identified through contact information available online or referrals. These strategies enabled us to speak with people about every program we targeted. We used the preliminary conversations to verify the accuracy of the NLIHC and TAC survey information, test potential survey questions, and identify people with more detailed information to offer, such as the programs' creation, structure, changes over time, and funding.

Based on those conversations, we developed a simple online survey—with questions about a program's size, eligibility criteria, and funding—to use with the remaining locations (see appendix B). We followed up with semi-structured phone interviews with officials and advocates who completed surveys to learn more about each program, including its origin and changes over time. We asked them roughly the same questions as the preliminary group but grouped the more straightforward questions into the survey and reserved more complex questions for phone conversations. We received survey responses for each program for which we requested them, although one survey was completed after the phone conversation. In some cases, we asked follow-up questions or sought clarification via email. We also used information published on local and state government websites to supplement what we learned from surveys, emails, and phone conversations.[3]

## Limitations

Our results reflect a relatively small share of programs that do not constitute a strictly representative sample. Also, we gathered information during the period 2016 to 2017, and some information

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[3] See appendix A for an overview of key characteristics of each program, including the kind of agency that oversees it, the populations served, the services offered, whether subsidies are tenant or project based, and the approximate size of each program. Much of the information in appendix A was derived from the survey (see appendix B for substantive survey questions), although some was also obtained from phone conversations with advocates and officials.

could now be outdated. Although we received answers to most of our questions for each program, not all the officials and advocates we contacted could answer all our questions. For some programs, we were unable to delineate the program's origins, the reasoning behind certain policy decisions (such as shifting program management to a different agency), or initial program funding levels.

# Results

We identified several common features among the 19 programs that may be of interest to policy-makers and stakeholders—

- To further the state's or locality's health and human services goals in addition to affordable housing goals, most of the programs target special populations, particularly people with significant physical or mental health needs, and connect them to a set of services.

- Programs use a mixture of tenant- and project-based rental assistance, with many using both.

- Programs are often designed as a bridge to federal rental assistance.

- Coordination between housing agencies and health and human services agencies is common for programs that serve special populations.

- Program funding tends to grow over time to serve more households.

- Most programs rely on general revenue, not dedicated sources such as special taxes or fees.

## Program Features

States and localities have many options in designing rental assistance. Although the programs we analyzed had a variety of designs, many shared common features (see appendix A for details on each program).

## Policy Goals

Providing affordable housing resources is a central purpose of the rental assistance programs. For instance, New Jersey's State Rental Assistance Program was created in part as a temporary stopgap at a time when funding for federal vouchers had stalled.[4] Similarly, advocates in Washington, D.C., stated that sequestration's effect on federal rental assistance funding contributed to the growth of the Local Rent Supplement Program. However, many programs target goals beyond housing afford-ability. In addition, although many programs were created or expanded to meet state or local policy needs, federal mandates or initiatives sometimes played a role.

Deinstitutionalization—the movement away from institutionalizing people with disabilities and toward integrating them into the community—is one of the most common policy goals, often tied to compliance with the Supreme Court's *Olmstead* decision. Studies routinely show that lack of

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[4] To learn more information about sequestration's impact on federal rental assitance, see https://www.cbpp.org/research/housing/sequestrations-rising-toll-100000-fewer-low-income-families-have-housing-vouchers.

affordable housing is a significant barrier to moving people out of nursing homes or other health facilities (Irvin et al., 2017); targeted rental assistance can remove this barrier for people who could otherwise live in the community with the right supports. Before the *Olmstead* decision, Minnesota's Bridges Program was created to assist deinstitutionalization. U.S. Department of Justice (DOJ) enforcement of *Olmstead* directly led to the creation of Illinois' Bridges Program through a 2011 settlement agreement, whereas Nebraska officials said that DOJ's *Olmstead* enforcement contributed to the creation of the Rental Assistance Program for People with Mental Illness in 2006, although no lawsuit or investigation was pending. States also often cite *Olmstead* as a reason for expanding programs.

