



Our lives begin to end the day we become silent about things that matter.

Martin Luther King Jr.

To ensure that everyone has an affordable place to live will require maintaining and increasing state investments to support Supportive Housing Services

\$11 MILLION GENERAL REVENUE FUND INCREASE FOR SUPPORTIVE HOUSING SERVICES.*

- **\$ 1million** for supportive services funding for new supportive housing projects.
- **\$ 2.5million** Cost-of-Living Adjustment for all current supportive housing grantees.
- **\$ 7.5million** for supportive services funding for state of Illinois Continuum of Care programs.

State Agency	Fund	Appropriation Name	FY24 Approp	FY25 Request	Increase
Department of Human Services	22	Mental Health Grants	\$22,713,800	\$24,258,059	\$1,544,259
Department of Human Services	80	Family & Community Services	\$16,490,100	\$25,945,841	\$9,455,741
Department of Human Services	80	Family & Community Services	\$3,382,500	\$3,382,500	flat
Total			\$42,586,400	\$53,586,400	\$11,000,000

* This increase is included as part of the \$42.2 million increase to IDHS for homeless services as requested by the Homeless Services Coalition.

For more information contact:
 Jeff Metzger, Director of Government Affairs
j.metzger@shpa-il.org
 6 Lawrence Square Springfield, IL 62704
 217-321-2476



SUPPORTIVE HOUSING PROVIDERS ASSOCIATION

Working Together, We Can Accomplish Anything

To Continue Making Progress on the HOME Illinois Plan, \$42.2 Million Beyond Proposed FY25 State Budget Needed

Governor Pritzker's FY25 budget proposal, includes a **\$50 million increase for the HOME Illinois line item**, including:

- \$35 million to extend the court-based rent assistance program (currently paid for with federal ARPA Emergency Rent Assistance funds)
- \$2 million to maintain legal services to prevent evictions (currently paid for with another GRF line item proposed to be eliminated)
- \$13 million for a new initiative to reduce racial disparities regarding who experiences homelessness among people who are Black.

Within the proposed \$250.3 million HOME Illinois line item, IDHS' Homelessness Prevention and Homeless Youth Programs were provided modest funding increases by shifting other HOME Illinois money around from previously proposed new initiatives.

These are all crucial priorities that need these proposed funding levels. However, we ask that the proposed funding level for HOME Illinois be increased by \$42.2 million, for a total of \$92.2 million in new funding, for next fiscal year.

To make sure that the State of Illinois continues to make progress on *HOME Illinois*—Governor Pritzker's plan to reach functional zero homelessness—the **General Assembly should support the proposed FY25 HOME Illinois funding levels and add on to them for the following priorities:**

\$20.1 million increase for the Emergency and Transitional Housing Program to continue to improve staffing and operations of existing programs and to continue making progress towards eliminating the severe shortage of emergency shelter beds statewide. According to the Illinois Interagency Task Force on Homelessness, in December 2022 there was a shortage of 4,551 emergency shelter beds statewide. (The proposed FY25 budget provides no increase.)

\$11 million for Supportive Housing Services to maintain and enhance supportive service staff and services, including new supportive housing developed in 2024. According to the Illinois Interagency Task Force on Homelessness, there is a need to create 6,092 units of permanent supportive housing units and/or other permanent affordable housing in order to reach the goal of functional zero homelessness statewide. (The proposed FY25 budget provides no increase.)

\$4.6 million additional increase for the Homeless Prevention Program to provide additional grants to people in need. We estimate that the total increase requested will assist 4,000 to 5,000 households to stay housed, more than half of them families with children. (The proposed FY25 budget provides a \$5.4 million increase through reallocation of existing HOME Illinois funding.)

\$6.5 million additional increase for the Homeless Youth Program to ensure that youth seeking services have access to case management, more scattered site supportive housing for youth and psychiatric services. Further, as there are areas of the state that are not currently providing youth specific services, increasing funding will allow new providers, as well as providers who serve adults, to expand their expertise and services to meet the needs of youth. (The proposed FY25 budget provides a \$1.5 million increase through reallocation of existing HOME Illinois funding.)

