



SAN DIEGO
HOUSING
COMMISSION

September 23, 2016

Regulations Division
Office of General Counsel
451 7th Street SW., Room 10276
Department of Housing and Urban Development, Washington, DC 20410-0500.

Re: (24 CFR Part 578, Docket No. FR-5476-N-04 entitled, "Continuum of Care Program: Solicitation of Comment on Continuum of Care Formula)

To Whom It May Concern:

I urge you to adopt the San Diego's region's recommendation of a fifth proposal, Formula E, as the update to the Federal Continuum of Care (CoC) Funding Formula to more equitably distribute CoC funds across regions that are experiencing the highest levels of homelessness.

As the Chairman of the San Diego Regional Continuum of Care Council (RCCC) Governance Board, I was pleased to submit proposed Formula E to the U.S. Department of Housing and Urban Development (HUD) through the San Diego RCCC's public comment on September 16.

The proposed Formula E was crafted in collaboration with U.S. Representative Scott Peters, San Diego Mayor Kevin L. Faulconer, also the San Diego Housing Commission (SDHC) and key stakeholders, based on the San Diego region's experience with homelessness and the high cost of housing.

The San Diego region is ranked 22nd in Federal homelessness funding despite having the fourth highest homeless population in the nation, according to the 2015 Annual Homeless Assessment Report to Congress in November 2015 and the Fiscal Year 2016 Continuum of Care Program Competition report.

The proposed Formula E balances the potential for funding shifts across the CoCs with large populations of homeless individuals.

The San Diego RCCC's recommendation of the proposed Formula E reflects the three housing indicators that are most connected to homelessness, based on the Pearson's Correlation analysis conducted by HUD:

- **Renter-occupied units:** 65 percent (0.444 correlation to homelessness);
- **Affordability gap:** 30 percent (.310 correlation to homelessness); and
- **Rent-burdened Extremely Low Income (ELI) households:** 5 percent (0.336 correlation to homelessness).

The additional recommendations made by the San Diego RCCC are also essential to providing equitable funding to address homelessness.

Therefore, I support the San Diego RCCC's recommendation for HUD to consider the following as part of the Homeless Emergency Assistance and Rapid Transition to Housing Final Rule:

1. The fifth proposed Formula E would include the Annual Renewal Demand as the baseline for funding;
2. If HUD adopts one of the four proposed funding formulas, San Diego recommends HUD Formula D, with the Annual Renewal Demand as the baseline for funding. Of the four proposals, Formula D best indicates community needs in relation to rates of homelessness;
3. The adoption of a rule to revisit the formula every five years, ensuring the formula does not again become outdated; and
4. New funds to be added to the total HUD CoC appropriation within the next three years.

I strongly believe the San Diego region's recommendation to offer this innovative fifth formula best addresses the disparity in CoC homelessness funding, which currently exists.

Again, thank you for the opportunity to provide comment as HUD makes crucial updates to the CoC Funding Formula.

Sincerely,



Richard C. Gentry
President & CEO
San Diego Housing Commission