Another common program goal is addressing homelessness, including stabilizing or improving the health of people with serious physical or mental health conditions who are experiencing homelessness. Homelessness can destabilize people's health by exacerbating mental illness, exposing people to the elements or unsanitary conditions, or contributing to or exacerbating substance use disorders. In addition, homelessness can make it more difficult for people to obtain healthcare and social support services. Officials and advocates noted the hope that targeting rental assistance to people who might otherwise rely on costly shelters or frequently utilize expensive emergency services like hospital emergency departments may also reduce state and local costs in these areas.

Several programs were created specifically to address homelessness. Advocates in Washington, D.C., noted that the Permanent Supportive Housing Program was created after the closing of a local homeless shelter made homelessness more visible. San Francisco created the Local Operating Subsidy Program in 2004 as part of a 10-year plan to end homelessness, only a year after the federal government started promoting such plans.[5] Similar plans to end homelessness, including in Minnesota and Connecticut, contributed to the growth of other rental assistance programs.

## Target Populations

Every program we analyzed limits eligibility to people with incomes of less than the Area Median Income (AMI).[6] About one-half of them explicitly require participants to have incomes at or below 30 percent of AMI; a few serve higher-income people, including 50 or 60 percent of AMI. Several programs lack income eligibility requirements but have population-specific eligibility criteria— such as homelessness or participation in particular services—that likely mean they serve people with incomes well below AMI.

Primarily for the reasons cited previously, every program we studied targets aid to people who have mental illness, experience homelessness, or have other qualifying characteristics (for example, families with children). Even the programs that do not *exclusively* serve special populations set aside some rental assistance for such groups or prioritize them in practice.

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[5] To learn more about the federal government's role in encouraging states to adopt 10-year plans to end homelessness, see http://nlihc.org/sites/default/files/Sec7.08_Ten-Year-Plan_2015.pdf.

[6] The U.S. Department of Housing and Urban Development (HUD) uses AMI as a benchmark to determine eligibility for federal rental assistance programs, and 11 of the 19 state and local rental assistance programs we analyzed also use AMI in their eligibility criteria. Of the 11 rental assistance programs that use AMI, 8 are currently operated at least in part by a housing agency.

## Leaders in Creating New Programs

Each program we studied had champions who were instrumental in creating it. In some cases, advocates cultivated champions within agencies or legislatures; in others, agency officials appear to have proposed new programs without major outside advocacy. Regardless, legislative advocacy has been key to increasing funding and protecting programs from cuts.

### Agency-Led Efforts

Health and human services officials, rather than legislators or housing advocates, were often the primary champions for creating new programs. Indeed, in some cases, housing advocates were unaware of rental assistance programs long after their creation. In these cases, the health agencies determined that lack of affordable housing interfered with their ability to effectively serve their clients and achieve the policy goals discussed previously.

### Advocate-Led Efforts

Several programs were enacted after advocates—typically housing and homelessness advocates—organized legislative advocacy campaigns for more rental assistance resources. For instance, homelessness advocates were key to creating Minnesota's Transitional Housing Program in the 1980s; they later joined affordable housing advocates to push for the Minnesota Housing Trust Fund, which eventually became an additional funding source for rental assistance. On the whole, successful campaigns to create, expand, or protect rental assistance programs have received cross-partisan support.

## Services

Nearly all of the programs we studied are connected to a package of services, largely state- or locally funded health services. These programs include community-based mental health services such as case management and outpatient therapy and medication management, which help people manage symptoms while living in the community, and are typically broadly available to members of the community—not only people receiving rental assistance. The most commonly offered services are supportive housing services, which help people maintain stable housing after exiting homelessness, such as by helping them pay rent on time, understand their rights as tenants, and manage their health to prevent hospitalization or institutionalization (Dohler et al., 2016).

Most of the services offered alongside rental assistance are optional for participants (Bergquist et al., 2014; NLIHC, 2017). However, a small number of programs require participants to receive certain basic services, such as monthly case management visits, as long as they receive rental assistance. Also, some only serve people who already receive specific services; for example, Iowa's Home and Community Based Services (HCBS) Rental Assistance Program provides rental assistance only to people who receive home- and community-based services.[7]

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[7] Home- and community-based services are Medicaid services that help seniors or people with disabilities receive services in their homes and communities rather than in nursing homes or other healthcare facilities. See https://www.cms.gov/Outreach-and-Education/American-Indian-Alaska-Native/AIAN/LTSS-TA-Center/info/hcbs.html for a list of the types of services states can provide through their HCBS programs.

