

## Funding Housing Location and Landlord Engagement

There is no one funding source that will be able to fund all housing location and landlord engagement strategies at scale. However, funding can be “braided” together to ensure that programs are maximizing what each funding stream can do to have a complete housing location infrastructure with landlord engagement strategies like dedicated staff and customer service and financial incentives.

**Chart 1.** is a high-level overview of different strategies that a program or community could implement and which of the state and federal funding sources are where housing location and landlord engagement are eligible uses.

Housing Location & Landlord Engagement Strategies	CoC	ESG	HOME-ARP	PHARE	Home4Good
<b>Dedicated Staff for Housing Location:</b> a single point of contact for landlords to call when working with homelessness assistance programs	X	X	X	X	X
<b>Landlord Outreach:</b> Activities and efforts to continuously engage with landlords even when not directly assisting a specific client		X	X	X	X
<b>Customer Service Incentives:</b> Non-monetary services and products to help support the program-landlord relationship like pre-inspections, landlord portals on website, automatic rent increase to reduce paperwork	X	X	X	X	X
<b>Risk Mitigation Funds:</b> Reimburses for damages caused by client above and beyond the security deposit				X	
<b>Non-Damage Related Repair:</b> Pays for repairs for a unit to pass inspection or just general quality improvement				X	X
<b>Vacancy/ Hold Payment:</b> a landlord receives a one-time cash payment for holding a unit for a homelessness assistance client and/or during the inspection process.				X	X
<b>Increased Security Deposit:</b> Landlord receives double security deposit. It is important to note that PA law does require landlords to return half the deposit after first year of tenancy	X			X	X
<b>Sign-On Bonus:</b> a landlord receives an additional one-time payment once a client is successfully leased up and moved-in. Payments may have a sliding scale based on whether landlord is new to the program or has altered screening criteria				X	X
<b>Referral Bonus:</b> a landlord receives a one-time cash payment for referring another landlord to work with the rental assistance program				X	X

Chart 2. provides a high-level overview of the state and federal funding sources with housing location and /or landlord engagement as eligible uses.

Public Funding Sources	Things to Consider
<p><b>Continuum of Care (CoC)<sup>1</sup></b></p> <p>The main funding stream for homelessness assistance programs. Programs are organized into a single system called a CoC and then submit a single funding application directly to HUD*</p>	<ul style="list-style-type: none"> <li>• There are 16 CoCs in Pennsylvania. 14 are urban or suburban counties and the remaining rural counties are divided into 2 CoC.</li> <li>• It is recommended to coordinate with the local CoC leadership to make housing location and landlord engagement a strategic priority for your community</li> </ul>
<p><b>Emergency Solutions Grant (ESG)<sup>2</sup></b></p> <p>Administered by HUD and distributes to states and counties and cities of a certain size to fund homelessness assistance programs</p>	<ul style="list-style-type: none"> <li>• Will need to coordinate with local administrator</li> <li>• ESG funds are to be coordinated through the local CoC</li> <li>• DCED† administers the state ESG program- Eligible applicants are local governments and non-profits if the project is regional.<sup>3</sup></li> </ul>
<p><b>HOME-ARP<sup>4</sup></b></p> <p>Pandemic related funds created as part of the American Rescue Plan Act provides funding to existing HOME participating jurisdictions to reduce homelessness and increase housing stability across the country.</p>	<ul style="list-style-type: none"> <li>• Each grantee had to submit a plan to HUD identifying the prioritized eligible uses.</li> <li>• Will need to contact local administrator to confirm if these eligible activities are prioritized in their plans.</li> <li>• DCED administers the state program and has prioritized housing location in their plans. Non-profits apply to directly to DCED for supportive services like housing location</li> </ul>
<p><b>PHARE<sup>5</sup></b></p> <p>Administered by PHFA‡, the state housing trust fund can support a wide range of housing needs determined by the local community.</p>	<ul style="list-style-type: none"> <li>• There are two funding streams where homelessness assistance services are an eligible use: <ul style="list-style-type: none"> <li>○ Marcellous Shale impact fees-county governments in counties with active gas wells can apply</li> <li>○ Realty Transfer Tax -any organization/entity can apply</li> </ul> </li> <li>• While PHARE can be used for any housing locations and landlord engagement strategy, it is oversubscribed and is not likely to fund all activities to scale</li> </ul>
<p><b>Home4Good<sup>6</sup></b></p> <p>A collaborative initiative between FHLBank Pittsburgh and PHFA to provide additional funding for unmet needs in CoC services.</p>	<ul style="list-style-type: none"> <li>• Distribution of the funding in most counties will be overseen by the local CoC.</li> <li>• As of 2024, funds will be disbursed as a flexible block grant to each CoC with each CoC being responsible for selecting projects in their region</li> </ul>

\* U.S. Department of Housing and Urban Development

† Pennsylvania Department of Community and Economic Development

‡ Pennsylvania Housing Finance Agency

## Additional Resources from the Landlord Engagement Library

- [Landlord Engagement Virtual Summit: Leveraging Resources for Housing Solutions](#)

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<sup>1</sup> U.S. Department of Housing and Urban Development. CoC: Continuum of Care Program. HUD Exchange <https://www.hudexchange.info/programs/coc/>

<sup>2</sup> U.S. Department of Housing and Urban Development. ESG: Emergency Solutions Grant. HUD Exchange <https://www.hudexchange.info/programs/esg/>

<sup>3</sup> Pennsylvania Department of Community & Economic Development. Emergency Solutions Grant (ESG). <https://dced.pa.gov/programs/emergency-solutions-grant-esg/>

<sup>4</sup> U.S. Department of Housing and Urban Development Community Planning and Development. *Final HOME-ARP Implementation Notice*, 13 Sept. 2021, [www.hud.gov/sites/dfiles/OCHCO/documents/2021-10cpdn.pdf](http://www.hud.gov/sites/dfiles/OCHCO/documents/2021-10cpdn.pdf)

<sup>5</sup> Pennsylvania Housing Finance Agency. "PHARE Program." *PA Housing Affordability Fund - PHARE Program | Housing Legislation*, [www.phfa.org/legislation/act105.aspx](http://www.phfa.org/legislation/act105.aspx)

<sup>6</sup> Pennsylvania Housing Finance Agency. "Home4Good Program" [https://www.phfa.org/forms/home4good/2024\\_h4g\\_program\\_handbook.pdf](https://www.phfa.org/forms/home4good/2024_h4g_program_handbook.pdf)