The Current Situation

Connecticut’s Homeless Response System has been historically underfunded. The COVID-19 pandemic and the increase in homelessness in our state, up 39%* this year—has put added pressure on an already overstressed system.

Adding to these challenges: temporary housing policy measures implemented during the pandemic, including emergency rental assistance and eviction moratoriums, have ended. Concurrently, rent increases and low vacancy make affording and maintaining housing virtually impossible for the lowest-income renters.

*By-Name-List Version 1 (BNL V.1) 2021-2022

What is a Flexible Funding Subsidy Pool?

Flexible Funding Subsidy Pools allow for individualized solutions to homelessness by providing short-term, flexible, unrestricted financial assistance to help people experiencing homelessness successfully transition to housing. Communities and states across the country have found Flexible Funding Subsidy Pools to be one of the most effective strategies in the multi-pronged approach to ending and preventing homelessness.

How do they work?

Homelessness is complex. Behind each statistic is a person with unique experiences that led them to where they are. These funds provide critical assistance to households experiencing homelessness, with some combination of:

⇒ Move-in and utility assistance (such as security deposits, first month’s rent, application fees, utility deposits or arrearages, rental arrears, moving expenses, housing application fees, transportation, etc.).
⇒ Funds to cover additional security deposits, renter’s insurance, landlord incentives, and risk mitigation funds to incentivize landlords.

Budget Request

CT CAN End Homelessness requests $50 million, of which $2 million annually is to be added to the Department of Housing/Homeless Services line item to provide a Flexible Funding Subsidy Pool.

The Benefits

⇒ With flexible funding we can prevent people from falling into homelessness and if they do become homeless, we can minimize the impact. This will free up much needed shelter space and move people more quickly into stable housing opportunities.
⇒ Increased exits from homelessness to housing, improved housing stability and income, and improved overall health and well-being of participants.
⇒ Savings to the State: Homelessness currently costs the state $100+ million a year
⇒ Reduction in chronic homelessness, which costs the state 79% more, due to high-cost emergency health care and public mental health services, and cycling rapidly through various public institutions at a high cost to taxpayers.
⇒ Housing stability = employment stability, contributing to our state’s economic vitality
⇒ Improves overall wellbeing, especially for children who are traumatized emotionally, socially, and academically when living with housing insecurity or being homeless.

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