## Subsidy Structure

More than one-half of the programs we studied cover the difference between rent and 30 percent of the tenant's income, with the subsidy often capped at Fair Market Rent (FMR) or a similar measure, similar to federal rental assistance (CBPP, 2017a).[8] However, two programs have additional subsidy caps: Oregon Health Authority's State Rental Assistance program's monthly $500 cap and the Nebraska Rental Assistance Program's $6,000 annual cap (with some exceptions).

Two other programs provide less generous income-based subsidies: Connecticut's Rental Assistance Program requires most tenants to contribute 40 percent of their income (30 percent for elderly tenants and tenants with disabilities), and San Francisco's Direct Access to Housing requires a 50-percent contribution. Washington, D.C.'s Housing First Subsidy Program uses a flat rent not based on income, and Illinois' Rental Housing Support uses two flat rents, one for people with incomes of less than 15 percent of AMI and one for those with incomes between 15 and 30 percent of AMI.

## Size

Most of the programs we studied grew significantly over time. They now serve an average of 1,600 households (ranging from fewer than 100 to more than 5,400); only two serve fewer than 700. The two smallest programs were the most narrowly targeted, serving recipients of specific Medicaid services: Iowa's HCBS Rental Assistance Program and Maryland's Money Follows the Person subsidy. The two largest programs were among the least targeted: Connecticut's Rental Assistance Program and New Jersey's State Rental Assistance Program, both of which set aside some rental assistance for special populations but otherwise base eligibility on income.

## Tenant- and Project-Based Subsidies

Rental assistance can be either tenant based (meaning the household uses the subsidy to rent a home of its choice on the private market) or project based (meaning the subsidy is tied to a specific building or unit). Some of the programs we analyzed are strictly project based, some are strictly tenant based, and about one-half use both models. For instance, Connecticut's Rental Assistance Program largely uses a tenant-based model but also funds permanent supportive housing units with project-based subsidies. Programs serving special populations are just as likely to use tenant-based as project-based rental assistance, and many—like Washington, D.C.'s Permanent Supportive Housing Program—use both.

## Bridge to Federal Rental Assistance

Nearly one-half of the programs we analyzed help households afford rent while waiting for federal rental assistance. They either (1) were explicitly intended to function as a bridge to federal rental assistance or (2) required participants to apply for federal rental assistance as a condition of eligibility. Once participants obtain federal assistance, the state or local funds are redirected to serve other households waiting for federal assistance.

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[8] Subsidies in HUD's HCV program are based on a HUD-determined FMR, which typically reflects the cost of rent (including utilities) of units at the 40th percentile in a metropolitan area or county. The goal is to ensure that the subsidy can help low-income people afford adequate yet modest housing while enabling the program to assist as many households as possible. See huduser.gov/portal/datasets/fmr.html.

Most of these bridge or bridge-like programs either have no time limits or have exceptions to time limits, allowing people to keep receiving aid while waiting for federal subsidies. This aid helps vulnerable individuals such as those experiencing homelessness or at risk of institutionalization get safe, stable housing more quickly, potentially preventing further decline in their health while they wait for federal assistance.

Generally, households may receive state or local rental assistance for several years before federal assistance becomes available. To ensure a timely transition into federal assistance, Maryland's Money Follows the Person Bridge Subsidy Demonstration enters into memoranda of understanding with public housing agencies (PHAs), under which the PHAs prioritize bridge subsidy recipients to receive federal housing choice vouchers within 3 years of receiving the state subsidy.

## Cross-Agency Coordination

The programs we examined are chiefly administered by state or local housing agencies or the health and human services agencies. Four are jointly administered by the housing *and* the health and human services agencies, typically with the former administering the rental assistance and the latter managing services. The rest are nearly evenly split between those administered by a housing agency and those administered by a health and human services agency.

