

Project Leveraging

Homeless Action Network of Detroit

Why Leverage?

- HUD homeless program funding is limited and can provide only a portion of the resources needed to successfully address the needs of homeless families and individuals.
- HUD requires applicants to use supplemental resources, including state and local appropriated funds, to address homeless needs.

Why Leverage?

- If individual projects do not meet HUD leveraging amounts then the CoC Exhibit One loses points.
- If the CoC Exhibit One does not score high enough then it is possible that all of the projects in the CoC will not be funded.

How Much Leveraging Do I Need?

- To achieve the maximum score HUD requires a 2:1 ratio of Leveraging/Request amount
 - For every dollar of HUD SHP or SPC funding your project requests you must have written commitments of two dollars in leveraging

Example

- Our CoC requested \$23,068,842. 😊
- Leverage needed \$46,137,684 🎯
- We had \$22,975,666. 😞
- We received only half credit. 🙄

What Counts as Leveraging?

- Leveraging items may include any written commitments that will be used towards your **cash match** requirements in the project, as well as any written commitments for buildings, equipment, materials, services and volunteer time.

Examples of Leveraged Sources

See Handout “Types of Leveraging”