For more information contact:

NIYA KELLY | Chicago Coalition for the Homeless | niya@chicagohomeless.org | 312-641-4140

BOB PALMER | Housing Action Illinois | bob@housingactionil.org | 312-282-3959

DOUG KENSHOL | Illinois Shelter Alliance | dkenshol@sspads.org | 708-704-0143

JEFF METZGER | Supportive Housing Providers Association | j.metzger@shpa-il.org | 217-321-2476



Illinois Shelter Alliance





SUPPORTIVE HOUSING PROVIDERS ASSOCIATION

Working Together, We Can Accomplish Anything

April 2024

Dear Senator/Representative:

We are writing to you as 133 HUD CoC funded agencies serving homeless populations throughout the State of Illinois. Together, we manage 315 projects providing over 28,000 units of supportive housing to some of the most vulnerable residents of our State. We seek your support for funding that will enable our agencies to address the issues of recruitment and retention of front-line support service staff.

While program costs and participant needs continue to rise, HUD-funded CoC agencies are struggling to provide adequate supportive services to program participants. Many agencies are unable to pay a livable and professional wage for skilled staff members who help provide much needed services to stabilize households in crisis. The vast majority of Illinois residents, who are living in our supportive housing units, are enrolled in Medicaid and suffer with various chronic illnesses. Our research has overwhelmingly proved that supportive services combined with subsidized housing results in a major reduction of health care costs.

Many of these HUD/SHP grants were awarded more than 10 years ago, but supportive service budgets have remained flat funded. Our fundamental issue is that housing support services front line staff are receiving subpar wages. As we surveyed the providers throughout the state, here are some of the urgent issues they raise.

- We have identified low salaries as the biggest barrier to finding qualified candidates and it is very hard to retain staff.
- We have around 40% of staff turnover per year. We have made some wage increases but it is not nearly enough to be competitive. It is hard to find qualified applicants.
- We are having to increase caseloads and not provide as many intensive case management services, even though clients have higher needs post-COVID. Salary is the number one problem we see in recruitment.
- We have had to cut other positions to keep paying our staff salary increases.
- For our agency to keep the previous level of services while being short-staffed is overwhelming.
- We have not had any increase to our HUD/SHP grant since we first received it, even though there is a greater burden now.
- We have attempted to keep up with salary increases for staff, but we are now out spending our grants putting the financial stability of our agency at risk.
- Since a significant number of our supportive housing staff and people of color, this issue is also a matter of racial inequity.

Our agencies recognize that our front-line staff are the life blood of the response to homelessness in the State of Illinois. We are seeking your support to strengthen the infrastructure of our organizations by providing resources to address the issue of low wages for these vital workers.

Our agency supports the **Supportive Housing Providers Association (SHPA)** and its proposal seeking state funding in the amount of **\$7.5 million** to address this issue. These funds are not to be confused with Cost-of-Living adjustments (COLA). Because salaries are subpar, a COLA will stop the problem from getting worse but will not address the current adjustment needed to bring staff salaries into to just and competitive levels.

We applaud the State of Illinois' commitment to address the issue of homelessness by creating new units of housing and we appeal to you to support our efforts to assure that the housing network in Illinois has a strong foundation built upon professional competitive wages for those directly working with homeless individuals and families.

We stand united in support of this initiative with our fellow providers and coalition partners listed below:

David Esposito

David Esposito

Executive Director
Supportive Housing Providers Association

A Safe Haven Foundation
AIDS Foundation Chicago
Anew: Building Beyond Violence and Abuse
Ascension IL Housing & Health Alliance
C.E.F.S. Economic Opportunity Corporation
Carpenter's Place
Catholic Charities, Archdiocese of Chicago
CEDA
Center of Concern
Chestnut Health Services
Community Crisis Center, Inc.
Connections for the Homeless
Cornerstone
Deborah's Place
Dream Center Peoria
Ecker Center for Behavioral Health
Facing Forward to End Homelessness
FEATHERFIST
Guardian Angel Community Services
Heartland Human Care Services
Home of the Sparrow
Housing Forward
HRDI
Impact Behavioral Health
Inspiration Corporation
Kids Above All
Lazarus House
Matthew House - Chicago
Mercy Housing Lakefront
New Moms