In some cases, particularly programs created by a health and human services agency, the agency that originally administered the program no longer does so. Four such programs moved from a health and human services agency to the corresponding housing agency or are now jointly administered in collaboration with the housing agency. For instance, the Minnesota Bridges Program, which serves people with mental illness, was created within the state human services agency but later moved to the state housing agency.

Administering agencies sometimes contract with nonprofit organizations, PHAs, or local Continuums of Care (the planning bodies that coordinate federal homelessness resources) to implement the rental subsidy or services. For example, both of Connecticut's programs contract with PHAs to manage the rental subsidies, including managing a waitlist alongside the HCV program waitlist. Some programs in Minnesota (the Transitional Housing Program and Housing Trust Fund) and New Jersey (the supportive housing portion of the State Rental Assistance Program) utilize their local Continuums of Care to organize and prioritize referrals. Several programs that serve people with mental illness or other health needs rely heavily on healthcare providers for referrals.

## Funding Trends

Generally, funding for the programs we examined have grown significantly over time (along with growth in the number of households), and funding doubled for at least one-half of them.[9] For instance, New Jersey's State Rental Assistance Program started with $10 million annually in the early

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[9] Figures on funding levels do not take inflation into account. Also, we were unable to obtain information on initial program funding for about one-half of the programs we examined.

2000s and now receives more than $40 million annually.[10] Iowa's HCBS Rent Subsidy program started with about $70,000 in the mid-1990s and now receives more than $650,000 in general revenue funds.

States and localities typically fund rental assistance in one of two ways: (1) general revenue appropriated each legislative session, or (2) dedicated revenue sources (typically fees, taxes, or interest). Of the 19 programs we studied, 13 rely solely on appropriations, 1 relies on dedicated funds, and the remaining 5 have used both. Nearly all the programs that rely solely on appropriated funds grew substantially over time, despite some occasional dips. The 5 programs that have used both kinds of funding also saw growth. In contrast, the only program relying solely on dedicated funding (Illinois' Rental Housing Support program) saw about a 20-percent decline in funding since its creation a decade ago.

# Discussion

States and localities used at least portions of their rental assistance programs to address homelessness, physical and mental health problems, and other social problems, with most programs explicitly targeting people experiencing such problems. States and localities facing similar challenges could use lessons from existing programs to think creatively about how to use rental assistance to help address them. The programs we analyzed largely lack meaningful outcome measurements, meaning judgment about which models are best must be reserved for future research. Although no single way exists to advocate for or structure rental assistance programs, our research suggests that the following can guide stakeholders engaged in early conversations, strategic planning, and program implementation.

## Target Rental Assistance to Special Populations

Targeting rental assistance to people with particular needs can help programs gain and maintain support—and use scarce resources effectively. Agency officials, legislators, and advocates all view rental assistance as an important tool for addressing other state or local priorities. Given the wide range of goals that rental assistance can support, such as ending homelessness and improving health care, champions for creating rental assistance can be found in many places: in legislatures, government agencies, and community organizations invested in serving vulnerable populations.

Moreover, because rental assistance would likely remain scarce even with robust state and local efforts, states and localities should focus their modest resources on the groups facing the direst circumstances. People who are experiencing homelessness or have mental health conditions were the most common target populations of the programs we analyzed. Another potential target is high-cost users of the health care system, such as people with frequent emergency room or inpatient

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[10] The New Jersey State Rental Assistance Program was originally—and for most of its duration—funded by general revenues. New Jersey shifted the program onto the state's housing trust fund during the Great Recession. The trust fund typically funds affordable housing development, and many hope that the rental assistance will be transferred back to general revenue funding in the near future, allowing the trust fund to return to funding development.

hospital visits; often they are unstably housed, and programs that couple affordable housing with services (like supportive housing) have been shown to reduce state and local costs (Dohler et al., 2016).

Some populations not included in our sample might also be worth targeting. Two examples are youth aging out of the foster care system and people who were formerly incarcerated. Both groups often struggle to afford housing, and the resulting instability can contribute to homelessness, involvement in the justice system, and other adverse outcomes (Annie E. Casey Foundation, 2014; Metraux, Roman, and Cho, 2007; NHCHC, 2013).

