

To Prevent or Not to Prevent Homelessness – that is Philadelphia’s question

\$15 Million Needed - Not \$5 Million - from American Rescue Plan HOME-ARP

The problem: In 2020, Philadelphia identified **7,881 homeless children and youth**ⁱ. Trends show that the number of homeless children has increased every year over the past ten years. At the current rate, **Philadelphia could have more than 9,000 homeless children by 2026.**

In addition, while current eviction filings are historically lower than pre-pandemic rates, **the rate of filings is increasing.**ⁱⁱ



But now current funding for homelessness prevention is **exhausted, eviction filings are increasing, more than 5,000 households are homeless today, and Philadelphia has reduced** emergency housing^{iv} for families and youth should a crisis occur. Waiting lists for prevention services are climbing higher every day -- just two prevention programs have more than 1,500 households on a waiting list as of May 1, while other prevention programs stopped using a waiting list because do not have funding. Finally, In 2021 there were 6,873 landlord tenant cases filed in Municipal Court; to date in 2022 there have been 4,202 filed, according to Community Legal Services.ⁱ

Is Philadelphia allocating enough funds into homelessness prevention? The City’s “Preliminary Consolidated Housing Plan^v predicts that it **will serve 1,000 households** in the upcoming year. It is unclear if the Housing Plan includes the one-time gift of \$42 million in American Rescue Plan (ARP) homeless funding in a proposal that the City calls HOME-ARP.^{vi} Philadelphia plans to use 55% of those funds, or \$23 million, on housing production and 12% (\$5 million) prevention. Philadelphia says the \$23 million will produce an estimated 345 new units. If City Council approves, housing production would help 345 households 2 to 5 years from now when the reality is that there are **more than 5,000 homeless households and hundreds of households on waiting lists** for anti-eviction/prevention and PHA housing **today.**

According to Philadelphia’s “Preliminary Consolidated Plan for FY 2022-23”^{vii}, the City already has

many funding efforts underway for affordable housing development, including

- Philadelphia's Division of Housing and Community Development is seeking proposals to finance the development of rental and special needs units for low- and moderate-income households.
- The Philadelphia Housing Authority (PHA) has established a rental assistance program and has hundreds of unused housing vouchers.
- Landlord Engagement Program (LEP) provides incentives for property owners to rent to families and individuals experiencing, or at risk of, homelessness.

Using a greater allocation of the HOME-ARP funds for homelessness prevention should not affect Philadelphia's long-term ability to develop affordable housing.

The following table illustrates different scenarios:

Comparing investing funding into Housing Production vs. Prevention using American Rescue Plan HOME-ARP funds into Philadelphia's Homelessness				
	Estimated # people served by building 345 units by investing \$23M, or @ \$64K per household	City \$5M plan for prevention @ \$2500 per household	Doubling the City's \$5M to \$10M for prevention @ \$2500 household	Investing \$23M into prevention at \$2500 per household
Estimated # Households Supported	345 Households	2,000	4,000	9,200

Question For City Council: Will City Council address today's problem by doubling the American Rescue Plan's prevention funding to \$15 million for prevention?

Developed by People's Emergency Center, Philadelphia Interfaith Hospitality Network, May, 2022. For more information, contact policy@pec-cares.org.

ⁱ PA Department of Education, 2020

ⁱⁱ Eviction Lab: [Philadelphia, Pennsylvania | Eviction Tracking System \(evictionlab.org\)](https://evictionlab.org)

ⁱⁱⁱ <https://phlrentassist.org/>

^{iv} U.S. Department of Housing and Urban Development: [CoC Housing Inventory Count Reports - HUD Exchange](https://www.hudexchange.info/reports/coc-housing-inventory-count-reports/)

^v Preliminary-Consolidated-Plan-and-Annual-Action-Plan-2022-2026.pdf (phila.gov)

^{vi} City of Philadelphia: <http://philadelphiaofficeofhomelesservices.org/wp-content/uploads/2022/04/Final-Draft-HOME-ARP-Allocation-Plan-4.7.22.pdf>

^{vii} [Preliminary-Consolidated-Plan-and-Annual-Action-Plan-2022-2026.pdf \(phila.gov\)](https://www.phila.gov/files/2022/05/Preliminary-Consolidated-Plan-and-Annual-Action-Plan-2022-2026.pdf)

ⁱ Email Rachel Garland to Rachel Falkove May 16, 2022