A Safe Place
Alliance to End Homelessness in Suburban Cook
Apna Ghar, Inc.
BCMw Community Services
Caritas Family Solutions
Casa Central Social Services Corporation
CDBG Operations Corporation
Center for Housing and Health
Champaign Co. Regional Planning Commission
Chicago House and Social Service Agency
Comprehensive Behavioral Health Center
Continuum of Care for Kane County
Corporation for Supportive Housing
Dove, Inc.
DuPage Pads
Embarras River Basin Agency, Inc.
Family Rescue
Goodwill Industries of Central Illinois, Inc.
Heartland HOUSED
Holsten Human Capital Development NFP
HOPE of East Central Illinois
Housing Opportunities for Women
Illinois Valley Economic Development Corp.
Independence Center
Interfaith Housing Development Corporation
La Casa Norte
Light the Way
MERCY Communities, Inc.
Near West Side CDC
PATH Crisis

Peoria Opportunities Foundation
Project NOW, Inc.
Renaissance Social Services
ReVive Center for Housing and Healing
Sarah's Circle
Shelter Care Ministries
SWAN
The Inner Voice, Inc.
Thresholds
Trilogy
Violence Prevention Center of Southwestern IL

Phoenix Community Development Services
Public Action to Deliver Shelter – Hesed House
Respond Now
Rosecrance
Sarah's Inn
South Suburban PADS
The Boulevard of Chicago
The Night Ministry
Together We Cope
Trinity Services
Youth Service Bureau



GOVERNMENT AFFAIRS

The Strength of People



The Power of Community

Our lives begin to end the day we become silent about things that matter.

Martin Luther King jr.

DID YOU KNOW?

SHPA as a member of the Health & Human Services Coalition supports the Coalition's Community Partner Fair Contracting Act for which the policy changes below are included.

SHPA often works in conjunction with partner organizations supporting uniform legislation and advocating on specific policy changes.



COMMUNITY PARTNER FAIR CONTRACTING ACT POLICY CHANGES

Timely Contract Execution

The State should be required in statute to issue contracts within a reasonable period of time, i.e., within **60 days** of the start of the fiscal year or appropriation bill being signed..

Increase Allowable Administrative Support

Currently, IDHS financial policy limits the administrative cost reimbursement for supportive housing programs to 15% of the total grant award. SHPA is requesting the cap be increased from 15% to 20%.

Prompt Payment Act (PPA)

The state should be required by statute to issue contract payments within a reasonable timeframe from submission of financial reporting, i.e., within **60 days**.

For more information contact:

Jeff Metzger, Director of Government Affairs

j.metzger@shpa-il.org



SUPPORTIVE HOUSING
PROVIDERS ASSOCIATION

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We are The Health and Human Services Coalition of Illinois.

Support the Community Partner Fair Contracting Act SB3457/HB5064

The Community Partner Fair Contracting Act (CPFCA) will rectify structural inequities in the state’s contracting, payment, and court of claims systems to ensure that health and human service providers can better meet the needs of their communities.

The Community Partner Fair Contracting Act will:



Ensure Timely Contracts and Payments: Amends the Prompt Payment Act (PPA) to require agencies to issue contracts within 30 days of the start of the grant term, and approve bills or invoices within 30 days. It also shortens the time frame between when bill is approved and when interest begins accruing from 90 to 45 days.



Expand and Clarify Advanced Payment Eligibility: Amends the PPA to expand list of critical services in statute and requires state contracts to identify a date of payment and whether a contract is eligible for PPA and advanced payment.



Promote Flexible Contracts that cover the full cost of services: Amends the Grant Accountability and Transparency Act (GATA) to remove arbitrary caps on fringe benefits and prevents state agencies from limiting indirect costs in contracts or grant agreements to less than 20%.



Expedite and Simplify Court of Claims Process: Amends the Court of Claims Act (CCA) to divert undisputed lapsed appropriation claims of less than \$2500 and allow state agencies to pay claims from any appropriated funding source.