## Engage Cross-Agency Partners Early and Often

Cross-sector partnerships are key to effectively serving special populations with both housing and service needs. Partnering with housing experts can reduce administrative duplication, improve efficiency, and avoid challenges and missteps. Of the programs we studied, 12 were formed in a health and human services agency, with little or no help from the housing agency; 4 of them later had at least the rental assistance part of the program moved to housing agencies, presumably because of difficulties administering rental assistance.

Although health and human services officials understand how rental assistance benefits the people they serve, housing agencies typically have much deeper expertise and capacity to design and manage rental assistance. To administer rental assistance effectively, agencies require financial and practical mechanisms to help people locate housing that meets their needs, perform property inspections, and make timely rent payments. Agencies also need to recruit and retain landlords willing to work with the agency, accept housing subsidies for payment, and rent to people with poor rental and credit histories. In addition, programs that require recipients to be on the waiting list for federal housing assistance should connect with the housing agency to ensure participants eventually receive federal assistance. Finally, division of labor between housing and health and human service agencies enables the latter to focus on addressing peoples' needs *beyond* housing unaffordability.

## Think Carefully and Creatively About Funding Opportunities

Rental assistance programs can grow over time, enabling them to serve more households, particularly when legislators understand how rental assistance supports other health and human service goals. The *kind* of program funding used is an important design consideration. Although our investigation did not find that one funding source (general revenue versus dedicated funding) is best, the following factors can help when weighing funding options.

The choice of funding source depends greatly on the local political climate. If the strongest support for creating new rental assistance comes from within a government agency, it might be easier for the agency to request a modest amount of general funds to start a new program than to convince legislators to create a new dedicated funding source or divert funds from an existing one. Dedicated funding sources can also face significant opposition from stakeholders with an interest in maintaining access to an existing fee or tax or who oppose the creation of a new one. Among

advocacy campaigns that sought a dedicated funding source, like the trust fund in Minnesota, non-profit housing developers were important stakeholders because trust funds often fund affordable housing construction or rehabilitation.

The funding source's sustainability is another key consideration. Without sustainable funding, a program may not keep up with rising rents and may have to terminate rental assistance for some households. Funding that keeps up with rising rents is particularly important for rental assistance with no time limits (as in the vast majority of programs we analyzed).

Dedicated funding may seem more sustainable because the revenue is systematically collected from a fee or tax. In contrast, appropriated funds require legislators to allocate funds for the program, meaning the rental assistance competes directly with other legislative priorities every year. However, the only program we examined that relies exclusively on dedicated funds—Illinois' Rental Housing Support program—was also the only program to see a significant funding *decline* since its creation.[11] Dedicated funds can be vulnerable during periods of budget shortfalls and can also see fluctuation or stagnation in the fees or taxes that fund them. For instance, dedicated funding sources often include part of the mortgage recording fees paid on the purchase or sale of real estate; if fewer people buy homes, this revenue falls. Moreover, most of the programs relying on appropriated funds have experienced significant growth. That said, 5 of the programs we examined have at some point relied on both kinds of funding, and advocates indicated they have been able to convince legislators to use general revenues to offset declining funding or scale up programs if a dedicated funding source becomes insufficient. Thus, although stakeholders attempting to create a new program should think creatively about funding structures, sustaining and growing programs depends largely on building a strong base of political support for the program's goals.

## Track and Share Meaningful Outcomes

Most of the programs we analyzed track basic output measures, like how many households they serve and for how long. More outcome monitoring and formal evaluations are needed, however, to determine how the programs affect longer-term housing outcomes and impact other systems, such as by reducing health spending, improving health outcomes, reducing the use of emergency homeless shelters, improving recovery from substance abuse, and reducing recidivism among people involved in the criminal justice system. Data in these areas would bolster arguments for creating or expanding programs while identifying areas needing improvement. Philanthropic organizations could invest in building government and provider capacity to measure client outcomes and implement new initiatives when outcome goals are not met.

