

FOR IMMEDIATE RELEASE  
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## **Beacon Calls on HUD to Honor \$5.2M in CoC Builds Awards; Federal Court Blocks New Grant Criteria**

**Minneapolis-St. Paul** — Beacon Interfaith Housing Collaborative is calling on the U.S. Department of Housing and Urban Development (HUD) to honor previously selected Continuum of Care (CoC) Builds projects after a federal judge on Friday, September 12 temporarily blocked HUD from enforcing newly added application conditions tied to administration policy positions. The order pauses distribution of \$75 million in CoC Builds grants while litigation proceeds.

In August, Beacon was informed that its proposals had been selected for **nearly \$5.2 million** to help create urgently needed supportive housing at **Aster Commons** in Hennepin County and **Gladstone Crossing** in Ramsey County. Weeks later, HUD reissued the program with dramatically different criteria and a compressed, one-week turnaround, effectively sidelining these projects and others nationwide.

*“Families and young people were told help was on the way. HUD should keep its word,”* said **Chris LaTondresse**, President & CEO of Beacon. *“We’re asking HUD to honor the original selections and restore a fair, transparent process so communities can move forward and build the supportive housing our neighbors need.”*

HUD’s recent re-issue of the CoC Builds notice narrowed eligible populations and introduced new requirements that, according to advocacy groups and court filings, tied access to federal dollars to alignment with Administration policy positions. The court’s order blocks HUD from enforcing those new conditions as the case is litigated.

CoC Builds is a targeted HUD program to add new permanent supportive housing (PSH) through construction, acquisition, or rehabilitation. HUD set aside \$75 million nationally for this round. Recent HUD materials describe a narrowed focus that excludes the populations supportive housing is designed to serve, including chronically homeless households.

Beacon also notes that HUD Secretary Scott Turner has authority to ensure fairness and continuity in this program and to avoid undermining locally driven CoC decisions.

### **National Lawsuit and Injunction**

The **National Alliance to End Homelessness (NAEH)**, joined by a coalition of housing providers and advocates, has filed a federal lawsuit challenging HUD’s actions. The suit argues the administration’s reversal is arbitrary, capricious, and politically motivated. On

September 12, a federal court granted a **preliminary injunction**, temporarily blocking HUD from enforcing the new restrictions while litigation proceeds.

### **Minnesota Impact**

Selected as gold-standard exemplars of permanent supportive housing, the two projects that would be directly affected by this change are:

- **Gladstone Crossing (Ramsey County/Maplewood):** 40 units of supportive housing for families experiencing homelessness. HUD's new rules would disqualify the project and make its Low Income Housing Tax-Credit (LIHTC) financing unworkable.
- **Aster Commons (Hennepin County/Richfield):** 38 units of supportive housing designed to serve neurodiverse individuals (youth priority). As with Gladstone Crossing, HUD's new services mandate creates direct conflicts with Minnesota Housing funding and any LIHTC award a project receives.

### **Beacon's Call to Action**

Beacon is asking HUD and Congress to:

1. **Honor previously selected CoC Builds projects**, including Gladstone Crossing and Aster Commons, selected through a thorough and competitive process.
2. **Reverse newly imposed gating criteria** so they do not exclude proven models of permanent supportive housing CoCs across the US selected in good faith.
3. **Ensure a fair and transparent process** that restores trust and confidence for communities, providers, and the people we serve.

"Permanent supportive housing works, and it enjoys decades of bipartisan support because it saves lives and taxpayer dollars," LaTondresse added. "These federal dollars exist to accelerate proven solutions. We call on HUD to restore a fair, transparent process and honor the awards earned here in Minnesota and around the country."

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**Beacon Interfaith Housing Collaborative** is a 501(c)(3) nonprofit and Minnesota's largest provider of site-based permanent supportive housing. With over 800 homes across the Twin Cities and over 300 more in development, Beacon partners with congregations, community leaders, and policymakers to end homelessness through housing, services, and advocacy.

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