Community based Health and Human Service providers face undue administrative burden when contracting with the State of Illinois, which results in an inequitable distribution of state resources. **Passage of the CPFCA will:**

- Reduce confusion and create administrative efficiencies for state agencies, contractors and grantees;
- Alleviate undue administrative burden for community-based providers with State contracts;
- Help rectify issues with state contracting and payment systems most impacting organizations with the smallest budgets and serving Black, Indigenous, and Communities of Color (BIPOC) throughout the State.





To inform the CPFCA, the Health and Human Service Coalition of Illinois conducted a statewide survey in the spring of 2023 to assess ongoing challenges and pain points. See page 2 for key findings.

Sign on to support the Community Partner Fair Contracting Act today!

Questions? Holly Ambuehl, Director of Policy and Government Affairs, Forefront, hambuehl@myforefront.org
Contact: Lauren Wright, Executive Director of IL Partners for Human Service, lauren@illinoispartners.org

Statewide Contracting Survey Results

The Health and Human Services Coalition of Illinois conducted a statewide survey to assess government contracting challenges and inform an appropriate policy response that prioritizes:

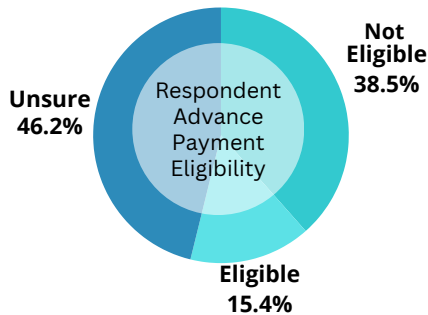
-  Timely Contracts and Payments
-  Advanced Payment Eligibility Expansion and Clarity
-  Flexible Contracts that cover the full cost of services
-  Expedited and Simplified Court of Claims Processes

Key Findings from the Survey:



Advance Payments

Fewer than half of surveyed contractors are eligible for advance payments. Those with the smallest budgets and those with BIPOC leadership are the least likely to receive them.



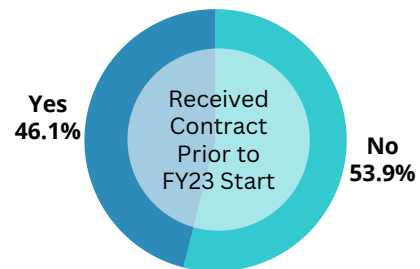
Prompt Payment Act

Almost half of all respondents were unclear how the Prompt Payment Act applies to their contracts. Services for rural populations, people living with disabilities, and led by BIPOC leaders were less likely to be eligible.



Contract Delays

The State issued late contracts more than 50% of the time, which disproportionately and negatively impacted services in Cook County, services in rural areas, and organizations with the smallest budgets.

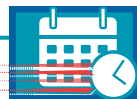


Timely Payments

At least 25% of state contracts are not paid on a timely ongoing basis. Organizations with the smallest budgets and those serving BIPOC communities are more likely to be paid late.

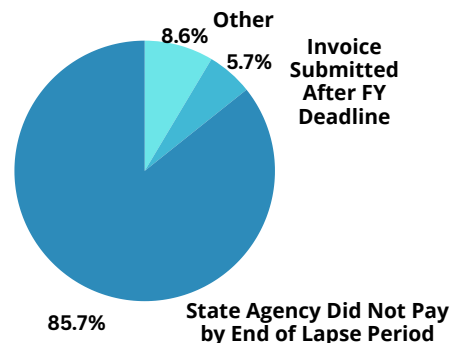
Accruing Receivables

At any given time, the State owes millions of dollars to HHS contractors; the average receivable is almost \$350,000 and over 6 months old and more than half of receivables reported are owed to BIPOC-led/serving organizations.



Court of Claims

Over 85% of the pending Court of Claims reported resulted from the State not paying invoice(s) before the end of the lapse period. Claims ranged from ~\$1,000 to ~\$600,000 and the oldest claim is almost seven years old.



Questions? Holly Ambuehl, Director of Policy and Government Affairs, Forefront, hambuehl@myforefront.org
Contact: Lauren Wright, Executive Director of IL Partners for Human Service, lauren@illinoispartners.org