## Additional Considerations

States, localities, and other stakeholders should consider other issues in designing rental assistance. For instance, a growing body of research finds that growing up in low-poverty neighborhoods with quality schools can significantly improve low-income children's educational achievement and later economic success (Chetty, Hendren, and Katz, 2016). Rental assistance can be designed

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[11] Note that Illinois faced serious state budget challenges between 2015 and 2017 that may have affected its rental assistance program. See https://www.nytimes.com/2017/07/06/us/illinois-budget-shutdown-states-rauner.html.

to expand families' access to such neighborhoods. More broadly, programs should always protect tenants' basic rights, including their rights under the Fair Housing Act. Other considerations can be critical for particular populations; for example, programs that connect people to services should track outcomes to ensure the services offered are sufficient to help participants stay stably housed, avoiding evictions or institutionalization.

## Conclusion

State and local rental assistance programs appear to benefit from enduring support from policy-makers and advocates, particularly when the rental subsidy helps the government achieve health or other social welfare goals. The many lessons learned from existing programs could inform states or localities seeking to build new programs or improve existing ones, particularly during a time when funding for federal rental assistance has been stagnant. We also hope this research opens the door for more comprehensive and systematic study of state and local rental assistance.

## Appendix A

Exhibit A-1, on the following pages, lists key features of state and local rental assistance programs based on information collected during the period 2016 to 2017.

**Exhibit A-1**

Key Program Features (1 of 4)

| Program Name | Current Agency:[a] Housing or Health and Human Services | Target Populations | Services | Tenant or Project Based | Funding Amount and Type (Appropriations and/or Dedicated Funds) | Number of Units |
|---|---|---|---|---|---|---|
| **States** | | | | | | |
| **Connecticut** | | | | | | |
| Elderly Rental Assistance Program | State housing agency | Elderly and people with disabilities | None | Project based | $2,300,000 Annual appropriations | 1,344 |
| Rental Assistance Program | State housing agency | General; mental illness and homeless setasides | None for general population; setasides include permanent supportive housing | Tenant based; project based for setasides | $52,300,000 Annual appropriations | 5,473 |
| **Illinois** | | | | | | |
| Rental Housing Support | State housing agency | General (local preferences allowed including homeless) | None | Project based | $18,000,000 Dedicated | 2,500 |
| Permanent Supportive Housing Bridge Subsidy Program | State human services agency | Mental illness | Required basic mental health case management, optional other services | Both | $13,354,200 Dedicated and annual appropriations | 1,400 |
| **Iowa** | | | | | | |
| HCBS Rent Subsidy Program | State housing agency | People with disabilities (on HCBS waiver) | Required participation in HCBS services | Tenant based | $658,000 Annual appropriations | 360 |

**Exhibit A-1**

Key Program Features (2 of 4)

| Program Name | Current Agency:[a] Housing or Health and Human Services | Target Populations | Services | Tenant or Project Based | Funding Amount and Type (Appropriations and/or Dedicated Funds) | Number of Units |
|---|---|---|---|---|---|---|
| **Maryland** | | | | | | |
| MFP Bridge Subsidy Demonstration | State health agency | People with disabilities (including mental illness) | Must participate in MFP home and community-based services program | Tenant based | $2,500,000 one-time appropriations drawn down over 5 years | 89 (estimated over 5 years) |
| **Minnesota** | | | | | | |
| Bridges Program | State housing agency | Mental illness | Optional community mental health services | Tenant based | $4,300,000 annual appropriations and dedicated | 770 |
| Transitional Housing Program | State human services agency | Homeless or at risk of homelessness | Required case management | Both | $3,184,000 annual appropriations | 1,200 |
| Minnesota Housing Trust Fund | State housing agency | General with strong preference for homeless | Some voluntary services | Both; mostly tenant based | $10,276,000 annual appropriations and dedicated | 1,993 |
| **Nebraska** | | | | | | |
| Rental Assistance Program for Adults with SMI and Substance Dependence | State health and human services agency | Mental illness or substance dependence | Required behavioral health services | Project based | $2,600,000 dedicated and annual appropriations | 875 |

