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Policy Statement: Homeless Providers Grant and Per Diem Program

WASHINGTON, Jan. 1 2014— The Homeless Providers Grant and Per Diem (GPD) Program, administered by the U.S. Department of Veterans Affairs (VA), has been the foundation of community-based homeless veterans assistance since 1992. With nearly 15,000 beds nationwide serving more than 30,000 men and women each year, the GPD Program is often the first and most significant step toward recovery for veterans experiencing homelessness. It is the only homeless veteran assistance program permanently authorized by Congress.

By helping homeless veterans obtain stable housing, health services and employment and other income supports, the GPD Program has helped hold the line against increases in veteran homelessness despite continued economic stagnation, the housing crisis, high veteran unemployment rates, and the complete withdrawal of combat troops from Iraq.

The effects of combat exposure typically do not manifest themselves right away. By maintaining the infrastructure of the homeless veteran response system – with the Grant and Per Diem Program at its core – and ramping up VA’s ability to prevent veteran homelessness from ever happening (see NCHV’s SSVF Program policy statement), America can ensure that returning veterans will always have the support they need in times of crisis.

How does the GPD Program work?

The Grant and Per Diem Program features two primary types of funding: “Capital” and “Per Diem” grants. Capital grants provide up to 65% of the cost to acquire, renovate or construct facilities that are used to provide short-term supportive housing and service centers for homeless veterans. These funds may also be used to purchase vans to conduct outreach or provide needed transportation for homeless veterans.

Capital grant recipients receive priority for Per Diem grants, which fund GPD programs’ operational costs at a maximum rate of \$41.90 per day per veteran housed. By incorporating additional funding streams and collaborating with other community- and faith-based service providers, grantees maximize the benefits of this relatively modest investment from the federal government.

Why is GPD critical?

From the more traditional perspective, GPD offers a safe, stable housing environment for veterans who need rapid stabilization assistance to prepare themselves for advancement back into stable, permanent housing. The majority of homeless veterans do not need permanent supportive housing; rather, they need help with various health issues, employment training and placement assistance, legal aid, financial counseling, and family reunification support. Most are able to move into affordable permanent housing with minimal to moderate case management support in six months or less.

Mission: The National Coalition for Homeless Veterans will end homelessness among veterans by shaping public policy, promoting collaboration, and building the capacity of service providers.

With the federal government's multiagency, coordinated services approach to homeless assistance and its commitment to Housing First strategies, GPD programs are considering ways to align their under-utilized capacity to better serve special needs in their homeless and at-risk veteran communities. This includes converting units for women and single veterans with dependent children, the large number of aging veterans (51 to 62) who are not yet eligible for Social Security and Medicare, younger veterans who served in Iraq and Afghanistan, and those with chronic mental health issues.

Despite receiving these and other stabilization services, many veterans are still unable to find affordable housing after graduating from the GPD program. VA's "Transition in Place" housing model has the potential to increase the availability of affordable permanent housing in many communities.

Transition in Place allows the program administrator to reduce support services provided to clients gradually over time, as opposed to the veteran transitioning out of his or her residence. This is accomplished by enabling veterans to assume a lease or other long-term agreement for their GPD residences with a Section 8 voucher or other rent subsidy – effectively converting these housing units from transitional to permanent housing.

While some service providers have long practiced this housing model, it only recently became part of VA's official portfolio. On Sept. 19, 2012, the department awarded the first 31 Transition in Place grants to current Per Diem Only providers. As this housing model expands, the affordable housing gap will begin to close for veterans who exit the GPD Program.

What should Congress do?

NCHV recommends that Congress fund the Grant and Per Diem Program at \$250 million through the maturity of the Five-Year Plan (FY 2015). Additionally, the program must be modernized in order to keep pace with the department's goal to end and prevent veteran homelessness. Congressional oversight and limited legislative action can promote this result. Advancement of formerly homeless veterans into permanent housing should become the expected outcome for GPD grant recipients, and grant reimbursement policies should be revised to allow grant drawdowns for anticipated contracted services on a monthly basis.

More than 2,100 veteran service providers represented by NCHV are eager to make good on the VA Secretary's Five-Year Plan to End Veteran Homelessness. The GPD Program, working in collaboration with local VA medical centers and service delivery networks, helps make this goal a practical possibility in communities nationwide.

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