**Exhibit A-1**

Key Program Features (3 of 4)

| Program Name | Current Agency:[a] Housing or Health and Human Services | Target Populations | Services | Tenant or Project Based | Funding Amount and Type (Appropriations and/or Dedicated Funds) | Number of Units |
|---|---|---|---|---|---|---|
| **New Jersey** | | | | | | |
| State Rental Assistance Program | State housing agency | General with homeless, disabilities, children set aside | Some optional services, including permanent supportive housing | Both; mostly tenant based | $41,300,000 dedicated (recently shifted from annual appropriations) | 3,883 |
| Supportive Housing | Both | Mental illness or substance use disorder | Optional supportive housing services | Both | $18,600,000 annual appropriations | 2,500 |
| **Oregon** | | | | | | |
| Oregon Health Authority State Rental Assistance | State health agency | Mental illness and substance use disorder | Tenancy supports and peer support available | Both | $20,000,000 biennium appropriations | 1,700 |
| *Cities* | | | | | | |
| **District of Columbia** | | | | | | |
| Local Rent Supplement Program | Both | General with preferences for homeless | Some permanent supportive housing services available | Both | $52,000,000 annual appropriations | 3,400[b] |
| Home First Subsidy Program | Both | Mental illness and homeless or leaving institution | Required monthly mental health services home visit and optional tenancy support services | Tenant based | $9,2000,000 annual appropriations | 950 |
| DC Permanent Supportive Housing Program | Both | Mental illness, substance use, or other health problem and homeless or leaving institution | Voluntary permanent supportive housing services | Both | $45,400,000 annual appropriations | 1,355 |

**Exhibit A-1**

Key Program Features (4 of 4)

| Program Name | Current Agency:[a] Housing or Health and Human Services | Target Populations | Services | Tenant or Project Based | Funding Amount and Type (Appropriations and/or Dedicated Funds) | Number of Units |
|---|---|---|---|---|---|---|
| **San Francisco** | | | | | | |
| San Francisco Direct Access to Housing | Specialized homelessness agency[c] | Homeless with serious physical or behavioral health condition | Supportive housing and onsite health care services available | Project based | $23,426,608 annual appropriations | 1,638 |
| San Francisco LOSP | Both (housing agency and specialized homeless agency) | Homeless (families, youth, single adults, seniors) | Supportive housing services available for some | Project based | $12,359,887 annual appropriations | 1,459[d] |
| San Francisco Housing First Program | Specialized homelessness agency | Homeless | Supportive housing services available | Project based | $23,321,866 annual appropriations | 2,449[e] |

HCBS = Home and Community Based Services. LOSP = Local Operating Subsidy Program. MFP = Money Follows the Person. SMI = serious mental illness.
[a] "Current Agency" refers to the state or local agency or agencies that are currently responsible for managing the program rather than the agency in which the program was created. Some programs were created in one agency but later transferred to another agency.
[b] This total includes about 1,600 project-based units that overlap significantly with supportive housing and 540 units for the new targeted affordable housing subcategory of the Local Rent Supplement Program.
[c] San Francisco recently created a Department of Homelessness and Supportive Housing to manage programs that serve people experiencing homelessness, which used to be managed by the health and human services agency. See http://hsh.sfgov.org/.
[d] Some overlap with Direct Access to Housing and other supportive housing exists.
[e] Some overlap with LOSP exists.

# Appendix B: Key Survey Questions

1.  How many households are served by the program?

2.  How many households were served when the program began?

3.  Who is eligible for the program?

4.  Are there preferences or set-asides within the program for certain groups?

5.  Do tenants have to be on a federal rental assistance waitlist to receive assistance through this program?

6.  How much do tenants pay toward rent?

7.  Is there a maximum benefit tenants can receive?

8.  Is there a time limit? If so how long?

9.  Is the program project-based or tenant-based?

10. If you chose "other," how would you describe the program?

11. How much funding does the program receive annually?

12. What is the funding source for the program?

13. What agencies administer the program on the ground?

14. Does the program track any outcomes? Please list any outcomes you track.

15. Are tenants offered any services through the program? Please indicate whether these services are required.

## Acknowledgments

## Authors

Anna Bailey is a policy analyst for the Center on Budget and Policy Priorities' health integration project.

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